2024 Annual Financial Report

Cambia il movimento

Summary

Guide to the Annual Financial Report

The Annual Financial Report of TPER - Trasporto Passeggeri Emilia Romagna S.p.A. are made up of the following parts:

- The Report on Operations provides information on the results and performance of the TPER Group and the Parent Company TPER S.p.A, as well as on significant events that occurred in 2024. It includes the information required by Article 2428 of the Italian Civil Code and applicable regulations. The Consolidated Sustainability Report, drawn up pursuant to Italian Legislative Decree no. 125 of 6 September 2024 ("Decree"), is included, as provided for by the Decree, within the Report on Operations in a dedicated section.
- Consolidated Financial Statements of the TPER Group: consolidated financial statements (statement of financial position, income statement, statement of comprehensive income, consolidated cash flow statement and statement of changes in shareholders' equity) and related explanatory notes.
- Financial statements of the Parent Company TPER, which include the separate financial statements (statement of financial position, income statement, statement of comprehensive income, cash flow statement and statement of changes in shareholders' equity) and related explanatory notes.

The consolidated financial statements of the TPER Group and the separate financial statements of TPER have been prepared in compliance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Commission.

The Sustainability Report has been prepared as required by EU Directive 2022/2464 (CSRD), in accordance with the European Sustainability Reporting Standards (ESRS).

Letter to stakeholders

Dear Stakeholders,

As Chairperson and Chief Executive Officer of TPER, it is with a sense of responsibility and renewed commitment that I present the 2024 Integrated Report. We are now in the fourth year of integrated reporting, which - together with management and corporate bodies - we strongly supported in order to provide a representation of the company's commitment and results, both in terms of economic-financial and equity performance, as well as ESG outcomes.

In particular, in 2024, we fully complied with the Corporate Sustainability Reporting Directive (CSRD), integrating environmental, social, and governance dimensions into financial reporting in line with the new ESRS standards. This effort is not merely a regulatory requirement but reflects our commitment to operate transparently, measurably, and consistently with international sustainability objectives and standards. The 2024 report therefore provide a comprehensive and transparent account of our contribution to environmental and social sustainability and the creation of shared value, during a complex and challenging historical period.

In fact, the year 2024 proved to be a pivotal one in the international geopolitical and macroeconomic landscape. Persistent tensions in Eastern Europe and the conflict in the Middle East triggered global ripple effects, impacting trade, supply chains, and energy costs. At the European level, the urgent need to accelerate the ecological transition became intertwined with the necessity to strengthen the resilience of strategic infrastructure - including transport networks. In this constantly evolving global economic context, the end of 2024 and the early months of 2025 were marked by the introduction and tightening of tariff barriers in several strategic markets. Duties applied, and announced, on capital goods, components, and raw materials can also cause significant indirect impacts on our sector, contributing to higher procurement costs, delays in supplies, and greater price volatility.

This is a condition that I feel obliged to highlight, even at this formal moment of presenting the results for the past year, as it may affect future economic and financial planning, exposure to operational and investment risks, and the projects for renewing the fleet and transport systems, which largely depend on supplies involving international chains. This scenario concerns all companies, and TPER is also monitoring it to avoid being unprepared. We remain aware that the ability to adapt promptly and responsibly represents a key element of competitiveness and alignment with our corporate values.

At national level too, the context was challenging. Although inflation has begun to slow, it continues to impact public and private budgets, while economic and environmental policies have demanded accelerated investment in sustainable mobility, resilient infrastructure and digitalisation. Within this context, the transport sector remains a strategic pillar for competitiveness, social cohesion, and the sustainable development of the country. In fact, the public mobility sector has had to address structural challenges, including a shortage of drivers, rising energy costs, and the need to renew infrastructure and fleets. However, this sector also constitutes a fundamental lever for decarbonisation, reducing territorial inequalities, and improving quality of life in regions. In particular, the adoption of integrated mobility models - based on digital technologies, low- or zero-emission vehicles, and public transport policies geared towards inclusion - opens up significant opportunities for a structural transformation of how we move. In this context, TPER has continued to commit to ensuring the Group's stability in the mobility sector through concrete and measurable actions, demonstrating its ability to implement strategic decisions and planned investments, while maintaining a stable growth trajectory.

A prudent approach to risk management and hedging is a commitment that continues over the years. In this regard, in 2024, revenues were recorded from Covid-related compensation that had already accrued but were only received in financial terms during the year. The economic results achieved - with increased operating revenues and gross operating margin (EBITDA) - are the result of careful management, and long-term commitment and vision.

Also in 2024 we made significant investments in fleet renewal, introducing low environmental impact vehicles to replace those with higher energy consumption, in energy efficiency measures, and in the development of digital solutions for smart mobility. In doing so, TPER confirms itself not only as a transport service operator but as a true enabler of the ecological transition in the cities and territories where it operates. In a sector characterised by intensive service delivery and human interaction, our people are the true engine of the sustainable transition.

In 2024, we continued to invest in skills development, workplace safety, and active policies promoting inclusion and organisational wellbeing. The adoption of targeted training programmes, the expansion of corporate welfare tools, and ongoing dialogue with staff representatives confirm our determination to ensure a fair, inclusive, participatory, and resilient working environment - even during a period marked by a severe shortage of drivers, significant technological changes requiring new skills, and emerging social challenges. In 2024, extraordinary efforts were made to carry out new hires in order to ensure the quality and continuity of the service, as well as to improve remuneration aspects, in line with the updating of collective agreements and through open dialogue in industrial relations.

Finally, in 2024, we reaffirmed our commitment to responsible, transparent, and long-term-oriented governance-a path shared with the shareholder bodies, which over the years have provided clear strategic guidance and set the company complex, responsibility-driven challenges and objectives. Our corporate governance system has been updated in line with the latest regulatory and sustainability standards, with the aim of ensuring increasingly effective, inclusive, and ESG risk-aware decision-making processes. Particular attention has been paid to the management of non-financial risks, the definition of integrated objectives within business plans, and the monitoring of performance through measurable indicators. The strength of our governance is the foundation on which we build the trust of our shareholders and stakeholders, and our ability to generate sustainable value over time at both the company and group level.

Looking ahead, we are aware that the challenges to be faced are numerous and perhaps more complex than those of recent years: from the energy transition to climate change, from the digitalisation of services to the growing demand for accessible, widespread mobility. However, I am confident that a systemic approach and transparent group governance, based on collaboration between institutions, businesses, and citizens, can generate positive and lasting impacts.

In conclusion, I would like to express my sincere thanks to all stakeholders - institutions, employees, users, partners, and local communities - for their ongoing support and trust. Our commitment to sustainable, efficient, and inclusive mobility is stronger than ever. Together, we can build a fairer, greener and more connected future.

Giuseppina Gualtieri

Chairperson and Chief Executive Officer of TPER

TPER

TPER - Trasporto Passeggeri Emilia-Romagna S.p.A. is a public capital company that provides local automotive and railway transport services and other related activities in the mobility chain, both directly and through subsidiaries and investee companies, representing itself as a mobility group in broad terms, with the aim of developing public transport and promoting sustainable and efficient mobility in the areas in which it operates. Since September 2017, TPER has been a Public Interest Entity, having issued bonds listed on regulated markets, more specifically, placed on the Irish Stock Exchange.

TPER operates exclusively in Italy, with headquarters in Bologna.

TPER is not subject to control by a majority shareholder. The Emilia-Romagna Region is the relative majority shareholder of TPER (46.13%). The other shareholders are the Municipality of Bologna (30.11%), the Metropolitan City of Bologna, (18.79%), the Azienda Consorziale Trasporti ACT of Reggio Emilia (3.06%), the Province of Ferrara (1.01%), the Municipality of Ferrara (0.65%), Ravenna Holding S.p.A. (0.04%) and the Province of Parma (0.04%).

TPER owns 111,480 treasury shares (0.16%), with a nominal value of Euro 1 each. Pursuant to Article 2428 of the Italian Civil Code, it should be noted that there were no purchases or disposals of TPER shares in 2024 and that no companies control TPER.

Shareholders	Stake %
Emilia-Romagna Region	46.13%
Municipality of Bologna	30.11%
Metropolitan City of Bologna	18.79%
ACT Reggio Emilia	3.06%
Province of Ferrara	1.01%
Municipality of Ferrara	0.65%
Province of Parma	0.04%
Ravenna Holding	0.04%
Treasury shares	0.16%
Total	100.00%

The TPER Group is one of the leading passenger transport operators in Italy and is the Parent Company of the largest company in the Emilia-Romagna region in terms of turnover and volumes of service in the public passenger transport sector.

The Group operates on the basis of an industrial approach according to market rules as defined by the regional Italian law for the sector and at the request of its shareholders. It is structured with an organisation that stems from specific needs for the performance and development of services and the choice to operate through industrial agreements with private and public partners, geared towards the development of mobility.

The Group's business areas cover different segments of the transport sector: automotive, trolley bus and rail. TPER manages road-based LPT (local public transport) in the provincial areas of Bologna and Ferrara and passenger transport in the regional railway domain, in partnership with Trenitalia through the associated jointly controlled company Trenitalia Tper (TT), based on specific service contracts, stipulated as a result of the awarding of the relevant public tender procedures.

The services provided, and in particular local public transport, satisfy general-interest needs that require a combination of sustainable management from an economic and financial point of view with the utmost attention to quality, social impact and environmental sustainability objectives.

To fulfil its mission and achieve sustainability and quality goals, TPER has strategically positioned itself with an industrial perspective. The company has structured itself in terms of assets, resources and organisation to enhance management effectiveness, efficiency and service quality for passengers. TPER is dedicated to substantial investment and innovation efforts, with the aim of expanding its services and territorial presence.

Commitment to environmental sustainability is structural in TPER's business model and integrated into its strategic choices, ranging from the adoption of an advanced energy mix for its fleets (electric, natural gas, hydrogen) to the adoption of innovative technologies (MaaS platform for real-time infomobility and e-ticketing, digitisation of travel tickets with contactless payment systems and QR code technology, satellite tracking and AI systems).

TPER's approach extends to the integration of mobility systems and ESG-related matters and their reporting, in order to meet the growing demand for urban, suburban, and interurban mobility services, with particular attention to the environment.

The development of intermodality is pursued both by developing specific transport services and by focusing on innovative services for users.

Since 2018, TPER has launched Corrente, a free-flowing sharing service. Initially operated exclusively with electric cars, the service now also includes scooters and (from March 2025) e-bikes. The shared vehicles are accessible via an application downloadable from the Apple and Android stores. Corrente is the only car sharing service in Italy with a fleet of exclusively electric cars, enabling users to start their journey in one city and complete it in another. The service - which to date has earned the trust of over 100 thousand users - is currently active in the areas of Bologna, Ferrara, Parma, Cosenza, Imola and Casalecchio di Reno.

Like the cars, the electric scooters and pedal-assisted bicycles added to the CORRENTE fleet in Bologna are powered with electricity derived 100% from renewable sources.

TPER also fulfils the role of implementing entity for important mobility development initiatives in the Bologna metropolitan area, such as the completion of the trolley bus conversion of the main bus lines and of the Metropolitan Railway Service. As part of the service contract for the Bologna area, TPER will also manage the tram lines currently under construction by the Municipality of Bologna, with services scheduled to begin during the course of 2026.

TPER's vision is to improve quality of life and the environment, for the benefit of travellers and more generally for the territory in which it operates.

The mission is to encourage and expand the use of public transport services and other activities in the field of mobility, positioning itself as a sustainable, competitive, innovative and transparent mobility group, and to expand in terms of services and coverage area, responding effectively and efficiently to the needs of users in a cost-effective way.

TPER carries out its activities at the following sites: Bologna (BO), Ferrara (FE), Castel di Casio - Località Prati (BO), Imola (BO), Casalecchio di Reno (BO), Codigoro (FE), Comacchio (FE), Sermide (MN), Modena (MO), and Reggio Emilia (RE).

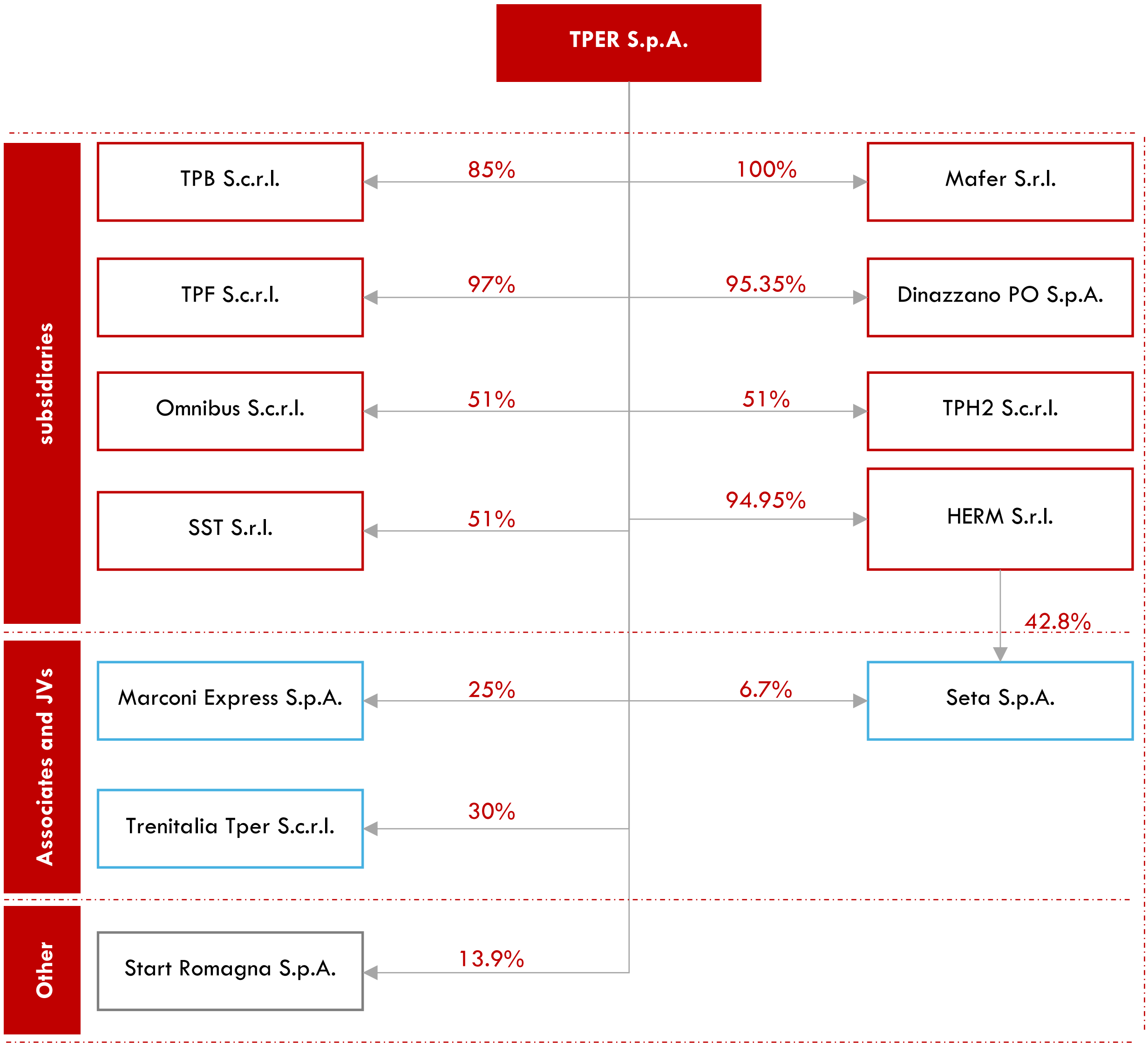
Group structure

TPER holds equity investments in 12 companies, primarily operating in the passenger and freight transport sector, of which 8 are subsidiaries, 1 is a jointly controlled entity, 2 are associates and 1 is an investee.

TPER S.p.A. is an operating holding company and, through the Group companies, carries out more specialised activities relating to the services managed (typically maintenance) or extends the scope of its transport services in the region. The current structure of the TPER Group is consistent with its role as public transport aggregator, the concept at the root of TPER's creation.

In addition to its subsidiaries Dinazzano Po and Mafer, TPER is the main shareholder of SETA, a company that provides local public transport services by road in the provinces of Modena, Reggio Emilia and Piacenza, and is a shareholder of START Romagna, which operates in the Romagna area. As of 1 January 2020, railway services have been managed by the new jointly controlled company Trenitalia Tper, which has been entrusted with operating the entire railway service in the Emilia-Romagna Region for 15 years (extendable up to a maximum of 22 years).

The TPER Group's composition as at 31 December 2024 is as follows:



JV: joint venture

The different operating areas of investee companies can be distinguished as follows:

- In the automotive transport sector, the acquisition or retention of shareholdings stems from the need to achieve industrial and financial synergies, which are preliminary steps in an operational strengthening to take part in tenders for the awarding of public transport services. In the Ferrara and Bologna areas, TPER consequently decided to operate in partnership with private entities, giving rise to the consortium companies Omnibus, TPB, SST and TPF.
- In the regional rail transport sector, the jointly controlled company Trenitalia Tper is active in the management of the regional rail transport.
- Also in the railway sector, TPER controls the entire capital of MA.FER S.r.l., active in the area of railway rolling stock maintenance, and has a 95.35% holding in Dinazzano Po S.p.A., a company dedicated to rail freight transport and the supply of rail freight services, in addition to the management of railway stations and intermodal terminals.
- TPER is the main shareholder, both directly and indirectly through Herm, of SETA, a company that provides local public road transport services in the provinces of Modena, Reggio Emilia and Piacenza; however, this company is not consolidated as controlling conditions do not exist. TPER is also a shareholder of Start Romagna, which provides its

services in the Romagna area. The possession of these corporate shareholdings is linked to industrial logic as well as operational and financial synergies.

- The Group further expanded in 2023 with the establishment of TPH2 S.c.r.l., operating in the creation, development of know-how, management and marketing of innovative technologies in the field of plants and solutions for the production and hydrogen fuelling of means of transport.

Some information on subsidiaries is provided below. For the company results, please refer to the Explanatory Notes to the consolidated financial statements.

MA.FER S.r.l.

The company's purpose is to provide services connected and/or inherent to ordinary, extraordinary and scheduled maintenance activities on railway rolling stock and vehicles.

With reference to the year ended as at 31 December 2024, the company recorded operating revenues of Euro 23,800 thousand and a profit of Euro 1,182 thousand.

TPF S.c.r.l.

Following a public tender, the company has been assigned the service contract for urban and interurban public transport in the Ferrara area. In the interest of its consortium members (TPER S.p.A., which holds a 97% share, and FEM S.c.r.l., which holds a 3% share), TPF operates in the field of local public transport services and related ancillary activities.

At the end of the 2024 financial year, the company recorded operating revenues of Euro 25,297 thousand and a profit for the year of Euro 382.

Dinazzano Po S.p.A.

The company operates in the sector of intermodal terminals management, handling intermodal units and in general the logistics of goods leaving and arriving at railway stations. In addition to TPER S.p.A. (which holds a 95.55% share), the company's investors include the Ravenna Port Authority, the Intermodal Port of Ravenna SAPIR S.p.A. and Mercitalia Rail S.r.l., each with 1.55% of the share capital.

As at 31 December 2024, the company recorded operating revenues of Euro 25,213 thousand and a loss for the year of Euro 365 thousand.

TPB S.c.r.l.

The corporate purpose of TPB, established in 2011 following the tender for the public transport service in the Bologna area, consists of local public transport and all ancillary activities in the Bologna area, where the Company holds the service contract for urban and interurban bus transport, sharing the activities between the consortium members. In addition to TPER S.p.A., Omnibus S.c.r.l. and Autoguidovie S.p.A. have equity investments in the company, with a 10% and 5% share respectively.

In 2024, the company recorded operating revenues of Euro 162,528 thousand, and a profit of Euro 244.

HERM Holding Emilia-Romagna Mobilità S.r.l.

Herm is a holding company that holds 21,416,074 shares (equal to 42.841%) of Seta S.p.A.. A subsidiary of TPER S.p.A., which holds 94.95% of the share capital, is also owned by Nuova Mobilità S.c.r.l., with 5.05% of the share capital.

At the end of the 2024 financial year, the company recorded operating revenues of Euro 1 thousand and a loss for the year of Euro 5 thousand.

Omnibus S.c.r.l.

Omnibus manages transport and mobility services in general, in the interest of its consortium members. The other shareholders are Cosepuri S.c.p.a. with 17% of the share capital, Saca S.c.r.l. with 17% of the share capital, and Coerbus S.c.r.l. with 15% of the share capital.

In 2024, the company recorded operating revenues of Euro 31,166 thousand, and a profit of Euro 724.

SST S.r.l.

SST manages school transport services, transport in general and mobility services in the Bologna and Ferrara areas.

The company is owned by TPER, which holds 51% of the share capital, and by FE.M. S.c.r.l., with 49% of the share capital.

As at 31 December 2024, the company recorded operating revenues of Euro 7,262 thousand and a profit for the year of Euro 524 thousand.

TPH2 S.c.r.l.

TPH2 operates in the creation, development of know-how, management and marketing of innovative technologies in the field of systems and solutions for the production and hydrogen fuelling of means of transport.

The company is owned by TPER, which holds 51% of the share capital, and by H Generation S.r.l., with 49% of the share capital.

As at 31 December 2024, the company recorded operating revenues of Euro 4,700 thousand and a profit for the year of Euro 383.

TPER summary data

Operational indicators

		2024	2023	2022
The vehicles				
TPER Buses	Number	1,239	1,192	1,186
TPER partner buses in TPB - TPF	Number	269	266	275
TPER Trains	Number	16	16	16
Traffic, network and infrastructures				
Km covered - road	Millions of km (TPER Group)	44.5	44	45.0
Passengers - Customers (Millions of trips)		147	151	126
Registered for the "corrente" car-sharing service	Number	101,335	81,728	66,745

Economic-financial indicators

The KPIs (*Key Performance Indicators*) for the period and the main changes that characterised the Group's performance are shown below.

Economic KPIs (in millions of Euro)	2024	2023	2022
Revenues and other operating income	314	294	290
Costs and other operating expenses	276	258	257
Gross operating margin - EBITDA	38	36.2	33.2
% on "Revenues and other income"	*12.1%*	*12.3%*	*11.4%*
Operating margin - EBIT	17.3	5.3	2.7
% on "Revenues and other income"	*5.5%*	*1.8%*	*0.9%*
Net result	18.7	8.6	1.6
% on "Revenues and other income"	*6.0%*	*2.9%*	*0.6%*

Equity KPIs (in millions of Euro)	2024	2023	2022
Tangible assets	199	193	183
Intangible assets	13	13	16
Assets for rights of use	8	9	9
Shareholders' equity	201	182	174
Net financial position	51	25	12

Financial KPIs	2024	2023	2022
ROI	*9.2%*	*3.4%*	*1.4%*
Net invested capital (in millions of euros)	188.9	157.1	144.7
ROE	*9.3%*	*4.7%*	*0.9%*

Social indicators

Staff		2024	2023	2022
Employees	Number	2,406	2,346	2,345
Hours of training	Number	71,073	59,718	60,683

Environmental indicators

(Refers to the whole Group, including partners of the Bologna and Ferrara areas)

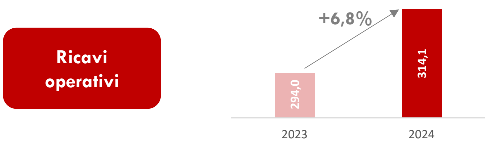
		2024	2023	2022
Journey in km with methane gas vehicles	Overall impact % of total	35%	41%	38%
Journeys in km with electric vehicles	Overall impact % of total	5%	5%	5%
Reduction in particulate emissions compared to the previous year	%	-17.40%	-25.93%	-20.81%
Reduction in nitrogen oxide emissions compared to the previous year	%	-14.00%	-12.75%	-10.80%
Reduction in hydrocarbon emissions compared to the previous year	%	-9.49%	-7.96%	-1.31%
Reduction in carbon monoxide emissions compared to the previous year	%	-14.03%	-8.89%	-12.89%
CO2 saved thanks to the use of LPT compared to the use of a private car	Tonnes	-151 thousand T of which 270 for the Corrente service	-160 thousand T of which 180 for the Corrente service	-127 thousand T of which 256 for the Corrente service

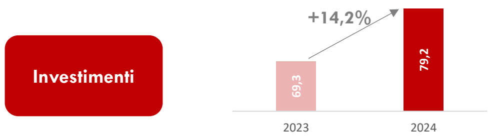
Report on Operations

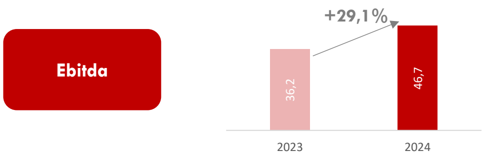
Economic and financial performance

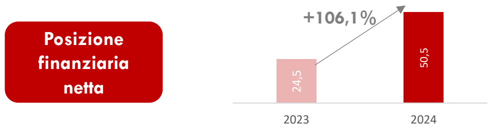
Financial highlights

Main consolidated economic and financial indicators (Euro million)









- **Operating revenues** amounted to Euro 314.1 million, an increase of Euro 20.1 million compared to 2023, driven by improved commercial performance and the recognition during 2024 of higher compensation for lost revenues due to the COVID-19 public health emergency, as well as contributions received to offset the rise in fuel costs recorded in the second and third four-month periods of 2022.
- **Gross operating margin (EBITDA)** of Euro 46.7 million, up by Euro 10.5 million compared to 2023 mainly due to the increase in operating revenues and the reduction in costs for materials and use of third-party assets, partially offset by the increase in personnel costs and service costs.
- **Gross investments** of Euro 79.2 million compared to gross investments of Euro 69.3 million in 2023.
- **Net financial position** of Euro 50.5 million, an increase of Euro 26.0 million compared to 2023 mainly due to the new bond issue completed during 2024, aimed at strengthening the Group's liquidity in view of the investments it has committed to, also following the extensions of the LPT service contracts. The liquidity raised was used to pay the investments already made

Economic and financial performance of the Group

In order to allow a better assessment of the economic and financial management performance, this Report includes some alternative performance indicators (hereinafter also "APIs") considered significant for the assessment of the results of the operating performance of the Group and the Parent Company. It is believed that the APIs ensure better comparability of the same results over time, although they are not a substitute or alternative to the results shown in the tables determined by applying the IFRS international accounting standards (hereinafter also "official data") and shown in the "Consolidated Financial Statements as at 31 December 2024" and "Financial Statements as at 31 December 2024" sections of these Integrated Financial Statements.

This chapter includes reclassified accounting statements other than those required by the IFRS international accounting standards included in the Consolidated Financial Statements and in the Financial Statements as at 31 December 2024 (official statements). In addition to the economic-financial and equity figures governed by the IFRS international accounting standards, these reclassified statements show some indicators and items deriving from them, even if not envisaged by the same standards and, therefore, identifiable as APIs.

For the purposes of preparing the 2024 data, the international accounting standards (IFRS) endorsed by the European Commission and in force as at 31 December 2024 were applied. These have not undergone significant changes compared to those used for the preparation of the consolidated financial statements as at 31 December 2023. For comparative purposes, certain income statement items have been reclassified. Specifically, in order to provide a clearer representation of the economic situation, the revenues deriving from extended assessment activities have been reclassified from LPT line services to the Parking and Sharing Mobility item.

The consolidation perimeter as at 31 December 2024 did not change with respect to the previous year.

Lastly, it should be noted that in the years under comparison, no non-recurring, atypical or unusual transactions were carried out with third parties or with related parties.

Consolidated economic management

RECLASSIFIED CONSOLIDATED INCOME STATEMENT			Change	
In thousands of Euro	2024	2023	Absolute	%
LPT line services	212,005	207,138	4,867	2.3%
Railway line services	28,601	27,549	1,052	3.8%
Parking and sharing mobility	4,292	3,109	1,183	38.1%
Other revenues	69,182	56,230	12,952	23.0%
Operating Revenues	**314,080**	**294,026**	**20,054**	**6.8%**
Personnel costs	(117,423)	(108,431)	(8,992)	8.3%
Costs for services	(97,364)	(92,293)	(5,071)	5.5%
Costs for materials	(45,176)	(47,462)	2,286	-4.8%
Use of third-party assets	(2,634)	(4,553)	1,919	-42.1%
Other operating costs	(4,759)	(5,093)	334	-6.6%
Operating costs	**(267,356)**	**(257,832)**	**(9,524)**	**3.7%**
Gross operating margin (EBITDA)	**46,724**	**36,194**	**10,530**	**29.1%**
Amortisation/depreciation	(19,971)	(20,064)	93	-0.5%
Write-downs/(reversals) of impairment losses	(819)	(4,889)	4,070	-83%
Change in funds for provisions	(6,663)	(5,993)	(670)	11%
Change in operating funds	(1,972)	96	(2,068)	-2154%
Operating margin (EBIT)	**17,299**	**5,344**	**11,955**	**223.7%**
Financial charges net of financial income	(4,099)	(3,610)	(489)	100.0%
Share of profit/(loss) on equity investments accounted for using the equity method	6,098	7,162	(1,064)	-14.9%
PROFIT FROM OPERATING ACTIVITIES BEFORE TAXES	**19,298**	**8,896**	**10,402**	**116.9%**

Tax charges	(641)	(416)	(225)	54.1%
PROFIT/(LOSS) FOR THE YEAR	**18,657**	**8,480**	**10,177**	**120.0%**
of which:				
Profit/(loss) for the year attributable to the Group	18,345	8,582	9,768	113.8%
Profit/(loss) attributable to minority interests	312	(102)	414	-405.9%

"**Operating revenues**" in 2024 amounted to Euro 314.1 million, up by Euro 20.1 million compared to 2023 (Euro 294.0 million).

Revenues relating to "**LPT line services**" amounted to Euro 212.0 million, up by Euro 4.9 million compared to 2023 (Euro 207.1 million) mainly due to:

- the increase in fees for services provided in relation to the Bologna and Ferrara areas by Euro 4.6 million, mainly as a result of the inflation adjustment of fees for minimum services;
- an increase in revenues for sanctions of Euro 0.9 million;
- the reduction in revenues from travel tickets of Euro 0.5 million.

It should be noted that, with reference to the 2024 year, the amount of Euro 6.4 million (Euro 5.5 million in 2023) was recognised relating to the effect of the deed of recognition of the contractual provisions regarding the regulation of the method for calculating the investments made by the Parent Company in relation to the assets subject to business unit lease from SRM to TPER with reference to the metropolitan area of Bologna. On the basis of the aforementioned deed, given that the Municipality of Bologna, the Metropolitan City of Bologna, SRM, TPB and TPER intended to quantify, in a predefined amount, the effects of the tariff manoeuvre with effect from 1 August 2023, in compliance with the provisions of Article 12 bis of the service contract relating to the Bologna area, the same parties agreed that the needs of the manoeuvre would be met through the recognition by TPER, as tenant of the business unit relating to the networks, plants and capital equipment intended for the provision of local public transport in the territory of the metropolitan area of Bologna, of certain contribution lines and calculation of investments for the purpose of determining the adjustment value. As a result of the above, TPER's accrued right to the tariff manoeuvre pursuant to the aforementioned Article 12-bis of the service contract is satisfied through the recognition of certain accrued contributions on the investments made under the business unit lease agreement, in application of the calculation method with which the value of the adjustment that will be settled at the end of the business unit lease agreement has been redefined.

Revenues from "**Railway line services**" amounted to Euro 28.6 million, an increase of Euro 1.1 million compared to 2023 (Euro 27.5 million), mainly due to higher revenues from freight rail transport services recorded by the subsidiary Dinazzano Po as part of its operational activities.

Revenues related to the management of "**Parking and sharing mobility**" amounted to Euro 4.3 million, showing an increase of Euro 1.2 million compared to 2023 (Euro 3.1 million). This increase is essentially attributable to income from sharing mobility activities, which recorded an improved performance due to the expansion of the vehicle fleet in operation, as well as the sponsorship and co-marketing agreement signed with Volvo Car Italia, the manufacturer of the full electric vehicles used in the provision of the services.

"**Other revenues**" amounted to Euro 69.2 million, an increase of Euro 13.0 million compared to 2023 (Euro 56.2 million) mainly due to:

- the recognition in 2024 of the higher value of refunds for lost revenues resulting from the COVID-19 epidemiological emergency (amounting to approximately Euro 8.4 million);

- the recognition of the contributions received to offset the increase in fuel costs recorded in the second and third four-month periods of 2022, used for fuelling vehicles assigned to local and regional public transport services pursuant to Article 9 of Italian Decree Law no. 115/2022 and Article 6 of Italian Decree Law no. 144/2022 (amounting to Euro 2.9 million);
- the increase in revenues from railway maintenance services operated by the subsidiary Mafer (up Euro 2.5 million compared to the previous year);
- the reduction in insurance and other reimbursements for Euro 0.9 million.

"**Operating costs**" amounted to Euro 267.4 million, showing an increase of Euro 9.5 million compared to 2023 (Euro 257.8 million). In greater detail:

- "**Personnel costs**" Euro 117.4 million, increased by Euro 9.0 million compared to 2023 (Euro 108.4 million), mainly due to: (i) an increase in the average workforce employed during 2024 compared to the previous year; (ii) the effects of the renewal of the Autoferrotramvieri-Internavigatori (Mobility/LPT) National Collective Labour Agreement (CCNL), which provided for a one-off payment in respect of the 2024 financial year; (iii) higher bonuses paid to employees.
- "**Costs for services**", totalling Euro 97.4 million, show an increase of Euro 5.1 million compared to 2023 (Euro 92.3 million), primarily attributable to the rise in transport service costs (Euro +2.1 million compared to the previous year), maintenance costs (Euro +2.1 million compared to 2023), and insurance costs (Euro +0.9 million compared to the previous year).
- "**Costs for materials**" show a reduction of Euro 2.3 million compared to the previous year, mainly due to a decrease in fuel costs following the introduction of new electric vehicles to replace combustion engine vehicles, and the reduction in the purchase prices of related commodities.
- "**Costs for use of third-party assets**" show a reduction of Euro 1.9 million compared to the 2023 financial year, mainly due to lower vehicle rental fees for vehicles used in the provision of sharing mobility services, as a result of a different service organisation model that involves direct ownership of said vehicles.
- "**Other operating costs**" amounted to Euro 4.8 million and are substantially in line with those reported at the end of the previous year.

The "**Gross operating margin (EBITDA)**" amounts to Euro 46.7 million (Euro 36.2 million in 2023), showing an increase of Euro 10.5 million.

"**Amortisation and depreciation**", equal to Euro 19.7 million, are substantially in line with those recorded in 2023. In this regard, it should be noted that, for the purpose of defining the depreciation plan for rolling stock consisting of buses and trolleybuses, the value to be depreciated is defined on the basis of the difference between the book value at the beginning of the financial year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of each service contract by a possible new contractor.

"**Write-downs/(reversals) of impairment**" show a positive variation of Euro 4.1 million, mainly referring to increased allocations to the provision for doubtful debts. It should be noted that the balance for the previous financial year included a write-down of Euro 3.0 million related to the concession right held by the subsidiary Dinazzano Po (hereinafter "DP"), following a specific impairment test prompted by evidence of certain indicators of impairment losses. At the end of the 2024 financial year, the potential presence of further indicators of impairment losses was assessed. Based on the analyses conducted, which considered the future cash flow prospects of the cash-generating unit and the assessment of any changes in the discount rate used to discount cash flows, no indicators of potential further impairment losses were identified.

The "**Change in funds for provisions**" recorded a net provision of Euro 6.6 million (Euro 6.0 million in 2023), mainly due to: (i) the provision of Euro 5.1 million to adjust the fund already set up in the previous year, intended to cover potential risks associated with the non-recognition of the benefit related to the recovery of the higher excise duty on diesel fuel used for passenger transport; (ii) an increase of Euro 1.4 million in the fund allocated for the contract classified as onerous under IAS 37, relating to the infrastructure managed by Marconi Express S.p.A. under a concession agreement, which connects the airport to the Central Station of Bologna via an elevated electric monorail.

The "**Change in operating provisions**" includes the value of changes in provisions recognised in the financial statements by nature. In particular, at the end of 2024, the item showed a net provision of Euro 2.0 million as a combined effect of the changes in provisions set aside to cover risks related to disputes with personnel and the provision for inventory write-downs.

The "**Operating margin (EBIT)**" is therefore positive for Euro 17.3 million, recording an increase of Euro 12.0 million compared to 2023 (Euro 5.3 million).

"**Financial charges net of financial income**" amount to Euro 4.1 million, showing an increase of Euro 0.5 million compared to the previous financial year, mainly due to the Group's higher financial exposure following the new bond issue with a nominal value of Euro 100 million, bearing a fixed interest rate of 4.343%.

The item "**Share of profit/(loss) on equity investments accounted for using the equity method**" shows a net profit of Euro 6.1 million, a reduction of Euro 1.1 million compared to 2023. The change is essentially due to the lower positive share of results reported by the joint venture Trenitalia Tper S.c.r.l. (Euro -2.3 million compared to 2023), partially offset by better pro-rata performance from the associates Seta S.p.A. and Marconi Express S.p.A. (totalling Euro +1.3 million compared to the previous year).

The "**Profit before tax from continuing operations**", up by Euro 8.8 million, was a positive Euro 19.3 million (Euro 8.9 million in 2022).

The item "**Tax (charges)/income**" shows a net charge of Euro 0.6 million and recorded a negative change of Euro 0.2 million. The increase in tax charges was mainly affected by the allocation of current tax payables applied by the Parent Company.

The "**Profit for the year**", equal to Euro 18.7 million, increased by Euro 10.2 million compared to 2023 (Euro 8.5 million).

The "**Profit for the year attributable to the Group**", equal to Euro 18.3 million, increased by Euro 9.8 million compared to 2023 (Euro 8.6 million).

The "**Profit for the year attributable to minority interests**", equal to Euro 0.3 million, recorded a positive change of Euro 0.4 million compared to 2023.

Consolidated Statement of Financial Position

CONSOLIDATED STATEMENT OF FINANCIAL POSITION In thousands of Euro		31/12/2024	31/12/2023	Change
Tangible assets		198,933	193,261	5,672
Intangible assets		13,106	12,952	154
Assets for rights of use		7,959	9,362	(1,403)
Equity investments		30,140	24,151	5,989
Net deferred tax assets/(liabilities)		3,667	3,453	214
Other non-current non-financial assets/(liabilities)		(7,304)	(17,173)	9,869
Net non-current non-financial assets	**A**	**246,501**	**226,006**	**20,495**
Inventories		24,800	25,416	(616)
Trade assets		80,781	64,270	16,511
Trade liabilities		(58,910)	(60,114)	1,204
Net income tax assets/(liabilities)		956	(254)	1,210
Other net assets/(liabilities)		(45,041)	(41,617)	(3,424)
Net working capital	**B**	**2,586**	**(12,299)**	**14,885**
Gross invested capital	**C=(A+B)**	**249,087**	**213,707**	**35,380**
Funds for provisions	**D**	(60,196)	(56,645)	(3,551)
NET INVESTED CAPITAL	**E=(C+D)**	**188,891**	**157,062**	**31,829**
Shareholders' equity attributable to the Group		197,613	179,224	18,389
Shareholders' equity attributable to minority interests		3,290	3,037	253
Shareholders' equity	**F**	**200,903**	**182,261**	**18,642**
Bond loans		99,251	0	99,251
Medium/long-term loans		28,436	24,232	4,204
Other non-current financial liabilities		637	392	245
Non-current liabilities for leased assets		4,866	5,893	(1,027)
Non-current financial assets		(39,143)	(38,283)	(860)
Net non-current financial debt	**G**	**94,047**	**(7,766)**	**101,813**
Current portion of bond loans		1,499	31,779	(30,280)
Current portion of medium/long-term loans		4,715	1,935	2,780
Current portion of liabilities for leased assets		3,441	3,747	(306)
Short-term loans		97	27,018	(26,921)
Other current financial liabilities		0	0	0
Financial assets for contributions		(23,361)	(10,815)	(12,546)
Other current financial assets		0	(600)	600
Cash and cash equivalents		(92,450)	(70,497)	(21,953)
Current net financial debt	**H**	**(106,059)**	**(17,433)**	**(88,626)**
COVERAGE OF NET INVESTED CAPITAL	**I=(F+G+H)**	**188,891**	**157,062**	**31,829**

As at 31 December 2024, "**Net non-current non-financial assets**" amounted to Euro 246.5 million, up by Euro 20.5 million compared to 31 December 2023 (Euro 226.0 million).

"**Tangible assets**", equal to Euro 198.9 million (Euro 193.3 million as at 31 December 2023), constitute the main part. The increase in the item compared to 31 December 2023, equal to Euro 6.0 million, is mainly due to the combined effect of:

- investments, amounting to Euro 69.5 million, related primarily to rolling stock (Euro 64.2 million) and to infrastructure works (Euro 3.3 million);
- amortisation and depreciation for the year, equal to Euro 15.8 million;
- grants on investments, for Euro 47.7 million.

"**Intangible assets**", equal to Euro 13.1 million, are broadly in line with the balance recorded at the end of the previous year.

"**Assets for rights of use**" show a decrease of Euro 1.4 million, due to the combined effect of amortisation for the year (equal to Euro 3.6 million) and increases (equal to Euro 2.2 million), mainly attributable to new charters carried out as part of rail freight transport.

The item **"Equity investments"** shows an increase of Euro 6.0 million compared to the end of the previous year, essentially attributable to the portion of net profit deriving from the valuation of equity investments in associates using the equity method. The positive final result of the joint venture Trenitalia Tper S.c.r.l. had a significant impact.

"**Other non-current non-financial assets/(liabilities)**" recorded a net decrease of Euro 9.9 million mainly as a result of the change in the value of the payable to the mobility agency Società Reti e Mobilità S.r.l. (hereinafter referred to as "SRM") related to the balance due, at the reference date for the adjustment value defined in the lease agreement concerning the business unit consisting of the networks, plants, capital equipment and contracts relating to the company complex intended for the operation of the LPT service in the Bologna province area.

As at 31 December 2024, "**Net working capital**" showed a total positive value of Euro 2.6 million and a positive change of Euro 14.9 million compared to the previous year (Euro -12.3 million as at 31 December 2023). With regard to the changes in the individual components of net working capital, the following should be noted:

- the increase in "Trade assets" for Euro 16.5 million essentially as a result of higher amounts due to mobility agencies related to fees from service contracts, whose financial settlement took place in the first months of 2025;
- the reduction in "Trade liabilities" by Euro 1.2 million compared to 31 December 2023, mainly as a result of the higher payments made near the end of the year, as well as the lower costs for materials recorded;
- the positive change in the item "Net income tax assets/(liabilities)" amounting to Euro 1.2 million, essentially attributable to IRES tax credits accrued under the national tax consolidation regime adopted by the Parent Company TPER together with the subsidiaries Dinazzano Po and Mafer;
- the positive change in "Other net assets/(liabilities)" for Euro 3.4 million, mainly attributable to: (i) the reduction in other current assets (by Euro 15.0 million compared to 2023), which is essentially due to the collection of receivables related to compensation for lost revenues accrued during the COVID-19 public health emergency period; (ii) the reduction in other current liabilities (by Euro 11.2 million compared to the previous year), primarily attributable to the decrease in payables to SRM related to the final settlement provided for at the end of the business lease agreement, as well as the reduction in deferred income linked to the effects of the deed of recognition (hereinafter the "Deed of Recognition") concerning the contractual provisions regulating the method for calculating investments made by the Parent Company in relation to the assets leased by SRM to TPER under the business unit lease agreement with reference to the metropolitan area of Bologna. On the basis of the aforementioned deed, given that the Municipality of Bologna, the Metropolitan City of Bologna, SRM, TPB and TPER intended to quantify

the effects of the tariff manoeuvre with effect from 1 August 2023 - 31 July 2024, in compliance with the provisions of Article 12 bis of the service contract relating to the Bologna area, in a predefined amount, the same parties agreed that the needs of the manoeuvre would be met through the recognition by TPER, as tenant of the business unit relating to the networks, plants and capital equipment intended for the provision of local public transport in the territory of the metropolitan area of Bologna, of certain contribution lines and calculation of investments for the purpose of determining the adjustment value. As a result of the above, TPER's accrued right to the tariff manoeuvre pursuant to the aforementioned Article 12-bis of the service contract will be satisfied through the recognition of certain accrued contributions on the investments made under the business branch lease agreement, in application of the calculation method with which the value of the adjustment that will be settled at the end of the business branch lease agreement has been redefined.

As a result of the above, "**Gross invested capital**" amounted to Euro 249.1 million as at 31 December 2024, up by Euro 35.4 million compared to 31 December 2023 (Euro 213.7 million).

The "**Funds for provisions**" recorded a net increase compared to 31 December 2023 of Euro 3.6 million due essentially to the combined effect of:

- the reduction in provisions for employee benefits (Euro 1.0 million compared to 31 December 2023) relating to the employee severance indemnity, mainly as a result of the disbursements made during the year (Euro 1.4 million) and accrued provisions (Euro 0.6 million);
- the increase in other provisions (Euro 4.5 million) in relation to provisions made to cover risks and charges, as described in the comments to the item **"Change in funds for provisions"** in the income statement, to which reference is made.

The "**Net invested capital**" as at 31 December 2024 therefore amounted to Euro 188.9 million, an increase of Euro 31.8 million compared to 31 December 2023 (Euro 157.1 million).

"**Shareholders' equity**" amounted to Euro 200.9 million (Euro 182.3 million as at 31 December 2023).

"**Shareholders' equity attributable to the Group**", equal to Euro 197.6 million, showed an overall increase of Euro 18.4 million compared to the balance as at 31 December 2023 (Euro 179.2 million), due to the effect of the result of the statement of comprehensive income for the year.

"**Shareholders' equity attributable to minority interests**", equal to Euro 3.3 million, is substantially in line with the final value as at 31 December 2023.

"**Net non-current financial debt**" as at 31 December 2024 amounts to Euro 94.0 million, reflecting an increase of Euro 101.8 million compared to the previous year. This change is essentially attributable to: (i) the new bond issue completed by the Parent Company in September 2024, with a total nominal value of Euro 100 million and a fixed interest rate of 4.343%; (ii) the change in the value of medium- to long-term loans (Euro 4.2 million compared to 2023), which includes a new loan entered into during 2024 with a nominal value of Euro 8.9 million and a variable interest rate, used to support investments made in the area of sharing mobility.

"**Current net financial debt**" as at 31 December 2024 shows a surplus of financial assets over financial liabilities of Euro 106.1 million, marking a change of Euro 88.6 million compared to 31 December 2023. This is primarily attributable to: (i) the reduction in the current portion of bond loans following the closure of the previous bond issue; (ii) the reduction in short-term loans due to the closure of a revolving loan, entered into with a pool of banks, with a maximum principal amount of Euro 65 million intended to finance investments in the road vehicle fleet and related infrastructure, pending the disbursement by the competent mobility agencies of an equivalent amount in specific public contributions; (iii) the increase in cash and cash equivalents of Euro 22.0 million.

The table below shows the Group's net financial position, determined by comparing total financial liabilities to cash and cash equivalents only.

In thousands of Euro	31/12/2024	31/12/2023	Change
Bond loans	100,750	31,779	68,971
Medium/long-term loans	33,151	26,167	6,984
Short-term loans	97	27,018	(26,921)
Other financial liabilities	637	392	245
Liabilities for leased assets	8,307	9,640	(1,333)
Cash and cash equivalents	(92,450)	(70,497)	(21,953)
NET FINANCIAL POSITION	**50,492**	**24,499**	**25,993**

As at 31 December 2024, 75% of the Group's financial debt is settled at a fixed rate, while 25% is settled at a variable rate. 7% of debt has a duration of less than 12 months.

At the same date, the Group had a liquidity reserve of Euro 92.5 million, consisting entirely of cash and cash equivalents, as well as sufficient credit lines to meet its financial commitments.

The following table shows the reconciliation of the shareholders' equity and the net result of TPER S.p.A. with the corresponding values of the consolidated financial statements.

RECONCILIATION OF THE SHAREHOLDERS' EQUITY AND NET PROFIT OF TPER WITH THE CORRESPONDING VALUES OF THE CONSOLIDATED FINANCIAL STATEMENTS		
In thousands of Euro	Shareholders' equity (including result for the year)	Result for the year
Shareholders' equity and result of the Parent Company	172,382	9,745
Effect of subsidiary consolidation	7,243	1,099
Harmonisation of subsidiaries' financial statements with Group IFRS standards	1,852	680
Elimination of intercompany dividends	(61)	(61)
Consolidation adjustments	3,283	818
Effect of the measurement of equity investments using the equity method	12,915	6,064
Shareholders' equity and result pertaining to the Group	**197,613**	**18,345**
Share pertaining to minority interests	3,290	312
Consolidated shareholders' equity and result for the year	**200,903**	**18,657**

Economic and financial performance of TPER S.p.A.

Economic management

In thousands of Euro	2024	2023	Change	% Change
LPT line services	182,858	179,389	3,469	1.9%
Railway line services	6,863	6,666	197	3.0%
Parking and sharing mobility	3,921	3,109	812	26.1%
Other revenues	52,027	38,719	13,308	34.4%
Operating Revenues	**245,669**	**227,883**	**17,786**	**7.8%**
Personnel costs	(103,723)	(94,962)	(8,761)	9.2%
Costs for services	(64,473)	(58,608)	(5,865)	10.0%
Costs for materials	(33,464)	(34,933)	1,469	-4.2%
Use of third-party assets	(1,724)	(2,419)	695	-28.7%
Other operating costs	(3,665)	(3,738)	73	-2.0%
Operating costs	**(207,049)**	**(194,660)**	**(12,389)**	**6.4%**
Gross operating margin (EBITDA)	**38,620**	**33,223**	**5,397**	**16.2%**
Amortisation/depreciation	(15,649)	(16,422)	773	-4.7%
Write-downs/(reversals) of impairment losses	(1,473)	(3,989)	2,516	-63.1%
Change in funds for provisions	(6,520)	(5,601)	(919)	16.4%
Change in operating funds	(1,184)	42	(1,226)	-2919.0%
Operating margin (EBIT)	**13,794**	**7,253**	**6,541**	**90.2%**
Financial charges net of financial income	(3,886)	(3,403)	(483)	14.2%
PROFIT FROM OPERATING ACTIVITIES BEFORE TAXES	**9,908**	**3,850**	**6,058**	**157.4%**
Tax charges	(163)	(555)	392	-70.6%
PROFIT/(LOSS) FOR THE YEAR	**9,745**	**3,295**	**6,450**	**195.8%**

"**Operating revenues**" in 2024 amounted to Euro 245.7 million, up by Euro 17.8 million compared to 2023 (Euro 227.9 million).

Revenues relating to "**LPT line services**" amounted to Euro 182.9 million, up by Euro 3.5 million compared to 2023 (Euro 179.4 million) mainly due to:

- the increase in additions to fees relating to TPL service contracts, mainly as a result of the inflationary adjustments of the fees for minimum services;
- the increase in revenues for sanctions of Euro 0.9 million;
- the reduction in revenues from travel tickets of Euro 0.4 million.

It should be noted that, with reference to the 2024 year, the LPT line services include the amount of Euro 6.4 million (Euro 5.5 million in 2023), relating to the effect of the deed of recognition of the contractual provisions concerning the regulation of the method for calculating the investments made by TPER in relation to the assets subject to the business unit lease from SRM to TPER with reference to the metropolitan area of Bologna. On the basis of the aforementioned deed, given that the Municipality of Bologna, the Metropolitan City of Bologna, SRM, TPB and TPER intended to quantify the effects of the tariff manoeuvre with effect from 1 August 2023 - 31 July 2024, in compliance with the provisions of Article 12 bis of the service contract relating to the Bologna area, in a predefined amount, the same parties agreed that the needs of the manoeuvre would be met through the recognition by TPER, as tenant of the business unit relating to the networks, plants and capital equipment intended for the provision of local public transport in the territory of the metropolitan area of Bologna, of certain contribution lines and calculation of investments for the purpose of determining the adjustment value. As a result of the above, TPER's accrued right to the tariff manoeuvre pursuant to the aforementioned Article 12-bis of the service contract is satisfied through the recognition of certain accrued contributions on the investments made under the business unit lease agreement, in application of the calculation method with which the value of the adjustment that will be settled at the end of the business unit lease agreement has been redefined.

Revenues from "**Railway line services**" refer to the rental of railway stock to Trenitalia Tper S.c.r.l. and Dinazzano Po S.p.A., amounting to Euro 6.9 million, and are substantially in line with those recorded at the close of the previous year (Euro 6.7 million).

Revenues related to the management of "**Parking and Sharing Mobility**" amounted to Euro 3.9 million, showing an increase of Euro 0.8 million compared to the previous year. This increase is essentially attributable to income from sharing mobility activities, which recorded an improved performance due to the expansion of the vehicle fleet in operation, as well as the sponsorship and co-marketing agreement signed with Volvo Car Italia, the manufacturer of the full electric vehicles used in the provision of the services.

"**Other revenues**" amounted to Euro 52.0 million, an increase of Euro 13.3 million compared to 2023 (Euro 38.7 million) mainly due to:

- the recognition in 2024 of the higher value of refunds for lost revenues resulting from the COVID-19 epidemiological emergency (amounting to approximately Euro 8.4 million) compared to what had already been recognised in previous years;
- the recognition of the contributions received to offset the increase in fuel costs recorded in the second and third four-month periods of 2022, used for fuelling vehicles assigned to local and regional public transport services pursuant to Article 9 of Italian Decree Law no. 115/2022 and Article 6 of Italian Decree Law no. 144/2022 (amounting to Euro 2.6 million);
- the increase in LPT rental services by Euro 2.2 million, essentially attributable to the additional replacement services operated in 2024.

"**Operating costs**" amounted to Euro 207.1 million, up by Euro 12.4 million compared to 2023 (Euro 194.7 million). The change recorded is mainly attributable to:

- the increase in "**Personnel costs**" by Euro 8.8 million is essentially attributable to: (i) the increase in the average workforce employed during 2024 compared to the previous year; (ii) the effects of the renewal of the Autoferrotramvieri-Internavigatori (Mobility/LPT) National Collective Labour Agreement (CCNL), which included the recognition of a one-off payment in relation to the 2024 year; (iii) higher bonuses paid to employees;
- the increase in "**Costs for services**" of Euro 5.9 million, resulting from the combined effect of higher transport service costs (up by Euro 1.8 million compared to 2023), maintenance costs (up by Euro 3.3 million compared to 2023), and insurance costs (up by Euro 0.8 million), partially offset by a reduction in cleaning costs (down by Euro 0.7 million compared to 2023) and electricity and other utility costs (down by Euro 0.4 million compared to 2023);

- the reduction in "**Costs for raw materials**" by Euro 1.5 million, almost entirely attributable to a decrease in fuel costs (Euro -1.8 million compared to 2023), due to the introduction of new electric vehicles replacing combustion engine vehicles and the reduction in commodity purchase prices;
- the decrease in "**Use of third-party assets**" costs by Euro 0.7 million, mainly the result of lower rental fees for vehicles used in the provision of sharing mobility services, as a result of a different service organisation model that involves direct ownership of said vehicles.

The "**Gross operating margin (EBITDA)**" amounts to Euro 38.6 million (Euro 33.2 million in 2023), showing an increase of Euro 5.1 million.

"**Amortisation and depreciation**", totalling Euro 15.6 million, shows a reduction of Euro 0.8 million compared with the previous year, mainly linked to lower depreciation on road rolling stock. In this regard, it should be noted that, for the purpose of defining the depreciation plan for rolling stock consisting of buses and trolleybuses, the value to be depreciated is defined on the basis of the difference between the book value at the beginning of the financial year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of each service contract by a possible new contractor.

"**Write-downs/(reversals) of impairment**" show a positive variation of Euro 2.5 million, mainly referring to increased allocations to the provision for doubtful debts. It should be noted that the balance in the previous year included the write-down, amounting to Euro 3.5 million, on the equity investment held in the company Dinazzano Po S.p.A., following a specific impairment test prompted by the identification of certain indicators of impairment losses. At the end of the 2024 year, the Company analysed the possible presence of additional indicators of impairment losses. Based on the analyses conducted, which considered the future cash flow prospects of the investee and the assessment of any changes in the discount rate used to discount cash flows, no indicators of potential further impairment losses were identified.

The "**Change in funds for provisions**" recorded a net provision of Euro 6.5 million (compared to Euro 5.6 million in 2023), mainly related to: (i) a provision of Euro 5.1 million to adjust the fund previously set aside to address potential risks arising from the non-recognition of the benefit related to the recovery of the higher excise duty on diesel fuel used for passenger transport; (ii) an increase of Euro 1.4 million in the fund allocated for the contract classified as onerous under IAS 37, relating to the infrastructure managed by Marconi Express S.p.A. under a concession agreement, which connects the airport to the Central Station of Bologna via an elevated electric monorail.

The item "**Change in operating provisions**" includes the value of changes in provisions classified by nature in the financial statements. In particular, the item essentially includes (i) the change in provisions set aside to cover risks related to disputes with personnel, resulting in a net provision of Euro 0.3 million; (ii) the allocation to the provision for inventory write-downs of Euro 0.8 million.

The "**Operating margin (EBIT)**" is therefore positive for Euro 13.8 million, recording an increase of Euro 6.5 million (Euro 7.3 million in 2023).

"**Financial charges net of financial income**" amount to Euro 3.9 million, up by Euro 0.5 million compared with the previous year, mainly due to the Company's increased financial exposure following the new bond issue with a nominal value of Euro 100 million, bearing a fixed interest rate of 4.343%.

The "**Profit before tax from continuing operations**" increased by Euro 6.1 million and is positive at Euro 9.9 million (Euro 3.9 million in 2023).

The item "**Tax (charges)/income**" shows a net charge of Euro 0.2 million and recorded a positive change of Euro 0.4 million. This item reflects the estimated income taxes for the year (IRAP of Euro 0.6 million), partially offset by the positive effects of TPER and its subsidiaries Dinazzano Po S.p.A. and MAFER S.p.A. opting for the national tax consolidation scheme. This scheme allows companies within the same group to calculate IRES on a consolidated basis, resulting in a benefit of Euro 0.4 million.

The "**Profit for the year**", equal to Euro 9.7 million, increased by Euro 6.5 million compared to 2023 (Euro 3.3 million).

Economic and financial structure

In thousands of Euro		31/12/2024	31/12/2023	Change
Tangible assets		183,950	177,452	6,498
Intangible assets		930	459	471
Assets for rights of use		4,023	5,403	(1,380)
Equity investments		53,949	53,949	0
Net deferred tax assets/(liabilities)		(113)	(92)	(21)
Other non-financial assets/(liabilities)		(7,342)	(17,212)	9,870
Net non-current non-financial assets	**A**	**235,397**	**219,959**	**15,438**
Inventories		12,486	12,894	(408)
Trade assets		68,719	54,525	14,194
Trade liabilities		(48,082)	(50,847)	2,765
Net income tax assets/(liabilities)		1,141	(202)	1,343
Other net assets/(liabilities)		(42,730)	(40,432)	(2,298)
Net working capital	**B**	**(8,466)**	**(24,062)**	**15,596**
Gross invested capital	**C=(A+B)**	**226,931**	**195,897**	**31,034**
Funds for provisions	**D**	(56,575)	(52,135)	(4,440)
NET INVESTED CAPITAL	**E=(C+D)**	**170,356**	**143,762**	**26,594**
Shareholders' equity	**F**	**172,381**	**162,494**	**9,887**
Bond loans		99,251	0	99,251
Medium/long-term loans		28,432	24,211	4,221
Other non-current financial liabilities		610	366	244
Non-current liabilities for leased assets		2,758	4,148	(1,390)
Non-current financial assets		(39,143)	(38,283)	(860)
Net non-current financial debt	**G**	**91,908**	**(9,558)**	**101,466**
Current portion of bond loans		1,499	31,779	(30,280)
Current portion of medium/long-term loans		4,714	1,931	2,783
Current portion of liabilities for leased assets		1,449	1,414	35
Short-term loans		97	27,018	(26,921)

Financial assets for contributions		(23,361)	(10,884)	(12,477)
Other current financial assets		0	(400)	400
Cash and cash equivalents		(78,331)	(60,032)	(18,299)
Current net financial debt	**H**	**(93,933)**	**(9,174)**	**(84,759)**
COVERAGE OF NET INVESTED CAPITAL	**I=(F+G+H)**	**170,356**	**143,762**	**26,594**

As at 31 December 2024, "**Net non-current non-financial assets**" amounted to Euro 235.4 million, up by Euro 15.4 million compared to 31 December 2023 (Euro 220.0 million).

The item is mainly represented by "**Tangible assets**", amounting to Euro 183.9 million (Euro 177.5 million as at 31 December 2023). The increase in the item compared to 31 December 2023, equal to Euro 6.5 million, is mainly due to the balance between:

- investments, amounting to Euro 68.4 million, essentially relating to rolling stock (Euro 63.3 million) and for the remainder to infrastructural works;
- amortisation and depreciation for the year, equal to Euro 13.9 million;
- grants on investments, for Euro 47.7 million.

"**Intangible assets**" at the end of the year amounted to Euro 0.9 million, up by Euro 0.5 million compared to the previous year. These mainly comprise software, and the increase is largely attributable to investments made during 2024 totalling Euro 1.1 million, partially offset by amortisation for the year of Euro 0.3 million and grants on investments of Euro 0.3 million.

"**Assets for rights of use**" showed a decrease of Euro 1.4 million compared to the end of the previous financial year, mainly due to amortisation recorded during the year.

The item "**Equity investments**", totalling Euro 53.9 million, remained unchanged compared to the previous year.

The item "**Other non-current assets/(liabilities)**" shows a negative net balance of Euro 7.3 million as at 31 December 2024 and essentially includes the balance of the payable to the Mobility Agency SRM - Società Reti e Mobilità S.r.l., accrued by virtue of the business unit lease agreement signed on 4 March 2011 between the same agency and the company Trasporto Pubblico Bolognese S.c.r.l. at the same time as signing the service agreement for the management of the local public road transport in the Bologna area and subsequently transferred to TPER.

As at 31 December 2024, "**Net working capital**" showed a total negative value of Euro 8.5 million (compared to the negative balance of Euro 24.1 million as at 31 December 2023). The change, equal to Euro 15.6 million compared to the balance as at 31 December 2023, is mainly attributable to:

- the increase in "**Trade assets**" of Euro 14.2 million compared to 31 December 2023, mainly due to higher receivables from subsidiaries (Euro +13.1 million), primarily from TPB S.c.r.l., whose financial settlement of service contract fees took place in the early months of 2025;
- the reduction in "**Trade liabilities**" of Euro 2.8 million compared to 31 December 2023, mainly due to increased payments made near the end of the year;
- the positive change in "**Income tax assets/(liabilities)**" due to the increase in receivables resulting from the adoption of national tax consolidation scheme with the subsidiaries Dinazzano Po and Mafer;
- the negative change in "**Other net assets/(liabilities)**" for Euro 2.3 million as a result of: (i) the reduction in other current assets by Euro 14.1 million, mainly due to the collection

of receivables for compensation related to lost revenues accrued during the COVID-19 public health emergency period; (ii) the decrease in other current liabilities by Euro 11.2 million, primarily attributable to the reduction in deferred income linked to the effects of the aforementioned deed of recognition concerning the contractual provisions on the regulation of the method for calculating investments made by TPER in relation to assets leased from SRM to TPER under the business unit lease agreement for the metropolitan area of Bologna, as well as to the reduction in the value of advances on investment grants in connection with progress in the investment plan.

As a result of the above, "**Gross invested capital**" amounted to Euro 226.9 million as at 31 December 2024, up by Euro 31.0 million compared to 31 December 2023 (Euro 195.9 million).

The "**Funds for provisions**" recorded a net increase compared to 31 December 2023 of Euro 4.4 million due essentially to the balance between:

- the reduction in employee benefits provisions (Euro -1.3 million compared to 31 December 2023) mainly due to payments of employee severance indemnity liabilities;
- the increase in other provisions (Euro +5.4 million) in relation to provisions set aside to cover risks and charges, as already commented on in the income statement with reference to the item "Changes in funds for provisions".

The "**Net invested capital**" therefore amounted to Euro 170.4 million, an increase of Euro 26.6 million compared to 31 December 2023 (Euro 143.7 million).

"**Shareholders' equity**" amounted to Euro 172.4 million and increased by Euro 9.9 million compared to 31 December 2023 (Euro 162.5 million) as a result of the overall economic result for the year.

"**Net non-current financial debt**" as at 31 December 2024 amounted to Euro 91.9 million, showing an increase of Euro 101.5 million compared to the previous year, mainly due to the new bond issue completed in September with a total nominal value of Euro 100 million.

"**Current net financial debt**" as at 31 December 2024 showed a surplus of assets over liabilities of Euro 93.9 million, recording a change of Euro 84.8 million compared to the end of the previous year. The main factors influencing this change were: (i) the settlement of the previous bond issued by the Company in 2017; (ii) the repayment of a revolving loan, contracted with a pool of lenders for a maximum principal amount of Euro 65 million, used to support the investment plan pending the release by the competent mobility agencies of a corresponding amount of public contributions ultimately destined to TPER; (iii) the increase in cash and cash equivalents by Euro 18.3 million, supported by the new bond issue.

The table below shows the net financial position of TPER determined as the differential between debt for bond loans, liabilities for leased assets and cash and cash equivalents.

In thousands of Euro	31/12/2024	31/12/2023	Change
Bond loans	100,750	31,779	68,971
Medium/long-term loans	33,146	26,142	7,004
Short-term loans	97	27,018	(26,921)
Liabilities for leased assets	4,207	5,562	(1,355)
Cash and cash equivalents	(78,331)	(60,032)	(18,299)
NET FINANCIAL POSITION	**59,869**	**30,469**	**29,400**

As at 31 December 2024, 7% of financial debt matures within 12 months, 7% between 1 and 2 years, 85% between 2 and 5 years, and 1% beyond 5 years.

With reference to the type of interest rate, note that 75% of the debt is at a fixed rate, while the remaining 25% is at a variable rate.

As at 31 December 2024, the Company had a liquidity reserve of Euro 78.3 million represented by cash and cash equivalents.

Operational management and main events of 2024

In 2024 TPER continued its activities aimed at reviving LPT, including analyses of transport demand and the evolution of the sector. The Company continued to collaborate on integration projects between transport systems, to promote intermodality and shared mobility as complementary to LPT, as well as to support the achievement of objectives for promoting multimodal and sustainable urban mobility.

TPER contributes to strengthening transport demand by fostering additional public-private and public-public mixed management synergies. This enhancement occurs both through synergies between different transport modes (rail-road, in implementation of regional policies/initiatives) and through the possible development of integrated agreements for mobility services complementary to road-based LPT services (car-sharing or other forms of shared mobility).

Overall, passenger numbers in 2024 saw a 2.5% decrease compared to 2023, essentially due to fewer season ticket sales following the end of incentives related to the so-called "Bonus Trasporti" measure.

In 2024, cooperation on tariff integration policies and free travel for secondary-school students continued. TPER supported these policies with initiatives such as "MiMuovoancheincittà", "Grande" and "SaltaSu", improving the intermodality of public transport. Concessions on LPT season tickets for UNIBO university students were also confirmed.

Service contract extension - Bologna area

With decision of the Municipal Council of Bologna no. PG 310180/2024 of 6 May 2024 and of the Council of the Metropolitan City of Bologna no. 15 I.P. 1977/2024 of 24 April 2024 concerning "*Guidelines for contracting out local public transport services in the Bologna area, including the red and green tram lines (northern section), as well as services related to Municipality of Bologna's parking plan and complementary services". Extensions*", the Municipality of Bologna and the Metropolitan City of Bologna, having found the necessary conditions for extending the local public transport (LPT) service to the current operator, which includes the management of the tram lines under construction (Red Line and Green Line - Northern Section), until 28 February 2028, pursuant to Article 24 paragraph 5-bis of Decree Law no. 4/2022 and Article 5, paragraph 5 of EC Regulation no. 1370/2007, resolved, among other things, to instruct the mobility agency SRM S.r.l. (hereinafter "SRM"):

- to extend the duration of the current service contract concerning the local public transport services of the Bologna area, including the management of the Red and Green tram lines (Northern Section) and the San Donato metrobus service and related supply services, until 29 February 2028;
- to grant the extension on condition that an Economic and Financial Plan (hereinafter "PEF") is presented by the operator, accompanied by a Business Plan, demonstrating a commitment to improve service efficiency, technological innovation, emissions reduction and user relations.

In 2024 the Company and SRM initiated the necessary discussions to define a comprehensive financial economic plan covering the full contract duration and with correct risk identification and allocation, as required by the Italian Transport Regulatory Authority (Autorità di

Regolazione dei Trasporti). Following discussions, on 2 August 2024, SRM notified TPB S.c.r.l. and TPER, in implementation of the aforementioned resolutions of the Bologna Metropolitan Council and the Municipal Council of Bologna, that it would extend the term of the service contract for the management of local public transport in Bologna, signed on 4 March 2011, together with the related business unit lease agreement, including the management of the Red and Green tram lines (Northern Section), until 29 February 2028, pursuant to Article 24, paragraph 5-bis, of Italian Decree Law 4/22 and Article 5, paragraph 5, of EU Regulation 1370/07.

Accessibility, customer orientation and continuous improvement of LPT services

Initiatives to promote service accessibility and customer focus continue. User-needs analysis is performed to improve services in line with local and regional policies. TPER ensures maximum service accessibility, basing investment decisions on this, such as vehicles with specific features and technological initiatives.

For 2024, the content of the Service Charters was updated in collaboration with area agencies. New measures were introduced regarding refundability of travel tickets and additional user actions, such as the option to use a voucher for the unused amount, valid for one year on local public transport. A QR code was also added to receipts for online personal season ticket purchases. This QR code allows for immediate travel without waiting for the "MiMuovo" card delivery or activation.

Regarding user-needs analysis, in 2024 TPER, pursuant to the Service Contract, also continued its customer satisfaction surveys. It is a two-stage procedure, one stage managed directly by the Company, involving interviews with the target group of subscribers at stops in urban and suburban areas, and a second stage involving telephone surveys based on random samples. The purpose of these activities is to assess user satisfaction and monitor changes in people's mobility needs across different social and demographic groups.

Investments in compliance with environmental sustainability objectives

In 2024 TPER continued its investment programme for fleet renewal, technological development and sustainability, contributing to ecological transition and the progressive use of clean and renewable energies. The integrated transport system has been affirmed, using different power sources depending on service type-including hydrogen buses (a project scaled-up since 2023) and other zero-emission traction modes already present or in development, such as full electric trolley bus routes with IMC vehicles, electric lines and shuttles, and CNG and LNG buses.

TPER's investments consider the goals of the Emilia-Romagna Region and the Sustainable Urban Mobility Plans (PUMS) of Bologna and Ferrara, as well as available funding, in line with existing funding lines (REACT-EU, complementary NRRP and new NRRP, DPCM (Decree of the President of the Council of Ministers) 28.11.2018 Min. of the Environment, Law 232/2016, Article 1, paragraph 140, MIT, PSNMS RER, PSNMS Municipalities with 100k inhabitants and PSNMS Municipalities with high pollution levels) and resources allocated to the PIMBO Project (see dedicated section). Most investments are self-funded.

In 2024, support activities were launched, within its remit, for the implementation and launch of the tram service as defined in the territorial plans, also in light of the decisions recently taken by the authorities and in relation to the provisions of the extension of the Bologna Service Contract.

Development of infomobility tools and new sales channels

Given the significant results achieved in 2022 and 2023 (upward trend in paperless tickets), the development of Roger as a regional MaaS is expected to continue. The EMV system (developed with TEP, START and SETA and co-funded by the Region), used on urban TPER routes, was extended to the extra-urban network in 2024.

2024 saw growth in electronic ticketing numbers in Bologna and also positive signs from extra-urban routes. The strong appreciation for the bank card payment method is therefore confirmed, with cards used directly on board via the system provided by Aep Ticketing Solutions. The progressive increase in the share of digital purchases reflects a positive response from customers to the introduction of electronic ticketing, which was first implemented across the entire urban network-where Bologna was a pioneer among metropolitan cities in Italy, and was subsequently extended to extra-urban services.

Sharing Mobility - CORRENTE®

Ongoing promotion of the Corrente electric car-sharing service, in line with the actions undertaken over the past three years, with consideration being given to expanding the service to other cities or to neighbouring provincial capitals beyond the current coverage area. In relation to market dynamics, it will be possible to introduce new forms of electric sharing mobility, with the aim of reducing private motorised traffic and promoting zero-emission mobility, in compliance with national, regional (Pact for PT, Pact for Work and for the Climate), and local regulations.

When implementing the company plans, and in line with the regional objectives of developing sharing mobility, especially electric mobility, and regional regulations (Pact for PT, Pact for Work and for the Climate) and local planning (especially PUMS), in 2024 TPER continued its efforts to promote free-flowing car-sharing (and sharing-mobility in general), with a fully electric fleet, "Corrente" (a service active in the cities of Bologna, Ferrara, Imola and Casalecchio di Reno). The service allows users to begin a journey in one city and end it in another-across the territories that have signed the agreement-and offers maximum freedom of movement to its users, subject to the obligation to start and end the ride within the coverage area. The Corrente car-sharing service currently attracts a cross-generational user base; this diversity expanded further during summer 2023 with the introduction of electric scooters in the city of Bologna.

In 2024, Corrente introduced new vehicles into service, Volvo EX30s electric cars that represent an upgrade to the car-sharing system, aligned with TPER's core project principles of environmental sustainability, safety, and quality in shared vehicles.

In 2024, Corrente's car-sharing service was extended to include the city of Parma. This specific development meets the growing demand for intermodality and reflects a strong ecological awareness. It is also now possible to end rides in other cities across the Emilia-Romagna Region where the service is already active (including the airport and the Bologna railway station, both of which have designated parking spaces). This enables users in Parma to conveniently reach the region's key intermodal hubs using Corrente. Throughout most of 2024, the "Tper3" initiative continued, offering benefits exclusively to holders of monthly or annual public local transport (LPT) season tickets. The promotion supports the use of both car and scooter sharing. The first 41 minutes of each rental are, in fact, free of charge for those with an LPT season ticket. These actions reaffirm TPER's commitment to promoting shared mobility and intermodality, which is valuable as it complements collective transport while respecting the needs of both users and local community. TPER remains committed to monitoring and updating its corporate planning in order to identify the best strategies for developing Sharing Mobility, also in view of further assessments by the relevant authorities concerning sector contributions.

The promotion of free-flowing Sharing Mobility and intermodality also continues through Mobility Management Agreements.

Work continues for the operational start-up and implementation of the PIMBO project

TPER has continued to play an active role within its remit and, in accordance with the agreement signed with the Municipality of Bologna (the funding beneficiary), to support the ongoing implementation of the final design phase of the PIMBO project.

TPER, which also provides technical support throughout the project's various development phases, has participated, within its remit, in meetings held as part of the Project Oversight Committee to discuss verification procedures for implementation. It has also contributed to the drafting of the Project Review documentation for the Final PIMBO Project, in line with guidance from local authorities.

The Final Project was delivered in 2024; the revised version must now be approved by the Municipality of Bologna.

Project for the integration of the LPT companies in the Emilia-Romagna Region

With Resolution no. 227 of 12 February 2024, the Emilia-Romagna Region approved, aimed at satisfying a common public interest, the draft "Memorandum of Understanding for the establishment of the Industrial Group of LPT in Emilia-Romagna" (hereinafter "Memorandum of Understanding"), between the Region and the local authorities that are shareholders in the operating companies TPER S.p.A., SETA S.p.A., and START ROMAGNA S.p.A., directly involved in the integration project.

The Memorandum of Understanding has been adopted as the most appropriate instrument to implement the integration of the above companies, with the objective of forming a single Industrial Group for LPT. This group would assume a strategic, directive, and coordinating role in the management policies of all business processes related to the provision of LPT services across Emilia-Romagna. It is valid for two years and subject to approval by the local authority shareholders of the companies involved.

Within this framework, TPER has collaborated on updating the aggregation project study, developed in line with the guidelines of the Region, the Municipality and Metropolitan City of Bologna, and the shareholders of the companies involved. It has also participated in all meetings convened by the Emilia-Romagna Region in which the Company's presence was requested.

New bond issue

In September 2024, TPER completed the issue of an unsecured bond loan with a nominal value of Euro 100 million, listed on the Dublin Stock Exchange (Irish Stock Exchange). The issue follows the previous one by the Company in 2017, with a nominal value of Euro 95 million, which was closed during 2024.

The bond has a five-year term and a fixed annual coupon of 4.343%. Listed on the regulated Euronext Dublin market, the total loan amount will be repaid in three annual instalments starting in 2027. The new bonds, which are non-convertible, were placed exclusively with qualified investors with a long-term investment outlook.

This transaction, which received a significant response from operators, has allowed TPER to diversify its sources of financing and reinforce its standing in the international capital markets, underlining its ability to attract interest from new categories of investors to support its development plans.

The transaction will help further boost the significant investment plan scheduled in connection with services and projects for public transport in the areas served.

Events after 31 December 2024

Adjustment and tariff concessions on local public transport tickets in the Bologna area

From 1 March 2025, after 14 years from the last change on urban passes (and after 6 years in which extra-urban passes have kept the tariff unchanged), the competent institutions have resolved new tariffs for the Bologna area.

The main objective of the intervention, which made it possible to recover part of the inflation, in compliance with a precise contractual obligation, was to protect the major users of local public transport, also through the introduction of new particularly advantageous initiatives. Annual passes have undergone slight increase which, for the urban area of Bologna, concern only users belonging to the higher ISEE brackets, while significant reductions are introduced for the medium and low brackets.

Through the introduction of the "Insieme a scuola" initiative, up to two carers were also free for children residing in the Municipality of Bologna for the journey home to school.

Time or zone tickets offer different fares: a single urban journey has a variable cost depending on the method of purchase. Starting from Euro 1.90 with the 10-journey booklet, Euro 2.30 at authorised resellers or with a contactless card on board, up to Euro 2.50 by paying in coins directly on the bus. A new weekly rate was also introduced, which from May 2025 will be added to the best daily rate reserved for those who use contactless bankcard payment systems. In fact, within the urban area of Bologna, regardless of the benefits that can be used, if you choose to pay with a contactless card for each trip, the maximum cost charged each day is Euro 9 (Euro 25 every 7 days).

Lastly, those who travel by local public transport occasionally during the year can benefit from the Ecoticket duration extension: a multi-journey ticket with 20 day tickets that can now be used within 10 months of the first validation.

Adjustment and tariff concessions on local public transport tickets of the Municipality of Imola

The Municipal Administration of Imola, in line with the planning of the Metropolitan City of Bologna and with the aim of guaranteeing efficient and accessible public transport, has adopted a new tariff manoeuvre made necessary to secure the system and improve the services for citizens, students and workers.

The manoeuvre aims to protect citizens who use public transport, offering benefits to students, workers and vulnerable groups. The City Pass is also used to facilitate travel between neighbourhoods and services.

Starting from 1 March 2025, the single ticket is offered at a cost of Euro 1.90, the Citypass (book of 10 trips) at a cost of Euro 16 and the monthly subscription at a cost of Euro 31. The cost of the annual subscription instead goes to Euro 246, while the cost of the annual subscription under 27 remains unchanged (including the 50% discount for subsidised categories, minors and families, just as the cost of the annual subscription remains unchanged for seniors, which is extended to over 65s.

Renewal of the National Collective Labour Agreement Autoferrotramvieri - Internavigatori (LPT Mobility)

On 20 March 2025, following previous meetings, the national secretariats of the trade unions and trade associations signed an agreement giving the status of National Collective Labour Agreement for Autoferrotramvieri - Internavigatori (Local Public Transport Mobility) - hereinafter referred to as the "National Collective Labour Agreement" - to the preliminary agreement reached on 11 December 2024.

The agreement in question has a three-year duration with effect from 1 January 2024 to 31 December 2026 and provides for a one-off, all-inclusive amount of Euro 500.00 to the parameter 175 to be reparameterised and salary increases in table remuneration for the year 2024 for a total of Euro 160 gross to be paid for Euro 60 with the remuneration relating to March 2025 and for Euro 100 with the remuneration relating to August 2026.

Starting from the remuneration of March 2025, a new Separate Remuneration Element was also established, called "EDR 2024", to the extent of Euro 40.00 gross per month at parameter 175, also to be re-measured.

The agreement reached, in addition to intervening on the economic part and introducing a mechanism aimed at favouring company productivity, reconciling it with the needs related to the settlement of life and work times, provides for the commitment of the signatory parties to resume the discussion on the regulatory part, with regard to the institutions of industrial relations and the labour market, in order to reach the definition of a contractual addendum that will come into force during the term of the same Agreement.

In order to facilitate the process of modernising the overall contractual framework as part of the upcoming renewal of the National Collective Labour Agreement, the parties will initiate a relational process leading to the identification of specific solutions with regard, inter alia, to the revision of personnel classification and of the bilateral system, as a tool capable of intervening on issues related to professional training and the management of unsuitable personnel.

At the meeting of 13 March 2025, the Council of Ministers approved the legislative decree on the reorganisation of excise duties on fuels, which provides for the resources dedicated to the stable financing of the cost of renewing the National Collective Labour Agreement. In this regard, it should be noted that the MIT will convene a technical meeting with the representatives of the same Ministry, the MEF, the Conference of the Regions and the trade associations for the definition of the operating methods for the recognition of the aforementioned resources to all companies in the sector, relating to the higher charges deriving from the renewal of the 2024-2026 National Collective Labour Agreement.

Business outlook

Continuing the already established course, TPER S.p.A. will continue to invest in technological innovation, sustainability, and digitalisation, with the goal of making public transport services increasingly efficient, safe, accessible, and aligned with the needs of the citizens and communities it serves.

In 2025, the company plans to continue implementing its investment and maintenance plans, allocating substantial resources-consistent with corporate strategic directions and in coordination with the contracting authorities for the renewal of its fleet, the energy transition, and the optimisation of the mobility network. These interventions aim to improve service quality and reliability while contributing to emission reductions and the overall improvement of environmental impact.

Maintaining constant and constructive dialogue with contracting authorities and regional and local governments will be crucial, especially in view of the possible definition of new regulatory frameworks that take into account evolving economic, environmental, and social dynamics. In this light, the 2025 budget has been prepared to reflect the Group's medium-term strategic objectives. Despite an uncertain macroeconomic context characterised by volatility due to geopolitical tensions, TPER's budget projects a stable volume of passenger traffic compared to the previous year.

The company intends to pursue its objectives by maintaining a solid and balanced financial structure capable of supporting the investment plan and ensuring business continuity. All necessary measures will be adopted to safeguard the financial and economic equilibrium and the sustainability of activities in the medium-to-long term.

Extended value analysis

A public transport company represents a key player in promoting sustainable development and ensuring the social and economic balance of the area in which it operates. Its activities generate a wide range of benefits, both direct and indirect, that impact the quality of life of citizens, the local economy, and the environment.

From an economic perspective, the company contributes to the creation and distribution of value by activating a network of suppliers, professionals, and related services. The expansion and consolidation of the business ensure a continued demand for goods and services, supporting the growth of local enterprises and fostering innovation and specialisation in related sectors. This process creates a multiplier effect that sustains employment and encourages the development of new skills.

On the social front, public transport offers an accessible and inclusive alternative for daily commuting, reducing inequalities in access to employment, education, healthcare, and cultural services. For workers and families, it represents a cost-effective solution that frees up resources for other needs, thereby contributing to the general well-being of the population.

From an environmental point of view, the use of collective transport over private vehicles allows for a significant reduction in CO_2 emissions, traffic, and noise pollution. An efficient transport network decreases road congestion and accident rates, improving the overall safety of urban and interurban mobility.

A widespread and well-planned transport infrastructure can also positively influence the location decisions of businesses, making otherwise peripheral areas more attractive and contributing to the enhancement of property values, particularly near main routes and interchange hubs.

Finally, the dialogue between the company, institutions, and the local production network allows for the development of integrated mobility solutions that respond flexibly and sustainably to the needs of the region. Investing in quality, innovation, and the digitalisation of the public transport service therefore means investing in the future of local communities.

In addition to directly measurable economic results, a company generates significant territorial impact through what is referred to as extended value: a set of indirect and widespread benefits involving local suppliers, workers, families, and public institutions.

One of the main channels for generating extended value is the supplier chain. Through its investments and procurement of goods and services, the company activates an economic ecosystem. This stable connection with the local production network supports not only growth of businesses but also their consolidation in terms of innovation, quality, and operational continuity.

At the same time, the company's activities have a notable impact on employment, both direct and indirect. In addition to its own employees, workers from partner companies, suppliers, and all other entities linked to the core business are also involved. Each internal post can generate further employment opportunities along the value chain, contributing to the economic stability of families and strengthening the human capital of the region.

Another area of impact relates to taxation. The company makes a significant contribution to local and national tax revenues through the payment of direct and indirect taxes, local levies, and social security contributions. This flow of resources supports the budgets of public administrations, allowing for investments in infrastructure, public services, education, and welfare. Contractual regularity and compliance with tax and social security regulations by the company and its suppliers also generate positive effects in terms of ethics and economic legality.

In summary, the extended value generated by a company constitutes a tangible and measurable contribution to the sustainable development of the region. This value goes beyond the company's financial statements, as it reflects improvements in job quality, local business competitiveness, and the ability of institutions to provide adequate public services to the community.

This section reports on the measurement of TPER's extended value, namely its impact in terms of:

- added value, i.e. the difference between the value of production and the costs incurred for the purchase of production input from outside the company (Economic Value Added, EVA), i.e. the value that the production inputs used by the company, capital and labour, have "added" to the inputs purchased from outside and which thus remunerate the internal production inputs
- taxation, or the share of wealth generated that will then be redistributed as public goods to the community
- number of workers employed directly and indirectly as a result of the Group's business activities

Specifically, the direct economic impacts of the company's activities, the indirect effects generated by the lead suppliers, and the induced value are determined.

The estimate of the extended value in favour of the various social and economic players derives from the combination of these elements.

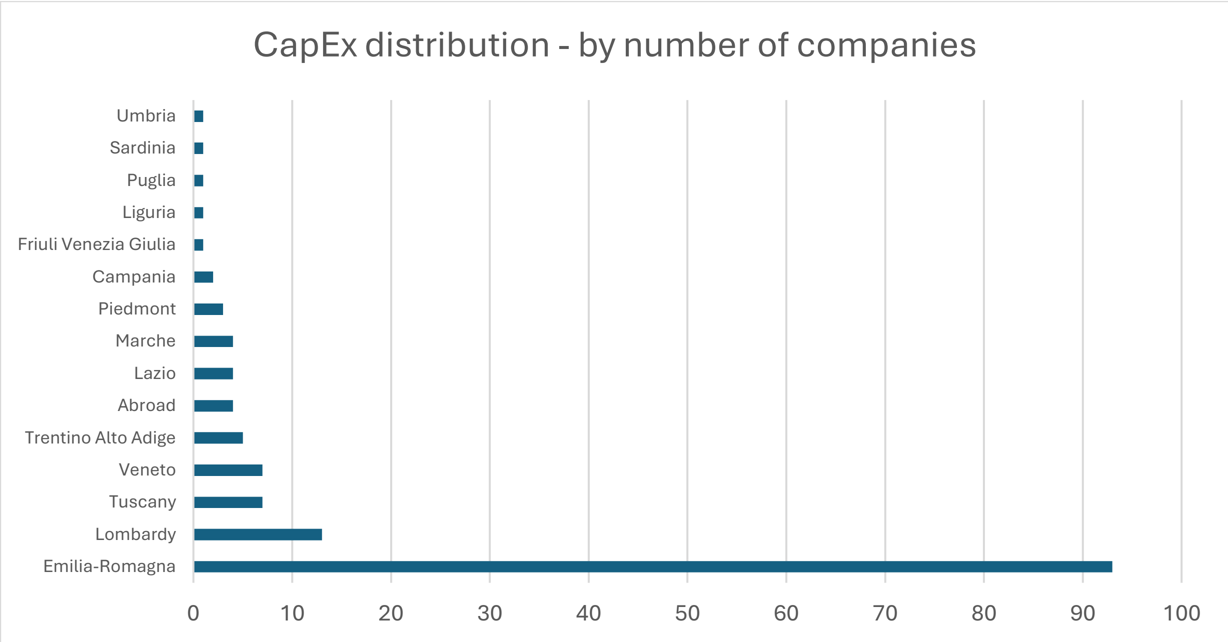
In particular, the direct impact of the business generated by TPER and its subsidiaries is defined as the impact that has a direct effect on households, businesses and the Public Administration, while indirect impact is that generated by the parties belonging to the TPER value chain, specifically TPER's lead suppliers.

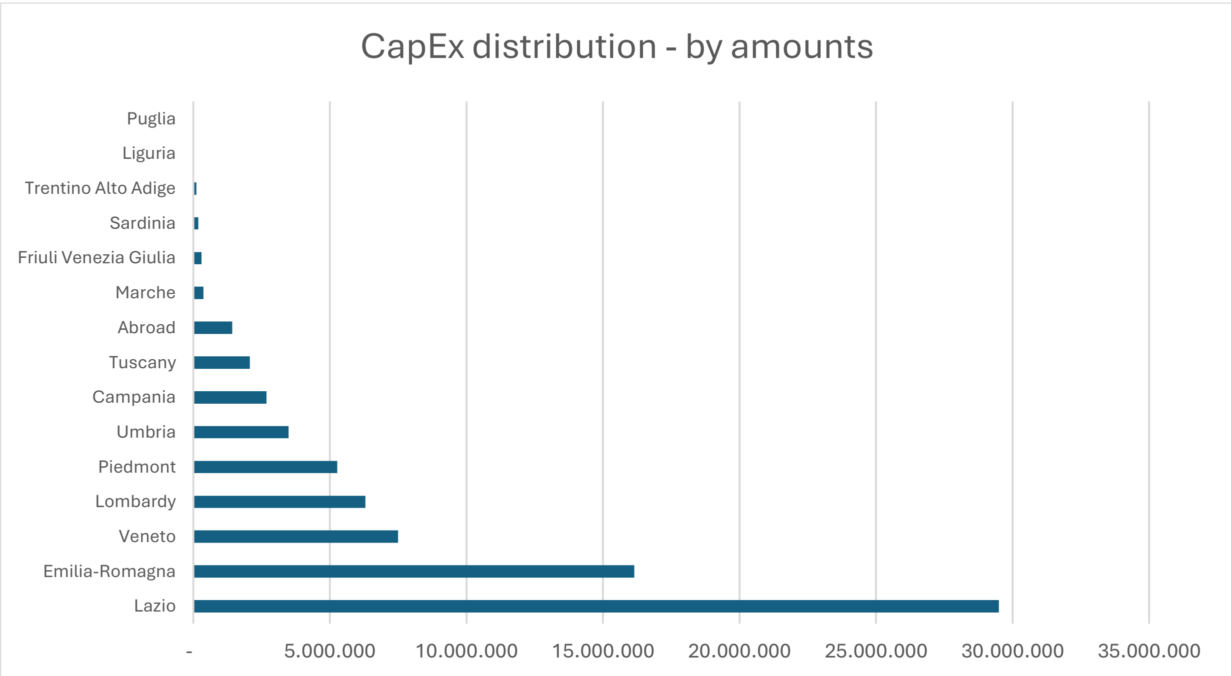
With reference to direct impact, the analysis is aimed at determining the economic impact due to the company's activity and was carried out taking into account the consolidated financial statements, considering both operations, i.e. income statement data, and expenses for investments.

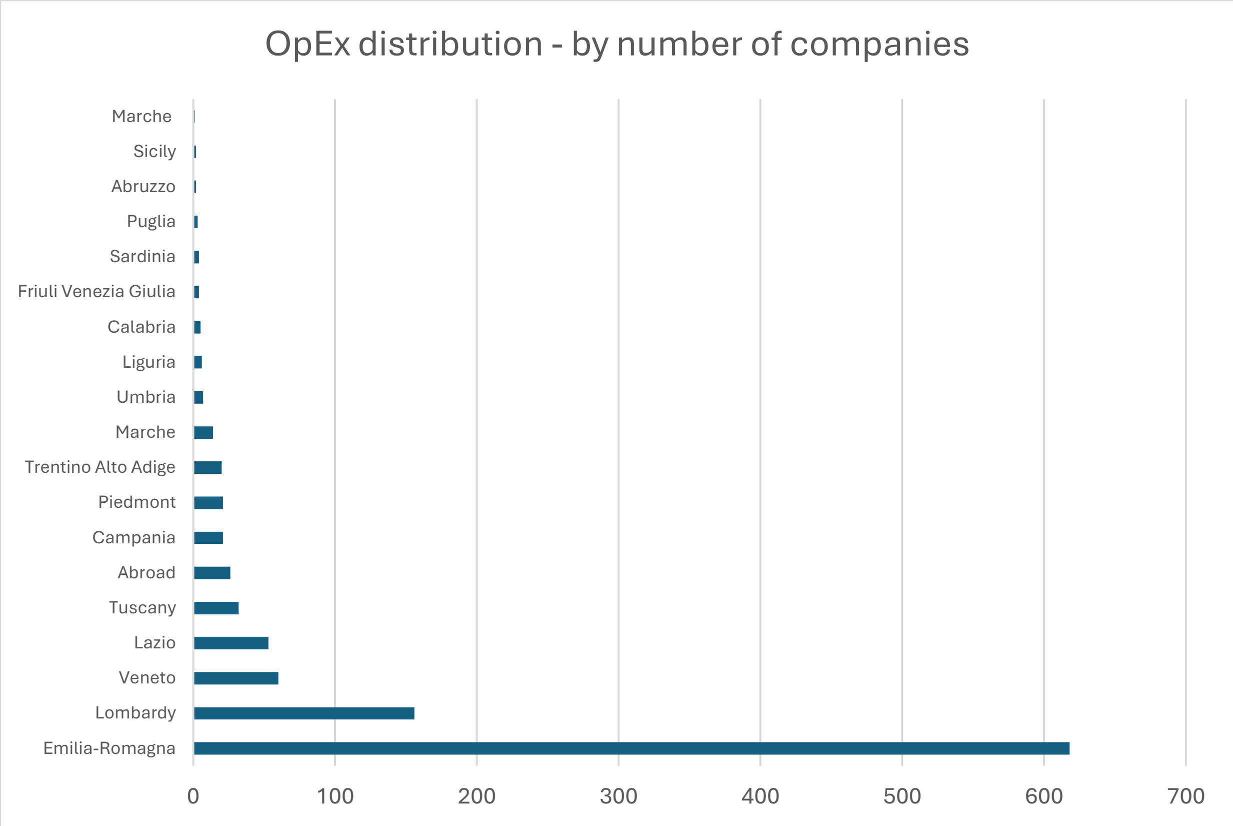
Indirect impact is generated by the subjects belonging to the TPER value chain, and more specifically TPER's lead suppliers. For the assessment of indirect impacts, the information contained in the financial statements of suppliers collated in the AIDA - Bureau Van Dijk database was analysed. For the remaining suppliers, projections were made starting with the data measured for suppliers on which the highest percentage of cost is concentrated. The suppliers were divided according to product category and services carried out, in order to better represent the type of purchases made by TPER. The survey was carried out on a representative sample of companies, consisting of 423 suppliers of raw materials and services, which account for 62% of TPER's operating expenses (covering companies with total costs of approximately Euro 62 million, including services, raw materials, and use of third-party assets), and 73% of investment costs, corresponding to approximately Euro 55 million and involving 47 companies. In total, the financial statements of 476 companies were analysed.

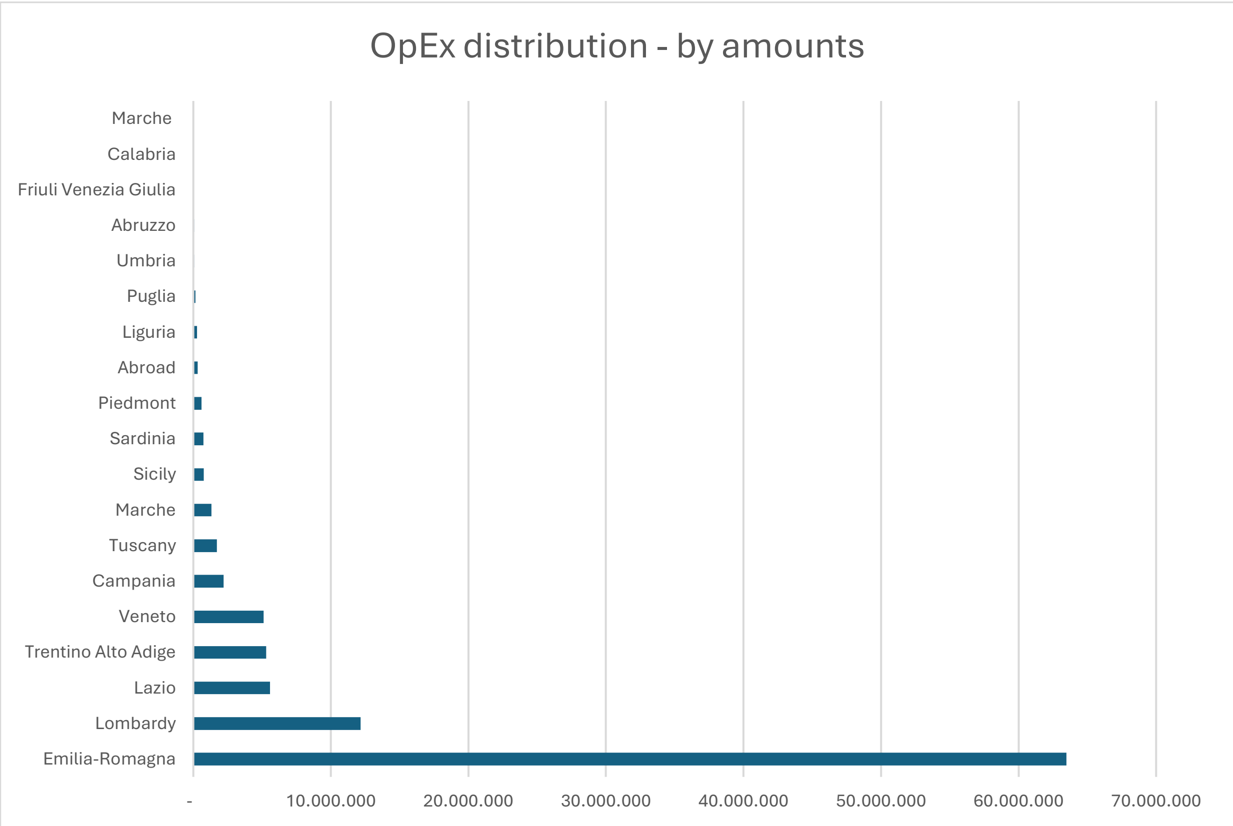
The analysis carried out shows the distribution of the main TPER suppliers in the area by number of suppliers and by amounts spent, taking into consideration both operating costs and investments. The data considered is that of the registered office as retrieved from the AIDA - Bureau Van Dijk data.

The analysis shown in the following graphs was carried out on a representative sample of companies, the same sample used for the analysis of extended value.









Many operating suppliers are located in the region (intended as local suppliers) both in terms of number (approximately 59% of the sample analysed) and by expenditure amount (64% of the sample).

For investments, 63% of the sample by number of companies is located within the region and are defined as local supplier, but only 23% in terms of amounts.

In light of the direct and indirect impact, the induced value was estimated, i.e. the increase in production connected to the increase in income of which those who contributed to the direct and indirect impact are beneficiaries. The final goal of the analysis was to provide a direct, indirect and induced assessment of the Added Value, Employment and Taxation items.

A portion of this income is likely spent on the purchase of other goods and services, and therefore translates into consumption/new production. To calculate the induced value, the calculation model included an estimate of 5% of the total direct and indirect value.

Measuring the extended value is extremely important because the company is one of the potential drivers of growth in the region, its activities having a knock-on effect on other sectors of the economy and distributing wealth to its stakeholders. In this context, the analysis of the extended value generated by the activities of a business, calculated in terms of direct, indirect and induced impacts, effectively responds to the current need to expand the scope of reporting, going beyond purely economic-financial performance.

Direct impact (TPER Group)

The direct impact over the years is shown below.

	Value added VA (000/Euro)	Tax charges (000/Euro)	Number of employees (no.)
2024	162,609	641	2,406
2023	126,961	555	2,346
2022	117,188	-460	2,345

Indirect impact (lead suppliers)

2024:

	VA impact (000/Euro)	Tax charges (000/Euro)	Employees (no.)
Ordinary operations	30,396	22,054	578
Investment management	8,477	7,118	128
Total	38,873	29,172	706

2023:

	VA impact (000/Euro)	Tax charges (000/Euro)	Employees (no.)
Ordinary operations	17,659	957	381
Investment management	5,547	315	60
Total	23,206	1,272	442

2022:

	VA impact (000/Euro)	Tax charges (000/Euro)	Employees (no.)

Ordinary operations	27,033.48	1,279.39	614.11
Investment management	5,541.76	241.60	77.21
Total	32,575.24	1,521.00	691.31

Induced impact

The following table shows the induced impact, estimated at 5% compared to the sum of other impacts.

2024

	VA impact (000/Euro)	Tax charges (000/Euro)	Employees (no.)
induced impact	1,944	1,459	35

2023

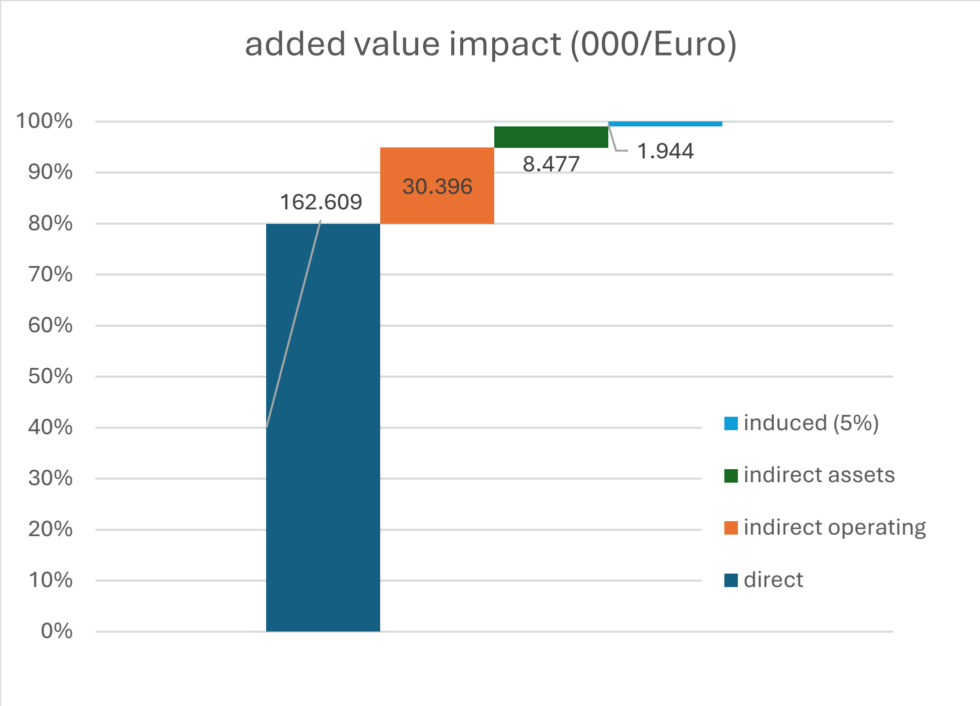
VA impact (Euro)	Tax charges (Euro)	Employees (no.)
7,508	91	139

2022

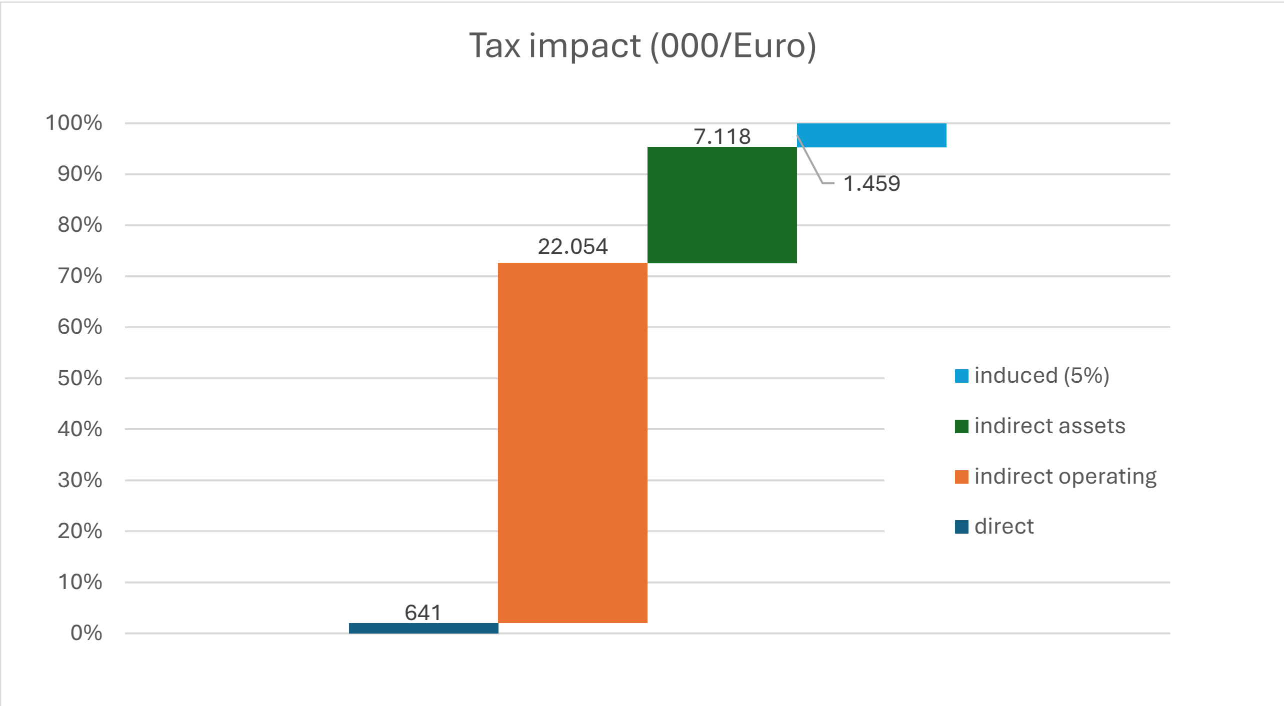
VA impact (Euro)	Tax charges (Euro)	Employees (no.)
7,488	53	152

Extended value of TPER

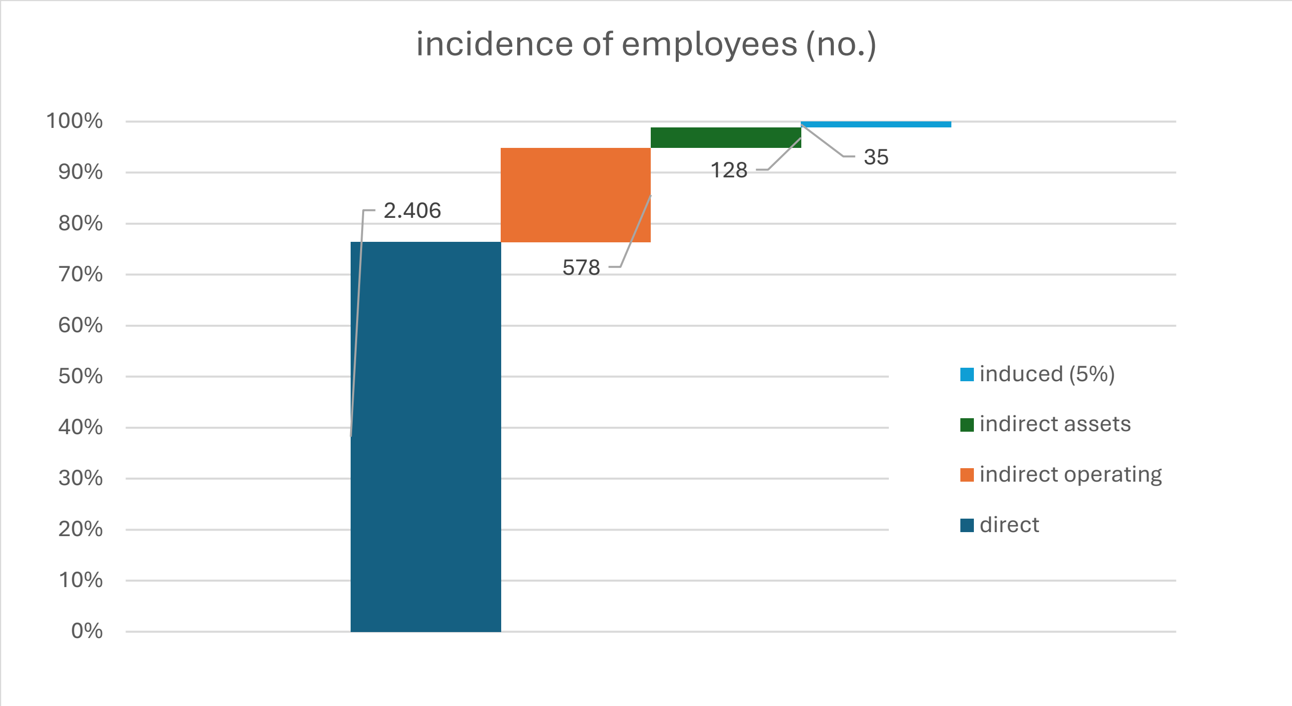
	value added (000/Euro)	tax (000/Euro)	Employees (no.)
Direct	162,609	641	2,406
Indirect operating	30,396	22,054	578
Indirect assets	8,477	7,118	128
Induced (5%)	1,944	1,459	35
total extended value	203,426	31,271	3,148



Added value refers to resources intended for the remuneration of internal production factors. Therefore, these are resources intended for the remuneration of personnel, for costs for use of capital (depreciation and amortisation, financial charges), for economic redistribution and the purchase of public services (taxes), for shareholder remuneration or the creation of reserves (profits). The value created for ordinary management by TPER and subsidiaries, by lead suppliers and by investment management is indicated below.



Taxation indicates the portion of wealth generated which is intended for public goods and services.



The chart shows TPER's effect on employment, indicating the number of people who work for the group, the estimate of personnel involved in TPER's lead suppliers, the number of people in investment management, and finally the induced effect.

Sustainability Report

General disclosures

Drafting criteria

ESRS Standards	BP-1 BP-2

General drafting criteria

The Consolidated Sustainability Report (Sustainability Report) of TPER S.p.A. (hereinafter also referred to as the "Company" or the "Parent Company") and its subsidiaries (hereinafter also referred to as "TPER" or the "Group" or the "TPER Group") for the year ended 31 December 2024 has been prepared pursuant to Article 4 of **Italian Legislative Decree no. 125/2024**, which transposed **Directive (EU) 2022/2464, the Corporate Sustainability Reporting Directive** (**CSRD**), into Italian law.

The aim of the Sustainability Report is to enable stakeholders to understand the company's material impacts on people and the environment, and the material effects of sustainability issues on the company's development, performance, and position.

The 2024 Sustainability Report, presented in the dedicated section of the Report on Operations, represents the first document published by the TPER Group under the new regulatory framework and has been prepared, as required by the CSRD, in accordance with the **European Sustainability Reporting Standards** (**ESRS**).

The ESRS define the information that a company must disclose regarding its **impacts, risks,** and **opportunities** in relation to **material environmental, social, and governance (ESG) sustainability issues.** The materiality of sustainability topics, stemming from direct and indirect business relationships across the upstream and/or downstream value chain, is assessed based on the principle of "double materiality" (*DMA - Double Materiality Assessment*).

The ESRS and the corresponding reported indicators (disclosure requirements) reflect those sustainability topics assessed as material, aligned with the activities of the TPER Group and their related impacts, risks, and opportunities. The process of analysing, identifying, assessing, and prioritising material topics, as described in the chapter "*Management of impacts - risks - opportunities*", has been carried out in accordance with ESRS requirements. This process is regularly updated and progressively developed over time as part of TPER S.p.A. Group's sustainability reporting (accountability) process.

This document, based on the results of the double materiality assessment (DMA), covers the entire upstream and downstream value chain.

The summary index of information relating to the various areas addressed (ESRS Content Index), published in the appendix to the Sustainability Report and forming an integral part of it, ensures traceability of the data, indicators, and other quantitative and qualitative information presented.

TPER has not made use of the option to omit specific information relating to intellectual property, know-how, innovation results or ongoing negotiations. However, regarding certain strategic information, it reserves the right to maintain confidentiality.

To allow for data comparability over time and to assess the Group's performance trends, comparative data for the two previous years are presented, even though not required for the first year of reporting under the ESRS. These have been reclassified and restated where necessary, using different units of measurement compared to those reported in the Consolidated Non-Financial Statement (NFS) for the previous 2023 year[1], drawn up pursuant to Italian Legislative Decree 254/2016.

The Sustainability Report includes the disclosure required under Article 8 of **Regulation (EU) 2020/852** concerning the **European Union Taxonomy for sustainable economic activities.** The EU Taxonomy establishes the conditions that an economic activity must satisfy to be considered sustainable.

Reporting scope

The reporting scope for the qualitative and quantitative data and information consists of the performance of the Parent Company TPER S.p.A. and its fully consolidated subsidiaries, in line with the Group's consolidated financial statements as at 31 December 2024, for the entire reporting period (from 1 January 2024 to 31 December 2024).

Disclosure relating to specific aspects

With regard to **time horizons**, the TPER Group defines the timeframes for sustainability planning in line with its strategic business objectives, in accordance with the ESRS (6.4 Definition of short, medium, and long-term timeframes for reporting purposes). Specifically, the short term refers to the reporting period of the financial statements, the medium term extends up to five years, and the long term refers to periods exceeding five years.

As for the **sources of uncertainty in estimates and results,** the reporting process for ESG performance data in some areas requires the use of estimates by the Directors. These estimates are based on historical experience, primary and authoritative external sources, input from external specialists and consultants, and other information deemed reasonable in the circumstances. Any use of estimates and the related methodologies are directly referenced in the respective sections of the report relating to each material topic, to which reference should be made for further detail.

The quantitative metrics subject to uncertainty in estimates and results particularly relate to the following sustainability topics and reporting areas:

Main reporting topics / areas subject to estimates (quantitative data)	Description and impact
GHG emissions - Scope 3	GHG emissions - Scope 3 along the value chain (upstream and downstream of TPER's activities) Uncertainties inherent in the nature and quality of the data and the consequent measurement techniques adopted, as required by the GHG Protocol. Potential impact: medium
Resource inflows	Resource inflows - Materials used Uncertainties inherent in the nature of the data and the consequent estimation techniques adopted. Potential impact: Medium

[1] The comparative data for the previous year 2023 have not been subject to a limited review by the independent auditors.

To mitigate the risks of errors in relation to estimated ESG performance data, particularly those characterised by uncertainty, internal controls and data validation processes are in place for the reported data and information.

Regarding **estimates on the value chain**, the reported metrics also include certain data related to the value chain, essentially referring to Scope 3 GHG emissions. These data, as established by the adopted methodology (GHG Protocol), are determined based on estimates and assumptions. Where direct data are not available, indirect sources are also used, which are more prone to uncertainty. The **measurement of the metrics** has not been validated by an external body other than the entity (independent auditors) issuing the assurance of compliance, with the exception of own workforce data, which have been audited by Certiquality as part of the verification process for the renewal of UNI/PdR 125:2022 (Gender equality certification).

With regard to **changes in the preparation and presentation of information**, in order to ensure consistency and comparability of information, where deemed necessary to correct any errors or to take into account the change in the indicators measurement methodology or in the nature of the activity, the quantitative data shown and relating to previous periods may be restated with respect to what was published in the previous year. The relative indications, recalculation criteria and effects are highlighted in the corresponding chapters and paragraphs.

Additional disclosures with respect to the requirements of the ESRS, including those mandated by other regulations concerning the disclosure of sustainability information or sustainability-related provisions, are included in the chapters and paragraphs relevant to the respective topics. The list of information required by a disclosure element stemming from other EU legislation, as included in Appendix B of ESRS 2, is provided in Annex 2 of the ESRS content index section

In accordance with Appendix C of ESRS 1, the TPER Group has availed itself of the **transitional provisions** for quantifying the expected financial effects stemming from climate-related risks and opportunities (disclosure requirement E1-9), pollution (E2-6), water and marine resources (E3-5), and resource use and circular economy (E5-6).

Governance

The role of the administrative, management and supervisory bodies

ESRS Standards	ESRS 2 GOV-1

TPER has adopted a corporate governance structure based on the traditional model.

Corporate bodies	Functions - Role - commitments
Shareholders' Meeting	Matters provided for by law and the Articles of Association
Board of Directors	The Board of Directors is the body vested with the broadest powers for ordinary and extraordinary administration. It is responsible for defining the business management strategies, evaluating the adequacy of the organisational structure and the general management trend. The management is chosen by the Board of Directors
Board of Statutory Auditors	The Board of Statutory Auditors monitors compliance with the law and the Articles of Association, and respect for the principles of proper administration.

The statutory audit is entrusted to PricewaterhouseCoopers for the period 2017-2026. A Supervisory Body pursuant to Italian Legislative Decree 231 has also been appointed to monitor the correct functioning of the "Model 231" and oversee its updating. The assurance of the compliance of the Sustainability Report for the reporting periods from 2024 to 2026 is entrusted to Ria Grant Thornton.

The Board of Directors

The composition of the Board of Directors (BoD) in office, appointed on 29 July 2022 and in office for three financial years, is shown below.

Board of Directors	Role	
Giuseppina Gualtieri	Chairperson, Chief Executive Officer	Executive
Maria Elisabetta Tanari	Director	Non- executive
Alessandro Albano	Director	Non- executive
Salvatore Fallica	Director	Non- executive
Eva Coisson	Director	Non- executive

The members of the Board of Directors are independent and are appointed by the Shareholders' Meeting on the basis of voting lists, representing the shareholders, chosen for their integrity, competence, and absence of conflicts of interest or incompatibilities. No analyses are carried out on under-represented social groups, but parity is taken into account in the breakdown.

Board of Directors- Diversity (gender - age groups)					
Women		**Men**		**Total**	
3	60%	2	40%	5	100%
Under 30		**Between 30 and 50**		**Over 50**	
-	-%	2	40%	3	60%

Please refer to the information on the TPER website [Board of Directors | TPER - Trasporto Passeggeri Emilia-Romagna] for information relating to the directors' profile and experience and indications of any other offices held.

The Chairperson of the Board of Directors, who is external and independent of the organisation, is entrusted with the role of Chief Executive Officer (CEO) due to specific expertise in industrial economics. The Chairperson and Chief Executive Officer reports annually to the Shareholders' Meeting on the performance and impacts on the economy, environment and people.

The Board of Statutory Auditors

The Board of Statutory Auditors is the body responsible for ensuring compliance with applicable legislation and the articles of association, as well as overseeing the proper management and administration of the Company. Its main function is to ensure that business activities are conducted in accordance with principles of legality, transparency, and fairness. The current Board of Statutory Auditors was appointed at the Shareholders' Meeting held on 01/07/2024 for 3 financial years:

Board of Statutory Auditors	
Fabio Ceroni	Chairperson
Alberto Camellini	Standing Auditor
Isabella Baselli	Standing Auditor
Patrizia Preti	Alternate Auditor
Tommaso Mele	Alternate Auditor

Sustainability governance

TPER's Board of Directors is strongly involved in sustainability topics, which were also introduced into the Articles of Association approved in 2022.

The current governance structure does not envisage committees responsible for decision-making processes and control in relation to the management of TPER impacts for specific sustainability issues.

The BoD and management are committed to developing, approving and updating mission, strategies, policies and objectives related to sustainable development as part of the evaluation and approval of corporate strategies. In particular, the Chief Executive Officer is tasked with assessing the organisation's impacts on the economy, environment and people.

For the management of impacts on the environment, people and governance, the corporate organisation provides specific functions and figures in charge of monitoring and reporting. Specific objectives are set for all managers in line with company strategy. Corporate impact performance is measured annually as part of the sustainability reporting process.

The Board of Directors approves the Sustainability Report and the material topics identified through impact assessment and prioritisation phases. For the coordination of the operational phases of the process, such as stakeholder engagement, integration of assessments and identification of relevant impacts and issues, the Board of Directors relies on the support of the Executive Board and a working group involving various corporate areas.

With reference to any conflicts of interest, the provisions of Articles 2390 and 2391 of the Italian Civil Code apply to directors. Specifically, at the time of appointment, directors are required to declare the absence of competitive activities and, if they have an interest on their own behalf or on behalf of third parties in a transaction submitted to the Board for examination, they are obliged to inform the Board without delay.

Reporting to the highest governing body is also carried out by the Supervisory Body pursuant to Italian Legislative Decree no. 231/2001, which communicates the results of the checks carried out and the finding of acts, facts, omissions, or other serious circumstances that may constitute a violation of a rule or regulation. A whistleblowing mechanism is also provided for, updated according to the latest regulatory provisions. In its annual report, the Supervisory Body pointed out that no critical issues had been identified.

The Board of Directors and the CEO are involved and periodically updated on sustainability issues and on the progress of the sustainability actions decided in the framework of the corporate business plan.

Training on sustainability

For sustainability expertise, the bodies may make use of experts or training. In 2024, a total of 206 hours of sustainability training were delivered.

The process of information and management of sustainability topics

ESRS Standards	ESRS 2 GOV-2

The administrative, management, and control bodies of the Group are periodically informed on sustainability issues via a communication and update system that ensures reporting at least twice a year on relevant impacts, risks, and opportunities. Specific updates are also provided in the event of significant occurrences or emergencies likely to affect corporate strategy. The information provided includes a detailed analysis of the company's environmental and societal impacts, along with an assessment of associated risks and opportunities. The implementation of due diligence obligations is verified, and the effectiveness of related policies, actions, and metrics is presented. These insights are crucial for guiding Group strategy and influencing major operational decisions. The administrative, management and control bodies use the data provided to identify areas for improvement, to assess the trade-offs associated with impacts, risks and opportunities, and to ensure that the policies adopted are consistent with the company's sustainability objectives.

Impacts, risks, opportunities, and related sustainability issues are regularly brought to the attention of the Board of Directors. In this regard, please refer to chapter - *Material impacts, risks and opportunities and their interaction with the strategy and the business model /* paragraph Material topics (IROs) for the complete list.

No major issues were identified during 2024 requiring communication to the Board of Directors.

Integration of sustainability-related issues and performance in incentive schemes

ESRS Standards	ESRS 2 GOV-3

TPER's value chain enables the Group to provide efficient and safe public mobility services, through a network of partners that together generate added value for end users. A coordinated relationship among suppliers, public bodies, technology partners, and users enhances service delivery and promotes sustainable urban and regional mobility. In particular, the Group's suppliers, including suppliers of vehicles and technologies, energy and fuels, materials and outsourced services, play a key role in the supply chain, and the relationship with TPER is based on respect for the principles of transparency and competition.

TPER's customers include citizens, students, workers, and tourists, either directly or through institutions or businesses that co-fund services via mobility management agreements.

TPER's incentive systems include sustainability targets, with the aim of assessing performance against specific objectives and impacts related to sustainability, including carbon emissions reduction, energy efficiency, responsible management of natural resources, actions related to diversity and inclusion, and the adoption of ethical business practices.

A portion of the variable remuneration of managers (executives and middle managers) therefore depends on the achievement of sustainability targets. This portion is established in such a way as to encourage the adoption and implementation of sustainable business practices.

In 2024, the variable portion linked to sustainability targets was 20%.

The due diligence process for sustainability topics

ESRS Standards	ESRS 2 GOV-4

As outlined in the OECD guidelines[2],*due diligence* is the process that companies should implement to **identify, prevent, mitigate and *account for* how they deal with actual and potential negative impacts in the respective activities,** in the supply chain and in other business relationships (Value chain as a whole).

The following table provides a mapping of the application of the Due Diligence process, highlighting the sections of the document in which the main stages of this process are addressed.

Fundamental elements of due diligence	Sustainability Report sections
Integrate due diligence into governance, strategy and business model	GOV-1 - The role of the administrative, management and supervisory bodies - role GOV 2 - The process of information and management of sustainability topics GOV-3 - Integration of sustainability-related issues and performance in incentive schemes SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and the business model
Involve stakeholders in all key phases of due diligence	SBM-2 - Stakeholders: interests and expectations
Identify and assess negative impacts	SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and the business model IRO-1 - The process to identify and assess material impacts, risks and opportunities
Taking action to address negative impacts	E1-3 Actions and resources in relation to climate change policies E2-2 Actions and resources in relation to pollution E3-2 Actions and resources in relation to water and marine resources E5-2 Actions and resources in relation to resource use and circular economy S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities for own workforce, as well as the effectiveness of these actions S2-4 Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for workers in the value chain, as well as the effectiveness of these actions S3-4 Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions

[2] OECD Guidance on due diligence for responsible business conduct

	S4-4 Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions
Monitor the effectiveness of interventions and communicate	SBM-3 - Material impacts, risks and opportunities and their interaction with the strategy and the business model

Risk management

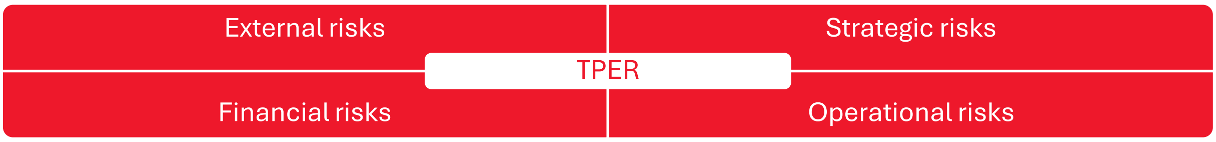
The process to identify and assess material topics (material IROs), particularly risks and opportunities, is based on the company's risk management system, which has been developed to evaluate the overall risk profile as an integral part of the internal control procedures adopted. This system also includes sustainability-related risks and opportunities that have or could have financial impacts.

As of the publication date of this document, TPER has not developed or adopted an integrated Enterprise Risk Management (ERM) system for mapping and managing risks in an integrated manner. However, formalised risk monitoring mechanisms have been activated, primarily based on the architecture of the adopted management systems, in order to prevent potential negative effects and take the necessary mitigation actions.

TPER's risk management activity aims to promptly identify risks within the company's core business, define appropriate prevention and mitigation measures, and safeguard operational effectiveness.

Corporate risk management is a fundamental component of TPER's decision-making process at all organisational levels. The importance of risk control in achieving corporate objectives highlights the need to define a well-structured analysis system which, through the identification and monitoring of risks in relation to those objectives, allows for appropriate risk responses to be adopted in pursuit of high levels of operational performance.

The current TPER model provides for the classification of risks:



TPER uses a risk assessment methodology that prioritises risks based on their probability and impact. This process involves all relevant business functions, ensuring an integrated and comprehensive view of sustainability risks.

Prioritisation methodology:

- Identification of risks through internal and external analyses
- Assessment of potential impact and likelihood of occurrence
- Classification of risks based on their criticality
- Definition of mitigation strategies

The results of risk assessment and internal controls are integrated into TPER's processes and internal functions, ensuring that all corporate decisions are informed and aligned with objectives.

Internal control processes are designed to ensure the transparency, completeness, and integrity of reported information, while risk management systems are intended to identify, assess, and mitigate risks that could affect the company's sustainability targets.

TPER is committed to providing periodic reporting on the outcomes of risk assessment and internal controls to its administrative, management and supervisory bodies.

The internal control system in sustainability reporting

ESRS Standards	ESRS 2 GOV-5

TPER's internal control system, involving all company functions, helps ensure operational efficiency and effectiveness, reliability of financial and sustainability reporting, compliance with laws and regulations, and safeguarding of corporate assets. The Heads of operational areas are responsible for internal controls. The Board of Directors holds ultimate responsibility for the internal control system, providing guidance, direction, and oversight. This body periodically evaluates its adequacy and effectiveness in relation to the company's characteristics, ensuring that key company risks are appropriately identified, measured, managed, and monitored.

The risk of misreporting in the Sustainability Report concerns the possibility of disclosing incomplete, inaccurate, or misleading information. This may arise from data calculation errors, lack of standardisation in methods, or absence of structured information collection processes. TPER has identified several key risks in the context of sustainability reporting, including:

- The completeness and integrity of the data
- The accuracy of the results of the estimates
- The availability of upstream and/or downstream value chain data
- The timing with which the information is made available.

Roles and responsibilities

The Board of Directors is responsible for ensuring that the Sustainability Report is prepared and published in accordance with the provisions of Italian Legislative Decree no. 125/2024, and is also the competent body for sustainability matters, with responsibilities to:

- evaluate the Sustainability Report in accordance with applicable regulations;
- examine the contents of the Sustainability Report relevant to the internal control and risk management system;
- examine and assess sustainability policies aimed at ensuring long-term value creation for shareholders and all other stakeholders over a medium to long-term horizon, in line with sustainable development principles, including directions, objectives, and related sustainability processes.

The Board of Directors has appointed a Head of the internal audit function.

On an annual basis, TPER's Head of CSR (Corporate Social Responsibility) and Sustainability manages the process of collecting and aggregating the data and information necessary for the preparation of the Sustainability Report, with the involvement of the data owners. The information flows relating to the collection of the required data are guaranteed by all Group companies. Should any anomalies arise, local contacts are required to report them promptly to their managers, providing a detailed description.

Strategy and business model

Services - business model

ESRS Standards	ESRS 2 SBM-1

TPER manages local public road transport in the Bologna and Ferrara areas, and it provides the public railway transport service on the regional network in partnership with Trenitalia through the associated company Trenitalia Tper. It also manages the "Corrente" car sharing service, which has been free-flowing and 100% electric since October 2018.

TPER is the implementer of the main mobility projects in the Bologna area and is the manager of the MEX station-airport connection, under concession to the investee Marconi Express.

Overall, the TPER Group has 2,406 employees, all based in Italy. For further details on TPER's workforce, refer to Chapter S1 - Own workforce.

Road transport service

The total number of **passengers** carried by TPER in 2024 was approximately **147 million.**

The road transport network covered by TPER in the provinces of Bologna and Ferrara equates to **4,427 kilometres**, including an urban network of 561 km. In 2024, the TPER Group and its partners covered **44.5 million km** in the Bologna and Ferrara areas.

Urban and extra-urban area of Bologna

In order to guarantee the public road transport service in the Bologna area (through the subsidiary TPB), the TPER Group vehicles offered more than 35.4 million kilometres of urban, exurban and suburban routes.

In 2024, TPER transported roughly 132.7 million passengers in the Bologna area, managing a total of 89 urban, 17 suburban and 140 extra-urban lines, 12 of which Prontobus call lines.

Public road transport service in the Bologna area - km offered	2024	2023	2022
Bologna urban service	17,482,942	17,671,170	17,541,772
Urban service in other local councils	693,720	684,529	688,846
Suburban and exurban service in Bologna	17,176,330	17,040,864	17,627,756
Reserved and specialised lines and rentals	85,779	90,002	88,373
Total km covered	**35,438,771**	**35,486,565**	**35,946,747**

Urban and extra-urban area of Ferrara

The offer provided by the subsidiary TPF for managing public road transport in Ferrara in 2024 amounted to over 9 million km.

In 2024, more than 14 million passengers were transported. There are 19 urban lines, 15 Taxibuses, and 46 extra-urban lines in the Ferrara area.

Public road transport service in the Ferrara area - km offered	2024	2023	2022
Urban service in Ferrara	2,511,641	2,469,674	2,526,279
Ferrara extra-urban service	6,533,569	6,424,681	6,560,489

Reserved and specialised lines and rentals	7,714	1017	1,241
Total km covered	**9,052,924**	**8,895,372**	**9,088,009**

Rail freight service

Since January 2020, regional rail transport in Emilia-Romagna on regional and national lines has been managed by the investee Trenitalia Tper. Trenitalia Tper is a 30% investee of TPER, which retains ownership of the rolling stock made available for the service. **The service data are not consolidated with TPER data.**

Trolley bus service

The Progetto Integrato della Mobilità Bolognese (PIMBO) [bologna's integrated mobility project] is underway. The project seeks to complete the Metropolitan Railway Service and introduce trolley buses on the main lines of urban public transport, which TPER manages and executes.

By implementing the planned interventions, it will be possible to guarantee a strong and widespread connection system for public transport powered by electricity, with important consequences in terms of reduction of road congestion, air pollution and noise pollution, in line with the planning tools of all local authorities involved in the project (PUMS).

The project envisages:

- The restructuring and strengthening of the urban public transport network through the development of the existing trolley bus system, and the integration with the railway system and with the new tramway projects in Bologna.
- The completion of the Metropolitan Railway Service (SFM), with the construction of the last four stops inside the City of Bologna (Prati di Caprara, Zanardi, Borgo Panigale Scala, San Vitale-Rimesse), with the adaptation of the San Ruffillo and Fiera stops and the multi-modal connection with the urban fabric, through the realisation of a series of works to improve accessibility.
- The "branding" of SFM stations and the modernisation and completion of the network.
- The purchase of trolley bus and railway rolling stock to be used on the project trolley bus and railway lines.

Car sharing - "Corrente" service

Corrente is a free-flowing car sharing service with completely electric cars, active since 2018. In 2023, the service was expanded with the acquisition of 100 electric scooters, which can be used in the Bologna area, while in 2024, the replacement of the Renault ZOE car fleet began, gradually being replaced with Volvo Ex30 cars.

The service has over 101 thousand registered users, who have covered roughly 2.5 million kilometres using this sustainable mobility system in 2024.

The service is active in Bologna (cars and scooters), Ferrara, Casalecchio di Reno, Parma and Imola, with the option to start and end your journey in different cities.

Car Sharing service data	2024	2023	2022
Cars	234	226	385
Registered users	101,335	81,728	66,745
Completed trips	202,775	135,260	192,939
Hours used	259,472	276,965	376,122

Kilometres travelled	2,450,548	2,793,032	3,750,036

Scooter sharing service data	2024	2023[3]
Fleet as at 31 December	100	100
Completed trips	93,246	23,936
Hours used	26,579	7,349
Kilometres travelled	444,733	103,996

Management of the Marconi Express service

Marconi Express (MEX) is a transport system linking Bologna airport with the high-speed railway and the city centre through a terminal at the FS railway station. This station serves as a central hub for national railway lines, accommodating over 50 million passengers annually. The service was inaugurated on 18 November 2020.

This is a mass transit system with guided operation, electric power supply, and fully automated (driverless) functionality, equipped with platform screen doors for passenger protection. It connects the city centre (Central Station) and the airport in about seven and a half minutes, making a single intermediate stop in an urban area undergoing redevelopment and destined to host a new housing and university area.

TPER, a 25% shareholder of Marconi Express, is responsible for managing the service, carrying out routine and scheduled maintenance, training and certifying personnel who must be authorised by the Italian Agency for the safety of railways and road and motorway infrastructures (ANSFISA), and organising and managing the ticket sales and marketing network.

In 2024, Marconi Express had 1,727,824 passengers, with an average of over 4,700 people transported per day. The service covered 487 thousand km.

Mobility Management

Through Framework Agreements with the Municipality of Bologna, TPER has, over the years, expanded the number of staff involved in Mobility Management initiatives, thanks to reductions in the cost of annual season tickets for employees of companies that have a Mobility Management Agreement (MM Agreement) with the Municipality of Bologna. TPER has entered into numerous Mobility Management agreements with companies and entities based in the service area. Through these agreements, TPER issues discounted annual passes for employees who request them on the TPER portal "Solweb". The discount applied by TPER is 5% or 15% depending on the contribution paid to employees by their company (which in some cases well exceeds 15%, making the pass especially convenient and thereby encouraging its purchase).

Since 2022, the disbursement of the contribution provided by the Municipality of Bologna under the PON Metro - React EU Project "Extraordinary Plan in Favour of Corporate Mobility Managers and Innovative Actions" for the relaunch of Local Public Transport (LPT) has supported the extension of the subsidy for the purchase of discounted season tickets reserved

[3] In service since 1 June 2023

for employees, to new companies, which have confirmed agreements with TPER in subsequent years as well.

The Framework Agreement facilitating the 15% contribution, in force for the Municipality of Bologna, has been extended under the same conditions to the territory of the Metropolitan City of Bologna and the Ferrara area, with the latter including an additional contribution for companies, provided by AMI Ferrara.

Instead, other agreements provide for the purchase of a large number of passes, in relation to the total number of employees, at a flat rate, which companies and entities then distribute to their employees during the year based on actual requests.

The conventions signed for the provision of Special Passes with Intercent-ER, Municipality of Bologna and ASP Città di Bologna are part of these agreements.

Specific agreements also concern:

- students enrolled at the University of Bologna who, thanks to contributions from the university, have access to passes at particularly advantageous rates
- Philip Morris Manufacturing & Technology Bologna S.p.A., which provides a pass free of charge to employees valid on the entire service provided by TPER, including the two lines that reach the company plant in the municipality of Crespellano
- Bologna G. Marconi Airport, with the provision of special passes reserved for airport personnel with various additions integration between the MEX, LPT, Corrente and Trenitalia rail services
- The P3 Logistics Hub in Altedo, where TPER provides a LPT service alongside the issuance by TPER of annual season tickets to promote home-to-work mobility among employees of the companies based within the Logistics Hub.

The detailed list of companies that have signed agreements for discounted mobility or special employee passes as of April 2025 is provided below:

- Acer Bologna
- Bologna Airport
- Alfasigma
- Area Blu (Employees of Area Blu and Municipality of Imola)
- ASP - Città di Bologna
- AUSL - Bologna Local Healthcare Unit
- AUSL Ferrara
- Ausl Imola
- Ferrara Hospital
- BoMob
- Bonfiglioli Riduttori and Bonfiglioli S.p.A.
- Clauger-Technofrigo
- CNA Servizi
- Coloplast
- Municipality of Bologna
- Municipality of San Lazzaro di Savena
- Covisian
- Crif
- Ducati
- Emil Banca
- ENEA Bologna

- ENEL
- Fitstic
- Fondazione Hospice Seragnoli Onlus
- ITL Foundation (Institute of Transport and Logistics)
- Galletti Spa
- Gd
- Hera
- Ima
- INFN
- Intercenter
- Istituti Ortopedici Rizzoli of Bologna
- Manfredi Tanari Institute
- Marposs
- Monrif
- Open Group
- Philip Morris
- S. Orsola-Malpighi General Hospital
- P3 Logistics Hub
- PwC
- Site
- Unipol
- University of Bologna
- University of Ferrara
- Woolrich
- Zanichelli

Agreements are entered into with companies for the purchase of regular season tickets reserved for employees. Tickets can be booked in the same way as mobility tickets, using the TPER online system. The companies involved are:

- Poste Italiane
- Cral Telecom
- Eridania
- CNA Associazioni
- Almaviva
- Banca Intesa

Ticket distribution

TPER offers its customers different ways to purchase individual tickets and travel passes for the transport service.

- Company ticket offices: TPER points are available to customers in Bologna, Ferrara and Imola. At TPER points, customers can receive answers to any request related to public transport and different forms of mobility: information, travel and parking tickets, passes and much more.
- Ticket sales: a network of over 1,500 authorised merchants can sell TPER travel tickets.

- Self-service ticket machines - automatic ticket dispenser: TPER provides its customers with some automatic ticket dispensers, mainly located in railway stations, for the distribution of its travel tickets.
- Website: smart cards can be requested from the TPER website (both top-ups and new issues). They are delivered by post with the selected season ticket already loaded and ready to be activated upon first use on board the bus. With the purchase receipt, which is sent via e-mail at the end of the online procedure, in the case of personal season tickets it is possible to travel just 15 minutes after payment. The receipt contains a QR Code which must be shown in the event of an inspection, together with an identity document. In the case of impersonal season tickets, only the holder of the card may travel until the physical card has arrived.
- Sale on board: tickets can be purchased on board in cash using special issuers, or they can be purchased without surcharge using a contactless bank card.
- Applications: with ROGER, travel tickets can be purchased directly via smartphone, either charged to a bank card or using an electronic wallet.

TPER fleet

ESRS Standards	ESRS 2 SBM-1

The fundamental lever of TPER's environmental sustainability consists of its activities to reduce - in line with available resources - the environmental impacts of its fleet, according to three guidelines:

- Urban transport: use of electric vehicles (hydrogen-powered vehicles also in the future)
- Suburban transport: use of hybrid/methane-powered vehicles (hybrid/CNG/LNG)
- Exurban transport: use of liquid methane (Biofuel/LNG) powered vehicles

As at 31 December 2024, TPER had 1,239 vehicles (1,192 as at 31 December 2023, 1,186 as at 31 December 2022).

	Diesel	Electric	Methane	Diesel hybrid	Methane hybrid	Total
Interurban	283		101	7	22	413
Suburban	118		124	29		271
Urban	108	125	223	44	55	555
Overall total	509	125	448	80	77	**1,239**

In 2024, the average age of the automotive fleet was 10.66 years, slightly down on the previous year.

	2024	2023	2022
Average age of buses	10.66	10.74	11.93

In the areas managed by subsidiaries TPB and TPF, the vehicles of SST and its partners are also used (269 vehicles in total).

	Diesel	Methane	Total
AGI	24	3	27
Coerbus	43	2	45
Cosepuri	62	6	68
SACA	62	17	79
Corbus	8		8
Sarasini	5		5
La Valle	25		25
SST	10	2	12
Overall total	239	30	269

The main sources of fuel are diesel and natural gas. TPER uses a diesel fuel with very low sulphur content (10 parts per million) which limits emissions of sulphur dioxide and sulphates. As regards natural gas, most of this energy source is represented by biomethane, guaranteed by certificates of origin. Of the 509 diesel buses, 185 are Euro 6. In addition to the 448 methane vehicles, of which 162 are Enhanced Environmentally Friendly buses and 220 are Euro 6, there are 125 electric vehicles with ZEV - Zero Emission Vehicle - characteristics, and 157 hybrid buses (80 diesel hybrids and 77 methane hybrids).

Almost all buses (with the exception of the new Euro 5, Euro 6, Zero Emission Vehicle, and EEV models, which already have reduced or zero impact) are equipped with devices to reduce emissions, specifically the CRT (Continuously Regenerating Trap) system, which acts on particulate matter, and the SCR (Selective Catalyst Reduction) system, which acts on nitrogen oxides, reducing their emissions.

Approximately 75% of the TPER fleet is therefore low-emission, considering EEV (Enhanced Environmentally Friendly Vehicle) vehicles, ZEV vehicles, which are considered zero-emission, and Euro 6 vehicles (considered environmentally sustainable for European taxonomy until 2025). The percentage is higher when the additional emission reduction systems are taken into account.

	Diesel	Electric	Natural Gas	Diesel hybrid	Methane hybrid	Total
EEV			162			162
Euro 3	151		15	21		187
Euro 4	32		21			53
Euro 5	141		30	2		173
Euro 6	185		220	57	77	539
ZEV		125				125
Overall total	509	125	448	80	77	1,239

	DIESEL	ELECTRIC	NATURAL GAS	DIESEL HYBRID	GAS HYBRID	Overall total
CRT TREATMENT						
Euro 3	121			14		135
Euro 4	7					7
Euro 5	9		3	2		14
Euro 6	19		173			192
Total	**156**		**176**	**16**		**348**
SCRT TREATMENT						
Euro 5	50					50
Euro 6	131		33	28	55	247
ZEV		11				11
Total	**181**	**11**	**33**	**28**	**55**	**308**
No extra treatment						
Euro 3	30		15	7		52
Euro 4	25		21			46
Euro 5	82		27			109
Euro 6	35		14	29	22	100
Total	**172**		**77**	**36**	**22**	**307**
ZEV		**114**				**114**
EEV			**162**			**162**
	509	**125**	**448**	**80**	**77**	**1,239**

For urban services, TPER mainly uses zero-emission electric vehicles and buses run on methane, a fuel that does not release benzene, sulphur dioxide or particulate matter (PM10) and whose carbon dioxide and nitrogen oxide emissions are, respectively, 25% and 90% lower than those of traditional fuels.

TPER **investments** for urban routes are aimed at **increasing the number of electric vehicles**. The Bologna trolley bus network was already present in the 1960s and 1970s and, although unused for several years, was always maintained and has recently been refurbished. The current electric fleet consists of 60 trolley buses, 49 of which are Crealis Neo.

	Interurban	Suburban	Urban	Total
EEV		22	140	162
Euro 3	76	70	41	187
Euro 4	6	8	39	53
Euro 5	71	20	82	173
Euro 6	260	151	128	539
ZEV			125	125
Overall total	413	271	555	.1239

Regarding the type of vehicles used, there are 59 short buses, 67 buses of medium length, 730 long buses and 383 super-long/articulated buses.

	Interurban	Suburban	Urban	Total
SHORT	16		43	59
MEDIUM	13		54	67
LONG	268	219	243	730
SUPERLONG / ARTICULATED	116	52	215	383
Total	413	271	555	1239

With respect to architectural barriers, almost 93% of buses have at least one device to facilitate getting on and off the vehicle. Specifically, 1,126 buses are equipped with a platform to facilitate use by people with reduced mobility (1,053 in 2023 and 1,016 in 2022) and 1,105 buses have a lowered platform (1,069 in 2023 and 1,074 in 2022).

		without platform	Equipped with elevator platform	Overall total
Interurban	Standard platform	81	39	120
	Lowered platform	23	270	293
Suburban	Lowered platform		271	271
Urban	Standard platform	9	5	14
	Lowered platform		541	541
Interurban Total		104	309	413
Suburban Total			271	271
Urban Total		9	546	555
Total		113	1,126	1,239

In parallel with the increase in equipped buses, the **personalised assistance system** for those with special requirements has also been improved.

Users in wheelchairs can now check (also using an app or the variable smart pole messages) whether line buses are equipped, knowing that the coverage of equipped vehicles in the urban area makes it mostly unnecessary to make a reservation, allowing for the independent and free use of this public service.

In any event, it is also possible to agree on the presence of a platform on routes of interest for six-month periods, or, lastly, agree on a single specific itinerary on a specific day, by providing prior notice of at least three days. All of this can be done by using the info available in the shelters and on the company website or with the assistance of the Call Centre.

A number of measures have been adopted to facilitate travel for passengers with reduced mobility. The initiatives directly concern both the functionality of the vehicles and the information provided. The measures include:

- Information at stops via electronic poles, providing information on the arrival of the buses as well as information about the presence of the platform
- Provision of applications that give information about the arrival of buses and also about the presence of a platform on the arriving buses (for details of the applications http://www.TPER.it/apps).

Railway service - Although it has transferred the railway branch of business to Trenitalia Tper, TPER has retained ownership of part of the assets functional to the performance of the service and continues to invest in the purchase of new rolling stock. TPER owns a total of 14 electric and 2 diesel trains. In 2024, the average life of trains owned by TPER is 10 years.

	2024	2023	2022
Average age of trains	10	9	8

The rail service is also managed using new technologies that favour sustainability. A total of 26 ETR 350s are in service (of which 14 new series). Each ETR has around 270 seats but can carry a total of around 600 passengers. The service improvements made to the ETR trains include an additional toilet on board. The ETR trains were purchased in advance of the expiries set forth in the contract linked to the regional railway service tender precisely to guarantee that new trains with positive impacts on service quality as well as in terms of emissions would be available as soon as possible.

TPER's business model and value chain

ESRS Standards	ESRS 2 SBM-1

TPER's business model is shown below.

Key partners

Partners providing services in the area

Suppliers (vehicles, energy, materials, services)

Sponsors

Key activities

Tpl

Rail transport

Sharing mobility

Logistics

Maintenance

Major mobility projects

Key resources

People

Technology

Innovation

Energy resources

Value

Ensure widespread, accessible and sustainable mobility services

Enhance human rights along the entire value chain

Contribute to the protection of the environment and human health

Relations with customers

Customer surveys

Consumer associations

Users' Advisory Committee

Channels

Ticket offices, website, app

Market segments

All parties expressing a demand for transport in the territory

Specific targets: Students

Workers (including those covered by mobility management agreements)

Tourists / visitors

People with reduced mobility

Cost structure

Rigid cost structure - labour intensive sector

Revenue structure

Rates and fees

Social and environmental costs

Costs related to the use of energy sources

Social and environmental benefits

Quality of life of people and climate change

With reference to the value chain, the following can be identified:

- Upstream, primarily suppliers of fuel and energy, vehicles and technologies, systems and materials for maintenance, auxiliary services (workshops, logistics partners), other consumable materials, and services supporting management and corporate organisation.
- Among the primary activities, the provision of transport services, with particular reference to staff organisation and fleet management, service planning and operations control, and the implementation of investments.
- Downstream, customer support, communication and information, ticketing, invoicing and revenue management, service improvement analysis, marketing, and commercial relations.

Cross-cutting support activities have also been reported (applicable both upstream and downstream), such as IT management, administrative and legal management, financial and economic management, and general coordination.

Upstream, **suppliers** play a key role in TPER's value chain, not only because they contribute to the provision of services offered, but also because the ability to supply innovative products and services, combined with adherence to safety and quality standards and compliance with corporate ethical standards, is essential to ensure efficient, safe, and sustainable local public transport (LPT) services.

With reference to core activities, TPER **employees** represent a fundamental component of the value chain. With 2,406 workers (all personnel are based in Emilia-Romagna), including drivers, technical operators, maintenance staff, administrative personnel, and managers, human capital is one of the company's main assets. The relationship with employees is based on continuous training and occupational safety, the enhancement of professional skills, participation in corporate improvement processes, and dialogue with trade union representatives to ensure a positive organisational climate.

TPER operates within a regulatory framework defined by public bodies, both as shareholders and as regulators, which set service standards, fares, sustainability, and quality. The main regulatory bodies are local authorities (the Emilia-Romagna Region and local government shareholders), local mobility agencies, and the Italian transport regulatory authority (ART). These bodies play an essential role in ensuring that TPER's service offering aligns with public objectives of equity, accessibility, and sustainability.

Also playing a very important role downstream in the value chain are **user and consumer associations**, which represent citizens' needs and actively participate in consultation forums; **trade unions**, which safeguard the rights of sector workers; and **other local associations** in the fields of sport, culture, education, health, and human rights in general, with which TPER engages in promoting and disseminating shared values. Dialogue with these groups enables TPER to build a service that is increasingly inclusive, participatory, and aligned with local needs.

Stakeholders: interests and expectations

ESRS Standards	ESRS 2 SBM-2

The ability to understand and assess the needs and expectations of stakeholders, for an entity managing a local public transport services that promotes sustainable mobility, takes on particular importance. Dialogue is important for improving the impact, quality, efficiency and accessibility of services and for fostering a development process.

Through these interactions with various stakeholders, listening to their expectations and collaborating with local entities, the conditions can be created to meet their needs, while respecting the propriety of relationships. This dialogue helps to guide the strategies and define objectives, developing new projects and building a dialogue with the local communities in which the entity operates.

TPER has identified its stakeholders and relative activities, defining the level of involvement taking into account the functions and the tools for interaction and dialogue.

Stakeholders	Facilities involved	Expectations	Engagement		
			Activities	Instruments	Answer
Shareholders	Management, general affairs, commercial area, communications and PR	Sharing of quality standards, service planning and discussion of results	Several meetings during the year	Shareholders' meetings, other meetings, presentations, exchanges of communications	Presentation of projects, plans, reports and financial statements
Mobility agencies and other regulatory bodies, state administrations, other bodies	Management	Respect for rules and regulations, respect for contracts and service charters	Periodic meetings	Meetings and exchange of communications	Reports and quality surveys
Universities and research institutes	Management	R&D	Periodic collaborations and framework agreements	Periodic meetings	Promotional events, research projects
Users, customers and trade associations	Sales department	Greater awareness of expectations	At least 12 meetings with each UAC (User's Advisory Committee) per year	Customer satisfaction surveys, mystery clients, UAC meetings	Presentation of survey results

Workers (employees and non-employees) and union representatives	Human Resources	Sharing of values and objectives	Multiple meetings and activities	Assemblies, training sessions, dedicated meetings, intranet and refreshment areas	Code of Ethics Specific trade union agreements
Local communities and general public	Communication and public relations	Creating shared value	Various analysis and dialogue activities	Communication campaigns	Exhibitions, competitions, events
Industry operators	Management	Sharing common goals and benchmarking	Meetings with trade associations	Assemblies, working groups, conference calls, one-to-one meetings	Production of joint documents
Providers of goods, services and works	Procurement	Guarantee of broad demand	Several meetings and contacts in a year	Selection procedures, exchange of documentation, meetings	Contracts, supplier DB
Banks and lenders	Management	Economic, financial and capital solidity and sustainability	Not regular, but in relation to specific projects	Meetings and exchange of communications	Analysis reports, trade agreements

Integrating sustainability in TPER's strategy and business plans

ESRS Standards	ESRS 2 SBM-3

The TPER's Business Plan

The TPER Group provides local public transport (LPT) services by road and rail, along with other activities related to the mobility sector. The Group is not active in the fossil fuel sector (coal, oil, and gas), in the manufacture of chemical products, in the arms industry, or in the production and cultivation of tobacco.

The strategic guidelines are designed to have a significant impact on the prospects for business development and contribute to the pursuit of economic, environmental and social sustainability objectives.

The TPER's Plan, approved by the Board of Directors in July 2024, with an update to the investment plan in January 2025 for the years 2025-2027, sets out concrete actions to support sustainable development.

The Plan's objectives are primarily focused on **investments in vehicles with higher environmental and social sustainability**, and on the implementation and completion of **infrastructure projects** for powering electric battery and hydrogen fuel cell vehicles. The pursuit of sustainable development requires capacity for innovation and technological development, to improve the efficiency and quality of the services offered. The realisation of investments and a business plan that meets the environmental and social needs linked to mobility must be supported and accompanied by the development of the knowledge and skills of the people/organisational structure.

Business Plan - Strategic objectives	
Technological development	Drivers of technological innovation, in support of businesses and development of new opportunities
Quality	Definition of high quality standards in all activities for the benefit of all stakeholders
Sustainability	Carrying out our role in the communities in which we operate, with respect for the law and the environment
Economic balance	Business continuity and development, always seeking to maintain the economic and financial equilibrium
Increasing competitiveness	Increased competitiveness both in terms of defending and developing business activities, including through partnerships and the management of innovative forms of mobility.
Efficiency	Constant improvement of internal processes - high levels of efficiency

Business Plan - Sustainability objectives	
Environment	Optimisation of energy consumption, reduction in the use of energy/fuels from fossil sources and a consequent reduction in emissions of CO_2 and other substances that are harmful to human health and the environment
Efficiency and quality	Maintaining a high level of cost-effectiveness, profitability, productivity and service quality while ensuring economic sustainability
Accessibility	Guarantee of an accessible service and availability of travel tickets for all users
Safety	Reduction in the risk of accidents, safety on board vehicles and for company personnel

Investments and innovation

The TPER investment plan concerns the purchase of new vehicles for the road and railway sectors and the realisation, as an implementing entity, of projects aimed at developing more efficient and sustainable mobility, technological development and information technology.

The investments described refer to the 2025-2027 plan and, with the necessary adjustments to individual funding streams, form part of the long-term programming that TPER is implementing over a time frame spanning more than a decade.

The investments are aligned with local, national, and international objectives regarding sustainable development, and are consistent with the provisions set out in the extensions of the LPT service contracts for the Ferrara area and in the most recent extension for the Bologna area.

Investments 2025-2027	Amount (Millions of Euro)	Targets of the Metropolitan Strategic Plan and PUMS (Bologna and Ferrara areas)	Targets of the Urban Agenda for sustainable development	United Nations Sustainable Development Goals (SDGs)	EU taxonomy targets
NEW INFRASTRUCTURES, PLANTS AND TRANSPORT SYSTEMS	101.0	Protection of the territory (air quality and climate change), city enhancement, and accessible and sustainable mobility	Climate change adaptation and reduction of disaster risk	Construct a resilient infrastructure, promote innovation and fair, responsible and sustainable industrialisation	Climate change adaptation The transition to a circular economy Pollution prevention and reduction
ACQUISITION OF NEW VEHICLES FOR THE LOCAL ROAD PUBLIC TRANSPORT SERVICE	168.7		Urban and extra-urban mobility and intermodality	Making cities and human settlements inclusive, safe, resilient and sustainable	
PURCHASE OF NEW RAILWAY VEHICLES	14.0		Rail mobility and intermodality		

Added to these investments are those in Information Technology, bus video surveillance, EMV ticketing and modernisation of AVM systems.

Commitment to the SDGs

The objective of the TPER's Business Plan is consistent with the European Union's objectives in terms of sustainable mobility policies and it refers to the United Nations Agenda 2030 and the SDGs - Sustainable Development Goals that are an integral part of it.

Through its industrial strategy and business model, TPER has made a commitment to contribute to the achievement of 11 SDGs, considered priorities.

SDG3 - SDG11 include specific targets that are directly connected with transport: the reduction of deaths and injuries due to road accidents (SDG 3.6) and access for all to sustainable, safe and comfortable transport systems (SDG 11.2).

SDGs		Impact areas/TPER's Business Plan targets
	Ensure healthy lives and promote wellbeing for all at all ages	Environment Safety
	Equal opportunities for women and men in economic development, elimination of all forms of violence and equal rights at all levels of participation	Gender equality plan Certification
	Ensure access to affordable, reliable, sustainable and modern energy	Environment Efficiency and quality

8	Promote inclusive and sustainable economic growth, employment and decent work for all	Efficiency and quality Safety Work
9	Build resilient infrastructure, promote sustainable industrialisation and foster innovation	Environment Efficiency and quality Accessibility
10	Reduce inequality within and among countries	Efficiency and quality Accessibility
11	Make cities inclusive, safe, resilient and sustainable	Environment Efficiency and quality Accessibility
12	Ensure sustainable consumption and production patterns	Accessibility
13	Take urgent actions to combat climate change and its impacts	Environment
16	Promote peaceful and more inclusive societies for sustainable development; provide access to justice for all and build effective, accountable and inclusive institutions at all levels.	Governance
17	Strengthen the means of implementation and revitalise the global partnership for sustainable development	Governance

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

The paragraph summarises the material impacts, risks and opportunities (Material topics), resulting from the process to identify and assess (Double Materiality Assessment) - see paragraph *Management of impacts - risks - opportunities*) and how these material topics are integrated with strategy and business model.

Material topics (IROs)

The **Double Materiality Assessment**, in the context of sustainability reporting, is essential in assessing and understanding the impact of the Group's activities on the environment and society and the financial risks and opportunities underlying environmental, social and governance (ESG) issues.

The approach considers both the impacts, classified as actual or potential, positive or negative, that the TPER Group may generate on people and the environment in the short-, medium- or long-term (impact materiality), and the influence of environmental, social and governance (ESG) factors on the financial performance and resilience of the Group (financial materiality). The introduction of the European ESRS standard has helped identify material ESG risks and opportunities, which integrate the results of the impact analysis and reflect greater awareness and attention to the potential financial impact of these factors and their consistent and integrated assessment.

It should be noted that, for the purposes of preparing the reporting document on sustainability matters relating to the previous year (2023 NFS - drafted pursuant to Legislative Decree 254/2016), the analysis of the relevant issues was concentrated on the impact analysis and did not specify the financial perspective, as it is not provided for by the GRI Sustainability Reporting Standards, defined by the Global Reporting Initiative (GRI Standards) and used as reporting standards.

The analytical information relating to impacts, risks and opportunities concerning the individual material topics is reported in the corresponding paragraphs, where the topics are dealt with (topical ESRS). The tables below provide a summary of this information.

Material topics (IROs)	**Topic description** **(impacts - risks - opportunities)**	**Characteristics** **(impacts - risks - opportunities)**
Environmental topics		
E1 Climate change		
Energy	**Impacts** Generation of direct GHG emissions by the TPER Group linked to the management of local public transport and the energy consumption of offices and infrastructures, and production of indirect GHG emissions through its value chain.	Actual Negative Short - medium - long term From own operations and along the value chain
	Risks The Group is subject to changes in energy costs; their increase could negatively affect production costs and overall economic results	Short - medium - long term From own operations
	Opportunities Reduction of energy costs and vulnerability to fluctuations in fossil fuel prices through energy efficiency measures.	Short - medium - long term From own operations
Climate change mitigation	**Impacts** Environmental impacts related to emissions generated and derived from own activities and along the entire value chain, which includes the procurement of raw materials, logistics and waste management.	Actual Negative Short - medium - long term From own operations and along the value chain
	Risk Risk of increase in costs linked to new regulations (financial sustainability) as LPT companies are required to renew their fleet and ensure more sustainable fleets for a reduced environmental impact.	Short - medium - long term From own operations and along the value chain
	Opportunities Financial opportunities deriving from regulations and government incentives for the	Short - medium - long term From own operations and along the value chain

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
	renewal of zero-emission fleets, with the aim of mitigating the effects of climate change.	
Climate change adaptation	**Risk** Increase in costs for maintenance of transport vehicles and infrastructures exposed to the effects of atmospheric events stemming from climate change (e.g. floods) and infrastructural investments to respond to and adapt to climate change.	Medium - long term From own operations
E2		
Air pollution	**Impacts** Impact on the environment and on air quality due to the emission of pollutants and consequent air pollution.	Actual Negative Short - medium - long term From own operations
	Risks The Group could face an increase in operating expenses due to non-compliance with environmental regulations relating to atmospheric emissions. This situation could result in direct expenses, financial penalties and costs for adjustments.	Medium - long term From own operations
	Opportunities Financial opportunities deriving from incentives for the renewal of zero-emission fleets.	Medium - long term From own operations and along the value chain
Microplastics	**Impacts** Impact on the environment due to the release of microplastics caused by tyre wear.	Actual Negative Short - medium - long term From own operations
	Risks Failure to identify/comply with the different sector regulations related to the activity.	Medium - long term From own operations
E3 Water and marine resources		
Water ▪ Water consumption ▪ Water withdrawals ▪ Water discharges	**Impacts** Negative impacts due to the withdrawal and consumption of water used in washing vehicles.	Actual Negative Short - medium - long term From own operations
E5 Resource use and circular economy		
Resource inflows, including resource use	**Impacts** Use and consumption of non-renewable materials deriving from the procurement of tyres and vehicle spare parts. **Opportunities** Purchase of more efficient and durable materials and spare parts to reduce costs in the long term.	Actual Negative Medium - long term From own operations and along the value chain Long term From own operations and along the value chain

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
Waste	**Impacts** Direct negative impacts related to the generation of waste and associated environmental impacts.	Actual Negative Short - medium - long term From own operations and along the value chain
	Risks Risk of increase in operating expenses deriving from non-compliance in the management of the special waste production chain, including the correct classification according to the European Waste Code (EWC) and adequate treatment, transport and disposal.	Long term From own operations
Social topics		
S1 Own Workforce		
Working conditions ▪ Secure employment ▪ Fair remuneration ▪ Social dialogue ▪Freedom of association, existence of works councils and the information, consultation and participation rights of workers ▪ Collective bargaining, including the rate of workers covered by collective agreements ▪Work-life balance	**Impacts** The impacts relating to working conditions and the protection of workers along the entire value chain, both upstream and downstream, include guarantees on health and safety in the workplace, fair remuneration, management of working hours and maintenance of a work-life balance. The adoption of company policies that protect these rights helps create a motivated workforce, with benefits also for undertaking's competitiveness and reputation.	Actual Positive Short - medium - long term From own operations
	Risks Failure to protect working conditions may expose the company to the risk of sanctions, disputes and reputational risks.	Medium term From own operations
	Opportunities Promote company policies that guarantee secure employment, fair remuneration and social dialogue, encourages the attraction and retention of talent, improving productivity and the company climate. Ensuring a better work-life balance also reduces turnover and increases well-being, making the Group more competitive.	Medium term From own operations
Working conditions ▪ Health and safety	**Impacts** Potential negative impacts on the health and safety of workers in the performance of company activities.	Potential Negative Short - medium - long term From own operations
	Risks Financial risk linked to inadequate safety standards and service conditions, which could expose the company to reputational damage, disputes and problems in accessing credit.	Medium term From own operations
Equal treatment and opportunities for all ▪ Gender equality and equal pay for work of equal value ▪ Training and skills development ▪ Diversity	**Impacts** Positive direct impacts related to the creation of a working environment that guarantees and values diversity, equal opportunities/equity and social inclusion. Positive impacts on people deriving from the development of plans that allow TPER employees to train and grow professionally	Actual Positive Short - medium - long term From own operations

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
	Risks Risks related to difficulty in attracting and retaining talent/high turnover and loss of key skills. A non-inclusive work environment can lead to episodes of discrimination, harassment or unequal treatment among employees, causing legal risks and penalties, reputational risks and high turnover. **Opportunities** Providing training and professional development opportunities to employees fosters innovation and internal growth, as well as the attraction of talents that guarantee business continuity.	Medium term From own operations Medium term From own operations
Other work-related rights • Confidentiality	**Impacts** Potential direct negative impacts on rights regarding privacy (sensitive information content) and security of information systems (potential data breaches)	Potential Negative Short - medium - long term From own operations
S2 Workers in the value chain		
Working conditions ▪ Secure employment ▪ Working hours ▪ Fair remuneration ▪ Social dialogue ▪ Freedom of association, existence of works councils and the information, consultation and participation rights of workers ▪ Collective bargaining, including the percentage of workers covered by collective agreements ▪Health and safety	**Impacts** Guarantee of fair and decent working conditions with the consolidation of a qualified and professional supply chain. **Risks** Risks deriving from non-compliance with working conditions along the entire value chain, with potential repercussions on reputation and operational efficiency, including possible changes in the structure of services and in procurement dynamics.	Potential Negative Short - medium - long term Along the value chain - upstream and downstream Medium term Along the upstream value chain
Equal treatment and opportunities for all ▪ Gender equality and equal pay for work of equal value ▪ Training and skills development ▪ Employment and inclusion of people with disabilities ▪ Measures against violence and harassment in the workplace ▪ Diversity	**Impacts** Impacts deriving from the absence of equal opportunities and treatment along the entire value chain, both upstream and downstream. **Risks** Risks deriving from the violation of working conditions, such as discrimination, along the entire value chain, with potential negative consequences on reputation and operational efficiency, including possible changes in the structure of services and in procurement dynamics.	Potential Negative Short - medium - long term Along the value chain - upstream and downstream Short - medium - long term Along the value chain - upstream and downstream
Other work-related rights ▪ Child labour ▪ Forced labour	**Impacts** Impacts related to the protection of workers for aspects related to child and forced labour along the entire value chain (both upstream and downstream).	Potential Negative Short - medium - long term Along the value chain - upstream and downstream

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
	Risks Reputational and operational risk due to incidents of child and/or forced labour among workers along the value chain.	Short - medium - long term Along the value chain - upstream and downstream
S3 Affected communities		
Economic, social and cultural rights of communities ▪ Impacts linked to the territory	**Impacts** Positive impacts on the community deriving from investments in public transport infrastructure (sustainable mobility).	Actual Positive Short - medium - long term From own operations and along the value chain
	Opportunity Financial opportunity deriving from regional grants for the enhancement of public transport services. The TPER Group has the opportunity to collaborate with local administrations to develop more efficient and sustainable transport solutions, responding to the specific needs of the community and improving accessibility to essential services.	Short - medium - long term From own operations and along the value chain
S4 Consumers and end users		
Personal safety of consumers and/or end users ▪ Personal safety	**Impacts** Potential negative impacts on user safety, closely linked to the public transport service offered.	Potential Negative Short - medium - long term From own operations and along the value chain
	Risks Any malfunctioning and unexpected service interruption caused by accidental events and extraordinary events could cause damages to people and/or property, with a consequent negative economic impact on the Group.	Medium - long term From own operations and along the value chain
Information-related impacts for consumers and/or end users ▪ Confidentiality ▪ Access to (quality) information	**Impacts** Potential negative impacts related to the quality level of services, such as limited communication with customers, public service compliance and user privacy protection.	Potential Negative Medium - long term From own operations and along the value chain
	Risks The Group is exposed to the risk that the measures and procedures adopted in relation to the rules on the protection and processing of personal data prove to be inadequate and/or non-compliant and/or not correctly adopted. The occurrence of these events could result in the application of financial penalties, with consequent significant negative effects on the economic, capital and financial situation of the Group.	Medium term From own operations and along the value chain
Social inclusion of consumers and/or end users ▪ Non-discrimination ▪ Access to products and services	**Impact** Positive impact on end consumers who can take advantage of an accessible, inclusive LPT service without any social barrier.	Actual Positive Short - medium - long term From own operations
	Opportunities	

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
	The adoption of inclusive policies can strengthen the company's reputation by attracting a greater number of customers and therefore generate positive financial impacts.	
Governance issues		
G1 Business conduct		
Corporate culture	**Impacts** A corporate culture based on fairness and transparency strengthens the sense of belonging to the Group's values.	Actual Positive Short - medium - long term From own operations
	Risks Risks related to non-compliance with rules and regulations or violation of the Code of Ethics by all parties that have dealings with the Group and consequent reputational damage.	Short - medium - long term From own operations and along the value chain
	Opportunities The dissemination of business conduct based on the values of loyalty and transparency entails benefits in terms of customer attraction and strengthening of the corporate image.	
Management of relations with suppliers, including payment practices	**Impacts** Social and environmental impacts deriving from supply chain management. Procurement processes (selection, qualification, management and monitoring of the supply chain that integrate ESG criteria and metrics).	Potential Negative Short - medium - long term From own operations and along the value chain
	Risks Risk of losing key suppliers due to ESG-related non-compliance, which would entail a risk to the Group's business continuity. Failure to comply with the timing and deadlines for the execution of tenders or for the formalisation of credit facilities.	Short - medium - long term From own operations
Corruption and bribery • Prevention and detection including training • Accidents	**Impacts** Impacts in terms of potential consequences on the Group's reputation and continuity deriving from business conduct that does not comply with ethics and integrity criteria	Potential Negative Short - medium - long term From own operations
	Risks Risk linked to the possibility of incidents of corruption and bribery. These situations can compromise corporate integrity, expose to legal and reputational sanctions and undermine stakeholder trust, with potential impacts on governance	Short - medium - long term From own operations

The effects of the material impacts, risks and opportunities on the business model, strategy and decision-making process are analysed in depth within each relevant ESRS. It should be noted that there are no current financial effects related to the risks and opportunities identified as material that have not been reflected in TPER's Consolidated Financial

Statements. As permitted by ESRS 1 (Appendix C - phase-in), the expected financial effects in the medium/long term related to said risks and opportunities were not quantified. Currently, TPER does not have a model to quantify the material risks and opportunities in relation to the capital-financial position, the economic result and the cash flows.

Management of impacts - risks - opportunities

The process

ESRS Standards	ESRS 2 IRO-1 ESRS 2 IRO-2

The process to identify and assess material impacts, risks and opportunities

The purpose of the report included in the paragraph is to provide the information necessary for all stakeholders to understand the process by which the **impacts**, **risks** and **opportunities** were identified and their **materiality** assessed, and, consequently, the information included in the Sustainability Report.

The material topics according to the ESRS

The European Sustainability Reporting Standards - ESRS require the material topics (IROs, Impact Risk Opportunities) to be identified and assessed from an impact materiality or financial materiality perspective or both (in environmental, social and governance matters).

- **Impact Materiality** - material impacts, actual or potential, on people and the environment, directly related to an company's activities, products and services.
- **Financial Materiality** - sustainability risks and opportunities that may affect the value of the company (in terms of financial effects).

Impacts, risks and opportunities also include those that arise or may arise in the context of direct and indirect business relationships in the value chain (activities/sectors, geographical areas, operations, suppliers, customers, other relationships, where there is a likelihood that material IROs may be generated/exist.

Materiality Assessment process and methodology

The process to identify and assess material impacts, risks and opportunities involves the following phases:

- Understanding of the context
- Identification of actual and potential IROs
- Material IRO assessment and determination.

Understanding of the context

The reference context refers to what is described in the previous paragraphs with regard to general information on strategy, business model and value chain and relations with stakeholders and underlying commercial relations and the sustainability context.

Identification of actual and potential IROs

The process of identifying actual and potential IROs (material topics) on people and the environment was conducted according to a methodology that involved the analysis of external sources, internal sources, taking into account the meetings with and listening to stakeholders, according to an approach consistent with that adopted in previous years, but supplemented with a specific analysis of risks and opportunities, as required by the ESRS.

The analysis took into account the characteristics of the activities and the business model, business relationships, geographical areas or other factors that involve a higher risk of negative impacts. As already specified, the impacts generated directly through its activities or as a result of business relationships were considered and took into account the relationships and consultations with stakeholders to understand how they may be impacted. The opinions and assessments of external experts were indirectly considered through the various external sources analysed.

External sources
World Economic Forum - The global risks report 2025
OECD - OECD Due Diligence Guidance for Responsible Business Conduct and other published documents
Global Business Initiative - Integrating human rights into company climate action
UNHR - Guiding Principles on Business and Human Rights
CBD - Kunming/Montreal Global Biodiversity Framework
EEA - European Climate Risk Assessment
ILO - Transforming enterprises through diversity and inclusion
ILO - Advancing social justice
COSO wbcsd - Enterprise Risk Management
EU Sustainable Finance plan [EU Taxonomy focus]
ISSB International Sustainability Standards Board: SASB
Benchmarking of material topics - policies - risks
Sector studies and research/Reports/In-depth analyses of sector associations and organisations
PNRR (National Recovery and Resilience Plan) - Rail/Freight Transport/PNRR - Local Public Transport
Next Generation EU (Thematic Analysis - Sustainable Mobility)
EU Urban Mobility Framework
European Sustainable Urban Mobilty Plans & Cycling (SUMPs/PUMS)
Internal sources
Organisation, Management and Control Model (Italian Legislative Decree 231/2001) - General Part
Code of Ethics
Whistleblowing
Management systems/context analysis - Management review documents
Assessment of HSE risks and opportunities
Environment and Safety Policy
Business plan
Service cards by geographical area
Customer satisfaction survey carried out by the mobility agency
Revision of the risk analysis for the processing of personal data and revision of the Register of processing activities
Summary of the provisions of European regulation 1371/2007 applied to TPER
Annual report of the Head of Corruption Prevention
PSCL: Drafting of home-work travel plans

Material IRO assessment and determinations

The assessment of the material topics (material IROs) made provision, in summary, for the following:

Assessment phases	Summary of the process and contents
Qualitative analysis	Identification and in-depth analysis of the possible material IROs (Impacts, Risks and Opportunities) with respect to the issues that emerged from the phase of identification of the potential material topics.
Characteristics of IROs (Impacts, Risks and Opportunities)	**Characterisation of Impacts, Risks and Opportunities** **Characteristics of impacts** ▪ Actual/Potential ▪ Positive/Negative ▪ Short/medium/long term ▪ From own operations/Along the value chain **Characteristics of Risks/Opportunities** ▪ Short/medium/long term ▪ From own operations/Along the value chain
Quantitative analysis	**Assessment of impact materiality:** materiality according to criteria of severity and likelihood of occurrence. The severity is based on the scale, scope and irremediable character of the negative impacts. Quantitative and/or qualitative thresholds **have been set for this purpose.** **Risk and opportunity assessment:** materiality with respect to likelihood of occurrence and potential magnitude. In this context, and in a manner consistent with the assessment of impacts, quantitative and/or qualitative thresholds have been set for the assessment of the financial effects relating to sustainability topics (financial performance, financial position, cash flows and access to finance). The sustainability topics previously identified (impacts, risks and opportunities - IROs) were assessed, assigning a priority (prioritisation), in relation to their importance and on the basis of a threshold, defined for this purpose. The impacts that have been identified as most significant are reported in this document.

The *double materiality* process involved the various Group functions in charge, each of which contributed in a distinctive way to the assessment of impacts, risks and opportunities. The results of the analysis were presented and shared with the Board of Directors, which approved the relevant IROs.

The risk analysis, for environmental aspects and for those relating to health and safety at work, was based on the management review for ISO 45001 and ISO 14001 standards of the Group.

At the end of the process described and commented on, the material topics were analysed, discussed and shared with TPER's Board of Directors.

Material topics and ESRS reporting

Annex 1 to the Sustainability Report presents an Index, to which reference is made, which summarises the report presented in the document (Disclosure requirements) based on the results of the materiality analysis.

A table of the areas of information deriving from other legislative acts of the European Union is also published (as **Annex 2**), indicating the references present in the Sustainability Report, including those assessed as non-material, with the corresponding indication.

Summary of the policies and management systems of the TPER Group

ESRS Standards	ESRS 2 MDR-P

TPER is committed to ensuring responsible business conduct, through the adoption of policies and procedures.

For the **policies**, the application metrics are defined through the implementation of specific monitoring and reporting processes, as well as the promotion of content within the Group. TPER promotes knowledge of the policies and procedures adopted to all recipients through the development of dedicated training and awareness-raising programmes relating to their content and application.

The policies, approved by the Board of Directors and available on the website, to which reference should be made for complete visibility of the documentation, explain the Group's commitments and regulate actions and behaviour with regard to all the activities and business relationships of the organisation, setting out the objective of protecting the Group and all its stakeholders.

The main policies and management systems adopted are subsequently analysed in detail in the reporting of the topical ESRS and are summarised below:

Policies/management systems	Topical ESRS	Scope
Organisation, management and control model pursuant to Italian Legislative Decree no. 231/2001 ("Model 231")	S1 Own Workforce S2 Workers in the value chain G1 Business conduct	TPER Group
Code of Ethics	E1 Climate change S1 Own Workforce S2 Workers in the value chain S3 Affected communities S4 Consumers and end users G1 Business conduct	TPER Group
Whistleblowing	S1 Own Workforce S2 Workers in the value chain S3 Affected communities S4 Consumers and end users G1 Business conduct	TPER Group
Internal regulations (Personnel recruitment regulations; Regulations for the execution of works and the acquisition of services and supplies; Regulations for access to documents; Regulations for the creation and management of the list of Economic Operators)	S1 Own Workforce	TPER
Corruption prevention policy	G1 Business conduct	TPER
Integrated Quality, Environment and Safety Policy	E1 Climate change E2 Pollution E3 Water and marine resources E5 Resource use and circular economy S1 Own Workforce	TPER

ISO 9001:2015 Management System	S4 Consumers and end users	TPER Group
ISO 14001:2015 Management System	E1 Climate change E2 Pollution E3 Water and marine resources E5 Resource use and circular economy	TPER Group
ISO 45001:2023 Management Systems	S1 Own Workforce	TPER Group
ISO 37001:2016 Management System	G1 Business conduct	TPER
Policy for the promotion of gender parity, equal opportunities, diversity and inclusion	S1 Own Workforce	TPER
UNI/PdR 125 Gender equality management system	S1 Own Workforce	TPER
UNI EN 13816:2002	S4 Consumers and end users	TPER
Service Charter	S4 Consumers and end users	TPER

Organisation, management and control model pursuant to Italian Legislative Decree no. 231/2001 ("Model 231")

TPER, aware of the importance of adopting an organisation, management and control model pursuant to Italian Legislative Decree 231/2001 suitable for preventing the commission of unlawful conduct in the corporate context, has adopted the Organisation, Management and Control Model (hereinafter, the "Model") together with the Code of Ethics, on the assumption that it constitutes a valid tool for raising the awareness of recipients in engaging in correct and transparent behaviour. The Model was prepared taking into account the specific structural and organisational characteristics of TPER. In compliance with the provisions of current legislation, a special Supervisory Body has been set up, tasked with supervising the effective implementation of the Model, verifying its observance and ensuring it is continuously updated.

TPER constantly updates the Model to ensure compliance with current legislation and full operational effectiveness. Updates are applied both periodically and in conjunction with significant regulatory or organisational amendments.

Through adoption of the Model, TPER intends to pursue the following objectives:

- prohibit conduct that may constitute the offences referred to in the Decree;
- disseminate awareness that violation of the Decree, the provisions contained in the Model and the principles of the Code of Ethics, may involve the application of sanctions (financial and prohibitory), also against the Company;
- adopt a structured system of protocols and procedures, supported by constant monitoring, aimed at preventing and/or promptly counteracting the commission of significant offences pursuant to the Decree.

Code of Ethics

The TPER's Code of Ethics formalises and sets out the set of principles and values to which the Group adheres in carrying out its activities and the ethical conduct of the business, and of which it expects the most rigorous observance by all parties present in the company and, more generally, all those who cooperate and collaborate with it for the pursuit of its corporate mission.

TPER is determined to ensure the utmost fairness in the conduct of its business and related business activities, also to protect its image and reputation.

The Code of Ethics is also an integral part of the Organisational and Management Model of Italian Legislative Decree 231/2001, and is constantly updated and approved by the Board of Directors. TPER undertakes to ensure, through display on notice boards accessible to all personnel and publication on the Company's website, the maximum dissemination of the Code of Ethics and to envisage and impose, with consistency, impartiality and uniformity, sanctions proportionate to the violations that may occur, and in any case compliant with the provisions in force on the regulation of employment relationships.

The Code of Ethics is available and can be consulted by all stakeholders on the Group's website at the page How we work | The Code of Ethics.

Whistleblowing

The TPER Group has fulfilled the new obligations on Whistleblowing, according to the timing indicated by the relevant legislation, governed in Italy by Italian Legislative Decree 24/2023, which transposes Directive (EU) 2019/1937, on the protection of persons who report breaches of Union law and national regulatory provisions.

TPER has adopted a policy on whistleblowing (available on the website, in the section How we work | Supervisory Body | Whistleblowing) aimed at establishing the procedures which can be used to report unlawful conduct, the commission of offences or omissions that constitutes or may constitute a violation, or inducement to violate laws and regulations, values and principles enshrined in the TPER's Code of Ethics, internal control principles, company policies and rules, and/or that may cause, in the context of relations with TPER, damage of any kind (for example financial, environmental, regarding the safety of workers or third parties or even of image) to the same, as well as to customers, shareholders, partners, third parties and, more generally, to the local community.

Corruption prevention policy

TPER has adopted a Corruption Prevention Policy in line with the international standard UNI ISO 37001:2016, with the aim of promoting a culture of legality and ensuring compliance with anti-corruption regulations. This policy applies to all parties operating on behalf of the company and prohibits any form of unlawful conduct, such as corrupt practices, favouritism or requests for undue advantages. The company is committed to continuously improving its Corruption Prevention Management System, entrusting its supervision to the Compliance Function, in charge of assessing effectiveness and adequacy, supporting personnel, guaranteeing compliance with the regulation and periodically reporting to the Management. The Policy is reviewed at least once a year on the basis of the results obtained and, in the event of updates, submitted to the approval of the Board of Directors and disseminated to all personnel.

Integrated Quality, Environment and Safety Policy - Management systems

TPER is equipped with management systems according to international standards and has obtained the Certificate of Excellence from Certiquality, an accredited body for the certification of business management systems for quality, environment, safety and product certification. This important recognition is given to those companies that have demonstrated a responsible voluntary commitment in their corporate governance, having obtained the three international standard certifications for:

- Quality (ISO 9001:2015)
- Environment (ISO 14001:2015)

- Occupational Health and Safety (ISO 45001:2018).

TPER has implemented a management system which is applied to all the services provided by the company and, in particular, the road-based local public transport service in the Bologna and Ferrara areas.

The **UNI EN ISO 9001:2015** certificate was issued by Certiquality on 02/02/2023 (whose validity was renewed until 2026). The standard provides a more precise and detailed focus on the control of processes, products and services provided by external suppliers in order to respond to the complexities of the environment in which businesses operate. The main aspects are outlined below:

- The revision follows a "high level" structure, developed for use as a common basis for all other standards, improving compatibility and integration with other certification systems. The development of an integrated management system is made easier.
- Risk analysis: rather than using common standard requirements, risks will be analysed for each individual company in order to plan a management system that satisfies the needs of each company. The approach identifies the risks in business processes and appropriate measures to be taken to deal with them, in addition to identifying opportunities, i.e. possible solutions and countermeasures to combat them.
- Greater involvement of senior management.
- The "bureaucratic" simplification of the system's documentation. Greater flexibility is envisaged for companies, which are free to choose the depth and detail they intend to use for their written documentation, a choice that can be made based on various factors such as the complexity of the processes, staff expertise etc.
- More immediate applicability for the tertiary sector and services.
- Process management focused on the development, implementation and improvement of the QMS/Quality Management System: each process must be defined and contain clear specifications for the measurement of performance parameters and the definition of roles and responsibilities.

TPER has also extended its international certificates to the shared mobility service "Corrente", to management of the People Mover and the extended assessment on behalf of the Municipality of Bologna, as well as automotive.

Industrial vehicle maintenance and fleet management services (bus and trolley bus fleets in particular), activities carried out both on proprietary and third-party buses, are also certified. The TPER workshops have, in fact, been recognised as authorised workshops by the main bus manufacturers.

TPER has also obtained product/service certification in compliance with the **UNI EN 13816:2002** standard for six local public transport lines, identified among the most representatives urban lines in Bologna (Lines 13, 14, 15, 27 and 35) and line 94.

The policies and actions aimed at preventing, mitigating and correcting actual and potential material impacts, addressing major risks and/or pursuing material opportunities (management of material topics) are summarised below. These policies and actions are then picked up on and detailed in the paragraphs relating to the reporting of the individual material environmental, social and governance issues.

All policies are available on the company website in The Company | How we work section.

ISO 37001:2016 Management System

The ISO 37001:2016 Management System is an international standard that specifies the requirements for the implementation of a corruption prevention management system, with the aim of supporting organisations in preventing, identifying and addressing corrupt behaviour. TPER has been certified according to ISO 37001:2016 since 2019, confirming its commitment to integrity and transparency. On 30 April 2024, the certification body renewed the validity of the certification, again certifying the compliance of the management system adopted.

Policy for the promotion of gender parity, equal opportunities, diversity and inclusion

TPER's policy promotes gender parity, equal opportunities, diversity and inclusion, and is committed to tackling all forms of discrimination and enhancing diversity within the organisation. The company believes that respect for pluralism and inclusive practices contributes to success and competitiveness, reflecting a real ability to adapt to social and economic changes.

TPER integrates these principles in all phases of the professional process, guaranteeing equal treatment, overcoming stereotypes through training and awareness-raising, promoting a work-life balance and tracking the effectiveness of the actions taken. Special attention is paid to gender equality, with the goal of increasing the presence of women, ensuring equal career opportunities, pay and a safe and inclusive working environment.

The company also adheres to the UN Women's Empowerment Principles, committing to concrete actions to support gender equality and female empowerment throughout the entire working life cycle.

UNI/PdR 125 Gender equality management system

UNI/PdR 125:2022 is a reference practice that defines the guidelines for the adoption of a management system for gender equality within organisations. It is based on measurable indicators (KPIs) that make it possible to assess the effectiveness of company policies in terms of inclusion, equal opportunities, work-life balance, organisational culture and female presence in decision-making roles. TPER maintains and periodically updates the management system relating to the UNI/PdR 125:2022 certification, confirming its commitment to continuous improvement in terms of gender equality.

UNI EN 13816:2002

UNI EN 13816:2002 is a European standard that defines the criteria for the quality of public passenger transport services. It focuses on the analysis of user needs and on the commitment of companies to guaranteeing measurable service standards in areas such as accessibility, information, punctuality, comfort, safety and environmental impact. The certification according to this standard certifies that the company adopts an approach geared towards continuous improvement of the quality perceived by users. TPER has held the certification since 2013 and its renewal was confirmed until 29 June 2025

Internal regulations

In compliance with regulatory measures and to ensure fairness and transparency in relations with third parties, TPER, through its Board of Directors, has also adopted the following regulations:

- Staff recruitment regulation
- Regulation for the execution of works and the acquisition of services and supplies
- Regulation for access to documents

In April 2024, the Regulation for the formation and management of the list of TPER's Economic Operators for the awarding of works, services and supplies with a value below the EU thresholds was also approved.

Objectives and actions related to material sustainability topics

ESRS Standards	ESRS 2 MDR-T

The TPER Group has identified a series of objectives in relation to the material topics that have emerged, which it intends to pursue. Further details on the objectives and actions envisaged to achieve them are illustrated in the paragraphs dedicated to the reporting of the individual material topics.

In fact, TPER has implemented a structured monitoring system for actions related to environmental, social and governance (ESG) sustainability, based on quantitative and qualitative indicators. This system makes it possible to assess the effectiveness of the initiatives undertaken, in particular in the fields of decarbonisation, service quality, gender equality and the safety of passengers and employees. Monitoring is entrusted to internal functions and supported by regular audits and digital reporting tools.

As part of the sustainability strategy, TPER defines clear and measurable objectives, with defined deadlines and consistent with our company policies, as well as with the objectives of the European Union (Green Deal, Fit for 55) and with the National Strategy for Sustainable Development.

The Sustainability Plan

For each material topic, specific qualitative and quantitative indicators have been defined. The objectives identified are consistent with the TPER's Business Plan described in the paragraph **Strategy and business model - Integrating sustainability in TPER's strategy and business plans**.

Progress is measured annually and compared with the multi-year objectives established in the strategic plans and sustainability programmes approved by the Board of Directors, summarised below.

Material topics	Targets	Actions	Achieved	Timeline	SDGs target	 #
Environmental						
E1 Climate change						
Energy Climate change mitigation	**Use of renewable sources**	Increase in the amount of contracts with Guarantees of Origin - electricity and gas		2025-2026		7.2 Increase substantially the share of renewable energy in the global energy mix by 2030. 7.3 Double the global rate of improvement in energy efficiency by 2030.
		Installation of photovoltaic systems on depots		2025-2027		
Climate change adaptation	**Bologna Carbon Neutral 2030**	Investments for the purchase of buses and construction of hydrogen plants		2025-2030		

Material topics	Targets	Actions	Achieved	Timeline	SDGs	
					target	#
		Gradual phasing out of diesel buses, purchase of electric buses, biomethane, biofuels		2025-2030		13.2 Integrate climate change measures into policies, strategies. 13.2 Integrate climate change measures into policies, strategies and planning
	Reduction of consumption	Gradual replacement of Euro 3, Euro 4 and Euro 5 buses with new more energy-efficient vehicles		2025-2030		
	Strengthening of company policy	Revision of Company Policy		2025-2030		
	Emissions intensity	Gradual reduction of Scope 1 and 2 emission intensity in relation to total km		2023-2028		
E2 Pollution						
Air pollution Microplastics	**Pollution reduction**	Gradual replacement of Euro 3, Euro 4 and Euro 5 buses with new vehicles with lower environmental impact		2024-2030		9.1 Build resilient infrastructure, promote innovation and fair, responsible and sustainable industrialisation. 3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
		Monitoring of pollutant emissions of depots		2025-2027		
	Reduction of rolling microplastics	Forecast of specific technical characteristics aimed at reducing the impact in terms of production of rolling microplastics in future tenders for the purchase of tyres		2025-2027		
	Policy improvement	Improvement of company policy on pollution		2025-2026		
E3 Water and marine resources						
Water	**Reduction of water consumption**	Plant for the recycling of water used for washing vehicles		Continuously		6.3 Improve water quality by reducing pollution and the release of chemicals, halving the amount of untreated wastewater and substantially increasing recycling and safe reuse globally.
	Policy renewal	Improvement of the company policy on the management of water resources		2025-2027		
E5 Resource use and circular economy						
Resource inflows, including resource use	**Increase in the share of recycled materials**	Promote the purchase of goods that use recycled materials		Continuously		3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
Waste	**Reduction of waste produced**	Monitor the production of waste, with the aim of reducing the share of waste sent for disposal		2024-2028		

Material topics	Targets	Actions	Achieved	Timeline	SDGs target	#
						12.2 Ensure sustainable management and efficient use of natural resources. 12.4 Achieve the environmentally sound management of chemicals and all wastes throughout their life cycle and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment 12.5 Substantially reduce waste production through prevention, reduction, recycling and reuse
	Policy renewal	Define/strengthen environmental policies with the aim of preventing the production of waste and encouraging reduction, recycling and reuse		2026		
Social						
S1 Own Workforce						
Working conditions Equal treatment and opportunities for all	**Adoption of personnel development policies**	Gender equality certification, achievement and maintenance	**R**	2024-2026		5.5 Guarantee women full and effective participation and equal leadership opportunities at all levels of the decision-making process in political, economic and public life 8.3 Promote growth-oriented policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation. 8.8 Protect labour rights and promote safe and secure working environments for all workers. 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic
		Voluntary HR policy to encourage internal promotion (training of new managers, change of position)		Continuously		
	Continuous training and skills development	Maintenance of the three-year average of training hours - (Group)		Continuously		
		Sustainability training (ethical footprint)		2025		
	Maintenance of high standards of health and safety for workers	Maintenance or improvement of the three-year moving average of the accident frequency index - (Group).		Continuously		
		Incentives for the use of prevention packages included in the company supplementary health plan		2025		
	Gender equality	Gender equality training, reaching 70% of the company population by 2027		2024-2027		
		Data and policy monitoring system		Continuously		
		Definition of specific actions to support parenting		2025-2027		

Material topics	Targets	Actions	Achieved	Timeline	SDGs	
					target	#
	Diversity and inclusion	Define D&I policies by updating existing company policies		2025-2027		or other status
	Raise awareness of IT risks	Continuous training on cyber security, aimed at raising user awareness of the risks of possible cyber attacks, and therefore manage the resulting threats - (Group).		Continuously		
S2 Workers in the value chain						
Working conditions Equal treatment and opportunities for all Other work-related rights	**Strengthen the monitoring and traceability of the supply chain**	Supplier monitoring and control system: administration of assessment questionnaires with ESG criteria and analysis of results - (Italy).		Continuously		8.8 Protect labour rights and promote safe and secure working environments for all workers. 12.6 Encourage companies, particularly large multinational companies, to adopt sustainable practices and integrate sustainability information into their annual reports
		Strengthening of the procurement system with a view to verifying compliance with the requirements considered essential by TPER with regard to the supply chain		2025-2027		
		Analysis of the CSR (Corporate Social Responsibility) commitment of a selection of suppliers.		Continuously		
S3 Affected communities						
Economic, social and cultural rights of communities	**Support for the growth and strengthening of local areas**	Initiatives in the health, sport, culture and human rights sectors		Continuously		11.2 By 2030, provide access to safe, sustainable and affordable transport systems for all, improve road safety, in particular by expanding public transport, with particular attention to the needs of those in vulnerable situations, women, children, people with disabilities and the elderly 17.17 Encourage and promote effective public, public-private and civic society partnerships, building on the experience and resourcing strategies of partnerships.
	Security enhancement	Extension of the network of cameras available to law enforcement agencies		Continuously		
S4 Consumers and end users						
Social inclusion of consumers	**Inclusion and accessibility**	Improvement of accessibility on board buses - specific provisions		2025-2030		3.9 Substantially reduce the number of deaths and illnesses

Material topics	Targets	Actions	Achieved	Timeline	SDGs target	#
and/or end users		for new buses purchased				from hazardous chemicals and air, water and soil pollution and contamination.
Personal safety of consumers and/or end users Information-related impacts for consumers and/or end users	**Ensure digital inclusion**	Initiatives with the User Committee and consumers associations		2024-2026		
	Raise awareness of IT risks for greater customer protection	Information on cyber security, aimed at raising awareness of the risks of possible cyber attacks		Continuously		12.6 Encourage companies, particularly large multinational companies, to adopt sustainable practices and integrate sustainability information into their annual reports
	Ensure the personal safety of end users	Adoption of security systems, such as audio and video recording		Continuously		
	Transport poverty	Definition of specific initiatives to address the phenomenon of transport poverty, collaborating with the local authorities		2024-2028		10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
	Improved accessibility	Video installation on board the bus with information on the stops and the route	**R**	2024-2027		
	Career alias	Allow the use of a name and/or preferred gender (alias identity) on travel passes and other documents		Continuously		
Governance						
Anti-corruption	**Anti-corruption certification**	Maintain ISO 37001 certification	**R**	Continuously		16.5 - Permanently reduce corruption and bribes in all their forms.
Transparency	**Risk mapping**	Maintain, with revisions and additions where necessary, the governance risk mapping		Continuously		

Environmental disclosure

E1 Climate change

Topic	Sub-topic	SDGs
E1 Climate change	Climate change mitigation Climate change adaptation Energy	

Governance

Integration of sustainability-related performance in remuneration systems

ESRS Standards	ESRS 2 GOV-3

A fundamental tool for the concrete implementation of sustainability strategies is represented by the integration of ESG targets in managerial incentive schemes. Qualitative and quantitative ESG indicators are used to assess performance, and are consistent with the objectives of the Business Plan and the Integrated Report.

The performance metrics are monitored on an annual basis and are subject to review by management and/or the Board of Directors, which verifies their achievement for the purposes of the payment of the variable components of remuneration.

Strategy

Transition plan for climate change mitigation

ESRS Standards	ESRS E1 E1-1

At the date of publication of this document, the TPER Group has not formalised a transition plan for the mitigation of climate change. However, with a view to strengthening its sustainability strategy, the Group is committed to developing a transition plan over the coming years, which includes specific measures to reduce the negative impacts of climate change.

The Group is also implementing key actions for the renewal of its fleet by diversifying the energy sources used (in addition to CNG and LNG buses, a fleet of hydrogen-powered buses is being put into service and full electric vehicles are being increased) and to optimise the energy efficiency of its buildings and production processes. These initiatives aim to reduce energy consumption, increase the percentage of energy from renewable sources, reduce natural gas consumption and discourage the use of fossil fuels for the company fleet.

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

The effects of climate change may have a significant impact on the urban public transport sector, in terms of the type and structure of demand, as well as on the organisation of the service.

To date, TPER has not developed specific medium/long-term scenarios that quantify the resilience and economic-financial effects of an increase in temperatures of less than or equal to 2 °C and a scenario greater than 2 °C (20).[4]

However, TPER has developed an analysis starting from an examination of the context of the environmental management system which is based on a periodic "risk assessment" process. In particular, the analysis of the context was carried out by assessing the potential risk areas to which the Group is exposed, including the potential risks of transition to a low-carbon economy. The analysis took into consideration:

- **internal context**, which concerns the company policies and improvement objectives of the Group, the corporate culture, the scope of application of the integrated environment, health and safety management system, the availability of financial resources, its governance and its technological and infrastructural resources;
- **external context**, which concerns its customers, suppliers, shareholders and lenders, public management, control and certification bodies and organisations and the local community and territory.

Based on an analysis of the context of the Group's environmental management system, the risk management methods were defined, which represent guidelines for the purpose of implementing strategies, policies and action plans to monitor the evolution of potential risks.

The analysis of potential physical and transition risks was carried out from a qualitative perspective through the information provided by the reports of the Intergovernmental Panel on Climate Change (IPCC) for climate scenarios and related physical risks, and of the International Energy Agency (IEA) for the determination of transition risks thanks to the socio-economic projections provided. **The potential risks that emerged from the analysis which could influence the Group's activities are shown below.**

Type of risk	Description
Regulatory transition risk	Risk linked to climate change due to the evolution of the regulatory framework. These regulations, if not adequately managed, can influence various aspects of the Group's business operations, generating potential financial and reputational impacts. In detail, the regulatory risk linked to the transition to a zero-impact economy is also, but not only, closely linked to the management and mitigation of greenhouse gas emissions that can be accounted for within Scope 1, 2 and 3.
Physical risks	Risks linked to climate change can generate both infrastructural damage to the various assets of the Group companies, and prevent the provision of services with consequent financial and reputational impacts. The potential physical risks identified are divided into:

[4] [TCFD recommendation, strategy c)]

	○ Acute risks, such as the increased risk of fire, the risk of floods and the risk linked to intense weather phenomena. ○ Chronic risks, such as the intensification of drought[1]

[1] Despite having been mapped in the risk analysis phase, the physical risk linked to drought events, was not considered material for analysis purposes, as it would not have significant impacts on the Group's operating activities.

The identified transition and physical risks may expose the TPER Group in different ways:

- **increase in operating costs** due to the need for regulatory adjustment, for investment in new technologies, for the increase in energy costs, to manage potential changes along the value chain
- **increase in legal expenses** following potential legal disputes for non-compliance with regulations, increased commitment to regulatory compliance
- **decrease in turnover** as a result of rising fuel prices, increased adjustments costs, imposition of carbon taxes or increase in regulatory restrictions
- **interruption of the service** due to natural events or non-compliance with regulations
- **increase in operating expenses and mitigation of physical damage** due to potential repairs and reconstruction of infrastructures, safety of infrastructures, increase in insurance policies.

Management of impacts - risks - opportunities

The process to identify and assess material impacts, risks and opportunities

ESRS Standards	ESRS 2 IRO-1

Material topics (IROs)	**Topic description** **(impacts - risks - opportunities)**	**Characteristics** **(impacts - risks - opportunities)**
Environmental topics		
E1 Climate change		
Energy	**Impacts** Generation of direct GHG emissions by the TPER Group linked to the management of local public transport and the energy consumption of offices and infrastructures, and production of indirect GHG emissions through its value chain.	Actual Negative Short - medium - long term From own operations and along the value chain
	Risks The Group is subject to changes in energy costs; their increase could negatively affect production costs and overall economic results	Short - medium - long term From own operations
	Opportunities Reduction of energy costs and vulnerability to fluctuations in fossil fuel prices through energy efficiency measures.	Short - medium - long term From own operations
Climate change mitigation	**Impacts** Environmental impacts related to emissions generated and derived from own activities and along the entire value chain, which includes the	Actual Negative Short - medium - long term From own operations and along the value chain

Material topics (IROs)	Topic description (impacts - risks - opportunities)	Characteristics (impacts - risks - opportunities)
	procurement of raw materials, logistics and waste management.	
	Risk Risk of increase in costs linked to new regulations (financial sustainability) as LPT companies are required to renew their fleet and ensure more sustainable fleets for a reduced environmental impact.	Short - medium - long term From own operations and along the value chain
	Opportunities Financial opportunities deriving from regulations and government incentives for the renewal of zero-emission fleets, with the aim of mitigating the effects of climate change.	Short - medium - long term From own operations and along the value chain
Climate change adaptation	**Risks** Increase in costs for maintenance of transport vehicles and infrastructures exposed to the effects of atmospheric events stemming from climate change (e.g. floods) and infrastructural investments to respond to and adapt to climate change.	Medium - long term From own operations

The material topics for TPER in relation to climate change are energy, mitigation and adaptation. The Group is addressing the climate transition with increasing attention to the environmental impacts of its activities, in particular to the emissions produced along the entire value chain. Regulatory and market developments linked to energy sustainability entail economic risks, but they also offer important opportunities. These include the advantages linked to energy efficiency and public incentives for the renewal of low or zero-emission fleets. At the same time, the intensification of extreme climate effects makes it increasingly necessary to invest in the resilience of infrastructures and in the adaptability of transport services.

For further information on the process of identifying material impacts, risks and opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs) and the previous paragraph Material impacts, risks and opportunities and their interaction with the strategy and the business model.

Policies related to climate change mitigation and adaptation

ESRS Standards	ESRS E1 E1-2

TPER has developed an Integrated Quality, Environment and Safety Policy and adopted the UNI EN ISO 14001:2015 certified Environmental Management System, acquiring the relative certification with a certificate issued by Certiquality on 02/02/2023 (whose the validity has been renewed until 2026).

The Environmental Management Systems standard falls under the ISO standards on Management Systems, the primary objective of which is to create a common "High Level

Structure" among the standards. The standard involves planning, execution and control phases and improvement actions. The application of ISO 14001 defines the most important requirements to identify, control and monitor the environmental aspects of any organisation with an environmental policy.

For a company like TPER, which operates in the public transport sector, environmental responsibility plays a particularly important role. The adoption of this standard allows the Group to identify and manage the most critical environmental aspects in a structured manner, such as emissions generated by the fleet, energy consumption and proper waste management.

The immediate advantages of adopting an ISO 14001 Environmental Management System are:

- Greater trust from customers, investors, the public and the community, thanks to the guaranteed reliability of the commitment demonstrated
- Better control of costs and savings on raw materials and energy consumption
- Transparent management and facilitation in obtaining environmental permits and authorisations
- Reduction in insurance premiums linked to the possibility of environmental accidents
- Reduction in the financial guarantees required under current legislation.

The Board of Directors, recognised as the highest level of management within the organisation, is responsible for the enforcement and effective implementation of the policy.

Actions and resources in relation to climate change policies

ESRS Standards	ESRS E1 E1-3

TPER plays a key role in contributing to the environmental, social and economic objectives of the local area. Consistent with European, national and regional policies, **sustainable, safe, inclusive and smart mobility represents for TPER the reason and key aspect of its operating model**.

The main guidelines and intervention actions include:

- Reduction of emissions from private transport, through the expansion and streamlining of the local, urban and extra-urban public transport offer.
- Renewal of the vehicle fleet, with significant investments in electric and hybrid vehicles, powered by hydrogen and methane (CNG and LNG), for the most part with guarantee of origin - biogas contracts, improving environmental performance.
- Optimisation of energy consumption and digitalisation of monitoring and maintenance processes.
- Promotion of shared and integrated mobility, also through synergies with digital platforms and MaaS (Mobility as a Service).

TPER confirmed its commitment to sustainability, adapting operational and financial strategies to cover contingencies, while maintaining a firm focus on innovation, efficiency and green transition.

TPER recognises its role as a key player in the ecological transition and social cohesion of the territory. In synergy with European, national and local institutions, it will continue to invest in clean technologies, modern infrastructures, digital solutions and organisational models geared towards the future of mobility, actively contributing to a more just, resilient and climate-neutral society.

Metrics and targets

Targets related to climate change mitigation and adaptation

ESRS Standards	ESRS E1 E1-4

Material topics	Target	Actions	Timeline	SDGs
Energy	Use of renewable sources	Increase in the amount of contracts with Guarantees of Origin - electricity and gas	2025-2026	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Climate change mitigation		Installation of photovoltaic systems on depots	2025-2027	
Climate change adaptation	Bologna Carbon Neutral 2030	Investments for the purchase of buses and construction of hydrogen plants	2025-2030	
		Gradual phasing out of diesel buses, purchase of electric buses, biomethane, biofuels	2025-2030	7.3 By 2030, double the global rate of improvement in energy efficiency.
	Reduction of consumption	Gradual replacement of Euro 3, Euro 4 and Euro 5 buses with new more energy-efficient vehicles	2025-2030	13.2 Integrate climate change measures into policies, strategies.
	Strengthening of company policy	Revision of Company Policy	2025-2030	
	Emissions intensity	Gradual reduction of Scope 1 and 2 emission intensity in relation to total km	2023-2028	13.2 Integrate climate change measures into policies, strategies and planning

At present, the Group has not set measurable, time-bound and results-oriented targets for the material topics identified, with the exception of the **emission intensity index, calculated as total scope 1 and 2 emissions relative to total km**. However, qualitative objectives have been defined, in line with the process already initiated in previous years and consistent with the objective of energy transition and climate change mitigation.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Vehicles

TPER aims to improve its performance in terms of emissions both by altering the energy mix used in fuelling the vehicles (electric, methane, diesel), and by taking action on vehicle efficiency (new vehicles with lower energy absorption).

TPER pursues the objective of reducing its environmental impact mainly through the **renewal of its vehicle fleet**, the purchase of new vehicles and the use of less polluting energy sources, such as electricity or methane (in particular, LNG, Liquid Natural Gas, which can be replaced by biomethane from a circular economy point of view). Furthermore, the replacement of the most obsolete vehicles with new vehicles allows TPER to ensure lower fuel/energy consumption and lower climate-altering emissions that are harmful to human health.

Sites

In conjunction with the renewal of the agreement with the Municipality of Bologna for the concession of the company headquarters, a redevelopment project was launched targeted at saving energy and reducing the environmental impact. The investment plan provides for the minimisation of heat loss and the installation of two photovoltaic systems at the Due Madonne and Ferrarese depots.

The quantitative objectives will be defined in a more systematic and precise manner in relation to the progressive development of data collection and monitoring systems and the evolution of the regulatory context.

Energy consumption and mix

ESRS Standards	ESRS E1 E1-5

Energy consumption

Energy consumption is expressed in **MWh,** highlighting the breakdown between renewable and fossil sources. In 2024, total energy consumption stood at **249,078 MWh,** of which 8% from renewable sources and 92% from fossil sources.

Internal energy consumption relates to the consumption of the Parent Company TPER and the subsidiaries included within the scope of consolidation.

All the activities of the TPER Group in 2024 are considered to belong **to sectors with a high climate impact**. The sector considered in the analyses corresponds to NACE Code 49.31, relating to the land transport of passengers in urban and suburban areas. The new ATECO codes have been in force in Italy since April 2025: the ATECO code 49.31 was confirmed for the Parent Company, which remains among the activities with a high climate impact.

Total consumption of the company in MWh **Energy consumed**	**2024**	**2023**	**2022**
Energy from fossil sources			
Crude oil fuels and petroleum products			
Diesel fuel for bus transport	105,598	108,621	108,518
Diesel for VAZ transport	474	407	438
Natural gas fuels			
Natural gas for CNG bus transport	91,342	90,504	89,575
Natural gas for CNG VAZ transport	126	190	223
Natural gas for heating	10,038	10,353	10,525
Natural gas for LNG bus transport	4,657	21,304	19,467
Electricity from fossil sources *[non-Guarantee of Origin contracts]*	16,655	8,878	326
Total energy consumption from non-renewable sources	**228,890**	**240,256**	**229,073**

Energy from renewable sources	**2024**	**2023**	**2022**
Fuels from renewable sources			
Biogas	19,335	-	-

Electricity from renewable sources (Guarantee of Origin contracts)	1,123	6,377	14,699
Total energy consumption from renewable sources	**20,458**	**6,377**	**14,699**
Total electric power			
Bus transport	4,912	5,448	5,486
Automotive Sharing	486	333	
VAZ transport			
Thermal kWh - offices and terminals	1,113	1,088	1,081
MEX	1,279		
Offices and other	9,988	8,386	8,458
total	**17,778**	**16,663**	**16,528**
Total energy consumption	**249,348**	**246,633**	**243,772**
Share of renewable sources in total energy consumption (%)	8%	3%	6%
Share of non-renewable sources in total energy consumption (%)	92%	97%	94%

Source

Electricity: Conversion factors - ENEA - Energy Efficiency Unit Department

Fuels: DEFRA Greenhouse gas reporting: conversion factors 2024 - GOV.UK

Methane: DEFRA Greenhouse gas reporting: conversion factors 2024 - GOV.UK

Energy consumption intensity

The Group's energy intensity index for sectors with a high climate impact is shown below, defined as the ratio between total energy consumption and net revenues.

Energy intensity	Unit	2024	2023	2022
Total energy consumption	MWh	249,348	246,633	243,772
Net revenues	€	314,080	294,026,000	290,434,000
Energy intensity	**MWh/€**	**0.79**	**0.84**	**0.84**
Δ%		-5.4%	-0.1%	

Energy intensity, considering consumption in relation to revenues, shows an improvement of 5.4% compared to the previous year.

The intensity indexes were also calculated according to technical metrics used internally to monitor consumption performance and to assess energy efficiency programmes, such as the total kilometres travelled.

Energy intensity	Unit	2024	2023	2022
Total energy consumption	MWh	249,348	246,633	243,772
total km travelled	km	52,991,558	49,776,493	49,384,978
Energy intensity	**MWh/thousands of km**	**4.71**	**4.95**	**4.94**

In relation to km, energy consumption improved by 5% compared to the previous year, as the increase in consumption was less than proportional with respect to the km travelled.

GHG emissions

ESRS Standards	ESRS E1 E1-6

Scope 1 and 2 GHG emissions

The GHG (Greenhouse Gas) emissions figure is reported in tonnes of carbon dioxide equivalent (tCO2e) and refers to direct emissions (GHG Scope 1), together with the indirect emissions associated with the consumption of electricity purchased from the network (GHG Scope 2). The Scope 2 GHG emissions (electricity) figures are reported according to the Location-based methodology.

Energy consumption has an impact on emissions. Changes over time in the energy mix used (reduction of fossil fuels to the advantage of electricity or biomethane) and the efficiency of vehicles (new vehicles consume less energy for the same mileage) have an impact on emissions trends.

The trend in emissions is shown below. The data must then be compared taking into account the service levels, i.e. the total km, as expressed by the emissions intensity index.

Scope 1 emissions	tCO_2eq	2024	2023	2022
Diesel fuel for bus transport		26,820.44		
Diesel for VAZ transport		120.41		
Natural gas for CNG bus transport		18,144.35		
Natural gas for CNG VAZ transport		25.07		
Natural gas for heating		1,993.98		
Natural gas for LNG bus transport		925.04		
Biogas		6.60		
Scope 1 direct emissions	**tCO2eq**	**48,035.89**	52,603,313	52,102,690

Source

Diesel: DEFRA Greenhouse gas reporting: conversion factors 2024 - GOV.UK
Natural gas: EU ETS - Italy News (minambiente.it)

Indirect emissions (GHG - Scope 2) derive from the energy consumption of all from externally supplied plants (electricity). The calculation of indirect emissions from electricity consumption (GHG - Scope 2) was carried out according to both the "Location-based" and the "Market-Based" approaches.

- The **location-based method** requires emissions deriving from electricity consumption to be accounted by applying national average emission factors for electricity production.
- The **market-based** method requires the GHG - Scope 2 emissions deriving from the purchase of electricity to be determined by considering the specific emission factors communicated by suppliers. For purchases of electricity from renewable sources, an emission factor of tCO2 and zero is attributed. If no specific contractual agreements have been defined, the approach in question requires the use of national "residual mix" emission factors, where technically applicable.

Scope 2 emissions - location-based	tCO_2eq	2024	2023	2022
Energy from fossil sources				
Electricity from fossil sources [non-Guarantee of Origin contracts]		4,312.34		
Energy from renewable sources				

Electricity from renewable sources [Guarantee of Origin contracts]		295.58		
Indirect emissions - Scope 2 location-based	**tCO2eq**	**4,607.93**	**2,215.06**	**385.89**

Scope 2 emissions - market-based	tCO_2eq	2024	2023	2022
Energy from fossil sources				
Electricity from fossil sources [non-Guarantee of Origin contracts]		7,064.15	4,444.12	162.98
Indirect emissions - Scope 2 market-based	**tCO2eq**	**7,064.15**	**4,444.12**	**162.98**

Scope1 + Scope 2 CO2 emissions (Location-based) (tCO2e)	2024	2023	2022
Scope 1 emissions	48,036	51,996	51,469
Scope 2 emissions - Location-based	4,608	2,215	386
Total	**52,644**	**54,211**	**51,854**
Trend in overall emissions	-2.89%		

The table shows a decrease of -2.89% in total Scope 1 + Scope 2 Location-based emissions compared to the previous year.

Scope 1 and 2 emission intensity

The following table shows the GHG emission intensity indexes (Scope 1 - Scope 2 Location-based) linked to the net revenue data for the year (similar to the calculation performed for the energy consumption intensity indexes).

Emission intensity	Unit	2024	2023	2022
Total emissions (Scope 1 + Scope 2 - Location-based)	tCO2eq	52,644	56,011	56,115
Net revenues	Thousands of euros	244,898	237,796	216,445
Emission intensity	**tCO2eq/thousands of euros**	**0.21**	**0.24**	**0.26**

In 2024, the emissions intensity, as well as energy intensity, decreased compared to the previous year. With reference to the figure in relation to net revenues, the emissions intensity went from 0.24 to 0.21, with a reduction of 8.7%. With reference to the figure in relation to total km, it fell from 1.13 to 0.99, marking a reduction of 11%.

The specific scope 1 and 2 intensity index is also reported in relation to the total km travelled, as it is considered to be more representative of the dynamics relating to emissions. This indicator is also a material KPI for the purposes of assessing company performance.

Looking at the performance in emissions intensity, calculated as total scope 1 and 2 Location-based emissions in relation to the total of km, the company recorded an indicator of 0.99, achieving the goal of staying within the threshold value of 1.014 for 2024.

Emission intensity	Unit	2024
Total Scope 1 and 2 emissions	tCO2eq	52,714.86
total km travelled	-	52,991,558
Emission intensity		**0.99**

Indirect emissions along the value chain: GHG - Scope 3

TPER has identified the perimeter of the main categories of emissions deriving from activities not directly controlled by the organisation, but which occur upstream and downstream of its value chain (GHG - Scope 3).

The analysis was carried out according to the provisions of the Greenhouse Gas (GHG) Protocol, which defines the criteria and methodologies to be applied to calculate an organisation's direct and indirect emissions. In particular, for Scope 3 GHG emissions, the GHG Protocol takes 15 categories as reference.

The process of identifying the relevant TPER categories was carried out with the involvement of various company figures and functions, through interviews and in-depth analyses, in order to define a significance matrix, in line with the GHG Protocol.

Below are the results of the analysis and the categories that were found to be material, based on the criteria of size, influence, risks, stakeholders involved and availability of the data.

Scope 3 category* (GHG Protocol)		Description and impact on TPER
1	**Services purchased** ***(upstream)***	Emissions related to the provision of services purchased, such as maintenance and repair services, consultancy and above all the transport service provided by TPER's commercial partners.
2	**Production Goods** ***(upstream)***	Emissions deriving from the production of buses purchased by the Company in the reporting year.
3	**Energy consumption not included in Scope 1 and Scope 2 emissions** ***(upstream)***	Emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reference year that are not included in Scope 1 or Scope 2.
5	**Waste generated by process activities** ***(upstream)***	Emissions deriving from the disposal and treatment by third parties of waste generated by the Company's activities.
7	**Employee commuting** ***(upstream)***	Impact linked to the travel of Company employees between their homes and workplaces.

* The performance of the analysis showed an immaterial level of significance for the categories "1 Purchased products", "4 Transport and distribution upstream", "6 Business trips" and "13 Leased goods downstream", while the categories "8 Leased goods upstream", "9 Transport and distribution downstream", "10 Processes on the product sold", "11 Use of the product sold", "12 End-of-life treatment of the product sold", "14 Franchises" and "15 Investments" were not considered applicable with respect to the Company's activities.

For the calculation of Scope 3 GHG emissions, different approaches were used depending on the emission category analysed:

- The calculation method adopted for the Category 1 emissions (**services purchased**) follows the approach defined by the GHG Protocol as Hybrid method, using the Average Data Method to calculate the emissions downstream and upstream of the fuels used by TPER's partners (Coerbus, Cosepuri and Saca) for the provision of the LPT service and the Spend-based method for the services purchased.
- For Category 2 (**Production Goods**), an Average Data Method approach was used for the buses purchased in the reporting year, as the most significant assets for the Company.
- For the calculation of Category 3 (**Energy consumption not included in Scope 1 and Scope 2 emissions**), the Average Data Method was adopted, providing precise data on the Company's energy and fuel consumption.
- For Category 5 (**Waste generated by process activities**), the Waste Type Specific Method was applied, together with the Recycled Content Method, which excludes emissions related to recycling from TPER's scope. The emissions deriving from disposal were quantified using the *Ecoinvent database*, while the transport of waste is not currently included.
- For Category 7 (**Employee commuting**), the Average data method was applied, using as a sample for the entire Company the answers to a questionnaire on employee commuting at the Bologna and Ferrara offices.

The following table shows the Scope 3 indirect emissions for each category indicated as significant:

Indirect emissions - GHG - Scope 3 (t CO2e)	**2024**
Category 1 - Services purchased (upstream)	25,705.77
Category 2 - Production Goods (upstream)	5,620.87
Category 3 - Energy consumption not included in Scope 1 and 2 emissions (upstream)	1,581,807.52
Category 5 - Waste generated by process activities (upstream)	975.37
Category 7 - Employee commuting (upstream)	3,039.54
Total - Scope 3 Emissions (t CO2e)	**1,617,149.07**

Emission factors applied:

- Defra UK - greenhouse gas reporting: conversion factors 2024 - gov.uk (www.gov.uk)
- EUROSTAT, environmentally extended input-output tables and models for Europe (EEIO)
- SimaPro Software 9.6.0.1; Ecoinvent Database v.3.10 - data as unit processes - IPCC GWP 100 calculation method - 2021.

We can see from the table that the **extraction, production and transport of fuels** (**Category 3**) used by TPER to provide its LPT services generate the greatest impact for Scope 3 emissions. The total emissions for this category are 1,581,807.52 tonnes of CO2eq. The greatest contribution is due to the production processes of CNG (Compressed Natural Gas) and LPG (Liquefied Petroleum Gas), which require strong compression and processing to be transported and subsequently used as fuels, unlike oil refining or methane production processes that does not require excessively energy-intensive treatments.

The total emissions of **Category 1** (25,705.77 tCO2eq) are generated in part by the public transport service performed by TPER's commercial partners through vehicles that consume diesel and methane (9,336.75 tCO2eq), while the remaining 16,369.03 tCO2eq are to be attributed to services purchased in the reporting year, such as maintenance services, consulting, vehicle cleaning, insurance or security and surveillance services.

To calculate indirect Scope 3 emissions, the Company used both direct sources and estimated data.

In particular, only **Category 7** - Employee commuting, which contributes 3,039.54 tonnes of CO2eq to Scope 3 emissions, was calculated on the basis of an estimate referring to a sample of employees for the Ferrara and Bologna offices. The data available derive from a specific questionnaire.

Scope 1, 2, and 3 emissions intensity

The following tables show the figure relating to the intensity of scope 1, 2 and 3 emissions in relation to revenues, assuming, for scope 2, both location-based and market-based calculations.

Location-based Emission intensity	Unit	2024
Total Scope 1 2 3 emissions	tCO2eq	1,669,863.93
Net revenues	€	314,080
Emission intensity	**tCO2eq/€**	**5.32**

Market-based Emission intensity	Unit	2024
Total Scope 1 2 3 emissions	tCO2eq	1,672,365.49
Net revenues	€	314,080
Emission intensity	**tCO2eq/€**	**5.32**

Emissions avoided - use of public transport

The impact on emissions can also be measured by taking into account the use of public transport as an alternative to private cars. In fact, using collective and shared transport as an alternative to private vehicles powered by fossil fuels, TPER users have saved roughly 150,669 thousand tonnes of CO2 in the Bologna and Ferrara areas, of which 270 tonnes for the Corrente service.

These figures were calculated considering an estimate of trips made with a car powered by fossil fuels instead of local public transport.

The parameters for the calculation are based on public studies (sources: www.CO2nnect.org, www.isprambiente.gov.it, www.sviluppoeconomico.gov.it).

E2 Pollution

Topic	Sub-topic	SDGs
E2 Pollution	Air pollution Microplastics	

Management of impacts - risks - opportunities

Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

ESRS Standards	ESRS 2 IRO-1

E2 Pollution		
Air pollution	**Impacts** Impact on the environment and on air quality due to the emission of pollutants and consequent air pollution.	Actual Negative Short - medium - long term From own operations
	Risks The Group could face an increase in operating expenses due to non-compliance with environmental regulations relating to atmospheric emissions. This situation could result in direct expenses, financial penalties and costs for adjustments.	Medium - long term From own operations
	Opportunities Financial opportunities deriving from incentives for the renewal of zero-emission fleets.	Medium - long term From own operations and along the value chain
Microplastics	**Impacts** Impact on the environment due to the release of microplastics caused by tyre wear.	Actual Negative Short - medium - long term From own operations
	Risks Failure to identify/comply with the different sector regulations related to the activity.	Medium - long term From own operations

The material topics for TPER in relation to pollution are air pollution and the release of microplastics. The Group's activities generate environmental impacts linked above all to pollutant emissions and tyre wear. Compliance with environmental regulations is a critical factor, with potential economic risks due to mandatory sanctions and adjustments. However, the regulatory context and the support policies also offer opportunities, in particular through incentives for the renewal of the fleet with zero-emission vehicles.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Policies related to pollution

ESRS Standards	ESRS E2 E2-1

TPER upholds integrity, responsibility and innovation as fundamental values and is committed to promoting sustainability, with particular reference to environmental sustainability.

TPER's environmental policy is aimed at promoting energy efficiency, resource sustainability and respect for the environment in all operations, contributing to the achievement of SDGs 7 (Clean and Accessible Energy), 11 (Sustainable Cities and Communities) and 13 (Climate action).

To achieve these objectives, TPER has made provision for the following steps:

- Integration of the SDGs into corporate governance: environmental sustainability will be an integral part of our business strategy and company policies.
- Monitoring and transparent reporting: we will implement environmental performance monitoring systems, with the publication of results and progress in compliance with the CSRD.
- Collaboration with other players in the sector and with local and supra-local institutions to implement sustainable solutions that respect global development objectives.
- Training and awareness-raising for a corporate culture based on environmental awareness.

Actions and resources in relation to pollution

ESRS Standards	ESRS E2 E2-2

The reduction of pollution represents one of the major environmental challenges in the transport sector and national and international environmental regulations, such as the European Green Deal, the 2030 Strategy for the reduction of emissions and the objectives of the Fit for 55 package, pose important challenges on this issue. The risk related to non-compliance with these regulations could result in financial, reputational and operational sanctions.

TPER's commitment is focused not only on reducing greenhouse gas emissions, but also on reducing emissions of other pollutants that are harmful to the environment and human health, such as nitrogen oxides (NOx), fine dust (PM10) and hydrocarbons. TPER constantly monitors regulations and emission requirements, planning improvement actions to ensure full compliance with the objectives set at European and national level.

Air pollution also has direct consequences on TPER's people, affecting the health of the workforce, the safety of means of transport and the well-being of the communities served. In particular, air quality in urban areas with high traffic density can compromise public health and quality of life, increasing the risk of respiratory diseases among employees and passengers. It could also damage the company's reputation, eroding the trust of customers, investors and regulators.

The **transition to low environmental impact transport solutions** is one of the main opportunities to reduce pollution and improve air quality. TPER actively invests in electric, hybrid and methane vehicles in order to reduce harmful emissions. The introduction of **more efficient technologies** or the **promotion of shared mobility** represent a strategic opportunity to reduce traffic congestion and the consequent impact on air pollution.

To ensure an effective reduction in pollution, dialogue with local administrations is also a crucial tool to implement sustainable mobility policies.

The commitment to reduce pollution also represents a development opportunity for the company: the adoption of electric and hybrid transport solutions not only cuts emissions, but also improves operational efficiency, reducing costs related to fossil fuels: investing in technologies with low environmental impact and in recharging infrastructures for electric vehicles represents an opportunity for innovation and growth, which respond to the growing demand for more sustainable mobility solutions and the demand for increasingly stringent environmental policies.

TPER has implemented a system for monitoring polluting gas emissions and progress in the adoption of low-emission vehicles; it estimates the emissions of depots and monitors the impacts also with periodic data collection systems.

Metrics and targets

Targets related to pollution

ESRS Standards	ESRS E2 E2-3

Material topics	Target	Actions	Timeline	SDGs
Air pollution Microplastics	Pollution reduction	Gradual replacement of Euro 3, Euro 4 and Euro 5 buses with new vehicles with lower environmental impact	2024-2030	9.1 Build resilient infrastructure, promote innovation and fair, responsible and sustainable industrialisation
		Monitoring of pollutant emissions of depots	2025-2027	
	Reduction of rolling microplastics	Forecast of specific technical characteristics aimed at reducing the impact in terms of production of rolling microplastics in future tenders for the purchase of tyres	2025-2027	3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination
	Policy improvement	Improvement of company policy on pollution	2025-2026	

The objectives related to pollution derive from the TPER's Business Plan and concern a lower impact in terms of emissions of carbon monoxide, hydrocarbons, particulates, nitrogen oxide. The reduction objective is pursued through investments for the purchase of vehicles with a lower environmental impact, and through the monitoring of the level of pollution produced in the depots.

In fact, the main objective of TPER's Business Plan is to renew the fleet of vehicles, to ensure a lower impact in terms of emissions and consequently reduce potential damage to human health and the environment over time.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Air, water and soil pollution

ESRS Standards	ESRS E2 E2-4

Road transport emissions

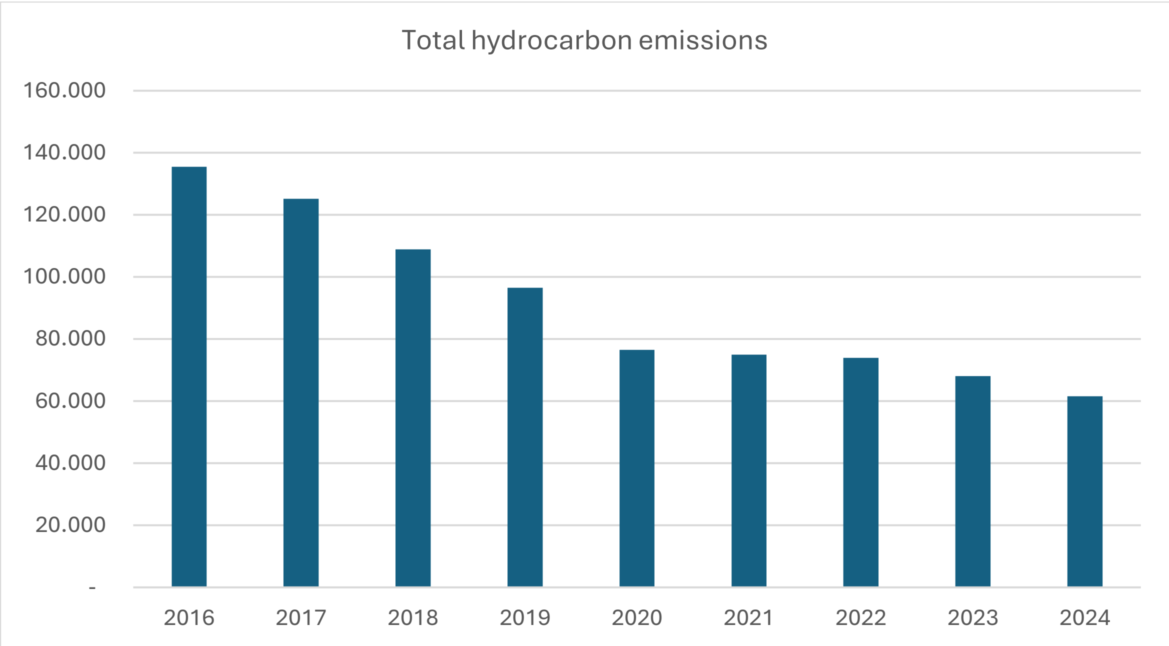
The impacts of **road transport** on the territory with reference to air pollution and, in particular, **emissions that are harmful to the environment and human health** are analysed below.

The different types of emissions analysed and reported show gradually decreasing trend, highlighting the positive effect of TPER's decisions in defining the mix of power sources (electric, methane, diesel) and the decision to replace more polluting vehicles with new lower impact vehicles.

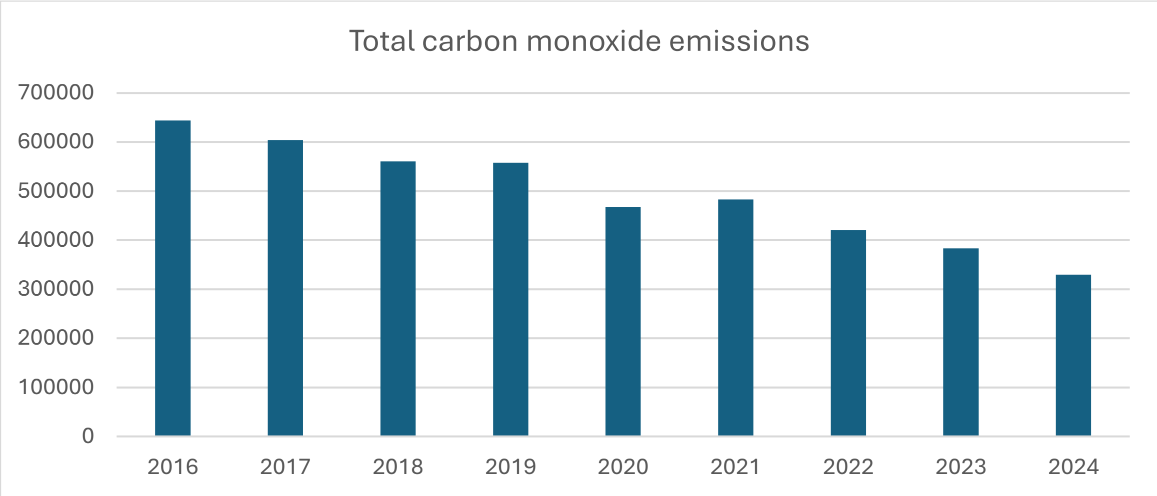
Emissions of local pollutants, which affect people's health and the environment (urban and natural), specifically concern hydrocarbons, carbon monoxide, particulates and nitrogen oxides.

All the data shown below are in kg.

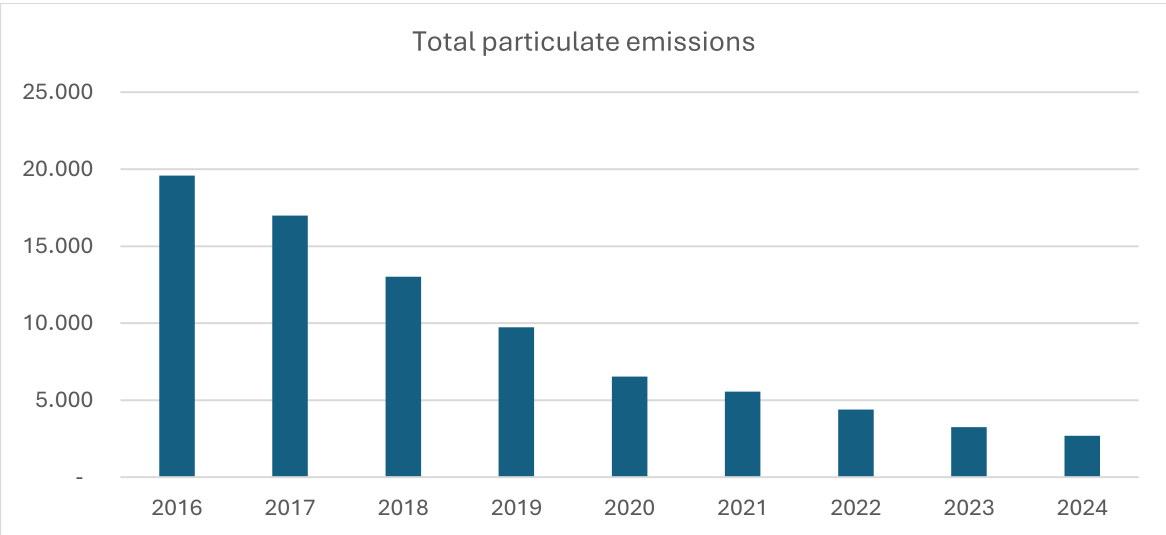
Total hydrocarbon emissions	**2024**	**2023**	**2022**
	61,598	68,060	73,949
not including methane	30,536	34,456	35,720
TREND	**-9.49%**	**-7.96%**	**-1.31%**
in the three-year period	**-17%**	**-9%**	**-3%**



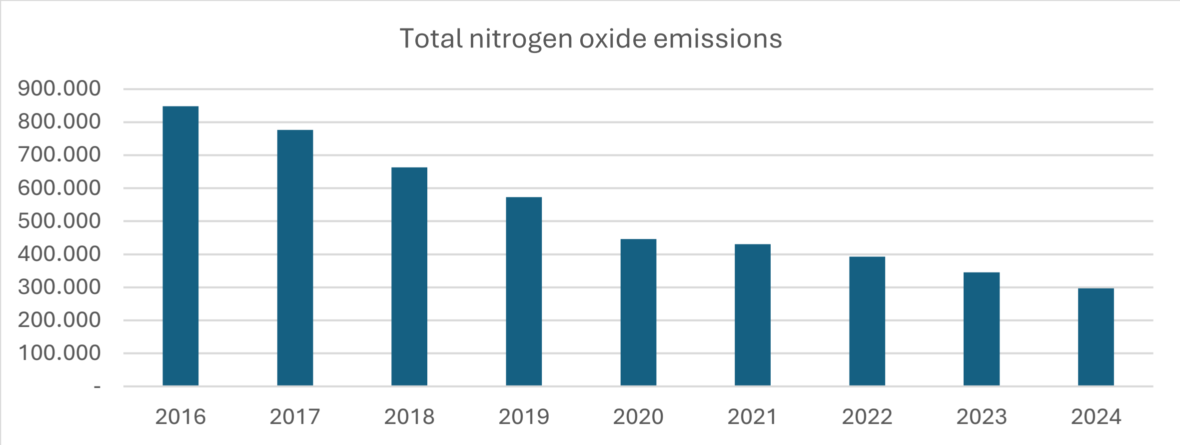
Total carbon monoxide emissions (kg)	2024	2023	2022
Emissions	329,476	383,257	420,658
TREND	*-14.03%*	*-8.89%*	*-12.89%*
In the three-year period	*-21.68%*	*-20.64%*	*-10.06%*



Total particulate emissions (kg)	2024	2023	2022
	2,688	**3,255**	**4,394**
TREND	-17.40%	-25.93%	-20.81%
In the three-year period	-38.82%	-41.35%	-32.77%



Total nitrogen oxide emissions (kg)	2024	2023	2022
	296,626	**335,211**	**384,187**
TREND	-14.00%	-12.75%	-10.80%
In the three-year period	-24.53%	-22.17%	-13.83%



Depot emissions

Starting from 2024, the data relating to emissions from depots are analysed. Data are not available for previous years.

The emissions into the air relating to the depots are **below the threshold limits indicated in annex II of Regulation (EC) no. 166/2006 of the European Parliament and of the Council** (European Pollutant Release and Transfer Register, E-PRTR) and therefore are not significant.

Pollutant substance	Threshold values - kg/year - E-PRTR Regulation	2024
	Air	Air emissions (kg)
Carbon monoxide (CO)	500,000	2,083
Nitrogen oxide (N2O)	10,000	4,425
Non-methane volatile organic compounds (NMVOCs)	100,000	152
Sulfur oxides (SOx/SO2)	150,000	50

Microplastics

For the 2024 reporting year, TPER does not yet have a specific calculation model to estimate the microplastics generated by tyre wear. Currently, there are no consolidated and shared methodologies at national level for this quantification. The Group intends to monitor regulatory and scientific developments to supplement this estimate in the future in order to quantify its impacts.

Substances of concern and substances of very high concern

ESRS Standards	ESRS E2 E2-5

TPER does not carry out production services that involve the issue of substances of concern or of very high concern; therefore, the issue was not material. In any case, TPER initiated the measurement of the issue of pollutants from the depots, which was not significant and in any case below the threshold.

E3 Water and marine resources

Management of impacts - risks - opportunities

Topic	Sub-topic	Sub-sub-topic	SDGs
E3 Water and marine resources	Water	Water consumption Wastewater	

The process to identify and assess material impacts, risks and opportunities

ESRS Standards	ESRS 2 IRO-1

TPER has examined the impacts, risks and opportunities related to water and marine resources, in relation to its activities.

E3 Water and marine resources		
Water ▪ Water consumption ▪ Water withdrawals ▪ Water discharges	**Impacts** Negative impacts due to the withdrawal and consumption of water used in washing vehicles.	Actual Negative Short - medium - long term From own operations

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Policies related to water and marine resources

ESRS Standards	ESRS E3-1

In the context of company policies, TPER recognises the fundamental importance of sustainable management of water and marine resources, as indicated in ESRS Standard E3-1, although the activities carried out do not have serious impacts on water resources and direct impacts on marine resources.

To meet the commitments and objectives identified in the *Context Assessment Report*, in line with the requirements of ISO 14.001, it has adopted a **Water Control Procedure**, with the aim of defining the responsibilities and activities necessary to ensure the control and the management of water discharges in compliance with current legislation, in relation to the activities carried out at all the operating sites of the TPER Group companies.

With reference to the water withdrawal policies, the following is specified:

Sources of withdrawal - As part of an environmental policy of responsible consumption of resources, withdrawal from water sources have been planned by TPER based on an impact-reduction approach. TPER's water withdrawal refers mainly to the vehicle **washing systems** and depend on both the number of buses in service and the number of washes per bus. This type of consumption is also influenced by weather conditions and the resulting vehicle washing frequency.

Water stress - The reference area where TPER's operating offices are located is classified as a "high water-stressed" area (High 3-4). For this reason, the use of water for industrial processes must consider this situation. Nevertheless, it is not believed that the TPER systems have a significant impact on the availability of water for the reference area.

Actions and resources in relation to water and marine resources

ESRS Standards	E3-2

To manage water resources responsibly and promote the adoption of consumption reduction practices, TPER's actions focus on:

- Wastewater management: specific procedures have been defined and adopted to ensure that **wastewater** is treated in a manner that complies with local and international environmental regulations.
- Prevention of marine pollution: **preventive measures** have been adopted to avoid the accidental release of pollutants into water bodies.
- Efficiency in the use of water resources: for operations that require a significant use of water, such as vehicle cleaning, TPER adopts **technologies** to optimise use and minimise waste.
- Installation of washing systems equipped with water recycling systems.

These actions are part of TPER's commitment to reducing the ecological footprint of its operations and respecting the principles of sustainability, in line with the objectives established by European and international environmental legislation.

Larger depots are equipped with **plants that treat the water** before discharge as well as systems that allow the **reuse** of significant volumes of water after treatment, specifically for washing vehicles. TPER has also endeavoured to improve the sustainability of its water discharges. As a result of various measures that have been mostly implemented at depots, all water discharges are monitored and authorised for discharge in public sewers in accordance with current regulations.

Metrics and targets

Targets related to water and marine resources

ESRS Standards	E3-3

Material topics	Target	Actions	Timeline	SDGs
Water	Reduction of water consumption	Plant for the recycling of water used for washing vehicles	Continuously	6.3 Improve water quality by reducing pollution and the release of chemicals, halving the amount of untreated wastewater and increasing recycling and safe reuse globally.
	Policy renewal	Improvement of the company policy on the management of water resources	2025-2027	

Aware of the importance of protecting water resources, the company is committed to reducing water consumption in operating activities, in particular in vehicle washing. The main objectives include **the optimisation of washing cycles** through the adoption of **low-water consumption**

technologies and the introduction of water recycling and reuse systems. TPER monitors the volumes used, with the aim of reducing overall water consumption, thus contributing to the protection of local water resources.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Water consumption

ESRS Standards	E3-4

The figure relating to water withdrawals in 2024 is 52,590 cubic meters of water. The water is withdrawn from the local water distribution network (**aqueduct**). These are accurate values, derived from the totals invoiced to TPER by the water service utility company.

Water withdrawal	2024	2023	2022
Third-party water resources/aqueducts			
Fresh water (≤1,000 m3/L total dissolved solids)	52,590	65,775	49,895
Other types of water (>1,000 m3/L total dissolved solids)			
Total (cubic metres)	**52,590**	**65,775**	**49,895**

It is specified that the definition of fresh water/other types of water is based on the ISO 14046:2014 standard and the USGS (United States Geological Survey) document, "Water Science Glossary of Terms" (water.usgs.gov/edu/dictionary.html - accessed on 1 June 2018) and on the World Health Organisation (WHO) document, "Guidelines for Drinking-water Quality" of 2017.

Discharges of waste water flow into the public sewage system of the region, in accordance with the laws and regulations in force.

Water stress - Water stress refers to the ability or inability to meet water demand, both human and by ecosystems as a whole. Water stress can refer to the availability, quality or accessibility of water. As a tool for assessing water-stressed areas, the Aqueduct Water Risk Atlas wri.org/aqueduct of the World Resources Institute was utilised. The analysis showed that the Group operates in an area with extremely high water stress levels (4-5).

E5 Resource use and circular economy

Topic	Sub-topic	SDG
E5 Resource use and circular economy	Resource inflows, including the use of resource outflows related to products and services Waste	

Management of impacts - risks - opportunities

The process to identify and assess material impacts, risks and opportunities

ESRS Standards	ESRS 2 IRO-1

The TPER Group has assessed its impacts, risks and opportunities relating to resource use and circular economy, taking into account not only its own activities, but also the activities along the value chain, upstream and downstream.

E5 Resource use and circular economy		
Resource inflows, including resource use	**Impacts** Use and consumption of non-renewable materials deriving from the procurement of tyres and vehicle spare parts.	Actual Negative Medium - long term From own operations and along the value chain
	Opportunities Purchase of more efficient and durable materials and spare parts to reduce costs in the long term.	Long term From own operations and along the value chain
Waste	**Impacts** Direct negative impacts related to the generation of waste and associated environmental impacts.	Actual Negative Short - medium - long term From own operations and along the value chain
	Risks Risk of increase in operating expenses deriving from non-compliance in the management of the special waste production chain, including the correct classification according to the European Waste Code (EWC) and adequate treatment, transport and disposal.	Long term From own operations

The efficient use of resources and proper waste management are priority areas for TPER in the context of the circular economy. The focus is on reducing waste, adopting more durable materials and ensuring compliance in disposal processes, with the aim of limiting environmental impacts and optimising costs in the long term.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Policies related to resource use and circular economy

ESRS Standards	ESRS E5 E5-1

The company adopts a responsible and proactive approach in the management of resources, taking into account the principles of the circular economy. Despite not having formalised a specific policy, the company's decisions make provision for the progressive reduction of the use of virgin resources, the promotion of reuse and recycling, and the extension of the useful life of capital goods. Particular attention is paid to the efficient management of water, energy and materials used for fleet and infrastructure maintenance. The objective is to minimise the environmental impact of business processes and contribute to the transition towards a more sustainable public transport model.

Currently, the integrated Quality, Environment and Safety policy does not include detailed indications on the use of recycled or renewable materials, nor explicit references to the waste hierarchy. However, these issues are addressed and managed through consolidated practices and internal operating procedures. These procedures ensure compliance with the regulations in force and promote responsible management of resources, paying particular attention to recycling, the recovery of materials and the reduction of waste, in line with Company strategy.

Actions and resources in relation to resource use and circular economy

ESRS Standards	ESRS E5 E5-2

During 2024, TPER implemented several initiatives to reduce the environmental impact related to the use of resources. The main actions include:

- Replacement of non-recyclable materials with environmentally friendly alternatives in maintenance processes,
- Introduction of separate waste collection procedures in all company depots.

In recent years, TPER has made provision for the updating and professional training of workshop staff and maintenance personnel to allow, together with the maintenance operations of the buses, the correct separation of processing waste, which is deposited in special containers by EWC code, in order to allow the correct temporary storage, prior to the transfer to third parties with adequate timescales ascertained by the managers, who then fill in the loading and unloading register and contact the authorised entities in charge of disposal. Similar periodic checks are carried out on underground tanks not connected to continuous purification plants to check the filling level deriving from the degreasing processes of mechanical parts and underbodies. In the case of production of unusual waste, after an analysis aimed at understanding the process that generated the waste, the maintenance managers arrange for adequate sampling to be sent to specialised laboratories for the purpose of a new classification and attribution of the hazard characteristics.

Metrics and targets

Targets related to resource use and circular economy

ESRS Standards	ESRS E5 E5-3

Material topics	Target	Actions	Timeline	SDGs
Resource inflows, including resource use Waste	Increase in the share of recycled materials	Promote the purchase of goods that use recycled materials	Continuously	3.9 Reduce the number of deaths and illnesses from chemicals and pollution.
	Reduction of waste produced	Monitor the production of waste, with the aim of reducing the share of waste sent for disposal	2024-2028	
	Policy renewal	Define/strengthen environmental policies with the aim of preventing the production of waste and encouraging reduction, recycling and reuse	2026	12.5 Reduce waste production through prevention, reduction, recycling and reuse

As a company not involved in the production of tangible goods, TPER has not currently identified specific quantitative targets for monitoring the efficiency of the use of incoming materials. However, it has defined objectives for the purchase of goods with certain environmentally sustainable characteristics and suppliers selection criteria consistent with these objectives. For the future, TPER is committed to defining specific policies and quantitative objectives and keeping up to date on regulatory developments and technological innovations, in order to assess and adopt, when appropriate, the most advanced and sustainable materials available on the market.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Resource inflows

ESRS Standards	ESRS E5 E5-4

Within the activities of TPER, the **automotive spare parts** and **technical fluids** (engine oils, brake fluid, transmission fluid, differential fluid, anti-freeze, urea) necessary for the operation of the buses are identified as inputs.

The table shows **the exclusive use of technical materials** and no use of biological materials for activities related to the maintenance and provision of its services, in line with the business model and with the public transport sector. The main incoming resources include **maintenance materials**. The use of engine oils, oils for automatic transmissions and power steering fluid constitutes the main share of the materials used, followed by tyres, solvents and sanitisers.

Materials used to manufacture products and offer services		2024			2023			2022		
Finished products		Technical materials	Biological materials	Total	Technical materials	Biological materials	Total	Technical materials	Biological materials	Total
Oils and liquids:				**-**	-		**-**			**-**
engine oil	kg	40,894		**40,894**	53,744		**53,744**	29,596		**29,596**
automatic transmission oil and power steering fluid	kg	15,251		**15,251**	20,516		**20,516**	17,737		**17,737**
power steering fluid	L	110		**110**	60		**60**			**-**
		56,255	**-**	**56,255**	**74,320**	**-**	**74,320**	**47,333**	**-**	**47,333**
Non-renewable materials used										
Tyres	kg	38,400		**38,400**	48,480		**48,480**	31,200		**31,200**
Solvents and sanitisers	L	170		**170**	64		**64**	337		**337**
Total materials used		**38,570**	**-**	**38,570**	**48,544**	**-**	**48,544**	**31,537**	**-**	**31,537**

Resource outflows

ESRS Standards	ESRS E5-5

Waste

Waste is managed according to internal procedures that comply with the provisions of the law in force. TPER is a services company and, therefore, as a company with a low processing scheme, it does not generate significant production waste. The types and quantities of waste are linked in particular to the **vehicle and plant maintenance** activities.

As a producer of both hazardous and non-hazardous special waste, TPER seeks, with a view to continually improving its management, to minimise the environmental impact on the territory. As regards the above, it should be noted that:

- New vehicles are generally purchased with the LCCap (Long Contracting Capital) formula, which in the tender phase generally rewards the manufacturer who states that **maintenance will be performed** within the scope of the LCC contract (14 or 18 years) of the main components with the subsequent reduction of waste production over the life span of the asset if the main components comply with the expected intervals.
- The vehicles envisaged in the business plans belong to emission classes with a reduced environmental impact. Their purchase allows the simultaneous disposal of the most obsolete vehicles and those with the greatest environmental impact, both from the point of view of environmental emissions and overall maintenance waste.

The main outflows concern waste deriving from fleet **maintenance** (used oils, filters, metal and plastic materials) and the **disposal of buses** no longer circulating.

Although not a production company, TPER pays attention to the quantity and quality of the waste produced. Evaluating how materials move in, through and out of the organisation can help us understand where these materials become waste within the value chain and how they can and should be treated, with the aim of assessing the significance and hazardousness of any incoming materials and their relative impact downstream in the generation of waste.

The area that has the greatest impact on waste is the one that concerns the maintenance of buses and their cleaning. The hazardous waste produced as a result of these processes includes used oils, end-of-life vehicles, batteries, various filters, liquid waste including aqueous washing and degreasing solutions, brake pads. Non-hazardous metals, on the other hand, are ferrous and non-ferrous metals, wood, paper, plastic, sludge, air filters.

Downstream of the value chain, if we exclude decommissioned vehicles, there is no significant waste with regard to the environmental impact. The progressive use of digital forms of payment also contributes to the reduction of waste, such as paper travel tickets.

In 2024, TPER produced a total of around 1,551 tonnes of waste, of which 401 tonnes were classified as non-hazardous. In 2024, **78.20% of the waste produced by TPER was sent for recycling** (paper and cardboard, oils, batteries, ferrous and non-ferrous materials, demolition of vehicles, etc.), while the remainder was disposed of according to the regulations in force. No information is available on disposal methods (waste-to-energy, incineration, landfill, other).

All hazardous waste was managed in compliance with current environmental regulations and through authorised operators. Processes are being reviewed to further increase the recovery rate in the coming years.

Waste production trends over the years depend on the number of vehicles demolished, which greatly affects the total quantity of waste produced. The vehicles are mainly composed of ferrous material, glass, plastic, and to a lesser extent other materials.

	2024			2023			2022		
	Recovery	Disposed	Total	Recovery	Disposed	Total	Recovery	Disposed	Total
Hazardous waste	**811**	**338**	**1,149**	**1,791**	**209**	**2,000**	**1,874**	**28**	**1,902**
Non-hazardous waste	**400**	**1**	**401**	**477**	**33**	**511**	**432**	**31**	**463**
Total waste generated	**1,211**	**339**	**1,550**	**2,268**	**243**	**2,511**	**2,306**	**59**	**2,365**

Below is a breakdown of waste by category, grouped by EWC code.

Waste by category (t)		2024			2023			2022		
		Recovery	Disposed	Total	Recovery	Disposed	Total	Recovery	Disposed	Total
EWC Code	**Hazardous waste**									
12.03.01*	Aqueous washing solutions		280.98	280.98	189.37	142.22	331.59	221.50		221.5
13.02.05*	Mineral oils for engines, gears and lubrication, non-chlorinated	39.83		39.83	52.81		52.81	33.63	16.22	49.9
16.01.04*	End-of-life vehicles	16		652.16	1,404.45		1,404.45	1,509.94		1,509.9
16.01.14*	Anti-freeze fluids containing hazardous substances	15.59		15.59	33.20		33.20	4.37		4.4
16.06.01*	Lead batteries	92.39		92.39	79.67		79.67	86.68		86.7
16.10.01*	Aqueous liquid waste containing hazardous substances		40.65	40.65		25.52	25.52			-
	OTHER WASTE (<10 kg)	13.22	14.70	27.00	31.25	41.54	66.43	18.07	11.46	33.90

Total	**813.19**	**336.33**	**1,149.52**	**1,790.74**	**209.28**	**2,000.02**	**1,874.19**	**27.68**	**1,901.87**

Waste by category (t)		**2024**			**2023**			**2022**		
		Recovery	Disposed	Total	Recovery	Disposed	Total	Recovery	Disposed	Total
EWC Code	**Non-hazardous waste**						-			
15.01.01	Paper and cardboard packaging	35.00		35.000	31.95		31.95	30.12		30.1
15.01.03	Wood packaging	34.31		34.310	40.04		40.04	30.90		30.9
16.01.03	End-of-life tyres	88.81		88.810	93.21		93.21	104.38		104.4
16.01.17	Ferrous metals	155.11		155.110	196.75		196.75	172.95		172.9
16.01.20	Glass	18.09		18.090	12.44		12.44	12.77		12.8
16.01.22	Components not otherwise specified	48.32		48.323	45.722		45.72	49.21		49.2
20.01.01	Paper and cardboard	1.45		1.450	36.90		36.90	3.58		3.6
	OTHER WASTE (<10 kg)	18.90	1.18	20.08	20.39	33.46	53.85	28.34	30.96	59.30
Total		**399.99**	**1.18**	**401.17**	**477.41**	**33.46**	**510.87**	**432.24**	**30.96**	**463.20**

The waste produced is relevant to the transport sector and to the main activities of the Group. Aqueous solutions, which are part of hazardous waste, are generated by vehicle washing and constitute the most material part of disposal. Other waste pertaining to the sector, significant but in smaller quantities, are motor oils and lead batteries.

European Union Taxonomy Reporting

EU Regulation 2020/852: criteria and objectives

In 2018, the European Commission adopted the Sustainable Finance Action Plan, in which it set out a strategy that aims to redirect capital flows towards sustainable investments in order to support sustainable and inclusive development.

With Regulation EU 2020/852 of 18 June 2020, the European Union introduced the EU Taxonomy. The regulation establishes the criteria for determining whether an economic activity and related investments can be considered environmentally sustainable. The Taxonomy of the European Union, a classification system for economic activities, is the basis for the action plan for financing sustainable development.

In order to achieve climate and energy targets and to direct investments towards sustainable projects and activities, the European Union has adopted a definition of what is to be considered sustainable.

The European Union's taxonomy makes it possible to classify economic activities and is the basis for the action plan for financing sustainable development.

The EU Taxonomy Regulation 2020/852 identifies six environmental objectives, as listed below.

	Code1	Description	
1	CCM	Climate Change Mitigation	Climate change mitigation
2	CCA	Climate Change Adaptation	Climate change adaptation
3	WTR	Water & Marine Resources	Sustainable use and protection of water and marine resources
4	IS	Circular Economy	Transition to the circular economy, also with reference to waste reduction and recycling
5	PPC	Pollution Prevention and Control:	Pollution prevention and control
6	BIO	Biodiversity and ecosystems	Protection of biodiversity and ecosystem health

The code contains the abbreviation of the objective to which the economic activity can make a substantial contribution, to which the section number of the activity in the corresponding Annex of the Delegated Regulation relating to the specific objective is to be associated.

EU Regulation 2020/852 defines (Article 3) the criteria for identifying an economic activity as eligible and the conditions that must be met in order to classify it as aligned/environmentally sustainable.

Taxonomy eligible		
Substantial contribution	a)	Contributes to the achievement of one or more of the environmental objectives referred to in Article 9 (Environmental objectives). The Regulation identifies the economic sectors and activities that fall within those eligible for the taxonomy (whether or not these activities meet one or all of the technical screening criteria of the Delegated Regulations - condition 04).
Taxonomy aligned Conditions for Alignment		
DNSH Do No Significant Harm	b)	Does not cause significant harm to any of the other five environmental objectives in Article 9 (DNSH Do No Significant Harm).
Minimum Safeguards/Minimum Safeguard Criteria	c)	Carried out in compliance with the Minimum safeguards provided for in Article 18.
Technical screening criteria	d)	Compliance with the technical screening criteria established by the Delegated Regulations relating to the taxonomy. Activities that meet the technical requirements set out in the taxonomy for the sectors and activities identified as eligible, as summarised below.

In November 2023, the publication process for the Delegated Regulations on six environmental objectives was completed. These regulations established the technical screening criteria to determine under which conditions an economic activity can be considered to contribute substantially to various environmental goals while ensuring it does not cause significant harm to any other environmental objective (DNSH).

The European Commission Delegated Regulation EU 2021/2178 of 6 July 2021, updated in January 2024, defines the content and information that companies obliged to publish information on the EU Taxonomy must disclose on environmentally friendly economic activities, and specifies the methodology for complying with this disclosure obligation.

Regulation EU 2020/852 on the EU taxonomy establishes that an economic activity is considered environmentally friendly (Article 3) if it meets the following requirements:

Regulation EU 2020/852 - Article 3 Requirements	
Taxonomy eligible	a) activities that substantially contribute to the achievement of one or more of the environmental objectives referred to in Article 9 (Environmental objectives). Sectors and activities that fall within those included in the taxonomy (regardless of whether or not these activities meet one or all of the technical screening criteria indicated in the taxonomy).
Taxonomy aligned	d) activity compliant with the technical screening criteria established by the European Commission. Activities that meet the technical requirements established by the taxonomy for the sectors and activities identified as eligible.
DNSH Do No Significant Harm	b) the activity does not cause significant harm to any of the environmental objectives referred to in Article 9 (DNSH *Do Not Significant Harm*).
Minimum Safeguards/Minimum Safeguard Criteria	c) the activity is carried out in compliance with the Minimum safeguards provided for in Article 18.

Delegated Regulation EU 2021/2139, which supplements the EU regulation 2020/852, established the technical screening criteria that make it possible to determine under which conditions an economic activity can be considered to contribute substantially to climate change mitigation or climate change adaptation and if it does not cause significant harm to any other environmental objective.

Disclosure Article 8 Regulation EU 2020/852

Article 8 of Regulation EU 2020/852 on taxonomy requires companies to communicate the share of their revenues (Turnover) deriving from products or services associated with economic activities considered environmentally sustainable, the share of investments/capital expenditure (Capex) and the share of operating expenses (Opex) associated with economic activities considered environmentally sustainable.

With reference to TPER's activities and substantial contribution to climate change mitigation, the taxonomy reporting process consisted of the following steps:

- Analysis of TPER's economic activities
- Identification of the substantial contribution of TPER's economic activities with respect to environmental objectives
- Allocation of indicators (Revenues - Investments - Operating costs) based on the methodology envisaged by EU regulations (Technical screening criteria - DNSH analysis - Minimum criteria for social protection).

TPER confirmed the CCM Climate Change Mitigation objective as an objective to which its activities provide a substantial contribution. As a consequence of the intervening publication of the Delegated Regulations defining the criteria for all environmental objectives, TPER analysed the eligibility and alignment conditions also for environmental objectives other than climate change, without identifying significant aligned or eligible activities for objectives other than climate change mitigation.

Eligible and aligned activities are therefore represented by that portion of TPER's activities that meet the criteria of the taxonomy regulation in terms of "substantial contribution" to the aforementioned environmental objective.

With reference to accounting standards, for the purposes of reporting pursuant to Article 8 of the Taxonomy Regulation 2020/852, revenues (Turnover), investments (Capex) and operating costs (Opex) are defined as follows (please refer to the Consolidated Financial Statements for more specific information on accounting standards):

- Revenues - Net revenues from products or services.
- Capex - Increases in intangible and tangible assets, including capitalised research and development costs, in the balance sheet items property, plant and machinery, intangible assets, before any changes for fair value adjustment and gross of depreciation and any write-downs.
- Opex - Non-capitalised research and development costs, building renovation costs, costs for short-term leases, maintenance and repair costs and other indirect costs for the daily maintenance of owned assets, plants and equipment.

The following table shows a summary of the results relating to TPER's activities. The paragraph EU Taxonomy Tables shows the analytical results, according to the Models envisaged by the EU Delegated Regulation 2021/2078 (Disclosure Delegated Act).

Economic activities					EU taxonomy indicators (%) compared to the total		
Business Unit	Sector	Code	Description		Revenues	Investments	Operating costs
Local public transport	6	6.3	Urban and suburban transport, road passenger transport	**Aligned**	39%	100%	31%
				Eligible, but not aligned	45%	0%	35%
				Eligible	85%	100%	100%
				Non-eligible	0%	0%	0%
Transport of goods	6	6.2	Rail freight transport	**Aligned**	2%	100%	5%
				Eligible, but not aligned	6%	0%	12%
				Eligible	8%	100%	100%
				Non-eligible	0%	0%	0%
Railway maintenance	6	6.14	Infrastructure for rail transport	**Aligned**	5%	100%	14%
				Eligible, but not aligned	1%	0%	3%
				Eligible	7%	100%	100%
				Non-eligible	0%	0%	0%
Other mobility services	6	6.5	Urban and suburban transport, road passenger transport	**Aligned**	1%	0%	0%
				Eligible, but not aligned	0%	0%	0%
				Eligible	1%	100%	100%
				Non-eligible	0%	0%	0%
Total TPER Group				**Aligned**	48%	100%	50%
				Eligible, but not aligned	52%	0%	50%
				Eligible	100.0%	100%	100%
				Non-eligible	0%	0%	0%

Award drivers and technical screening criteria

The general criteria for the allocation of financial metrics (taxonomy KPIs) to the economic activities identified as eligible are shown in the following table.

Activities/Business Unit	Criteria
Public transport	Division between the energy consumption of Euro 6 vehicles and electric vehicles and total consumption.
Transport of goods	Ratio of km travelled with electric vehicles to total km.
Railway maintenance	Electricity consumption out of total consumption.
Other mobility services/Sharing services	100% electric vehicles

In summary, the technical screening criteria envisaged by Regulation 2021/2139 relating to the substantial contribution to the mitigation of climate change include:

Activities	Substantial contribution to climate change mitigation (Technical screening criteria)
Urban and suburban transport, road passenger transport	**The activity meets one of the following criteria:**
	a) the activity provides urban or suburban passenger transport services and its direct (exhaust) CO_2 emissions are zero.
	b) until 31 December 2025, the activity will provide interurban road passenger transport services using vehicles in categories M2 and M3 (228) with a bodywork type classified as "CA" (single-decker vehicle), "CB" (double-decker vehicle), "CC" (single-decker articulated vehicle) or "CD" (double-decker articulated vehicle) (229), compliant with the latest EURO VI standard, i.e. both with the requirements of Regulation (EC) No. 595/2009, and, from the entry into force of the amendments to that regulation, with the amending acts, even before they become applicable, as well as with the most recent phase of the EURO VI standard defined in Annex I, Appendix 9, table 1, of Regulation (EU) no. 582/2011, where the provisions governing this phase have entered into force but have not yet become applicable for this type of vehicle (230). If this standard is not available, direct CO_2 emissions from vehicles are zero.
Rail freight transport	**1. The activity meets one or both of the following criteria:**
	a) trains and railway wagons have direct (exhaust) CO_2 emissions equal to zero;
	b) trains and railway wagons have direct (exhaust) CO_2 emissions equal to zero when they operate on tracks equipped with the necessary infrastructure, and use a conventional engine when such infrastructure is not available (bi-modal).
	2. The trains and railway wagons are not used to transport fossil fuels.
Infrastructure for rail transport	**1. The activity meets one of the following criteria:**
	a) the infrastructure (as defined in point 2 of Annex II to Directive (EU) 2016/797 of the European Parliament and of the Council (274)) is:
	i) a track-side electrified infrastructure and associated subsystems: infrastructure, energy, on-board control-command and signalling and track-side control-command and signalling, as defined in Annex II, point 2, of Directive (EU) 2016/797;
	ii) a new or existing track-side infrastructure and associated subsystems where electrification is envisaged as regards the line tracks and, to the extent necessary for the circulation of electric trains, shunting tracks, or where the infrastructure will be suitable to be used by trains with zero exhaust CO_2 emissions within 10 years from the start of the activity: infrastructure, energy, on-board control-command and signalling and track-side control-command and signalling, as defined in the Annex II, point 2, of Directive (EU) 2016/797;

	iii) until 2030, an existing track-side infrastructure and associated subsystems that are not part of the TEN-T network (275) and its indicative extensions to third countries, nor a network of main railway lines defined at national, supranational or international level: infrastructure, energy, on-board control-command and signalling and track-side control-command and signalling, as defined in Annex II, point 2, of Directive (EU) 2016/797;
	b) the infrastructure and facilities are used for the transhipment of goods between the following modes: infrastructure and superstructures of terminals for the loading, unloading and transshipment of goods;
	c) the infrastructure and facilities are used to transfer passengers from other modes to rail.

The data and information take into account the complexity and current uncertainties regarding the application of the current provisions of the relevant legislation. Taxonomy reporting and regulatory interpretations may evolve and change over time.

Individually eligible Capex/Opex

According to the reference legislation, it is permitted to include as eligible Capex and Opex other expenses relating to the procurement of goods and services related to economic activities other than those eligible for the taxonomy, if these purchases contribute to the reduction of emissions and if the supplier's economic activity is eligible for the taxonomy.

Investments (Capex) - during 2024, no additional investments were made that may fall within the definition above.

Operating costs (Opex) - At present, TPER does not have the necessary information to be able to identify any additional taxonomy-eligible purchases.

DNSH - Do No Significant Harm

To be defined as sustainable, an economic activity must not only substantially contribute to one of the objectives defined in the Regulation, but must not cause damage to the other objectives (Do No Significant Harm). Compliance with the DNSH criteria relating to eligible activities was carried out for environmental objectives other than objective 1. Climate change mitigation, with respect to which a substantial contribution was instead identified by TPER.

The Appendices of Delegated Regulation EU 2021/2139 relating to the objective identified by TPER as a substantial and prevalent contribution (CCM Climate Change Mitigation) define the criteria to be followed in order to verify compliance with the DNSH principle. The main phases of the internal verification process envisaged: a) the involvement of the heads of the TPER Business Units and the analysis of eligible activities, policies and operating practices with respect to the criteria envisaged for compliance with the DNSH principle; b) documentary analysis used for the purposes of reporting on the material topics referred to in this Report.

Economic activities				**EU Taxonomy Alignment [Climate mitigation]**		
Business Unit	Sector	Code	Description	**Reg. 2020/852 objectives**		**Analysis of DNSH conditions**
Local public transport	6	6.3	0	2	Climate change adaptation	The activity meets the criteria set out in Appendix A
				3	Sustainable use and protection of water and marine resources	Not relevant

				4	Transition to a circular economy	Waste management measures are in place. Use of biomethane from organic waste. Measures for the reuse and recycling of batteries are being evaluated
				5	Pollution prevention and reduction	Vehicles 64% compliant with the requirements (Euro 6, ZEV, EEV or emission-free standards)
				6	Protection and restoration of biodiversity and ecosystems	not relevant
Transport of goods	6	6.2	0	2	Climate change adaptation	The activity meets the criteria set out in Appendix A
				3	Sustainable use and protection of water and marine resources	Not relevant
				4	Transition to a circular economy	Waste management measures are in place
				5	Pollution prevention and reduction	Propulsion engines comply with the emission limits set out in Annex II of Regulation (EU) 2016/1628
				6	Protection and restoration of biodiversity and ecosystems	Not relevant
Railway maintenance	6	6.14	0	2	Climate change adaptation	The activity meets the criteria set out in Appendix A
				3	Sustainable use and protection of water and marine resources	The activity meets the criteria set out in Appendix B
				4	Transition to a circular economy	The activity assesses the availability of techniques that support the use of reused components and a waste management that promotes recycling over disposal.
				5	Pollution prevention and reduction	The activity asset meets the criteria set out in Appendix C
				6	Protection and restoration of biodiversity and ecosystems	The activity meets the criteria set out in Appendix D
Other mobility services	6	6.5	0	2	Climate change adaptation	The activity meets the criteria set out in Appendix A
				3	Sustainable use and protection of water and marine resources	Not relevant
				4	Transition to a circular economy	Waste management measures are in place
				5	Pollution prevention and reduction	For current vehicles, 100% use of electricity - zero emissions
				6	Protection and restoration of biodiversity and ecosystems	Not relevant

Minimum Safeguards/Minimum Safeguard Criteria

Article 18 of EU Taxonomy Regulation (2020/852) defines minimum safeguards as those procedures implemented by a company carrying out an economic activity in order to ensure that it is in line with the OECD guidelines intended for multinational companies and with the United Nations Guiding Principles on Business and Human Rights, including the principles and rights established by the eight fundamental conventions identified in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work and the International Charter of Human Rights.

The criteria set out in Article 3 of Regulation EU 2020/852 require that, in order to be considered environmentally sustainable, in addition to what is defined in the previous paragraphs (eligibility - alignment with technical criteria - DNSH), an economic activity is carried out (Article 3 letter c) in compliance with the minimum safeguards provided by Article 18.

TPER is committed to conducting business according to ethical and integrity criteria and to respecting human rights in all activities. The assessments of the minimum safeguard criteria concerned in particular the areas highlighted below and envisaged by the regulations.

The measures include:

- Human rights - TPER is committed to respecting the internationally recognised human rights referred to in the International Charter of Human Rights and the ILO Declaration on fundamental principles and rights at work. These rights include fundamental work rights, such as the rights to freedom of association and collective bargaining, the right not to be subjected to forced labour, child labour or discrimination in employment and occupation, as well as rules on working hours and occupational health and safety. This commitment, which is evident in the Code of Ethics and in the management procedures and systems, was further confirmed in 2022 with the review of the Code of Ethics, then approved in 2023
- Corruption - TPER's commitment to preventing and identifying any episodes of corruption has led to the adoption of an anti-corruption policy with different levels and which envisages both the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01 (of which the Code of Ethics is an integral part) and the specific ISO 37001 management system
- Taxes/Taxation - TPER adopts a transparency-based and prudent approach towards tax issues and adopts policies that aim to reduce tax risks
- Free competition - TPER operates in compliance with the conditions of freedom of enterprise, and with the rules and regulations on free competition. Compliance with laws and regulations is also an essential condition for guaranteeing business continuity.

EU Taxonomy Tables

Share of turnover derived from products or services associated with taxonomy-aligned economic activities

		Financial year			2024		Criteria for substantial contribution(%)						Do no significant harm (DNSH) criteria						Minimum safeguards	Share of revenues aligned (A.1.) or eligible (A.2.) with the **previous year taxonomy**	Enabling activity category	Transitional activity category
			Code		Revenues (Euro million)	Revenues % share	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems				
			Goal	Activity #		%	YES - NO - NON-ELIG.						YES - NO						YES - NO	%	E	T
E	**Activity [Business Unit]**	**Taxonomy-eligible activities**																				
A.1		Environmentally sustainable activities Activities aligned with the taxonomy																				
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	123.77	39.5%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	58.2%		
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	6.88	2.2%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	2.2%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	16.08	5.1%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	3.3%		
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	3.44	1.1%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	1.1%		
		Revenues from environmentally sustainable activities (aligned with the taxonomy) (A.1)			150.18	48.0%	48.0%	0.0%	0.0%	0.0%	0.0%	0.0%	YES	YES	YES	YES	YES	YES	YES	64.8%		
						0%																
		Of which enabling			16.08	21.6%	21.6%						YES	YES	YES	YES	YES	YES	YES	25.9%		
		Of which transitional			123.77	26.4%	26.4%													38.8%		
A.2		Activities eligible for the taxonomy but not environmentally sustainable (Activities not aligned with the taxonomy)					ELIG. - NON-ELIG.															
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	141.65	45.3%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								25.9%		
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	17.70	5.7%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								6.0%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	3.46	1.1%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								3.3%		
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	-	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
		Revenues from activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (A.2)			162.82	52.0%	52.0%	0.0%	0.0%	0.0%	0.0%	0.0%								35.2%		
						0%																
		Total revenues from eligible activities (A.1 + A.2)			313.00	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										

Share of operating expenses (OpEx) derived from products or services associated with taxonomy-aligned economic activities

		Financial year			2024		Criteria for substantial contribution(%)						Do no significant harm (DNSH) criteria						Minimum safeguards	Share of OpEx aligned (A.1.) or eligible (A.2.) with the **previous year taxonomy**	Enabling activity category	Transitional activity category
			Code		OpEx (Euro million)	OpEx % share	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems				
			Goal	Activity #		%	YES - NO - NON-ELIG.						YES - NO						YES - NO	%	E	T
E	**Activity [Business Unit]**	**Taxonomy-eligible activities**																				
A.1		Environmentally sustainable activities Activities aligned with the taxonomy																				
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	10.68	30.7%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	36.8%		T
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	1.65	4.7%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	4.7%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	4.85	14.0%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	11.6%	E	
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	0.10	0.3%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	0.3%		
		OpEx from environmentally sustainable activities (aligned with the taxonomy) (A.1)			17.29	49.7%	49.7%	0.0%	0.0%	0.0%	0.0%	0.0%	YES	YES	YES	YES	YES	YES	YES	53.4%		
						0%																
		Of which enabling			4.85	29.2%							YES	YES	YES	YES	YES	YES	YES	11.6%	E	
		Of which transitional			10.68	20.5%														36.8%		T
A.2		Activities eligible for the taxonomy but not environmentally sustainable (Activities not aligned with the taxonomy)					ELIG. - NON-ELIG.															
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	12.22	35.1%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								16.4%		
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	4.25	12.2%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								16.7%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	1.05	3.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								11.6%		
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	-	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
		OpEx from activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (A.2)			17.51	50.3%	50.3%	0.0%	0.0%	0.0%	0.0%	0.0%								44.7%		
						0%																
		Total OpEx from eligible activities (A.1 + A.2)			34.8	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										

Share of capital expenditure (CapEx) derived from products or services associated with taxonomy-aligned economic activities

		Financial year		2024			Criteria for substantial contribution(%)						Do no significant harm (DNSH) criteria						Minimum safeguards	Share of CapEx aligned (A.1.) or eligible (A.2.) with the previous year taxonomy	Enabling activity category	Transitional activity category
			Code		CapEx (Euro million)	CapEx % share	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity/ ecosystems				
			Goal	Activity #		%	YES - NO - NON-ELIG.						YES - NO						YES - NO	%	E	T
E	**Activity [Business Unit]**	**Taxonomy-eligible activities**																				
A.1		Environmentally sustainable activities Activities aligned with the taxonomy																				
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	54.4	78.3%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	97.2%		
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	7.2	10.3%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	0.3%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	-	0.0%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	0.4%		
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	7.9	11.4%	YES	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	YES	YES	YES	YES	YES	YES	YES	2.1%		
					69.496																	
		CapEx from environmentally sustainable activities (aligned with the taxonomy) (A.1)			69.496	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%	YES	YES	YES	YES	YES	YES	YES	100.0%		
						0%																
		Of which enabling			62.3	89.7%							YES	YES	YES	YES	YES	YES	YES	99.3%	E	
		Of which transitional			7.2	10.3%														0.7%		T
A.2		Activities eligible for the taxonomy but not environmentally sustainable (Activities not aligned with the taxonomy)					ELIG. - NON-ELIG.															
	Local public transport	**Urban and suburban transport, road passenger transport**	**CCM**	**6.3**	0.2	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
	Transport of goods	**Rail freight transport**	**CCM**	**6.2**	0.3	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
	Railway maintenance	**Infrastructure for rail transport**	**CCM**	**6.14**	-	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
	Other mobility services	**Transport by motorcycle, car and light commercial vehicle**	**CCM**	**6.5**	-	0.0%	ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.	NON-ELIG.								0.0%		
		CapEx from activities eligible for the taxonomy but not environmentally sustainable (activities not aligned with the taxonomy) (A.2)			0.4	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%		
		Total CapEx from eligible activities (A.1 + A.2)			69.9	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%										

Social disclosure

S1 Own workforce

Topic	Sub-topic	Sub-sub-topic	SDGs
S1 Own workforce	Working conditions	Secure employment	
		Health and safety	
		Fair remuneration	
		Social dialogue	
		Freedom of association, existence of works councils and the information, consultation and participation rights of workers	
		Collective bargaining, including the percentage of workers covered by collective agreements	
		Work-life balance	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	
		Training and skills development	
		Diversity	

Strategy

Stakeholders' interests and opinions

ESRS Standards	ESRS 2 SBM-2

Employees are key players in the process of creating corporate value. The active involvement of the workforce is considered fundamental for the effective implementation of strategies and the achievement of the organisation's objectives. TPER promotes constant interaction with personnel, ensuring that workers' needs and perspectives are taken into account in defining strategic direction, decision-making mechanisms and human resource management policies.

TPER fosters a climate of trust and openness, encouraging dialogue and participation through tools and initiatives that facilitate direct and constructive dialogue.

For more details on how to engage employees, see the paragraph "Stakeholders: interests and expectations".

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

S1 Own Workforce		
Working conditions ▪ Secure employment ▪ Fair remuneration ▪ Social dialogue ▪Freedom of association, existence of works councils and the information, consultation and participation rights of workers ▪ Collective bargaining, including the rate of workers covered by collective agreements ▪Work-life balance	**Impacts** The impacts relating to working conditions and the protection of workers along the entire value chain, both upstream and downstream, include guarantees on health and safety in the workplace, fair remuneration, management of working hours and maintenance of a work-life balance. The adoption of company policies that protect these rights helps create a motivated workforce, with benefits also for undertaking's competitiveness and reputation.	Actual Positive Short - medium - long term From own operations
	Risks Failure to protect working conditions may expose the company to the risk of sanctions, disputes and reputational risks.	Medium term From own operations
	Opportunities Promote company policies that guarantee secure employment, fair remuneration and social dialogue, encourages the attraction and retention of talent, improving productivity and the company climate. Ensuring a better work-life balance also reduces turnover and increases well-being, making the Group more competitive.	Medium term From own operations
Working conditions ▪ Health and safety	**Impacts** Potential negative impacts on the health and safety of workers in the performance of company activities.	Potential Negative Short - medium - long term From own operations
	Risks Financial risk linked to inadequate safety standards and service conditions, which could expose the company to reputational damage, disputes and problems in accessing credit.	Medium term From own operations
Equal treatment and opportunities for all ▪ Gender equality and equal pay for work of equal value ▪ Training and skills development ▪ Diversity	**Impacts** Positive direct impacts related to the creation of a working environment that guarantees and values diversity, equal opportunities/equity and social inclusion. Positive impacts on people deriving from the development of plans that allow TPER employees to train and grow professionally	Actual Positive Short - medium - long term From own operations
	Risks Risks related to difficulty in attracting and retaining talent/high turnover and loss of key skills. A non-inclusive work environment can lead to episodes of discrimination, harassment or unequal treatment among employees, causing legal risks and penalties, reputational risks and high turnover.	Medium term From own operations
	Opportunities Providing training and professional development opportunities to employees fosters innovation and internal growth, as well as the attraction of talents that guarantee business continuity.	Medium term From own operations
Other work-related rights • Confidentiality	**Impacts** Potential direct negative impacts on rights regarding privacy (sensitive information content) and security of information systems (potential data breaches)	Potential Negative Short - medium - long term From own operations

Policies aimed at the workforce represent a strategic area for TPER, with direct impacts on the quality of the working environment, business continuity and corporate reputation. The promotion of fair and safe working conditions, together with a concrete commitment to gender equality, inclusion and development of skills, strengthens employee engagement and the attractiveness of the organisation. The protection of privacy and the security of workers' personal data are also confirmed as relevant aspects in a context of increasing digitalisation.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Management of impacts - risks - opportunities

Policies related to own workforce

ESRS Standards	ESRS S1 S1-1

The processes of people selection, management and development and the resulting enhancement of individual skills, diversity and non-discrimination are governed by specific policies and procedures, with dedicated sections on the intranet.

Internal regulations

For recruitment, TPER follows **internal regulations** based on the principles of equal treatment, non-discrimination and transparency. To this end, for the Bus Drivers category and for recruiting ideal candidates for the Maintenance Department we have used a special classification defined following a public selection process.

With regard to people's welfare, particular attention is paid to corporate welfare measures in order to respond positively to workers' needs, also understood in relation to the overall living conditions of individuals (family, children, health, but also leisure time), trying to achieve a diversification of treatments, both at regulatory and organisational level.

Integrated policy - Occupational health and safety

TPER is currently certified according to standard UNI ISO 45001:2018 and observance of the international standard ensures compliance with the requirements for Occupational Health and Safety Management Systems. The ISO 45001 certification is based on the management of workplace health and safety and requires continuous improvement, thus providing all stakeholders with guarantees regarding compliance with the specified safety policies.

The relevant aspects can be summarised as follows:

- The management system represents an effective tool for optimising risk management for the health and safety of workers. INAIL (Italian National Institute for Insurance Against Accidents at Work) has provided data that shows a significant drop of 27% in the frequency index and a 35% decline in the accident severity index in certified companies
- The ISO 45001:2018 certification is recognised as a possible system that provides an exemption from the serious levels of liability introduced by Italian Legislative Decree no. 231/01 (as required by Italian Legislative Decree no. 81/08 in Article 30, paragraph 5)
- INAIL (Italian National Institute for Insurance against Accidents at Work) grants reduced insurance premiums to companies that have made improvements or have taken accident prevention measures to safeguard workers' health and safety conditions. The measures that permit access to these reductions are those foreseen by the OT 24 Model (fluctuation

of the prevention premium rate). Of these measures, ISO 45001:2018 standard certification allows the company to achieve the maximum score for the discount on the premium

- It requires greater attention from all the organisational units in the company on matters of safety, with positive repercussions on the organisation at various levels.

Policy for the promotion of gender equality, equal opportunities, diversity and inclusion - Gender equality certification.

TPER has been monitoring gender equality issues for years through specific measurements and indicators, by adopting its own regulations for recruitment, inspired by the principles of inclusion, equal treatment, non-discrimination and transparency. The Company holds and periodically updates the management system relating to UNI/PdR 125:2022 certification, the reference practice containing guidelines for the implementation of gender equality policies in companies.

The gender equality management system is an initiative of the National Recovery and Resilience Plan (NRRP) under the auspices of the Department for Equal Opportunities of the Presidency of the Council of Ministers, aimed at accompanying and incentivising enterprises to adopt appropriate policies to reduce the gender gap in all the most critical areas for women's professional growth.

In line with the principles established within the policy for the promotion of gender equality, equal opportunities, diversity and inclusion, new hires are based exclusively on skills and professional characteristics and under no circumstances are distinctions made on the basis of gender, ethnicity, gender identity and religious beliefs.

The policies adopted include the approval of the Women's Empowerment Principles (WEP) - Equality Means Business, the Principles produced and spread by the United Nations for Gender Equality and Women's Empowerment (UN Women) and the United Nations' Global Compact. These Principles illustrate seven steps that companies and other sectors can take to promote and empower women.

The commitment signed by the participating CEOs envisages the following objectives:

- Combine the largest talent pool possible according to our efforts
- Promote the competitiveness of our companies
- Fulfil our corporate responsibility and sustainability commitments
- Outline, within our companies, models of behaviour that reflect the type of company we would like for our employees, our fellow citizens and our families
- Encourage economic and social conditions that offer opportunities to women and men, girls and boys
- Promote sustainable development in the countries where we operate.

Processes for engaging with own workforce and workers' representatives about impacts

ESRS Standards	ESRS S1 S1-2

The processes of engaging with own workforce are based on structured dialogue with employees, aimed at encouraging active participation. The main initiatives adopted include direct dialogue with the Human Resources Department, informal meetings and institutional events, as well as the use of the company intranet as an information and collaborative channel.

In 2024, the Group did not develop a structured employee engagement process for the Impact Materiality process. Recognising the importance of this engagement, however, it is committed to implementing an effective engagement method in the coming years.

Processes to remedy negative impacts and channels for own workforce to raise concerns

ESRS Standards	ESRS S1 S1-3

TPER adopts processes aimed at mitigating the negative impacts of its activities, while promoting a working environment that is ethical, transparent and respectful of the principles of legality. Among the fundamental tools supporting these objectives, the reporting channels represent an essential means of allowing all the people involved in the company context to express, in a secure and confidential manner, any concerns or anomalies identified.

In this context, the Group has established a **whistleblowing channel** that allows employees and associates to report conduct, acts or omissions attributable to significant unlawful conduct pursuant to Italian Legislative Decree 231/01 or to violations of the company Code of Ethics.

The possibility of reporting is extended to all parties who have relations with the Group, including employees, members of corporate bodies, customers, suppliers, consultants, shareholders and other stakeholders. Reports can be submitted in writing through the channels set up for this purpose. To facilitate access and understanding of the system, the complete procedure can be consulted directly on the company website.

TPER adopts a strict protection policy vis-à-vis whistleblowers, ensuring that any form of retaliation or discrimination against them, as well as any non-compliance with the analysis and management of reports by the competent bodies or persons in charge, is subject to disciplinary measures, in compliance with the provisions of the internal sanction system.

In addition, TPER has established a dedicated channel, compliant with the requirements of the **UNI/PdR 125:2022** practice, which allows employees to report situations that may concern equal treatment, discrimination and non-inclusion. Through this tool, it is also possible to propose suggestions to promote more inclusive behaviour and languages.

Taking action on material impacts

ESRS Standards	ESRS S1 S1-4

Personnel recruitment - the shortage of bus drivers

For a company in the transport sector, the shortage of personnel, which is common to all companies in the sector, represents a tangible and growing risk that may compromise the operational efficiency and long-term sustainability of the organisation. The lack of drivers, maintenance operators and technical personnel can cause delays in services, an increase in operating expenses, overburdening of personnel and consequent decrease in the quality of the service offered to customers. In a scenario of a prolonged shortage, the company may become less competitive on the market, with negative repercussions on turnover and reputation.

The internal consequences are equally significant: the staff remaining in service may be subject to increased stress, work overload, less availability of holidays and a reduction in general well-being, leading in some cases to absenteeism or voluntary resignation, triggering a vicious circle that is difficult to break.

Investing in the quality of life in the company can help retain existing talent and attract new staff. Initiatives such as adequate management of the allocation of shifts, benefits for mental and physical well-being, continuous training programmes and professional growth paths can make a difference. Promoting a more inclusive work environment, enhancing the contribution of individuals and actively listening to the needs of staff can also strengthen the sense of belonging and improve the corporate climate.

In summary, addressing the staff shortage does not only mean filling a numerical gap, but also rethinking the way we work together. Improving the quality of working life is a strategic investment to ensure continuity, safety and competitiveness over time.

With respect to the problematic scenario described, TPER has taken some actions aimed at improving the working conditions of its operators, and in particular of drivers.

The main actions to boost quality of life in the company include the following measures:

- Support for parents, particular flexibility when choosing shifts in order to favour work-life balance and the extensive number of voluntary part-time roles;
- Following the decline in production activities, the Company made use of a range of tools and systems to minimise the impact on people, by adopting a mix of solutions;
- Provision of an additional sum equal to 20% of the INPS (Italian national social security institute) payments for days of parental leave.

With reference to the flexibility offered, TPER maintained the possibility of using Smart Working, defining specific training courses in the field of safety.

During 2024, TPER

- Established, also in collaboration with Insieme per il Lavoro and Fondazione Aldini Valeriani, courses aimed at acquiring the necessary qualifications to perform the role of driver, aimed at persons seeking work placement or relocation, significantly expanding the number of available bus drivers
- It introduced a new holiday booking system for drivers, aimed at guaranteeing their use from the moment of request, thus allowing easier planning of private life
- It introduced corrective measures to the shift allocation system, trying to limit uncertainty in working hours as much as possible
- It has encouraged work presence with economic rewards
- It designed the "Parla con me" ("Talk to me") initiative, launched in March 2025. The project consists of the setting up of a desk dedicated to the well-being of all employees, thanks to the possibility of taking advantage of completely confidential and free individual psychological consultancy, managed by experienced and qualified professionals, to deal with any emotional difficulty, stress or other situations that may affect personal and professional well-being.

With specific reference to the issue of gender equality and diversity and inclusion, TPER confirmed the actions already initiated regarding the definition of clear company policies and continued with training activities on gender equality, cognitive bias and non-discrimination.

In 2024, TPER participated together with Road to 50%, La casa delle donne (Bologna) and the Paideia association, under the patronage of the Municipality of Bologna, in the "Mezzi per tutte" [means for all] campaign, which was also hosted on the company's vehicles and shelters.

Having signed a specific memorandum of understanding with the Municipality of Bologna and other local entities, TPER continues to adhere to the "Capo D" Pact, a network of companies that promotes initiatives aimed at tackling the gender gap in the training choices of young generations and in the workplace.

In 2024, in continuity with the previous year, TPER carried out training activities, including preparing a video (expected to be released in 2025) to allow distance training.

Personnel support applications

TPER has developed applications to support its operating staff. By using the tablet provided, operational staff responsible for monitoring bus traffic on the road can access real-time information - the same available at the operations centre - regarding the status of lines and the location of vehicles across the territory so they are able to take prompt corrective measures in the event of delays, traffic jams and other problems that may affect the regularity of the bus service. Likewise, railway operating staff - train drivers and conductors - are equipped with similar tools to facilitate train operations, through up-to-date electronic documents and information on their devices.

Main projects:

- Implementation of smart working technologies: in 2019, a smart working project was launched, in order to create the technical and procedural conditions for working remotely. The infrastructure solution has been identified that allows employees to use the same tools from home as they would in the workplace. This method of working was expected to be tested and then gradually implemented. However, the project was accelerated to allow 230 workers to use smart working in March 2020, as a result of the COVID-19 health emergency.
- App for travelling staff for shift changes/holidays/overtime/service status: in order to improve the service management, an app has been created to be used by 1,500 drivers, to facilitate the management of shifts and service communications. The app is available in the Google and Apple stores and allows access with the same profile used for other corporate services. The travelling staff can interact directly with the company through information on the service status, request for shifts and shift swaps, request for holidays and leave, view requests and waivers, strike communication.
- Extension of email service to all personnel: individual company e-mail accounts were activated for all personnel, extending the service to those without one (drivers). Therefore, a simple and immediate channel is available for the exchange of messages and information within the TPER community. All personnel can send or receive emails regarding the workplace, significantly expanding the methods of interaction between colleagues and with the various company functions.

In 2024, the three mail systems previously used by TPER for drivers, employees and Mafer were also migrated to the cloud on the MS Exchange Online solution. The migration was carried out to a single tenant to ensure maximum integration and interoperability. The solution can be used using the Desktop/Mobile App and browser.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS Standards	ESRS S1 S1-5

Material topics	Target	Actions	Timeline	SDGs
Working conditions Equal treatment and opportunities for all	Adoption of personnel development policies	Voluntary HR policy to encourage internal promotion (training of new managers, change of position)	Continuously	5.5 Guarantee women full and effective participation and equal leadership opportunities at all levels of the decision-making process in political, economic and public life 8.3 Promote growth-oriented policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation. 8.8 Protect labour rights and promote safe and secure working environments for all workers. 10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
	Continuous training and skills development	Maintenance of the three-year average of training hours - (Group)	Continuously	
		Sustainability training (ethical footprint)	2025	
	Maintenance of high standards of health and safety for workers	Maintenance or improvement of the three-year moving average of the accident frequency index - (Group).	Continuously	
		Incentives for the use of prevention packages included in the company supplementary health plan	2025	
	Gender equality	Gender equality training, reaching 70% of the company population by 2027	2024-2027	
		Data and policy monitoring system	Continuously	
		Definition of specific actions to support parenting	2025-2027	
	Diversity and inclusion	Define D&I policies by updating existing company policies	2025-2027	
	Raise awareness of IT risks	Continuous training on cyber security, aimed at raising user awareness of the risks of possible cyber attacks, and therefore manage the resulting threats - (Group).	Continuously	

TPER has defined a series of strategic objectives aimed at managing material negative impacts, enhancing positive impacts and mitigating risks and enhancing opportunities related to its workforce. In particular, to counteract the effects of personnel shortages and the risk of operational discontinuity, the company is committed to strengthening training programmes and improving working conditions. These initiatives are aimed at reducing turnover, limiting absenteeism and guaranteeing the quality of the public service offered. In this regard, see the contents of the previous paragraph.

At the same time, TPER aims to enhance positive impacts through the adoption of inclusive policies, the development of professional growth paths and the integration of corporate welfare tools. Lastly, the proactive management of opportunities involves the digitalisation of processes and the construction of new alliances also with the territory to attract and enhance young talent, thus helping to make the transport sector increasingly attractive, resilient and sustainable in the long term.

As part of the Sustainability Plan, the TPER Group is evaluating the definition of objectives related to measurable targets, in order to strengthen a culture of sustainability among its employees, also involving them in the decision-making process of these objectives. These objectives will be subject to specific monitoring.

Characteristics of the undertaking's employees

ESRS Standards	ESRS S1 S1-6

Personnel management and employment protection are of fundamental importance to TPER, goals that the company pursues with increased focus even after the reorganisation processes of the last few years, which sought to increase corporate efficiency and guarantee quality in services and the activities carried out.

TPER employees operate in the Emilia-Romagna region.

The following table shows the employees at the end of the relative periods, i.e., the headcount. The group has a total of 2,406 employees. Almost all personnel (98%) are on permanent contracts, while 90% of contracts are full time. There is a slight prevalence of women on part-time contracts (51% of the total part-time contracts). In fact, 24% of women chose part-time contracts, compared to 6% of men.

Employees by contract type/gender	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Permanent contract	501	1,853	2,354	473	1,825	2,298	443	1,787	**2,230**
Fixed-term contract	8	44	52	6	42	48	20	95	**115**
Total	*509*	*1,897*	*2,406*	479	1,867	2,346	**463**	**1,882**	**2,345**

Employees by employment type/gender	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Full-time	388	1,781	2,169	372	1,755	**2,127**	339	1,783	**2,122**
Part-time	121	116	237	107	112	**219**	124	99	**223**
Total	509	1,897	2,406	**479**	**1,867**	**2,346**	**463**	**1,882**	**2,345**

In 2024, there were a total of 268 new hires (55 women and 213 men) and 208 employment contracts were terminated (25 women and 183 men).

New hires and turnover	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
New hires									
Up to 29 years of age	7	59	66	15	46	61	11	74	**85**
From 30 to 50 years of age	34	110	144	18	89	107	10	74	**84**
Over 50 years of age	14	44	58	9	47	56	8	29	**37**
Total	55	213	268	42	182	224	**29**	**177**	**206**
Terminations									
Up to 29 years of age	1	37	38	6	40	**46**	6	40	46
From 30 to 50 years of age	13	64	77	11	51	**62**	5	35	40
Over 50 years of age	11	82	93	10	105	**115**	11	71	82
Total	25	183	208	**27**	**196**	**223**	22	146	168
Reason for termination									
Resignation	23	176	199	23	178	**201**	19	133	152
Retirement	-	2	2	2	2	**4**	-	-	-
Dismissal	-	-	-	2	8	**10**	-	8	**8**
Other (e.g. end of fixed-term contract)	-	1	1	-	8	**8**	**3**	**5**	8
Total	1	1	2	**27**	**196**	**223**	**22**	146	168

The following tables show the **turnover rates** for the last years:

Turnover - total values	2024				2023				2022			
	Women	Men		Total	Women	Men		Total	Women	Men		Total
New hires	55	213		268	42	182		**224**	29	177		**206**
Terminations	25	183		208	27	196		**223**	22	146		**168**
Net change	30	30	-	60	**15**	**(14)**		**1**	**7**	**31**		**38**
Employees at year end	509	1,897		2,406	479	1,867		**2,346**	463	1,882	**0**	**2,345**

Turnover	2024 Women	2024 Men	2024 Total	2023 Women	2023 Men	2023 Total	2022 Women	2022 Men	2022 Total
Positive turnover - recruitment	11.5%	11.4%	11.4%	9.1%	9.7%	9.6%	6.4%	9.5%	8.9%
Negative turnover - terminations	5.2%	9.8%	8.9%	5.6%	10.5%	9.5%	4.9%	7.8%	7.2%
Total turnover	6.3%	1.6%	2.6%	3.5%	-0.8%	0.0%	1.6%	1.7%	1.6%

Characteristics of non-employee workers in the undertaking's own workforce

ESRS Standards	ESRS S1 S1-7

With reference to non-employee workers, there are 2 interns, 9 associates and one temporary worker.

Self-employed workers	Unit	2024		
Total number of non-employees at the end of the period/by gender	HC	Women	Men	Total
Temporary workers		1	-	1
Interns		-	2	2
Coordinated and continuous collaboration (Co.co.co)		4	5	9
Total		5	7	12

Coverage of collective bargaining and social dialogue

ESRS Standards	ESRS S1 S1-8

The TPER Group applies the national bus, rail and tram drivers contract to all employees, with the exception of executives, for whom the specific national executives contract applies. Within the group, there are also 18 National Collective Labour Agreement for the Trade sector.

Collective bargaining	2024
Total employees covered by collective bargaining	**2,406**
% of employees covered by collective bargaining	**100%**
Number of employees/collective agreement	
Autoferrotranvieri (Bus, rail and tram)	2,377
Managers of companies operating railways, tramways, trolleybuses, bus lines, similar cable cars, under concession to railways, inland waterway lines	11
Trade	18

Social dialogue	2024
Total employees covered by employment representatives	1,437
% of employees covered by employment representatives	**60%**

Industrial relations

TPER aims to maintain and develop constructive dialogue amongst parties, respecting roles and reciprocal requirements.

During the year 2024, 25 meetings were held with trade unions, in particular on issues related to:

- economic/regulatory treatment of apprentices
- remuneration of newly hired OE personnel
- various topics - travelling personnel
- renewal of supplementary second-level contracts
- employee accommodation
- economic treatment of OE personnel also in particular emergency situations
- remuneration on holidays.

In 2024, various key agreements were reached with the regional and corporate trade unions. The trade union agreements signed in 2024 are summarised below.

Date	Trade unions	Object
23/01/2024	CGIL, CISL, UIL, FAISA, UGL	Economic/regulatory treatment of apprentices in the Bologna area
31/01/2024	CGIL, CISL, UIL, FAISA, UGL	Economic/regulatory treatment of apprentices in the Ferrara area
31/01/2024	CGIL, CISL, UIL, FAISA, UGL	Various topics - procedures
25/03/2024	CGIL, CISL, UIL, FAISA, UGL	Launch of working groups for renewal of second-level bargaining for all Group companies
24/04/2024	CGIL, CISL, UIL, FAISA, UGL	Booking of holidays and leave of absence
08/05/2024	UGL	Total hours of annual leave for trade union duties
21/05/2024	CGIL, CISL, UIL, FAISA, UGL	Bonus D 2023 - Welfare for supplementary contract expiry
27/06/2024	CGIL, CISL, UIL, FAISA, UGL	Payment of bonus D
27/06/2024	CGIL, CISL, UIL, FAISA, UGL	OE shift allowance
15/11/2024	CGIL, CISL, UIL, FAISA, UGL	Relief for flood days
15/11/2024	CGIL, CISL, UIL, FAISA, UGL	Holiday allowance for personnel
28/11/2024	CGIL, CISL, UIL, FAISA, UGL	Attendance bonus December 2024

In December 2024, the renewal of the sector National Collective Labour Agreement was signed. This agreement is currently subject to further discussion, as regards its effective application, with the company trade union delegation as part of the renewal of second-level company bargaining.

Disciplinary consultation

TPER aims to support individual behaviour geared towards excellence in work and proper internal and external relationships.

In the automotive sector, we have established and now consolidated over the years an advisory body (the Disciplinary Council) that issues opinions on measures that management should adopt. As well as a company manager, an official of the Regional Labour Office must also sit on this council. This participation is a particularly relevant element, because it increases the body's authoritativeness with regard to all internal and external actors (workers, trade unions, labour magistrates, ownership, public opinion). Trade union representatives may participate as observers.

Discussions among Council members on suitable sanctions, even the most serious ones, therefore have transparency characteristics and are recorded in the minutes.

The most important cases (for which there are sanctions ranging from suspension to dismissal) are all examined, while less serious ones (which entail sanctions such as reprimands and fines) are only examined if the worker asks to be heard.

In 2024, 570 disciplinary disputes were raised. The disciplinary council examined 81 cases.

To favour an open discussion, the company provides trade unions with an annual report that shows the type of shortcomings, number of claims issued, the ratio between these and the sanctions actually imposed, in addition to the commendations to staff who have distinguished themselves for their professionalism.

Diversity metrics

ESRS Standards	ESRS S1 S1-9

There were 509 female staff as at 31 December 2024, representing 21% of the total workforce, distributed in all business areas. Although the percentage of women present in the company is not high, the figure is improving over time, in all categories.

The workforce consists of 79.1% blue collar workers (primarily drivers) and 11.6% white collar workers. Senior managers represent 0.5% and middle managers 2.2% of the workforce. 6.7% of the workforce consists of employees hired under apprenticeship agreements.

The following table shows the percentage of each employment category, by gender, in relation to the total number of employees.

Diversity - Employees	2024			2023			2022		
Employees by category/by gender	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers	2	9	11	1	9	10	1	10	11
Middle managers	12	41	53	12	40	52	11	38	49
White-collar workers	123	155	278	115	154	269	112	154	266
Blue-collar workers	340	1,564	1,904	327	1,528	1,855	317	1,518	1,835
Apprentices	32	128	160	24	136	160	22	162	184
Associates	-	-	-	-	-	-	-	-	-
Total	509	1,897	2,406	479	1,867	2,346	463	1,882	2,345

	2024			2023			2022		
Employees by category/by gender %	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers	0.1%	0.4%	0.5%	0.0%	0.4%	0.4%	0.0%	0.4%	0.5%
Middle managers	0.5%	1.7%	2.2%	0.5%	1.7%	2.2%	0.5%	1.6%	2.1%
White-collar workers	5.1%	6.4%	11.6%	4.9%	6.6%	11.5%	4.8%	6.6%	11.3%
Blue-collar workers	14.1%	65.0%	79.1%	13.9%	65.1%	79.1%	13.5%	64.7%	78.3%
Apprentices	1.3%	5.3%	6.7%	1.0%	5.8%	6.8%	0.9%	6.9%	7.8%

Associates	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	21.2%	78.8%	100.0%	20.4%	79.6%	100.0%	19.7%	80.3%	100.0%

The breakdown of employees by gender and age group is shown below.

	2024			2023			2022		
Employees by age bracket/by gender	Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 29 years of age	24	142	166	31	179	210	31	204	235
From 30 to 50 years of age	211	825	1,036	228	874	1,102	237	881	1,118
Over 50 years of age	274	930	1,204	220	814	1,034	195	797	992
Total	509	1,897	2,406	479	1,867	2,346	463	1,882	2,345

	2024			2023			2022		
Employees by age bracket/by gender %	Women	Men	Total	Women	Men	Total	Women	Men	Total
Up to 29 years of age	1.0%	5.9%	6.9%	1.3%	7.6%	9.0%	1.3%	8.7%	10.0%
From 30 to 50 years of age	8.8%	34.3%	43.1%	9.7%	37.3%	47.0%	10.1%	37.6%	47.7%
Over 50 years of age	11.4%	38.7%	50.0%	9.4%	34.7%	44.1%	8.3%	34.0%	42.3%
Total	21.2%	78.8%	100.0%	20.4%	79.6%	100.0%	19.7%	80.3%	100.0%

Fair remuneration

ESRS Standards	ESRS S1 S1-10

Remuneration policies are aimed at guaranteeing equality and acknowledging the professional and individual skills of each employee and their suitability for their role. The remuneration system and the structure of bonuses and incentives comply with the relevant legal and regulatory provisions, and are consistent with the principles of effectiveness, efficiency and economy. All employees work under contracts covered by level I and II collective bargaining agreements.

The remuneration system and the structure of bonuses and incentives are homogeneous for all employees and are based on level I and II collective bargaining agreements. There are no wage differences between men and women with equal roles and seniority, nor are there different criteria for defining or awarding company bonuses.

The application of the National Collective Labour Agreement does not envisage differences between men and women. There are no gender differences and please refer to the section on remuneration metrics.

Basic salary (women/men)	2024	2023	2022
Senior Managers	100%	100%	100%
Middle managers	100%	100%	100%
White-collar workers	100%	100%	100%
Blue-collar workers	100%	100%	100%
Apprentices	100%	100%	100%

Social protection

ESRS Standards	ESRS S1 S1-11

All TPER Group employees are covered by Italian national legislation with regard to social protection, which includes illness, unemployment, parental leave, workplace accidents, disability and retirement. Thanks to the entitlements envisaged by the state system, workers are guaranteed their social rights, such as access to care, maternity protection, pension, and other benefits.

People with disabilities

ESRS Standards	ESRS S1 S1-12

TPER hires a quota of differently-abled workers in order to guarantee non-exclusion from the job market. It also adopts a policy of redeploying, where possible, staff who are no longer fit to drive.

People with disabilities	**2024**			**2023**			**2022**		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Employees with disabilities	14	23	37	15	18	34	14	19	33
Total employees	509	1,897	2,406	479	1,867	2,346	463	2,346	463
% Employees with disabilities/Total employees	2.8%	1.2%	1.5%	3.1%	1.0%	1.4%	3.0%	0.8%	7.1%

Training and skills development metrics

ESRS Standards	ESRS S1 S1-13

TPER periodically carries out personnel assessments to evaluate potential and aptitudes, also with a view to repositioning and with the aim of filling positions of responsibility with internal resources. For executives and middle managers (roughly 3% of total employees), the assessment takes place annually.

Specifically, the assessments are broken down by gender as follows.

Employees by role/gender	**2024**				**2023**				**2022**			
	Women	**Men**		**Total**	**Women**	**Men**		**Total**	**Women**	**Men**		**Total**
Senior Managers	2	9		11	1	9	-	10	1	10		11
Middle managers	12	41		46	12	40	-	52	11	38		49

In 2024 over 71 thousand hours of training were provided overall, of which over 12 thousand on safety matters. Training activities involved 1,611 employees, with an average of more than 44 hours of training per employee.

Training also concerned the issues of safety in the workplace pursuant to Italian Legislative Decree no. 81/2008 and legality, as well as the topic of sustainability, with particular reference to the topics of diversity, inclusion and gender equality.

Training initiatives were designed and defined to develop human capital and improve their professional skills, a priority goal of HR management policies.

Total hours of training	2024	2023	2022
Total	71,073	59,718	60,683
Of which:			
Safety	12,122	7,732	6,627
Legality (anti-corruption - transparency)	206	1,246	1,077
Sustainability - human rights	640	n.a.	n.a.

		2024			2023			2022		
Hours of training - Total	h	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers		31	203	234	16	133	149	11	211	222
Middle managers		283	1,237	1,520	277	955	1,232	371	1,574	1,945
White-collar workers		1,620	3,067	4,687	1,284	2,893	4,177	1,116	1,827	2,943
Blue-collar workers		6,683	34,473	41,155	4,515	33,327	37,842	1,417	27,098	28,515
Apprentices		3,391	20,086	23,477	2,648	13,670	16,318	3,907	23,151	27,058
Associates		-	-	-	-	-	-	-	-	-
Total		12,007	59,066	71,073	8,741	50,977	59,718	6,822	53,861	60,683

Employee training	**Unit**	2024			2023			2022		
Number of employees	HC	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers		2	10	12	1	9	10	1	10	11
Middle managers		12	41	53	12	40	52	11	38	49
White-collar workers		110	158	268	115	154	269	112	154	266
Blue-collar workers		178	893	1,071	327	1,528	1,855	317	1,518	1,835
Apprentices		32	175	207	24	136	160	22	162	184
Associates		-	-	-	-	-	-	-	-	-
Total		334	1,277	1,611	479	1,867	2,346	463	1,882	2,345

		2024			2023			2022		
Average hours of training	h	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior Managers		15.4	20.3	19.5	16.0	14.8	14.9	11.3	21.1	20.2
Middle managers		23.6	30.2	28.7	23.1	23.9	23.7	33.7	41.4	39.7
White-collar workers		14.7	19.4	17.5	11.2	18.8	15.5	10.0	11.9	11.1
Blue-collar workers		37.5	38.6	38.4	13.8	21.8	20.4	4.5	17.9	15.5
Apprentices		106.0	114.8	113.4	110.3	100.5	102.0	177.6	142.9	147.1
Associates										
Total		36.0	46.3	44.1	18.2	27.3	25.5	14.7	28.6	25.9

66,5% of the employees involved in training activities are bus drivers, who are offered a significant number of technical training courses relevant to their role, as well as courses for acquiring behavioural skills related to front-line work.

Health and safety metrics

ESRS Standards	ESRS S1 S1-14

Accidents mainly consist of falls or accidental collisions when travelling personnel get into or out of the driver's seat, and injuries suffered by inspectors when checking tickets (due to aggression or violence by passengers without valid travel tickets).

In the table, serious accidents refer to accidents with serious consequences. Accidents while travelling refer to all the events involving workers on the way to work and on the way home.

Accidents in the workplace - TPER Group	2024	2023	2022
Number of accidents in the workplace			
Fatal accidents	-	-	-
Serious accidents	9	22	15
Other accidents	92	87	67
Total accidents recorded	**101**	**109**	**82**
Of which in transit - with switch organised by the company	**-**	**-**	**-**

Absence due to accidents - TPER Group	2024	2023	2022
Days of absence due to accidents[1]	2,242	2,593	2,467
Total hours worked	3,381,008	3,398,883	3,209,725

The accident frequency index, calculated as the number of injuries per 1 million hours worked, is 30. The frequency index of serious injuries is equal to 2.66. The accident severity index for the Group was down compared to the previous year and is equal to 0.66.

Accident indexes	2024	2023	2022
Accident Frequency Index (Number of accidents/hours worked x 1,000,000)	30	32	26
Fatal accidents	-	-	-
Serious accidents	2.66	6.47	4.67
Other accidents	27.21	25.60	20.87
Accident Severity Index (days of absence for accidents/hours worked x 1,000)	0.66	0.68	0.74

In 2024, there were no cases of occupational illnesses.

The current procedure for managing data relating to accidents at work does not provide for the systematic collection of data relating to "other workers", i.e. relating to workers who are not employees but whose work and/or workplace is controlled by the company. Such cases may relate in particular to outsourced services, such as in particular public transport partners. It should also be noted that, in 2024 no reports were made by these suppliers regarding accidents that occurred in the context of the activities carried out and governed by relations with TPER. The improvement objectives make provision for the adoption of a supplier management procedure that includes intervention in the areas subject to specific accident reporting.

Work-life balance metrics

ESRS Standards	ESRS S1 S1-15

Parental leave (maternity/paternity leave) is recognised in accordance with current legislation for all employees of TPER Group (100% of workers). During 2024, 530 people took advantage of this right.

Parental leave (maternity/paternity leave) is guaranteed to all employees.

Family leave (HC)	2024			2023			2022		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Number of employees entitled to family leave/by gender	509	1,897	2,406	479	1,867	2,346	463	1,882	2,345
				-	-				
Number of employees who took family leave/by gender	110	420	530	50	229	279	51	217	268
Percentage of employees who took family leave out of those who are entitled to it	21.6%	22.1%	22.0%	10.4%	12.3%	11.9%	11.0%	11.5%	11.4%
Percentage of employees who took family leave out of total employees	21.6%	22.1%	22.0%	10.4%	12.3%	11.9%	11.0%	11.5%	11.4%

Remuneration metrics (pay gap and total remuneration)

ESRS Standards	ESRS S1 S1-16

The remuneration of the members of the Board of Directors is subject to resolution by the Shareholders' Meeting. For the Chief Executive Officer, there is a variable performance-linked allowance resolved at the shareholders' meeting. For executives, the remuneration is established on the basis of specific trade union agreements and provides for a variable and a fixed portion linked to the achievement of specific objectives, also taking into account the impacts on the economy, environment and people.

The ratio between the total annual remuneration of the Company's Head and the remuneration for the median employee remuneration is 6.7.

The ratio between women's and men's salaries is shown in the following table: The figure was calculated only for the parent company.

By comparing the basic salary to the number of hours worked, it is possible to verify the difference between the hourly remuneration of men and that of women. The difference to the advantage of women (middle managers, white-collar workers and blue-collar workers) or men (managers and apprentices) is below 10%, with the exception of middle managers, with an advantage for women of 13%.

Average hourly pay for normal base wage/by employee category	2024			2023	2022
	women	men	U/D		
Senior Managers	40.66	43.18	6%	n.a.	n.a.
Middle managers	27.64	24.54	-13%	-	-
White-collar workers	17.77	17.24	-3%	-	-
Blue-collar workers	16.29	15.71	-4%	-	-
Apprentices	12.14	13.23	8%	-	-

The table below shows the difference in gross hourly remuneration between men and women. In this case, the advantage in favour of men is equal to 11% for managers and apprentices, and 3.6% for white-collar workers. The difference is to the advantage of female middle managers (7.3%) and blue-collar workers (2.7%).

Average gross hourly remuneration/by employee category

	2024			2023			2022
	women	men	U/D	women	men	U/D	n.a.
Senior Managers	64	71	10.9%	68	76	10%	
Middle managers	40	37	-7.3%	40	37	-9%	
White-collar workers	23	24	3.6%	22	22	0%	
Blue-collar workers	22	22	-2.7%	23	22	-3%	
Apprentices	16	18	11.1%	15	14	-2%	

Accidents, complaints and serious impacts on human rights

ESRS Standards	ESRS S1 S1-17

During the reporting period, there were no episodes of human rights violations by TPER or by its suppliers. Similarly, it should be noted that there were no cases of discrimination based on ethnicity, colour, gender, religion, political opinion, national ancestry or social origin, as defined by the ILO (International Labour Organisation), or other relevant forms of discrimination involving internal and/or external stakeholders.

The anonymous reports received on diversity, inclusion and gender parity were examined by the Gender Parity Committee, with the aim of defining the relevance, verifying the circumstances and proceeding with the acceptance or resolution of the issues raised.

No complaints or serious impacts on human rights were reported.

S2 Workers in the value chain

Topic	Sub-topic	Sub-sub-topic	SDGs
S2 Workers in the value chain	Working conditions	Secure employment	
		Fair remuneration	
		Social dialogue	
		Freedom of association, existence of works councils and the information, consultation and participation rights of workers to collective bargaining, including the percentage of workers covered by collective agreements	
		Health and safety	
	Equal treatment and opportunities for all	Gender equality and equal pay for work of equal value	
		Measures against violence and harassment in the workplace	
		Diversity	
	Other work-related rights	Child labour	
		Forced labour	

Strategy

Stakeholders' interests and opinions

ESRS Standards	ESRS 2 SBM-2

TPER considers stakeholders as a diversified network of individuals, internal and external to the organisation, who contribute different but equally relevant points of view, needs and expectations. Among these, a central role is played by workers along the entire value chain, recognised as strategic interlocutors.

To ensure a positive impact on all levels of the production chain, TPER promotes responsible and ethical practices also among its suppliers, guiding commercial relations towards shared economic, social and environmental sustainability standards. The focus on respecting working rights and conditions thus extends beyond company boundaries, helping to strengthen the consistency of values throughout the supply chain.

Further details on how to interact with communities and stakeholders can be found in the paragraph "Stakeholders: interests and expectations".

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

S2 Workers in the value chain		
Working conditions ▪ Secure employment ▪ Working hours ▪ Fair remuneration ▪ Social dialogue ▪ Freedom of association, existence of works councils and the information, consultation and participation rights of workers ▪ Collective bargaining, including the percentage of workers covered by collective agreements ▪Health and safety	**Impacts** Guarantee of fair and decent working conditions with the consolidation of a qualified and professional supply chain. **Risks** Risks deriving from non-compliance with working conditions along the entire value chain, with potential repercussions on reputation and operational efficiency, including possible changes in the structure of services and in procurement dynamics.	Potential Negative Short - medium - long term Along the value chain - upstream and downstream Medium term Along the upstream value chain
Equal treatment and opportunities for all ▪ Gender equality and equal pay for work of equal value ▪ Training and skills development ▪ Employment and inclusion of people with disabilities ▪ Measures against violence and harassment in the workplace ▪ Diversity	**Impacts** Impacts deriving from the absence of equal opportunities and treatment along the entire value chain, both upstream and downstream. **Risks** Risks deriving from the violation of working conditions, such as discrimination, along the entire value chain, with potential negative consequences on reputation and operational efficiency, including possible changes in the structure of services and in procurement dynamics.	Potential Negative Short - medium - long term Along the value chain - upstream and downstream Short - medium - long term Along the value chain - upstream and downstream
Other work-related rights ▪ Child labour ▪ Forced labour	**Impacts** Impacts related to the protection of workers for aspects related to child and forced labour along the entire value chain (both upstream and downstream). **Risks** Reputational and operational risk due to incidents of child and/or forced labour among workers along the value chain.	Potential Negative Short - medium - long term Along the value chain - upstream and downstream Short - medium - long term Along the value chain - upstream and downstream

The Group has identified and assessed the significant impacts, risks and opportunities deriving from the business strategy and model and from its relations with the players in the value chain.

The Group is committed to assessing and monitoring its supply chain. An analytical mapping of the entire Supply Chain, and in particular of the indirect suppliers and related geographical area, is not currently available.

TPER adopts a responsible approach along the entire value chain, recognising the fundamental importance of protecting workers' rights for the sustainability of its business model. The company promotes fair, safe and inclusive working conditions both internally and with suppliers and partners. However, the lack of detailed mapping of the supply chain, especially for indirect suppliers, limits control over operational and reputational risks, especially in contexts that are difficult to monitor. TPER is also committed to preventing unacceptable practices such as forced and child labour, applying strict criteria in the selection of suppliers and promoting fairness, inclusion and respect for human rights throughout the production chain.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Management of impacts - risks - opportunities

Policies related to workers in the value chain

ESRS Standards	ESRS S2 S2-1

TPER adopts a responsible and transparent approach in managing relations with its suppliers, in line with the principles contained in the **Code of Ethics** and in the **Corruption Prevention Policy**, both published on the company website and shared with all commercial partners. These documents constitute the reference framework suppliers must comply with, through specific **contractual clauses** that provide, in the event of violation, the right for TPER to withdraw.

As a public company operating in special sectors, TPER applies the **Public Contracts Code** for purchases of goods, services and works functional to its activities. To this end, the company has defined an **Internal regulation** to regulate credit facility procedures, providing for a system of **delegations and procedures proportionate** to the value of the supplies. The procedures adopted are oriented towards criteria of transparency, economic character, effectiveness and efficiency, also through the use of **simplified procedures** under the EU threshold.

The **selection of suppliers** takes place according to objective criteria, such as the technical quality of the proposals, economic competitiveness and fairness of contractual conditions. For supplies of greater economic or strategic importance, TPER has implemented **qualification systems**, as in the case of fuel procurement, managed through weekly tenders for qualified suppliers. The **life cycle costing (LCC)** criterion is also applied to the purchase of vehicles for public transport, in order to optimise the use of resources in the long term.

TPER's commitment to a sustainable production chain translates into an explicit requirement for all suppliers to adhere to the ESG principles contained in **the Code of Ethics**, which integrates aspects of governance, social responsibility and environmental protection.

In 2024, no significant cases were identified of suppliers involved in human rights violations, forced labour conditions, child labour or restrictions on trade union freedom.

For more information, please refer to the chapter Management of relationships with suppliers in section G1 Business Conduct.

Processes for engaging with workers in the value chain about impacts

ESRS Standards	ESRS S2 S2-2

TPER recognises the value of dialogue with the workers involved along its value chain, aware that their active engagement is a fundamental element for responsible management of the production chain and for the constant improvement of company practices.

Although a structured approach has not yet been adopted for the direct engagement of these workers on the impacts generated, the company is evaluating operating methods to integrate this aspect into its social and environmental impact monitoring tools.

In the meantime, TPER continues to interact with its suppliers, considered a strategic leverage to promote ethical and sustainable behaviour throughout the supply chain. In fact, TPER has adopted the Synesgy digital platform for the assessment of sustainability within the supply chain, through which suppliers are asked to respond to a questionnaire which returns a score based on the answers provided. In this way, TPER qualifies and monitors the sustainability performance of its suppliers, actively engaging them and spreading a culture focused on ESG issues.

In 2024, the request to fill in a questionnaire was sent to over 1,500 suppliers and the overall response rate was approximately 30%, with 18% completed/certified questionnaires (461 interactions, 278 complete responses).

Processes to remedy negative impacts and channels for workers in the value chain to raise concerns

ESRS Standards	ESRS S2 S2-3

TPER has set up a dedicated whistleblowing channel, which allows employees, collaborators, suppliers and other stakeholders to anonymously report any violations of workers' rights, cases of exploitation, child or forced labour, as well as other practices that do not comply with ethical principles and with current regulations.

To facilitate access to the system, reports can be sent through specifically prepared written channels, accessible directly from the company website. The system guarantees ease of use and maximum protection of anonymity.

The Group adopts a strict policy of protection for whistleblowers: any form of retaliation or discrimination against those who make reports in good faith is strictly prohibited and sanctioned. Similarly, non-compliance with the procedures for managing reports by the competent parties is subject to specific disciplinary measures.

Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for workers in the value chain, as well as the effectiveness of these actions

ESRS Standards	ESRS S2 S2-4

To mitigate significant impacts on workers in the value chain, with particular attention to working conditions, health and safety and respect for fundamental rights, TPER envisages the introduction of suppliers selection and monitoring criteria based on international social sustainability standards.

The prevention and management of material risks for workers in the TPER Group value chain is based on a suppliers management system aimed at ensuring compliance with the ethical and social standards enshrined in the Code of Ethics. TPER requires all suppliers to adhere to the principles contained in the Code of Ethics, so as to ensure that suppliers operate in compliance with workers' rights and safety and responsibility standards, promoting decent and safe working conditions.

Suppliers are selected through public selection processes, in compliance with current legislation on public tenders. To ensure safe working conditions along the value chain, contractual clauses impose specific obligations on suppliers, such as compliance with safety regulations.

For more information, please refer to the chapter Policies related to workers in the value chain.

During the reporting period, no serious human rights problems and incidents were identified related to the upstream and downstream value chain of the TPER Group.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS Standards	ESRS S2 S2-5

Material topics	Target	Actions	Timeline	SDGs
Working conditions Equal treatment and opportunities for all Other work-related rights	Strengthen the monitoring and traceability of the supply chain	Supplier monitoring and control system: administration of assessment questionnaires with ESG criteria and analysis of results - (Italy).	Continuously	8.8 Protect labour rights and promote safe and secure working environments for all workers. 12.6 Encourage companies, particularly large multinational companies, to adopt sustainable practices and integrate sustainability information into their annual reports
		Strengthening of the procurement system with a view to verifying compliance with the requirements considered essential by TPER with regard to the supply chain	2025-2027	
		Analysis of the CSR (Corporate Social Responsibility) commitment of a selection of suppliers.	Continuously	

TPER aims to strengthen the monitoring and traceability of its supply chain, focusing on a structured suppliers control and assessment system based on ESG criteria. Activities include the administration of questionnaires, the analysis of commitment in the field of corporate social responsibility and the strengthening of the procurement system, in order to ensure compliance with requirements considered essential.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

S3 Affected communities

Topic	Sub-topic	Sub-sub-topic	SDGs
S3 Affected communities	Economic, social and cultural rights of communities	Impacts linked to the territory	

Strategy

Stakeholders' interests and opinions

ESRS Standards	ESRS 2 SBM-2

Local communities are composed of the population that lives in the areas in which the company operates and its associated forms.

Among the stakeholders of the TPER Group, a leading role is played by the local communities with which the company shares the commitment to improve accessibility to public services, quality of life and the sustainable development of the territories in which it operates.

Cultural and promotional initiatives - including those carried out through Group companies - represent an additional tool for generating social value, contributing to strengthening the link between the company and the context in which it operates.

TPER recognises that active dialogue with communities is not only a sign of responsibility, but a strategic factor to ensure continuity, trust and coherence between the corporate vision and long-term territorial impact.

For more details on how to engage communities, see the paragraph "Stakeholders: interests and expectations".

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

S3 Affected communities		
Economic, social and cultural rights of communities ▪ Impacts linked to the territory	**Impacts** Positive impacts on the community deriving from investments in public transport infrastructure (sustainable mobility).	Actual Positive Short - medium - long term From own operations and along the value chain
	Opportunity Financial opportunity deriving from regional grants for the enhancement of public transport services. The TPER Group has the opportunity to collaborate with local administrations to develop more efficient and sustainable transport solutions, responding to the specific needs of the community and improving accessibility to essential services.	Short - medium - long term From own operations and along the value chain

TPER plays a recognisable role, which has a strong impact on the territory, and can have a significant impact on the quality of life and on people's behaviour. TPER is attentive to the development of the region and the community in which it operates and promotes accessibility to the service and the most widespread coverage possible, with the aim of improving choice of travel options.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Management of impacts - risks - opportunities

Policies related to the affected communities

ESRS Standards	ESRS S3 S3-1

As part of the management of impacts on the affected communities, TPER adopts a proactive approach, aimed at identifying, preventing and mitigating potential social and environmental risks related to its activities. The approach adopted by TPER reflects the desire to operate responsibly, concretely contributing to the collective well-being and enhancement of the territory.

The Group addresses and manages the impacts, risks and opportunities related to local communities through official documentation published on its corporate website, making it easily accessible to all interested stakeholders.

In line with the principles expressed in its Code of Ethics, TPER is also committed to generating shared value for the communities in which it operates, contributing to their economic, social and cultural development. The company promotes initiatives aimed at improving accessibility to public transport, supporting cultural events and local projects, and encouraging sustainable use of urban spaces by residents and visitors.

Processes for engaging with affected communities about impacts

ESRS Standards	ESRS S3 S3-2

The presence of accessible and transparent reporting mechanisms ("Talk to TPER" reporting system) allows local communities to raise concerns and contribute to the timely identification of critical issues, transforming potential conflicts into opportunities for dialogue and improvement. These channels represent a strategic opportunity to strengthen mutual trust, promote shared development and generate sustainable value in the long term, contributing to the consolidation of the social licence to operate.

For the acquisition of reports from the territory, TPER welcomes queries from members of the local political representation bodies, also participating in specific meetings of the Board Commission.

On the recommendation of local authorities and of the Emilia-Romagna Region, TPER also participates in specific discussion meetings open to citizens, expressing its technical point of view.

Public shareholders - Local institutions in the areas of operation - Mobility agencies

Public shareholders, local institutions and mobility agencies are key interlocutors for TPER, as they are a direct expression of the territories served and guarantors of collective interests.

The company works in close synergy with these entities, actively participating in the definition of sustainable mobility strategies, the development of services and integrated transport planning.

The public nature of corporate ownership and its local roots promote a transparent and shared governance model, in which company choices are oriented towards service quality, economic balance and respect for the needs of local communities.

TPER interacts with the shareholders regarding corporate trends and business development strategies, while it consults government bodies on the construction of mobility development plans in the area. Finally, it maintains continuous relationships with the Agencies to meet the transport needs of the region and for the necessary monitoring of the activities.

The directors and managers of TPER frequently interact with these stakeholders on individual planning and monitoring actions, providing answers to questions and queries, and presenting responses to all the questions on the subjects for which they are responsible, on a weekly basis. Many joint initiatives with the institutions are also reflected in the press conferences organised together.

Processes to remedy negative impacts and channels for affected communities to raise concerns

ESRS Standards	ESRS S3 S3-3

TPER has defined some processes and adopted tools that foster dialogue with the communities, which contribute to establishing and strengthening relationships of trust with local stakeholders and preventing future negative impacts.

As mentioned in the previous paragraph, listening processes are in place through call centres and systems for reports and complaints, through which the communities affected can raise concerns or report problems.

With reference to the reporting system, each input is conveyed to the various company functions concerned, which manage impacts, each for their own competence.

To remedy negative impacts, a dialogue is also active with the reference bodies and the Mobility Agencies with which a continuous verification is carried out on the quality standards of the assets and services.

Another way in which citizens are engaged and through which they can raise concerns are meetings, events and project presentations. A significant example is the path dedicated to tram lines: on the TPER website there is a specific section (Reports - Tram Bologna) for dialogue with the community, which represents a journey that began in March 2019 to inform, listen and dialogue with citizens. Here it is possible to consult all the materials produced during the path, from reports to events videos.

A whistleblowing system is also active, accessible to external parties, which makes it possible to report in a confidential and protected manner any non-compliant behaviour or potential negative impacts. Reports are managed according to structured procedures, ensuring the anonymity of the whistleblower and adequate management by the competent functions, in full compliance with current regulations and the principles of integrity and corporate responsibility. In this context, reporting channels represent a fundamental tool to allow local communities to communicate any critical issue or concerns in a secure and confidential manner.

Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions

ESRS Standards	ESRS S3 S3-4

The TPER Group carries out significant interventions for local communities mainly through investments in infrastructures and public transport services oriented towards sustainable mobility. Consistent with the company's business model, these interventions produce positive impacts on the territory, contributing to the improvement of air quality, the reduction of private traffic and urban redevelopment. In particular, the implementation of plans to strengthen and redesign the urban network (e.g. development of the tramway network, intermodality strengthening, service offer expansion) promotes more accessible, efficient and sustainable mobility for the communities served.

Some accessibility choices are of a financial nature and are defined as policies by local regulators, in dialogue with the company. Others concern the culture of mobility and the diffusion of the service and are carried out by TPER directly or in partnership with other subjects, some as single initiatives, others on an ongoing basis.

The approach adopted integrates company policies and methods for engaging local stakeholders, ensuring that mobility solutions meet the specific needs of the territory and generate shared value. In collaboration with local authorities, TPER is also committed to developing initiatives and projects with a view to safety, such as the possibility of making cameras on board the vehicles available to law enforcement agencies.

The Group also supports social, sports, cultural, and health and well-being initiatives promoted in the area, contributing to life in the community.

Support for the associative and cultural life of the cities

TPER's commitment goes beyond the daily management of public transport: the company plays an active role in the social, cultural and associative fabric of the territories in which it operates, contributing to the cohesion and vitality of local communities.

TPER's interest in the community and the organisation of cultural activities is demonstrated through partnerships with local cultural institutions. In particular, holders of annual season tickets have advantages and reductions on admission for all permanent and temporary exhibitions of the Bologna Musei institution, the Duse and Europa Auditorium theatres and projections of the Fondazione Cineteca Bologna. TPER also makes a financial contribution to the activities of the Teatro Comunale di Bologna and cultural and sport initiatives in the city of Ferrara.

TPER considers sustainable mobility to be closely linked to the collective quality of life and well-being. For this reason, the company supports numerous cultural, social and sports initiatives.

Forms of support include:

- Collaborations with cultural associations and non-profit organisations, through sponsorships, transport subsidies and shared communication campaigns
- Partnerships with theatres, museums and artistic events, which make it possible to combine the territory's cultural offer with an efficient and inclusive mobility system
- Educational and awareness projects, aimed at schools and young people, which promote values such as respect for the environment, the responsible use of public transport and active citizenship
- Conventions and promotions dedicated to participants in sporting, musical and cultural events, which encourage the use of public transport as an alternative to private cars, thus reducing the environmental impact and congestion in the areas concerned.

Through these activities, TPER contributes to making cities more lively, participatory and sustainable, consolidating its role not only as a public services provider, but as an active partner in the social and cultural development of the territory. TPER also actively participates in all local initiatives related to public transport and sustainable mobility, as well as events for which it is particularly effective to develop awareness actions on good practises, correct service use and environmental sustainability.

A message that travels: TPER's choices for communication on transport vehicles

Despite having for several years entrusted to an external agent the management of advertising activities on its vehicles and, in the city of Bologna also for bus shelters, through its own Marketing Office TPER carries out a check on the relevance and nature of the promotional activities present on its vehicles. In particular, TPER has adhered to a memorandum of understanding with the Department of Security of the Municipality of Bologna, assuming the commitment - also with the advertising concessionaire - to avoid the promotion of gambling or images that are damaging to the image of women or are harmful to minors on buses.

Among the various spaces dedicated to advertising on the company means of transport, it reserves the "behind the driver" space for promoting activities and events linked to institutional, cultural and non-profit initiatives, bearing witness to its commitment to deserving initiatives of the community. Public interest, public utility or social value messages are then placed on posters located on "overhead racks" and to specific hangers positioned on bus rails.

In recent years, TPER has decided to provide some stops with a double name, to remind people of the Museum, Theatre or centre of cultural or institutional interest in the vicinity. The stops that have a double name include Opificio Golinelli, Mast, Teatri di Vita, Mambo, Genius Bononie, AVIS, Piazza dei Colori, Accademia Filarmonica di Bologna, Museo nazionale dell'Ebraismo italiano e della Shoah in Ferrara and, lastly, Casa delle donne in Bologna.

Promotion of institutional activities

In view of the dialogue with public stakeholders, TPER has supported local and regional authorities and other institutions in implementing major projects in the social area.

Specifically, it participated in two important commemorative events in the area, such as the Commemoration of the Ustica massacre and the 2 August 1980 Commemoration, also participating in related events.

Other promoted institutional initiatives are described in the following paragraphs by reference areas.

With reference to the promotion of industrial activities and related enhancement with a view to sustainable development, TPER participated in the Sustainable Development Festival, promoted by Asvis, and participated in the European Mobility Week in September 2024.

Other initiatives include participation in HESE - Hydrogen Energy Summit Expo, held at Bologna Fiere, and the FARETE event promoted by the Italian Manufacturers' Federation. TPER also participated in the events organised by the ASSTRA sector association, including the national conference, and at the international Bus Expo and INTERMOBILITY Future Ways held at the Rimini Exhibition and Trade Centre and promoted by the Foundation for Sustainable Development.

Initiatives in the area

In 2024, TPER showed a strong civic and cultural commitment, supporting numerous initiatives promoted by public bodies and third-sector entities.

In response to the climate emergency, it made a donation to a fund promoted by the Metropolitan City of Bologna for communities affected by the flood.

It participated in the Landscape Narrative Festival, contributing to the enhancement of the territory and collective memory. In the cultural sphere, TPER took part in the prestigious Estense Award in support of quality journalism, in collaboration with the Italian Manufacturers' Federation. Donations were also made to the Rusconi Foundation and the Villa Ghigi Foundation for environmental protection and civic education.

With the project "You are not alone: Itaca meets Bologna", carried out with ITACA, it promoted inclusion and psychosocial support.

In Ferrara, together with Metropoli di Disegno and with Polis, it supported the promotion of initiatives for urban regeneration and sustainable mobility.

Finally, for Christmas 2024, TPER made a donation to support the association "Succede solo a Bologna", strengthening its active role in solidarity and in the city's culture.

TPER supports the Circolo Autoferrotranvieri, collaborating in activities that involve employees and members. The initiatives concern the world of sports, including Paralympic sports, culture and school. Of note among the 2024 initiatives was the Dieci Colli [Ten Hills] cycling event, that involves the entire city of Bologna and its province.

Initiatives in the art and culture sector

In 2024, TPER renewed its commitment to supporting culture, art and education, actively participating in a wide range of initiatives that have animated the cultural life of Bologna and Ferrara.

In collaboration with the Cineteca di Bologna, it has contributed to the creation of events much loved by the public such as *Cinema in Piazza* and *Il Cinema Ritrovato*, pillars of the Bologna summer, as well as supporting the exhibition "*Tutti De Sica. Director and performer*", dedicated to the great master of the Italian cinema.

With the Municipality of Bologna, TPER took part in prestigious cultural events such as the *Biografilm Festival*, the *Bologna Jazz Festival* and the "*Il teatro ti avventura*" theatrical events. It also supported educational courses such as "*Impronte Digitale!*" [Digital Fingerprints], focused on the psychosocial well-being of young people, and various city museum initiatives.

In Ferrara, it contributed to the success of two major exhibitions hosted by Palazzo dei Diamanti, dedicated to *Escher* and the *16th century in Ferrara"*, and supported MEIS in the creation of the exhibition "*Jews in the 19th century in Italy*".

On the musical and theatrical front, TPER supported the *Respighi Festival* with Musica Insieme, the 2024 season of Teatro Comunale di Bologna, Teatro Duse and Teatro Testoni Ragazzi, promoting access to culture for all age bracket.

Lastly, it supported the University of Bologna in significant academic and informative projects, including the *Alma Mater Season School*, the *Master in Journalism* and the *Ripensaci* [Rethinking] initiative, on the occasion of the European Researchers' Night, confirming its active role in the dissemination of knowledge and support for research.

Initiatives in the field of diversity, inclusion and gender parity

TPER has supported associations and entities in promoting the culture of diversity and inclusion and gender parity, through general support or participation in specific initiatives. More details are provided below.

Armonie	"Women's voices" initiative
Casa delle donne	Promotion of initiatives
Municipality of Bologna	Promotion and participation in the "Mezzi per tutte" [Means for all] initiative
Mondo donna	Promotion of initiatives
RETE CAPO D	Participation in events and promotion of initiatives
UDI - Unione donne italiane [Italian Women's Union]	24-hour anti-violence telephone line

Initiatives in the field of social policies and consumers protection

TPER has launched a joint initiative with the main consumers associations, as part of the Users Advisory Committee, which meets regularly at the Reti e Mobilità agency in Bologna, to promote the use of digital technologies in public transport. This collaboration led to the creation of the role of "digital facilitator": a network of people trained by TPER as part of the consumers associations organisation that supports users, particularly older ones, in the use of tools such as the Roger app, contactless payments on board and Corrente sharing. The goal of this project is to reduce mistrust towards new technologies and make digital mobility accessible to all. For TPER, in fact, the new options made available by technology do not replace more consolidated formulas (such as, for example, traditional paper tickets), but are added as complementary offers. At the same time, however, efforts are being made to ensure inclusiveness and accessibility for all types of users.

The associations that make up the CCU and participate in the project are

- Adiconsum Bologna
- Adoc Bologna
- Federconsumatori Bologna
- Lega Consumatori Bologna

With the same associations, the agreement was expanded in 2025 to provide advice to users in choosing the form of mobility most suited to their individual needs, helping users to identify, for example, the most economic ticket that best meets their needs. As part of the same agreement, users are also assisted in using the online ticket sales systems.

With the Municipality of Bologna, TPER participated in the "Non ci casco" [You won't catch me] initiative, an awareness-raising campaign aimed at preventing fraud against the elderly. Promoted in collaboration with the Police, the campaign organised information meetings and distributed educational materials to help the over-65s to recognise and protect themselves against scams and fraud. TPER actively participated in this initiative, offering logistical support and promoting the initiative through its communication channels, thus contributing to strengthening the social protection network for the most vulnerable citizens.

Health initiatives

In 2024, TPER consolidated its commitment to the health sector through a series of solidarity and awareness-raising initiatives, collaborating with various health associations and institutions, including

- AIL (Italian Association against Leukemia, Lymphomas and Myeloma), supporting fundraising initiatives
- ANT (National Cancer Association), promoting fundraising projects
- Gli Amici di Luca, in the promotion of the "Casa dei Risvegli Luca De Nigris", a rehabilitation centre for people with severe brain injuries
- Istituto Ortopedico Rizzoli: supporting fundraising initiatives for the Transplant Intensive Care Department and for Pediatric Cardiology of the Sant'Orsola-Malpighi Hospital in Bologna
- Komen Italia: in addition to participating in the "Race for the Cure", collaborating to raise funds for awareness-raising projects on women's health and breast cancer prevention
- UICI (Italian Union of the Blind and Visually Impaired): supporting the association's initiatives aimed at improving the quality of life of people with visual disabilities, such as music therapy, hippotherapy and postural activities, contributing to the promotion of social inclusion and psychophysical well-being.

Initiatives in the sports sector

In 2024, TPER consolidated its commitment to promoting health and physical activity, a tool for social inclusion, supporting numerous initiatives in the sports field in collaboration with local authorities, associations and institutions.

In particular, TPER supported the activities of the CIP (International Paralympic Committee) - Canoe Club Ferrara, contributing to the promotion of Paralympic sport and social inclusion and, as already mentioned, participated as a sponsor in the "Corsa Dieci Colli" [Ten Hills Run], a running event across the Bologna hills, promoting sports culture and the enhancement of the territory.

TPER collaborated with the Municipality of Bologna for the realisation of the Bologna Marathon, offering logistical support and concessions on public transport for participants, contributing to the event's success. In preparation for the marathon, TPER also collaborated in the organisation of the "Run Tune Up", a half-marathon that involved numerous running enthusiasts, contributing to the promotion of sport and health.

In May 2024, TPER offered free bus travel for participants in the "Strabologna", a running event through the historic city centre, promoting sustainable mobility and physical activity.

In September 2024, TPER supported the Bologna Sport Day at Giardini Margherita, an event that promoted physical activity for all, with particular attention to inclusion and collective well-being. It also supported the "Parchi in Movimento" [Parks in Motion] initiative, which offered free physical activity in 12 city parks, promoting a healthy lifestyle and socialisation among participants.

Support for non-profit associations

The institutions and associations TPER supported in various ways are listed below.

CEFA ONLUS	human rights
CUCINE POPOLARI	human rights
MEDICI SENZA FRONTIERE	human rights
SAVE THE CHILDREN	human rights
Fondazione Antoniano	social policies

AGEOP	health
FANEP	health
GRD - Genitori Ragazzi Down	health
KOMEN	health
TELETHON	health

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS Standards	ESRS S3 S3-5

Material topics	Target	Actions	Timeline	SDGs
Economic, social and cultural rights of communities	Support for the growth and strengthening of local areas	Initiatives in the health, sport, culture and human rights sectors	Continuously	11.2 By 2030, provide access to safe, sustainable and affordable transport systems for all, improve road safety, in particular by expanding public transport, with particular attention to the needs of those in vulnerable situations, women, children, people with disabilities and the elderly
	Security enhancement	Extension of the network of cameras available to law enforcement agencies	Continuously	17.17 Encourage and promote effective public, public-private and civic society partnerships, building on the experience and resourcing strategies of partnerships.

TPER promotes the development of local communities through projects related to health, sport, culture and the protection of human rights. At the same time, it works to improve public safety by increasing the coverage of cameras accessible to law enforcement agencies, thus promoting more effective control over the territory.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

S4 Consumers and end users

Topic	Sub-topic	Sub-sub-topic	SDGs
S4 Consumers and end users	Impacts related to information for consumers and/or end users	Confidentiality	
	Personal safety of consumers and/or end users	Health and safety Personal safety	
	Social inclusion of consumers and/or end users	Non-discrimination Access to products or services Responsible business practices	

Strategy

Stakeholders' interests and opinions

ESRS Standards	ESRS 2 SBM-2

For the TPER Group, end user stakeholders are represented by the local community and by tourists who use the services offered by the Group. TPER recognises end users as central stakeholders, whose engagement is essential to guide strategic choices and guarantee an efficient, accessible public mobility service in line with the real needs of the territory.

TPER's communication policies are based on a participatory approach, which includes periodic user satisfaction surveys, active listening tools and channels dedicated to the collection of reports and suggestions.

Listening to users is a priority for TPER, which collects and manages feedback through webforms, social media and annual customer satisfaction campaigns carried out also with the involvement of consumers associations and specialised external partners. Complaints, requests and reports are centralised in a single point of contact available online, which allows the constant monitoring of responses and the timely managing of requests. TPER ensures compliance with the deadlines set out in service contracts, while social media monitoring also makes it possible to respond to spontaneous users conversations and to constantly update the information disseminated.

Material impacts, risks and opportunities and their interaction with the strategy and the business model

ESRS Standards	ESRS 2 SBM-3

S4 Consumers and end users		
Personal safety of consumers and/or end users ▪ Personal safety	**Impacts** Potential negative impacts on user safety, closely linked to the public transport service offered.	Potential Negative Short - medium - long term From own operations and along the value chain
	Risks Any malfunctioning and unexpected service interruption caused by accidental events and extraordinary events could cause damages to	Medium - long term From own operations and along the value chain

	people and/or property, with a consequent negative economic impact on the Group.	
Information-related impacts for consumers and/or end users ▪ Confidentiality ▪ Access to (quality) information	**Impacts** Potential negative impacts related to the quality level of services, such as limited communication with customers, public service compliance and user privacy protection. **Risks** The Group is exposed to the risk that the measures and procedures adopted in relation to the rules on the protection and processing of personal data prove to be inadequate and/or non-compliant and/or not correctly adopted. The occurrence of these events could result in the application of financial penalties, with consequent significant negative effects on the economic, capital and financial situation of the Group.	Potential Negative Medium - long term From own operations and along the value chain Medium term From own operations and along the value chain
Social inclusion of consumers and/or end users ▪ Non-discrimination ▪ Access to products and services	**Impact** Positive impact on end consumers who can take advantage of an accessible, inclusive LPT service without any social barrier.	Actual Positive Short - medium - long term From own operations
	Opportunities The adoption of inclusive policies can strengthen the company's reputation by attracting a greater number of customers and therefore generate positive financial impacts.	

TPER ensures that all end users potentially affected by significant impacts fall within the scope of the disclosure, in compliance with the requirements of **ESRS 2**. The corporate strategy and business model are developed in a transparent and responsible manner, taking into account the direct and indirect effects that mobility services can generate on people and territories.

The material topics for TPER are user security, service quality, personal data protection and inclusiveness. The company is committed to guaranteeing a reliable and secure service, protecting privacy and promoting equal access for all, aspects that contribute to consolidating trust and reputation in the market.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Management of impacts - risks - opportunities

Policies related to consumers and end users

ESRS Standards	ESRS S4 S4-1

The Group addresses and manages the impacts, risks and opportunities related to consumers and end users through official documentation published on its corporate website, making it easily accessible to all interested stakeholders.

Aware of the importance of travel planning and access to information in real time, TPER promotes clear, inclusive and transparent communication. Timetables are designed to be clear and legible, with symbols and colours that help identify lines, stops and special runs.

The director is the highest level of management in the organisation of the company responsible for policy enforcement.

The Service Charter

A quality service for local public transport is made up of different aspects, to which TPER pays constant attention and in which it invests to operate in compliance with the quality standards presented in the Service Charter and compatible with the objective of economic sustainability. It is necessary not only to ensure compliance with the quality envisaged in the service standards, as agreed with the mobility agencies based on the service agreements entered into and in force, but also to address the quality perceived by users, measuring appreciation and satisfaction through customer satisfaction or mystery customer surveys.

To ensure maximum visibility to the quality of the services provided, TPER annually updates the service charter, which shows users their rights and minimum guaranteed services. Surveys, on the other hand, monitor the quality actually perceived with reference to aspects such as the comfort of the vehicles, regularity, punctuality, accessibility of the service, transparency and completeness of the information provided.

The Service Charter is the means by which any subject providing a public service identifies the standards of its performance, declaring its objectives and recognising specific rights for the citizen-user. The Charter thus supports the quality of services and encourages greater participation by recipients. The TPER Service Charter was prepared in accordance with Article 16 of the Constitution, taking into account the national rules and the principles established by the European Green Charter.

The principles with which the provision of public services must comply and on which the Charter must provide information are those of:

- Equal rights of users
- Impartiality of the providers
- Continuity of the service provided
- User participation
- Efficiency and effectiveness of the service.

The commitments set forth in the Service Charter are determined in part by the contents identified by the service contract between the concession body and the manager, which defines the guidelines and characteristics of the public service. The aim of TPER is to structure the Service Charter more and more as a tool for relations with users and the community, so as to start a dialogue and on-going communication.

Confidentiality

With regard to the protection of personal data, TPER has developed an organisational model designed to monitor the proper application of the reference regulations. The role of the Data Protection Officer was established, effective from the entry into force of Regulation EU 2016/679. The implementation of legal provisions and the instructions of the Italian Data Protection Authority is ensured through the constant updating of internal policies.

The policies and procedures adjustment process concerned:

- Data breach obligations and those governing the management of requests from data subjects relating to the exercise of their personal data protection rights
- Continuous ad hoc training activities on the processing of personal data, with particular regard to newly recruited personnel and particular sectors such as call centres and parking inspectors.

Necessary actions have been implemented also in 2024 to ensure the implementation, in internal processes, of the provisions regarding the right of access of data subjects (with the purpose, for example, of understanding the personal data processed by TPER or exercising other rights) and of the Italian Data Protection Authority.

Diversity and customer inclusion - Alias careers

TPER has adopted a Regulation to govern the issue of nominative and verifiable season tickets to persons who, on the basis of self-declarations, wish to adopt their elective gender and name in full automatic substitution of their personal gender and/or name.

The Regulation addresses the activation and management of alias careers. An alias career consists in assigning the person concerned an additional identity with respect to the personal data valid in the context of contractual relations with TPER, limited to the issue/renewal of the MiMuovo season ticket and, in particular, to the indication of this "identity" on the card itself.

In this case, it is envisaged that only the name of election will be displayed on season tickets, in order to eliminate uncomfortable situations and forms of discrimination related to sex, sexual orientation and gender identity. To this end, an administrative procedure has been regulated that provides for the possibility of acquiring an "alias identity", i.e. using a name that is different from the one resulting from TPER's registry, exclusively for the purpose of issuing/renewing local public transport season tickets.

Processes for engaging with consumers and end users about impacts

ESRS Standards	ESRS S4 S4-2

Communication, information, listening

Through the various channels, including its website, TPER adopts a transparent and responsible communication approach. TPER relates with organisations of different types that represent citizens to better understand their needs and constantly improve its ability to provide effective answers.

In recent years, TPER has committed to improving its channels for listening to users and providing them with information, in particular by structuring digital channels that allow users to be reached in a widespread and timely manner.

With ROGER, the MaaS application in which many of the various services made available by local transport companies converge, it is possible to obtain information on services, as well as manage the purchase and validation of travel tickets of all mobility companies in the region.

TPER makes open data available on its website, which can be used freely for application development. All information can also be consulted on smartphones using various apps available on the company website, which can be used on Apple and Android devices.

The Hellobus service is still active, allowing users who request it to receive information via SMS about bus arrival times and the level of accessibility of the vehicle arriving at the stop.

In addition to this, a window sticker was placed at shelters with a QR Code and the address of the dedicated tper.it/viaggia webpage, where it is possible to access a simplified version of the Google navigator that helps to identify the desired bus and then manages information and news on deviations in real time, also available on the company's Telegram channel (TPER infomobility).

Customer satisfaction

The overall score for the TPER service is 6.42 for the Bologna urban service, 6.79 for the Bologna suburban/extra-urban service, 7.07 for the Imola service, 7.02 for the Ferrara urban service and 7.39 for the Ferrara extra-urban service.

The most popular services concern the possibility of obtaining tickets and passes, convenience of stops and connections, respect for scheduled routes and stops and staff courtesy. The areas reported for improvement are the crowding of runs, ticket price and safety.

Processes to remedy negative impacts and channels for consumers and end users to raise concerns

ESRS Standards	ESRS S4 S4-3

The Group has activated accessible reporting mechanisms, described in detail in the paragraph "Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities/Complaint mechanisms".

The Group has also activated a whistleblowing system that is also accessible to customers, which makes it possible to report in a confidential and protected manner any non-compliant behaviour or potentially harmful situations. Reports are managed according to procedures that guarantee the anonymity of the whistleblower and a prompt response from the competent functions, in full compliance with current regulations and the principles of transparency and accountability. This channel is a safe tool for customers, who can thus communicate any critical issue or concerns in a simple and secure way. The procedure for submitting reports is available on the Group's website, to ensure easy and immediate access.

Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions

ESRS Standards	ESRS S4 S4-4

Health and safety of consumers and end users

The impacts on the customers' health and safety are very important for TPER, with particular reference to the passenger transport service, with a view to continuous improvement.

Activities are part of a broader vision that integrates health and safety protection for all parties involved - from employees to users, and including external collaborators - with the commitment to reduce the environmental and social impact of its operations.

TPER's interventions to guarantee the safety of public transport users follow two lines of intervention:

- Procedures that allow the reduction of first aid/rescue times.
- Investments in technological equipment, already started since the mid-1990s.

Noise pollution

Noise pollution is an element with a strong impact on people's lives and on the environment, such that the EU has decided to address the issue of noise as a priority in the immediate future. Studies on the exposed population show that, in urban areas, the prevalent noise source is vehicular traffic, confirming that noise, in particular that produced by road traffic, constitutes a key sustainability consideration.

However, the constant and incessant technological evolution has led to an improvement in the efficiency of vehicles and road infrastructures by offering electric, hybrid and methane vehicles that use technologies and traction systems that guarantee a decisive reduction in the noise and vibrations generated. In fact, the impact analysis of the noise produced by TPER can help verify overall compliance with the noise limits established by law, in particular following the investments in the vehicle fleet of recent years.

AVM - Automatic Vehicle Monitoring project

In order to improve, in terms of efficiency and effectiveness, the Public Transport service provided by optimising the available resources, TPER has equipped itself with advanced technological systems such as operating support systems and, in particular, for the management, supply and control of public transport service.

The entire TPER fleet is equipped with AVM systems for a centralised service control system. 1,100 urban and extra-urban buses are equipped with on-board computers with GPS location and with a real-time connection to the operations centre, to guarantee procedures to ensure the service runs properly, provide dynamic information at bus stops, assist and support the travelling personnel.

The remote control centre is connected to the traffic light centre to allow bus promoting policies at intersections equipped with smart regulators.

The technological equipment that have affected the AVM remote control system, extended to the entire company fleet, which allows the monitoring of the vehicles in service and communication between the Operations Centre and drivers via the on-board radio system.

With regard to managing the fleets of vehicles that service the public transport service, the features of this system allow service optimisation in case of disruptive events, providing an overview of the overall actual operating conditions, a better definition of strategies for any regulatory interventions, and the possibility of the Operations Centre to communicate the consequent operating instructions to individual buses or groups of vehicles. Similarly, the system allows the best prevention and management of mechanical damage to vehicles in service. The system also allows the collection of valuable data for planning services.

The TPER project to equip all urban buses with a video camera with microphone, built in to the remote control system and placed in the driver's seat area which, activated by the driver in an emergency, allow Operators in the Operations Centre to view and hear what is happening aboard a bus in real time, continues. The Operators in the Centre can then quickly assess the situation, sending support staff or requesting help from the police.

Video recording systems

Furthermore, to support safety on board vehicles, a system of external and internal video recording devices has been installed on the entire fleet, for example, in case of accidents with other vehicles, which can be activated either automatically (collisions, sudden braking etc.) or manually. The device allows the recording, which lasts about ten seconds before and after the event that caused the activation, of images taken just in front of the bus area and much of the front interior of the bus, useful both for reconstructing the dynamics of road accidents and their effects on passengers.

Memorandum of Understanding - Lastly, TPER has signed a Memorandum of Understanding with the Prefecture and the Municipality of Bologna concerning the safety of service personnel and users of public transport, with which the company has committed to providing future buses with the necessary components for the installation of video surveillance systems (wiring, provisions for new technology) that allow high-definition images to be taken of the entire area of the vehicle intended for passengers. TPER's investment plans also include the supply of on-board components to progressively equip the entire fleet with video surveillance systems. The collection and processing of images is carried out in compliance with applicable privacy laws.

On the basis of that Memorandum of Understanding, the Prefecture and the Municipality of Bologna have made a specific commitment to the coordination between the Police (State Police and Carabinieri) and Local Police for the optimal use of resources aimed at both the provision of extraordinary control services to ensure the safety of staff and users of public transport, and to counter the commission of those offences which are most frequently mentioned as typical of public transport services (pick-pocketing, assaults, harassment), and lastly to prevent incidents of verbal and physical assault on inspectors and drivers.

An identical Memorandum of Understanding was signed for the Ferrara area with the Prefecture and the Municipality of Ferrara.

Projects for end users

Mobile ticketing

TPER, together with the companies Seta, Start and Tep, managers of local public transport in Emilia-Romagna, have launched a project for the purchase of bus tickets via smartphones which is fully compatible with the MiMuovo technology systems already used on all buses run by the Emilia-Romagna public transport companies.

The aim is to guarantee quick and easy use, user security in terms of the management of their data and less risk of counterfeiting, as well as facilitating the on-board mandatory ticket validation process. Once downloaded onto smartphones, the tickets enable access to all buses and can be checked via the handheld devices used by conductors, just like any other travel ticket used today on the MiMuovo regional system.

These new systems, which enable users to download bus tickets onto their mobile phones with just a few clicks, expand the range of purchasing options in Bologna which already includes over one thousand authorised local sale points and the sale of time-limited tickets aboard urban buses via automatic ticket machines.

Again in collaboration with the public transport companies of Emilia-Romagna, the ROGER application has been available since 2018, which makes it possible to buy tickets and passes and to transform mobile phones into a technology substitute for the ticket itself (or the MiMuovo pass). In fact, with ROGER customers can validate their tickets on board using their phones. ROGER works with all Android smartphones, both NFC and not, and also with Apple phones, and can be viewed as a kind of virtual mobility assistant.

You can use the app's navigation system to plan your journey, integrating the various forms of public transport: by bus as far as the train station, then the train and then the bus again afterwards. In fact, ROGER proposes all possible combinations and once you have chosen your travel solution also proceeds to purchase all the necessary tickets. ROGER can also be used by those travelling by car, enabling to pay for parking.

It is envisaged that from 2025 it will be possible to integrate ROGER with the Corrente car-sharing service in Bologna, enabling users not only to book and unlock vehicles but also to figure out which bus they can take to get to the nearest free car and where it is best to get off the bus to take the car to their destination, if this is not well served by traditional public transport. They can also use the app to park their own car (and pay for parking) so they can then use Corrente to go into the city centre, taking advantage of the reserved lanes and passing through restricted traffic areas.

Since the Covid period, a service has also been developed for public transport users that provides an indication of how full the bus is arriving at the stop, by consulting the ROGER mobility app simply and intuitively, already available for free on every smartphone.

This function is even more valuable in the period of health emergency and allows the user to know in advance the situation on the bus and decide whether to get on or wait for the next bus.

The app automatically and absolutely anonymously detects how many smartphones with Wi-Fi antenna are present on board each bus: a statistical algorithm therefore processes an estimate of the total number of passengers in real time and displays a graphical "traffic light" image to the user: the image of a small stylised bus which is either green, amber or red depending on how full the arriving bus is.

EMV Ticketing system

This project aims to further develop the public transport electronic ticketing system to permit the use of EMV contactless credit cards. The system allows customers with a contactless credit card to access the transport service directly using the card without previously having to buy any travel ticket. The project is financed using regional funds from the 'Regional Operational Programme of the European Regional Development Fund (ERDF ROP) 2014-2020' and carried out in collaboration with the companies TEP, START and SETA. The EMV electronic ticketing system allows the use of contactless bank cards with EMV banking standard (acronym for Europay, MasterCard and VISA). The system allows customers with a contactless card to access the transport service directly using the card without previously having to buy any travel ticket. The system has been fully implemented in the urban area, with plans to expand its application to the suburban area by 2024.

Services for travellers

The following are the main services for travellers:

- **Recharge of electronic passes**: without a doubt, the annual pass is the most convenient travel ticket, mainly used by those who use public transport on a regular basis and become loyal to the service. This category of users can now purchase or renew their passes without making a special trip or queuing at ticket offices. The purchase can also be made with a credit card on TPER's website, where it is also possible to "top up" the pass once it has expired. Passes can also be renewed at the ATMs of Unicredit and Intesa Sanpaolo.
- **People Mover Ticketing**: the system was created using new EMV and QR code technologies: the former to allow ticketing with credit cards, the latter facilitates the purchase of single or group tickets on the web. The ticket validators also allow contactless ticketing compatible with the regional MiMuovo card. The 3 stations are equipped with latest-generation turnstiles and validators and with automatic ticket machines for the immediate purchase of tickets. The ticketing system has passed acceptance tests performed by staff from the Visa and Mastercard circuits.
- **Information at bus-stops and onboard buses**: real-time information delivered via panels at the stops have been a fixture for many years for part of the territory served. At present, the display messages at "smart" bus shelters also indicate whether the next bus provides a wheelchair-access platform for non-ambulant people, an important piece of information already present on the app and Hellobus messaging service. Urban buses are equipped with a system that announces the next stop and, in recent months, of variable utility messages (limitations on travel, detours, other announcements) with programmable frequencies. In support of blind and visually impaired people, urban and suburban buses are equipped with an external loudspeaker that communicates the line number and the direction once at the stop.
- **Info in real time: Hellobus and Chiamatreno**: in addition to the apps, the real-time information services on the location of TPER buses and trains on the regional FER network, which for years have taken the form of SMS messages to phones, are now also available on the TPER website, on the page dedicated to real-time services in the "Routes and Timetables" section. Chiamatreno also has its own website (www.chiamatreno.it). The average number of requests for information through the Hellobus service is 1,300 text messages per day and 200,000 requests via web services.

- **Travel ticket validation and paying fines**: on all TPER transport services, both on road and rail, ticket validation is carried out with a tablet-based application. Fines can be issued electronically and collected directly by the conductor through a POS terminal. Barcode-enabled fines can be paid on board and at the company's ticket offices, but also on TPER's website via credit card, with the home banking of the main banks, through the "Cbill" channel, and at all post offices.
- **Smart posts**: as part of the plan to upgrade the information panels at the bus stops, new information poles were installed in the exurban areas in order to improve information for users and accessibility to public transport through information in real time. In particular, eleven new installations were completed (4 Imola, 2 Pieve Di Cento, 3 Argelato, 2 Granarolo). A total of 184 information panels have been installed and are now operational in the two areas of Bologna and Ferrara.
- **Information for subscribers and registered users of the website**: TPER offers its annual pass-holders an SMS-based information system that allows them to receive news on critical events affecting services (strikes, closures for scheduled work on important roads), as well as promotional or service-related messages. Today, already 55,000 annual pass-holders have asked to be updated and receive news via SMS. On average, over 600,000 SMS messages are sent every year. Similar information is sent via an info-mail system to users who register on the TPER website: to date, there are approximately 33,000 registered users.
- **The website**: TPER ensures the constant updating of its website, extending its content gradually with the new services managed by the company. The site is completely responsive and boasts over 15 thousand sessions a day.
- **The online services portal**: on the TPER online services portal at https://solweb.TPER.it, which boasts around 50,000 registered users (private individuals, companies and TPER retailers), people can easily carry out online operations at any time. For example, they can top up their passes or buy new ones - including in reference to Mobility Management agreements with and public or private entities or companies), pay a fine, choose the method for allocating the amounts made available by the "Mobility Bonus", book the Prontobus call service, request information and send communications to the company.

Tariff concessions

Free season tickets for children residing in Emilia-Romagna

"Grande" is the active season ticket for the 2020/2021 school year, reserved to children under 14 residing in Emilia-Romagna, and granted free of charge by the Emilia-Romagna Region.

From September 2021, with the "Salta Su" season ticket, the Region has made provisions for free access to home-school routes for students enrolled in state secondary schools, private institutes and vocational training institutes residing in Emilia-Romagna, with presentation of the household's ISEE certificate of less than or equal to Euro 30,000.

Mobility Bonus

The "Mobility bonus" is an incentive for using public transport and other alternative forms of sustainable mobility to your car, introduced by the Municipality of Bologna from 1 January 2020 and for the next 5 years, which aims to limit the circulation of polluting vehicles. The incentive is available to all residents of the historic city centre, who will gradually have their access permits for restricted traffic areas revoked, provided that they do not ask for a new permit: residents who are entitled to receive this bonus can indicate their desire to benefit from this incentive to the permit office or through TPER's online service portal, and then allocate the amount to the various forms of sustainable mobility, described below:

- Public transport (TPER, Trenitalia Tper, Trenitalia): purchase of tickets or passes, at the ticket office, online or through the Roger app
- car-sharing (Enjoy, Corrente): purchase of vouchers or credit for the use of car-sharing services
- Bike sharing (Mobike): purchase of credit to be used for bike-sharing services
- Taxi (Cotabo, Cat): purchase of credit to be used for taxi services
- Car and driver hire (Saca, Cosepuri): purchase of credit to be used for this taxi service.

TPER, as the company commissioned for the technical and operational management of all aspects of this initiative, has created all the technological infrastructure, which consists of online services on the TPER portal (both for direct requests from residents and for access to reporting to other service companies), sales services at the TPER offices open to the public, as well as direct interfaces with the Municipality.

Metrics and targets

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS Standards	ESRS S4 S4-5

Material topics	Target	Actions	Timeline	SDGs
Social inclusion of consumers and/or end users Personal safety of consumers and/or end users Information-related impacts for consumers and/or end users	**Inclusion and accessibility**	Improvement of accessibility on board buses - specific provisions for new buses purchased	2025-2030	3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.
	Ensure digital inclusion	Initiatives with the User Committee and consumers associations	2024-2026	
	Raise awareness of IT risks for greater customer protection	Information on cyber security, aimed at raising awareness of the risks of possible cyber attacks	Continuously	12.6 Encourage companies, particularly large multinational companies, to adopt sustainable practices and integrate sustainability information into their annual reports
	Ensure the personal safety of end users	Adoption of security systems, such as audio and video recording	Continuously	
	Transport poverty	Definition of initiatives to address the phenomenon of transport poverty	2024-2028	10.2 Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status
	Career alias	Allow the use of a name and/or preferred gender (alias identity) on travel passes and other documents	Continuously	

Improving the quality and efficiency of the service is a strategic element in incentivising people to choose public transport over private forms of transport fuelled by fossil sources. TPER undertakes to ensure cleanliness, punctuality and suitable frequency for specific routes.

The introduction of innovative ways of purchasing tickets and the promotion and information campaigns on the service have the additional goal of raising awareness and encouraging the use of less polluting transport solutions. Through quality surveys and more accurate measurements of transport use, it is possible to design and deliver a service effectively oriented towards consumers and their needs, with the aim not only of providing quality services to regular customers, but also of acquiring new customers who do not regularly use collective or shared services as a first choice. Through the widespread use of public or shared transport, TPER believes that it can contribute to reducing traffic and road congestion and to improving city viability and living conditions.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Complaint mechanisms

In case of complaints, TPER undertakes to provide an answer within 30 days and involves the relevant business contacts on the basis of the specific topic, to provide the most correct information but also to define the necessary action to be taken.

TPER records every interaction with users as a report. The reporting figure is therefore affected by the fact that for each user and specific fact reported there may also be several exchanges. The data of individual users reporting is therefore also reported.

Complaints	Unit	2024	2023	2022
Total complaints	**no.**	**11,301**	**10,317**	**8,106**
Of which				
total automotive complaints		8,686	7,239	5,453
total People Mover complaints		2,615	1,778	1,593
In particular, related to				
commercial (resale - payment on board)		2,158		
Service				
Frequency or schedule not respected		2,412	2,506	879
Runs missed		1,369	437	425
Personnel				
Unfriendly personnel		353	269	286
Inappropriate driving		451	352	398
Failure to stop at bus stop		382	161	304
Average response times to complaints	**days**	9.6	10.0	13.0

Total user complaints amounted to 11,301 in 2024, including 8,686 in the automotive sector.

Each exchange with users is counted as a report, therefore in some cases there are multiple reports for the same complaint or request. Exchange with users means both complaints and requests for information or clarifications. In particular, requests for clarifications and insights relating to the commercial area are also counted as reports (for example with regard to resales and on-board payment services, a service developed in particular in recent years).

Also in 2024, the traffic restrictions and changes resulting from the securing of the Garisenda Tower and the numerous construction sites started in the city, including for the construction of the tram infrastructure, had a significant impact on complaints.

The reports mainly concern the service (frequency of runs and compliance with timetables). In some cases the behaviour of staff was also the subject of complaints, in terms of courtesy, appropriate driving and stopping at stops.

The average response time is 9.6 days. A total of 92% of the reports received during the year were dealt with, mainly by email (95% of the reports processed).

Governance disclosure

G1 Business conduct

Topic	Sub-topic	Sub-sub-topic	SDGs
G1 Business conduct	Corporate culture		
	Management of relations with suppliers, including payment practices		
	Protection of whistleblowers		
	Corruption and bribery	Prevention and detection including training Accidents	

Governance

Role of the administrative, management and supervisory bodies

ESRS Standards	ESRS 2 GOV-1

Please refer to the "Governance" chapter where the role of the administrative, management and supervisory bodies and their responsibilities are reported.

Management of impacts - risks - opportunities

Description of the processes to identify and assess material impacts, risks and opportunities

ESRS Standards	ESRS 2 IRO-1

G1 Business conduct		
Corporate culture	**Impacts** A corporate culture based on fairness and transparency strengthens the sense of belonging to the Group's values.	Actual Positive Short - medium - long term From own operations
	Risks Risks related to non-compliance with rules and regulations or violation of the Code of Ethics by all parties that have dealings with the Group and consequent reputational damage.	Short - medium - long term From own operations and along the value chain
	Opportunities The dissemination of business conduct based on the values of loyalty and transparency entails benefits in terms of customer attraction and strengthening of the corporate image.	
Management of relations with suppliers, including payment practices	**Impacts** Social and environmental impacts deriving from supply chain management. Procurement processes (selection, qualification, management and monitoring of the supply chain that integrate ESG criteria and metrics).	Potential Negative Short - medium - long term From own operations and along the value chain

	Risks Risk of losing key suppliers due to ESG-related non-compliance, which would entail a risk to the Group's business continuity. Failure to comply with the timing and deadlines for the execution of tenders or for the formalisation of credit facilities.	Short - medium - long term From own operations
Corruption and bribery • Prevention and detection including training • Accidents	**Impacts** Impacts in terms of potential consequences on the Group's reputation and continuity deriving from business conduct that does not comply with ethics and integrity criteria	Potential Negative Short - medium - long term From own operations
	Risks Risk linked to the possibility of incidents of corruption and bribery. These situations can compromise corporate integrity, expose to legal and reputational sanctions and undermine stakeholder trust, with potential impacts on governance	Short - medium - long term From own operations

The material topics for TPER are corporate ethics, responsible management of relations with suppliers and corruption prevention. An approach based on transparency and respect for the rules strengthens stakeholders' trust and supports the organisation's reputation. The integration of ESG criteria in the purchasing processes and a governance attentive to the risks of non-compliance represent strategic levers to guarantee solidity and operational continuity.

For further information on the process of identifying impacts, risks and material opportunities, please refer to the chapter Material impacts, risks and opportunities and their interaction with the strategy and the business model/paragraph Material topics (IROs).

Corporate culture and business conduct policies

ESRS Standards	ESRS G1 G1-1

Organisation, management and control model Italian Legislative Decree 231

The Parent Company TPER, aware of the importance of adopting and effectively implementing an organisation, management and control model pursuant to Legislative Decree 231/2001 suitable for preventing the commission of unlawful conduct in the corporate context, has adopted the Organisation, Management and Control Model (hereinafter, the "Model") together with the Code of Ethics, on the assumption that it constitutes a valid tool for sensitisation of recipients to adopt correct and transparent behaviour.

In particular, the Model takes into account the structural and organisational characteristics of TPER. As envisaged by the relevant legislation, an appropriate Supervisory Body has been established, responsible for supervising the functioning and observance of the Model and for updating it.

The Company constantly updates the Organisation, Management and Control Model to ensure compliance with current regulations and operational effectiveness. Updates are made both periodically and on the occasion of significant regulatory or organisational changes.

Through the adoption of the Model, the Company intends to pursue the following purposes:

- prohibit conduct that may constitute the offences referred to in the Decree;

- disseminate the awareness that, the application of sanctions (financial and prohibitory), also against the Company, may result from the violation of the Decree, the provisions contained in the Model and the principles of the Code of Ethics;
- thanks to a structured system of protocols and procedures and constant monitoring of the correct enforcement of this system, allow the Company to prevent and/or promptly combat the commission of significant offences pursuant to the Decree.

The Organisation, Management and Control Model is available and can be consulted on the Company's website at www.tper.it.

To identify and report concerns regarding unlawful conduct or conduct in conflict with its own code of conduct or similar internal regulations and to conduct investigations in this regard, a Supervisory Body has been appointed and a reporting system for stakeholders is envisaged through the Whistleblowing channel. Please refer to the relative paragraph in the general disclosure.

Legality rating

The legality rating is an ethical recognition developed by the Italian Competition Authority (AGCM), in agreement with the Ministries of the Interior and Justice, which rewards companies that operate in line with the principles of legality, transparency and social responsibility.

The legality rating - conventionally measured in "stars", up to a maximum of three stars - has particular advantages in relation to the granting of public funding and favourable terms for accessing bank credit.

TPER's legality rating is ★★★.

Corruption Prevention Management System - ISO 37001:2016

In May 2019, TPER obtained ISO 37001 certification from the Certiquality institute, as an additional measure to ensure corruption prevention.

The ISO 37001 standard is an anti-bribery instrument and is designed to increase the culture of transparency and define effective measures for combating corruption scenarios. The ISO 37001 Anti-Bribery Management system integrates with the other standards in the company in the area of quality, the environment and workplace safety.

The current UNI ISO 37001:2016 certificate is valid until 2025.

Management of relationships with suppliers

ESRS Standards	ESRS G1 G1-2

Suppliers are a fundamental part of the production process and TPER engages with them in a transparent manner, enhancing where possible the technical and innovative contribution.

General principles and regulatory framework

The general principles of relations with suppliers are regulated, in the first place, by the Code of Ethics and a Corruption Prevention Policy, which TPER shares with suppliers through its own website.

Breaches of the general principles of the Code allow TPER to exercise the option of activate immediate termination clauses, included in individual supply contracts, together with the **statement regarding the knowledge of the principles contained in the Code, and the assumption of the obligation to comply with these principles.**

As a public company operating in special sectors, TPER applies the national reference standards (**Code of public contracts relating to works, services and supplies**) for business functional purchases and oversees purchasing strategies and the relationship with the supply chain. TPER has also drawn up regulations to govern the procurement of works, supplies and services, as well as a documented system of powers and procedures and in proportion to the value of purchases to be made.

Publicity requirements for procedure notices and outcomes depend on the amount and nature of the tender and, pursuant to national and EU regulations, procedures are utterly streamlined to meet economy, effectiveness, and efficiency criteria.

The selection of suppliers takes place through defined procedures based on objective criteria such as the quality of the products and services offered and the competitiveness of the proposal, paying attention to equitable remuneration of the services requested. For the allocation of contracts, TPER adopts the criteria set out in the **Procurement Code**, i.e., depending on the case, the maximum discount or the most economically advantageous offer.

Under the EU thresholds, the aforementioned regulation provides for the application of simplified credit facility procedures, always maintaining transparency in the choice of supplier.

Suppliers qualification systems

With regard to certain supplies of material amount, for example for the purchase of fuel, TPER has set up a **specific suppliers qualification system**, with weekly tenders through requests of offers from qualified suppliers.

In the process of choosing the vehicles to be purchased for the transport service - another supply of material importance - for several years now TPER has adopted a "life-cycle costing" (LCC) logic, which allows it to responsibly plan investments and the use of resources over the long term.

TPER has also established a **register of economic operators** structured by categories of supplies and services and, with regard to certain supplies (e.g. energy), it is part of public purchasing centres such as CONSIP and Intercent-ER, the regional agency for the development of telematic markets.

With specific reference to ESG issues, TPER expressly asks all its suppliers to **adhere to the Code of Ethics**, which includes corporate values and standards on governance and environmental and social sustainability.

The system adopted for corruption prevention, UNI ISO 37001:2016, defines the criteria for applying due diligence to the main business partners and suppliers.

Within TPER's supply chain, there are no cases of suppliers with significant problems in terms of freedom of trade union association, child labour, forced labour conditions, failure to respect human rights.

TPER is launching a system that will make it possible, in the future, to identify the percentage share and number of suppliers assessed according to environmental criteria, defining the actual and potential impacts and possible improvement actions. At present, TPER does not have procedures and tools capable of expressing this information and make the collection of this information possible in a systematic manner. TPER is also launching a measurement process, with the aim of identifying the percentage share and number of suppliers assessed according to social criteria, establishing the actual and potential impacts and possible improvement actions. At present, the company asks all suppliers to adhere to the Code of Ethics, which indicates the main human rights and social aspects to comply with.

As part of tendering procedures, rules that provide for social criteria such as participation requirements or elements that assign a score are applied.

Prevention and detection of corruption and bribery

ESRS Standards	ESRS G1 G1-3

Please refer to the previous paragraphs "The control model, measures to combat corruption" and "The integrated management system and policies" for information on transactions assessed for risks linked to corruption.

It is also recalled that TPER has achieved ISO 37001 certification, which sets out the requirements for preventing, detecting and responding to corruption, as well as for complying with anti-corruption laws and voluntary commitments applicable to the organisation's activities.

In 2024, no episodes of corruption involving TPER directors or employees were verified.

Likewise, no relevant cases were reported to the Supervisory Body as regards MOGC 231.

Training on anti-corruption and transparency issues, as per Italian Legislative Decree 231/2001, Italian Law 190/2012, and ISO Standard 37001, is considered crucial in shaping anti-corruption policies and procedures.

The training programme on corruption prevention is managed with the following objectives in mind:

- identify the subjects to whom anti-corruption training is provided
- identify the content of anti-corruption training
- indicate the channels and tools for delivering anti-corruption training
- quantify the number of hours/days dedicated to anti-corruption training.

Activities are documented by means of an attendance register, training slides projected at courses, and assessment tests.

The training is aimed at executives, middle managers and in particular employees who work in the areas potentially most exposed to risk.

The members of the Board of Directors and the Board of Statutory Auditors are also involved in the definition, updating and approval of policies on legality and anti-corruption and are periodically updated on these issues.

A total of 206 hours of training were provided on the subject in 2024, across all company levels.

2024			
	Employees	**Administrative, management and supervisory bodies**	**Other workers**
Extension of training			
Total training recipients	89		
% training recipients			
Disbursement methods and duration			
Classroom training (hours)	186		
Total training	**186**	**-**	**-**
Training frequency	annual		

Training and information takes place with the collaboration of the Supervisory Body in collaboration with the Compliance Function for the part on ISO 37001/anti-corruption certification.

The number of employees trained on legality issues and the percentages of total employees are shown below.

Hours of training	Women	Men	Total
h			
Senior Managers	2	-	2
Middle managers	-	12	12
White-collar workers	28	60	88
Blue-collar workers	22	78	100
Apprentices	-	4	4
Associates	-	-	-
Total	52	154	206

Metrics and targets

Targets related to business conduct

Material topics	Target	Actions	Timeline	SDGs
Transparency	Risk mapping	Maintain, with revisions and additions where necessary, the governance risk mapping	Continuously	16.5 - Permanently reduce corruption and bribes in all their forms.

For a complete overview of the objectives and timing, please refer to the paragraph Sustainability Plan of this document.

Incidents of corruption and bribery

ESRS Standards	ESRS G1 G1-4

During the reporting period, no episodes of corruption or bribery involving TPER directors or employees were detected or ascertained, confirming the effectiveness of the measures adopted and the company's commitment to guaranteeing high ethical standards.

Payment practices

ESRS Standards	ESRS G1 G1-6

Payment terms are defined by TPER in such a way as to ensure maximum flexibility and adaptability to specific market conditions. They vary according to the different Group companies and the characteristics of the individual suppliers. Terms may be negotiated as part of contractual arrangements, in order to effectively respond to the operational needs and dynamics of the sector. During 2024, the Group applied standard payment terms of 60 days from the invoice date of the end of the month, calculated as the average of the contractual payment conditions. 47% of payments were made on these terms.

The analysis of the payment terms is based on data relating to purchase invoices paid in 2024 by bank transfer, collection orders or other payment methods (excluding offsetting). The actual average payment time for invoices was 73 days, calculated as the difference between the date of issue of the invoice and the date of payment.

The TPER Group has no legal proceedings pending for late payments.

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Annex 1

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ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.1 General disclosure/Strategy and business model/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	2.1 General disclosure/Management of impacts - risks - opportunities/The process
ESRS 2 IRO-2	Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	2.1 General disclosure/Management of impacts - risks - opportunities/The process
ESRS standard	**Disclosures**	**Chapter References**
Environmental disclosure		
ESRS E1 - Climate change		
ESRS E1.GOV-3	Integration of sustainability-related performance in incentive schemes	2.2 Environmental disclosure/Climate change/Governance/Integration of sustainability-related performance in incentive schemes
ESRS E1-1	Transition plan for climate change mitigation	2.2 Environmental disclosure/Climate change/Strategy/Transition plan for climate change mitigation
ESRS E1.SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.2 Environmental disclosure/Climate change/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS E1.IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	2.2 Environmental disclosure/Climate change/Management of impacts - risks - opportunities/The process to identify and assess material impacts, risks and opportunities
ESRS E1-2	Policies related to climate change mitigation and adaptation	2.2 Environmental disclosure/Climate change/Management of impacts - risks - opportunities/Policies related to climate change mitigation and adaptation
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.2 Environmental disclosure/Climate change/Management of impacts - risks - opportunities/Policies related to climate change mitigation and adaptation
ESRS E1-3	Actions and resources in relation to climate change policies	2.2 Environmental disclosure/Climate change/Management of impacts - risks - opportunities/Actions and resources in relation to climate change policies

ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.2 Environmental disclosure/Climate change/Management of impacts - risks - opportunities/Actions and resources in relation to climate change policies
ESRS E1-4	Targets related to climate change mitigation and adaptation	2.2 Environmental disclosure/Climate change/Metrics and targets/Targets related to climate change mitigation and adaptation
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.2 Environmental disclosure/Climate change/Metrics and targets/Targets related to climate change mitigation and adaptation
ESRS E1-5	Energy consumption and mix	2.2 Environmental disclosure/Climate change/Metrics and targets/Energy consumption and mix
ESRS E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	2.2 Environmental disclosure/Climate change/Metrics and targets/GHG emissions

ESRS standard	Disclosures	Chapter References
Environmental disclosure		
ESRS E2 - Pollution		
E2.IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	2.2 Environmental disclosure/Pollution/Management of impacts - risks - opportunities/The process to identify and assess material pollution-related impacts, risks and opportunities
E2-1	Policies related to pollution	2.2 Environmental disclosure/Pollution/Management of impacts - risks - opportunities/Policies related to pollution
E2-2	Actions and resources in relation to pollution	2.2 Environmental disclosure/Pollution/Management of impacts - risks - opportunities/Actions and resources in relation to pollution
E2-3	Targets related to pollution	2.2 Environmental disclosure/Pollution/Metrics and targets/Targets related to pollution
E2-5	Substances of concern and substances of very high concern	2.2 Environmental disclosure/Pollution/Metrics and targets/Substances of concern

ESRS standard	Disclosures	Chapter References
Environmental disclosure		
ESRS E3 - Water and marine resources		
ESRS E3.IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/The process to identify and assess material impacts, risks and opportunities
ESRS E3-1	Policies related to water and marine resources	2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Policies related to water and marine resources
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Policies related to water and marine resources
ESRS E3-2	Actions and resources in relation to water and marine resources	2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Actions and resources in relation to water and marine resources
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Actions and resources in relation to water and marine resources
ESRS E3-3	Targets related to water and marine resources	2.2 Environmental disclosure/Water and marine resources/Metrics and targets/Targets related to water and marine resources
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.2 Environmental disclosure/Water and marine resources/Metrics and targets/Targets related to water and marine resources
ESRS E3-4	Water consumption	2.2 Environmental disclosure/Water and marine resources/Metrics and targets/Water consumption

ESRS standard	Disclosures	Chapter References
Environmental disclosure		
ESRS E5 - Resources and circular economy		
ESRS E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	2.2 Environmental disclosure/Resource use and circular economy/Management of impacts - risks - opportunities/The process to identify and assess material resource use and circular economy-related impacts, risks and opportunities
ESRS E5-1	Policies related to resource use and circular economy	2.2 Environmental disclosure/Resource use and circular economy/Management of impacts - risks - opportunities/Policies related to resource use and circular economy
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.2 Environmental disclosure/Resource use and circular economy/Management of impacts - risks - opportunities/Policies related to resource use and circular economy
ESRS E5-2	Actions and resources in relation to resource use and circular economy	2.2 Environmental disclosure/Resource use and circular economy/Management of impacts - risks - opportunities/Actions and resources in relation to resource use and circular economy

ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.2 Environmental disclosure/Resource use and circular economy/Management of impacts - risks - opportunities/Policies related to resource use and circular economy
ESRS E5-3	Targets related to resource use and circular economy	2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Targets related to resource use and circular economy
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Targets related to resource use and circular economy
ESRS E5-4	Resource inflows	2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Resource inflows
ESRS E5-5	Resource outflows	2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Resource outflows
ESRS standard	**Disclosures**	**Chapter References**
Social disclosure		
ESRS S1 - Own workforce		
ESRS S1.SBM-2	Stakeholders' interests and opinions	2.3 Social disclosure/Own workforce/Strategy/Stakeholders' interests and opinions
ESRS S1.SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.3 Social disclosure/Own workforce/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S1-1	Policies related to own workforce	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce
ESRS S1-2	Processes for engaging with own workforce and workers' representatives about impacts	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Processes for engaging with own workforce and workers' representatives about impacts
ESRS S1-3	Processes to remedy negative impacts and channels for own workforce to raise concerns	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Process to remedy negative impacts and channels for own workforce to raise concerns
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities for own workforce, as well as the effectiveness of these actions	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities for own workforce, as well as the effectiveness of these actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities for own workforce, as well as the effectiveness of these actions
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	2.3 Social disclosure/Own workforce/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.3 Social disclosure/Own workforce/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS S1-6	Characteristics of the undertaking's employees	2.3 Social disclosure/Own workforce/Metrics and targets/Characteristics of the undertaking's employees
ESRS S1-7	Characteristics of non-employee workers in the undertaking's own workforce	2.3 Social disclosure/Own workforce/Metrics and targets/Characteristics of non-employee workers in the undertaking's own workforce
ESRS S1-8	Coverage of collective bargaining and social dialogue	2.3 Social disclosure/Own workforce/Metrics and targets/Coverage of collective bargaining and social dialogue
ESRS S1-9	Diversity metrics	2.3 Social disclosure/Own workforce/Metrics and targets/Diversity metrics
ESRS S1-10	Fair remuneration	2.3 Social disclosure/Own workforce/Metrics and targets/Fair remuneration
ESRS S1-11	Social protection	2.3 Social disclosure/Own workforce/Metrics and targets/Social protection
ESRS S1-13	Training and skills development metrics	2.3 Social disclosure/Own workforce/Metrics and targets/Training and skill development metrics
ESRS S1-14	Health and safety metrics	2.3 Social disclosure/Own workforce/Metrics and targets/Health and safety metrics
ESRS S1-15	Work-life balance	2.3 Social disclosure/Own workforce/Metrics and targets/Work-life balance metrics
ESRS S1-16	Remuneration metrics (pay gap and total remuneration)	2.3 Social disclosure/Own workforce/Metrics and targets/Remuneration metrics (pay gap and total remuneration)

ESRS S1-17	Accidents, complaints and serious impacts on human rights	2.3 Social disclosure/Own workforce/Metrics and targets/Accidents, complaints and serious impacts on human rights
ESRS standard	**Disclosures**	**Chapter References**
Social disclosure		
ESRS S2 - Workers in the value chain		
ESRS S2.SBM-2	Stakeholders' interests and opinions	2.3 Social disclosure/Workers in the value chain/Strategy/Stakeholders' interests and opinions
ESRS S2.SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.3 Social disclosure/Workers in the value chain/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S2-1	Policies related to workers in the value chain	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS S2-2	Processes for engaging with workers in the value chain about impacts	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Processes for engaging with workers in the value chain about impacts
ESRS S2-3	Processes to remedy negative impacts and channels for workers in the value chain to raise concerns	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Processes to remedy negative impacts and channels for workers in the value chain to raise concerns
ESRS S2-4	Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for workers in the value chain, as well as the effectiveness of these actions	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for workers in the value chain, as well as the effectiveness of these actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for workers in the value chain, as well as the effectiveness of these actions
ESRS S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	2.3 Social disclosure/Workers in the value chain/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.3 Social disclosure/Workers in the value chain/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS standard	**Disclosures**	**Chapter References**
Social disclosure		
ESRS S3 - Affected communities		
ESRS S3.SBM-2	Stakeholders' interests and opinions	2.3 Social disclosure/Affected communities/Strategy/Stakeholders' interests and opinions
ESRS S3.SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.3 Social disclosure/Affected communities/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S3-1	Policies related to the affected communities	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Policies related to affected communities
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Policies related to affected communities
ESRS S3-2	Processes for engaging with affected communities about impacts	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Processes for engaging with affected communities about impacts
ESRS S3-3	Processes to remedy negative impacts and channels for affected communities to raise concerns	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Processes to remedy negative impacts and channels for affected communities to raise concerns
ESRS S3-4	Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Taking action on material impacts on affected communities, and

		approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions
ESRS S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	2.3 Social disclosure/Affected communities/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.3 Social disclosure/Affected communities/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS standard	**Disclosures**	**Chapter References**
Social disclosure		
ESRS S4 - Consumers and end users		
ESRS S4.SBM-2	Stakeholders' interests and opinions	2.3 Social disclosure/Consumers and end users/Strategy/Stakeholders' interests and opinions
ESRS S4.SBM-3	Material impacts, risks and opportunities and their interaction with the strategy and the business model	2.3 Social disclosure/Consumers and end users/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S4-1	Policies related to consumers and end users	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Policies related to consumers and end users
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Policies related to consumers and end users
ESRS S4-2	Processes for engaging with consumers and end users about impacts	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Processes for engaging with consumers and end users about impacts
ESRS S4-3	Processes to remedy negative impacts and channels for consumers and end users to raise concerns	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Processes to remedy negative impacts and channels for consumers and end users to raise concerns
ESRS S4-4	Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions
ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	2.3 Social disclosure/Consumers and end users/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities
ESRS 2 MDR-T	Tracking effectiveness of policies and actions through targets	2.3 Social disclosure/Consumers and end users/Metrics and targets/Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

ESRS standard	**Disclosures**	**Chapter References**
Governance disclosure		
ESRS G1 - Business conduct		
ESRS G1.GOV-1	Role of the administrative, management and supervisory bodies	2.4 Governance disclosure/Business conduct/Governance/The role of the administrative, management and supervisory bodies
ESRS G1.IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Description of the processes to identify and assess material impacts, risks and opportunities
ESRS G1-1	Corporate culture and business conduct policies	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Corporate culture and business conduct policies
ESRS 2 MDR-P	Policies adopted to manage material sustainability issues	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Corporate culture and business conduct policies
ESRS G1-2	Management of relationships with suppliers	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Management of relationships with suppliers
ESRS 2 MDR-A	Actions and resources in relation to material sustainability issues	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Management of relationships with suppliers
ESRS G1-3	Prevention and detection of corruption and bribery	2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Prevention and detection of corruption and bribery

ESRS G1-4	Incidents of corruption and bribery	2.4 Governance disclosure/Business conduct/Metrics and targets/Incidents of corruption and bribery
ESRS G1-6	Payment practices	2.4 Governance disclosure/Business conduct/Metrics and targets/Payment practices

Annex 2

Disclosures required by other regulations or by provisions on sustainability reporting

Disclosure Requirement	Data Point		SFDR reference	Pillar 3 reference	Reference regulation on benchmarks	EU climate regulation reference	Section
ESRS 2 GOV-1	21-d	Board gender diversity	x		x		2.1 General disclosure/Governance/The role of the administrative, management and supervisory bodies
ESRS 2 GOV-1	21-e	Percentage of independent board members			x		2.1 General disclosure/Governance/The role of the administrative, management and supervisory bodies
ESRS 2 GOV-4	30	Statement on due diligence	x				2.1 General disclosure/Governance/The due diligence process for sustainability topics
ESRS 2 SBM-1	40-d-i	Involvement in activities related to activities in the fossil fuel sector	x	x	x		Not material
ESRS 2 SBM-1	40-d-ii	ESRS 2 SBM-1 Involvement in activities related to the production of chemicals	x		x		Not material
ESRS 2 SBM-1	40-d-iii	Participation in activities related to controversial weapons	x		x		Not material
ESRS 2 SBM-1	40-d-iv	Involvement in activities related to the cultivation and production of tobacco			x		Not material
ESRS E1-1	14	Transition plan for the achievement of climate neutrality by 2050				x	2.2 Environmental disclosure/Climate change/Strategy/Transition plan for climate change mitigation
ESRS E1-1	16-g	Undertakings excluded from Paris-aligned benchmarks		x	x		Not material
ESRS E1-4	34	GHG emission reduction targets	x	x	x		2.2 Environmental disclosure/Climate change/Metrics and targets/Targets related to climate change mitigation and adaptation
ESRS E1-5	38	Energy consumption from fossil sources disaggregated by source (only high climate impact sectors)	x				2.2 Environmental disclosure/Climate change/Metrics and targets/Energy consumption and mix
ESRS E1-5	37	Energy consumption and mix	x				2.2 Environmental disclosure/Climate change/Metrics and targets/Energy consumption and mix
ESRS E1-5	from 40 to 43	Energy intensity associated with activities in high climate impact sectors paragraphs	x				2.2 Environmental disclosure/Climate change/Metrics and targets/Energy consumption and mix
ESRS E1-6	44	Gross Scope 1, 2, 3 and Total GHG emissions	x	x	x		2.2 Environmental disclosure/Climate change/Metrics and targets/GHG emissions
ESRS E1-6	From 53 to 55	Gross GHG emissions intensity	x	x	x		2.2 Environmental disclosure/Climate change/Metrics and targets/GHG emissions
ESRS E1-7	56	GHG absorption and carbon credits				x	Not material
ESRS E1-9	66	Exposure of the benchmark index portfolio to physical risks linked to the climate			x		Phase-in

ESRS E1-9	66-a; 66-c	Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk		x			Phase-in
ESRS E1-9	67-c	Breakdown of the carrying value of its real estate assets by energy efficiency classes		x			Phase-in
ESRS E1-9	69	Degree of portfolio exposure to climate-related opportunities			x		Phase-in
ESRS E2-4	28	Quantity of each pollutant listed in annex II of the E-PRTR (European Pollutant Release and Transfer Register) released into the air, water and soil	x				Not material
ESRS E3-1	9	Water and marine resources	x				2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Policies related to water and marine resources
ESRS E3-1	13	Dedicated policy	x				2.2 Environmental disclosure/Water and marine resources/Management of impacts - risks - opportunities/Policies related to water and marine resources
ESRS E3-1	14	Sustainability of the oceans and seas	x				Not material
ESRS E3-4	28-c	Total recycled and reused water	x				Not material
ESRS E3-4	29	Total water consumption in m3 compared to net revenues from own operations	X				Not material
ESRS 2 SBM-3 - E4	16-a-i		x				Not material
ESRS 2 SBM-3 - E4	16-b		x				Not material
ESRS 2 SBM-3 - E4	16-c		x				Not material
ESRS E4-2	24-b	Sustainable agricultural/land use policies or practices	x				Not material
ESRS E4-2	24-c	Sustainable sea/ocean use practices or policies	x				Not material
ESRS E4-2	24-d	Policies aimed at tackling deforestation	x				Not material
ESRS E5-5	37-d	Non-recycled waste	x				2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Resource outflows
ESRS E5-5	39	Hazardous waste and radioactive waste	x				2.2 Environmental disclosure/Resource use and circular economy/Metrics and targets/Resource outflows
ESRS 2 - SBM3 - S1	14-f	Risk of forced labour	x				2.3 Social disclosure/Own workforce/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS 2 - SBM3 - S1	14-g	Risk of child labour	x				2.3 Social disclosure/Own workforce/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S1-1	20	Political commitments on human rights	x				2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce

ESRS S1-1	21	Policies on due diligence on issues covered by fundamental conventions 1 to 8 of the International Labour Organisation		x	2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce
ESRS S1-1	22	Procedures and measures to prevent human trafficking	x		2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce
ESRS S1-1	23	Prevention policy or system for the management of workplace accidents	x		2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Policies related to own workforce
ESRS S1-3	32-c	Complaint/report managing mechanisms	x		2.3 Social disclosure/Own workforce/Management of impacts - risks - opportunities/Process to remedy negative impacts and channels for own workforce to raise concerns
ESRS S1-14	88-b; 88-c	Number of deaths and number and rate of work-related injuries	x	x	2.3 Social disclosure/Own workforce/Metrics and targets/Health and safety metrics
ESRS S1-14	88-e	Number of days lost due to injuries, accidents, fatalities or illness	x		2.3 Social disclosure/Own workforce/Metrics and targets/Health and safety metrics
ESRS S1-16	97-a	Incorrect gender pay gap	x	x	2.3 Social disclosure/Own workforce/Metrics and targets/Remuneration metrics (pay gap and total remuneration)
ESRS S1-16	97-b	Pay gap excess in favour of the chief executive officer	x		2.3 Social disclosure/Own workforce/Metrics and targets/Remuneration metrics (pay gap and total remuneration)
ESRS S1-17	103-a	Incidents related to discrimination	x		2.3 Social disclosure/Own workforce/Metrics and targets/Accidents, complaints and serious impacts on human rights
ESRS S1-17	104-a	Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD	x	x	2.3 Social disclosure/Own workforce/Metrics and targets/Accidents, complaints and serious impacts on human rights
ESRS 2 SBM-3 - S2	11-b	Serious risk of child labour or forced labour in the work chain	x		2.3 Social disclosure/Workers in the value chain/Strategy/Material impacts, risks and opportunities and their interaction with the strategy and the business model
ESRS S2-1	17	Political commitments on human rights	x		2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS S2-1	18	Policies related to workers in the value chain	x		2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS S2-1	19	Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	x	x	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS S2-1	19	Policies on due diligence on issues covered by fundamental conventions 1 to 8 of the International Labour Organisation		x	2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Policies related to workers in the value chain
ESRS S2-4	36	Human rights issues and incidents in its upstream and downstream value chain	x		2.3 Social disclosure/Workers in the value chain/Management of impacts - risks - opportunities/Taking action on material impacts on workers in the value chain, and approaches to mitigating material risks and pursuing material opportunities for

							workers in the value chain, as well as the effectiveness of these actions
ESRS S3-1	16	Political commitments on human rights	x				2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Policies related to affected communities
ESRS S3-1	17	Failure to comply with the UN Guiding Principles on Business and Human Rights, the ILO principles or the OECD guidelines	x		x		2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Policies related to affected communities
ESRS S3-4	36	Human rights issues and incidents	x				2.3 Social disclosure/Affected communities/Management of impacts - risks - opportunities/Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities for affected communities, as well as the effectiveness of these actions
ESRS S4-1	16	Policies related to consumers and end users	x				2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Policies related to consumers and end users
ESRS S4-1	17	Failure to comply with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines	x		x		2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Policies related to consumers and end users
ESRS S4-4	35	Human rights issues and incidents	x				2.3 Social disclosure/Consumers and end users/Management of impacts - risks - opportunities/Taking action on material impacts on consumers and end users, and approaches to mitigating material risks and pursuing material opportunities for consumers and end users, as well as the effectiveness of these actions
ESRS G1-1	10-b	United Nations Convention against corruption	x				2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Corporate culture and business conduct policies
ESRS G1-1	10-d	Protection of whistleblowers	x				2.4 Governance disclosure/Business conduct/Management of impacts - risks - opportunities/Corporate culture and business conduct policies
ESRS G1-4	24-a	Fines imposed for violations of the laws against corruption and bribery	x		x		2.4 Governance disclosure/Business conduct/Metrics and targets/Incidents of corruption and bribery
ESRS G1-4	24-b	Rules for combating corruption and bribery	x				2.4 Governance disclosure/Business conduct/Metrics and targets/Incidents of corruption and bribery

Proposed allocation of operating profit

Dear Shareholders,

At the end of this presentation, we invite you to:

a) discuss and approve the Board of Directors' Report on Operations and the financial statements for the year ended 31 December 2024, which show a profit for the year of Euro 9.744.647,78

b) allocate the profit for the year:

- Euro 4,744,647.78 to the legal reserve
- Euro 5,000,000.00 to dividend distribution.

At the date of approval of the financial statements, treasury shares amounted to 111,480.

Consolidated financial statements as at 31 December 2024

Consolidated Statement of Financial Position

In thousands of Euro	Notes	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Tangible assets	1	**198,933**	**193,261**
Rolling stock		*175,306*	*170,917*
Infrastructure		*17,538*	*16,797*
Real estate		*3,278*	*3,367*
Other tangible assets		*2,811*	*2,180*
Intangible assets	2	**13,106**	**12,952**
Concession rights		*12,174*	*12,488*
Other intangible assets		*932*	*464*
Assets for rights of use	3	**7,959**	**9,362**
Equity investments	4	**30,140**	**24,151**
Equity investments accounted for using the equity method		26,797	20,808
Equity investments accounted for at fair value		*3,343*	*3,343*
Non-current financial assets	5	**39,143**	**38,283**
Financial assets for contributions			
Other financial assets		*39,143*	*38,283*
Deferred tax assets	6	**3,667**	**3,453**
Other non-current assets			
Total non-current assets		**292,948**	**281,462**
Current assets			
Trade assets	7	**105,581**	**89,686**
Inventories		*24,800*	*25,416*
Trade receivables		*80,781*	*64,270*
Cash and cash equivalents	8	**92,450**	**70,497**
Financial assets	5	**23,361**	**11,415**
Financial assets for contributions		*23,361*	10,815
Other financial assets		0	600
Assets for income taxes	9	956	0
Other current assets	10	**2,375**	**17,272**
Total current assets		**224,723**	**188,870**
TOTAL ASSETS		**517,671**	**470,332**

In thousands of Euro	Notes	31/12/2024	31/12/2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Group shareholders' equity		**197,613**	**179,224**
Capital issued		*68,493*	*68,493*
Treasury shares		*(189)*	*(189)*
Reserves and profits carried forward		*110,964*	*102,338*
Profit/(Loss) for the year		*18,345*	*8,582*
Shareholders' equity attributable to Minority interests		**3,290**	**3,037**
Issued capital and reserves		2,978	3,139
Profit/(Loss) for the year		312	(102)
Total shareholders' equity	11	**200,903**	**182,261**
Non-current liabilities			
Trade liabilities	12	**312**	**1,242**
Funds for provisions	13	**53,581**	**50,805**
Provisions for employee benefits		*11,440*	*12,334*
Other provisions		*42,141*	*38,471*
Non-current financial liabilities	14	**128,324**	**24,624**
Bond loans		*99,251*	*0*
Medium/long-term loans		*28,436*	*24,232*
Other non-current financial liabilities		*637*	*392*
Liabilities for leased assets	3	**4,866**	**5,893**
Other non-current liabilities	15	**7,304**	**17,173**
Total non-current liabilities		**194,387**	**99,737**
Current liabilities			
Trade liabilities	12	**58,598**	**58,872**
Current portion of funds for provisions	13	**6,615**	**5,840**
Provisions for employee benefits		*756*	*833*
Other provisions		*5,859*	*5,007*
Current financial liabilities	14	**6,311**	**60,732**
Current portion of bond loans		*1,499*	*31,779*
Current portion of medium/long-term loans		*4,715*	*1,935*
Short-term loans		*97*	*27,018*
Other current financial liabilities		*0*	*0*
Current portion of liabilities for leased assets	3	**3,441**	**3,747**
Current income tax liabilities	9	**0**	**254**
Other current liabilities	15	**47,416**	**58,889**
Total current liabilities		**122,381**	**188,334**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**517,671**	**470,332**

Consolidated income statement

In thousands of Euro	Notes	2024	2023
Revenues			
LPT line services	16	212,005	207,138
Railway line services	17	28,601	27,549
Parking and sharing mobility	18	4,292	3,109
Other revenues	19	69,182	56,230
Total revenues		**314,080**	**294,026**
Costs			
Personnel costs	20	117,857	107,752
Costs for services	21	97,364	92,293
Costs for materials	22	46,714	48,045
Use of third-party assets	23	2,634	4,553
Other operating costs	24	4,759	5,093
Amortisation/depreciation		19,971	20,064
Depreciation of tangible assets	1	15,769	16,111
Amortisation of intangible assets	2	643	656
Amortisation of rights of use	3	3,559	3,297
Write-downs/(reversals) of impairment losses		819	4,889
Write-downs/(reversals) of the value of financial assets	5-7-10	819	1,889
Write-downs/(reversals) of the value of non-financial assets	1		3,000
Change in funds for provisions	25	6,663	5,993
Total costs		**296,781**	**288,682**
OPERATING RESULT		**17,299**	**5,344**
Financial income		3,673	3,851
Other financial income		*3,673*	*3,851*
Financial charges		7,772	7,461
Charges on bond loans		*1,848*	*1,136*
Charges on loans		*3,271*	*2,493*
Other financial charges		*2,653*	*3,832*
FINANCIAL INCOME/(CHARGES)	26	**(4,099)**	**(3,610)**
Share of profit/(loss) on equity investments accounted for using the equity method	4	**6,098**	**7,162**
PROFIT FROM OPERATING ACTIVITIES BEFORE TAXES		**19,298**	**8,896**
Tax income/(charges)		(641)	(416)
Current income taxes	27	(905)	(973)
Deferred taxes	6	264	557
PROFIT/(LOSS) FOR THE YEAR		**18,657**	**8,480**
of which:			
Profit/(loss) for the year attributable to the Group		18,345	8,582
Profit/(loss) attributable to minority interests		312	(102)

Consolidated comprehensive income statement

In thousands of Euro		Notes	2024	2023
Profit/(Loss) for the year	**(a)**		**18,657**	**8,480**
Profit/(loss) from the measurement of equity investments recognised using the equity method		4	(109)	(283)
Other components of the comprehensive income statement for the year that can be reclassified to the income statement	**(b)**		**(109)**	**(283)**
Profit/(loss) from actuarial valuation of provisions for employee benefits			204	(303)
Tax effects		6	(49)	73
Other components of the comprehensive income statement for the year that cannot be reclassified to the income statement	**(c)**		**155**	**(230)**
Total other components of comprehensive income	**(d=b+c)**		**46**	**(513)**
COMPREHENSIVE ECONOMIC RESULT FOR THE YEAR		11	**18,703**	**7,967**

Statement of changes in consolidated shareholders' equity

In thousands of Euro	Notes	GROUP SHAREHOLDERS' EQUITY								Shareholders' equity attributable to Minority interests	TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE GROUP AND TO MINORITY INTERESTS
		Capital issued	Reserve for measurements of equity investments using the equity method	Treasury shares	Other reserves	Actuarial profit/loss	Profits/(losses) carried forward	Profit/loss for the year	Total		
Balance as at 31.12.2022		**68,493**	**787**	**(189)**	**66,535**	**585**	**33,420**	**1,524**	**171,155**	**3,154**	**174,309**
Comprehensive economic result for the year			(283)			(230)		8,582	**8,069**	(102)	**7,967**
Transactions with shareholders and other changes											
- Dividends									-	(64)	**(64)**
- Purchase of treasury shares									-		-
- Allocation of the previous-year result					1,687		(163)	(1,524)	-		-
- Change in scope of consolidation									-	49	**49**
- Other changes									-		-
Balance as at 31.12.2023	11	**68,493**	**504**	**(189)**	**68,222**	**355**	**33,257**	**8,582**	**179,224**	**3,037**	**182,261**
Comprehensive economic result for the year			(109)			155		18,345	**18,391**	312	**18,703**
Transactions with shareholders and other changes											
- Dividends									-	(59)	**(59)**
- Purchase of treasury shares									-		-
- Allocation of the previous-year result					1,687		6,895	(8,582)	-		-
- Change in scope of consolidation									-		-
- Other changes					(2)				**(2)**		**(2)**
Balance as at 31.12.2024	11	**68,493**	**395**	**(189)**	**69,907**	**510**	**40,152**	**18,345**	**197,613**	**3,290**	**200,903**

Consolidated cash flow statement

In thousands of Euro	Notes	2024	2023
Profit/(loss) for the year		**18,657**	**8,480**
Amortisation/depreciation	1-2-3	19,971	20,064
Change in funds for provisions	25	6,663	5,993
Share of (profit)/loss on equity investments accounted for using the equity method	4	(6,098)	(7,162)
Financial income and (charges)		4,099	3,610
Write-downs/(reversals) of the value of financial assets	5-7-10	819	1,889
Write-downs/(revaluations) of non-current assets	1	0	3,000
Losses/(gains) from disposal of non-current assets	1	(107)	(243)
Change in working capital and other changes		(502)	2,453
Net cash flows from operating activities		**43,502**	**38,084**
Investments in tangible assets	1	(75,917)	(64,389)
Investments in intangible assets	2-3	(3,245)	(4,905)
Equity investments		0	0
Investments gross of contributions		**(79,162)**	**(69,294)**
Grants on tangible assets	1	28,330	24,121
Grants on intangible assets		292	0
Grants on investments		**28,622**	**24,121**
Disposals of tangible assets	1	388	331
Disposals of intangible assets	2	0	776
Disposals of equity investments		0	3
Disposals		**388**	**1,110**
Net cash flow for investing activities		**(50,152)**	**(44,063)**
Dividends paid	11-15	(2,438)	(64)
Change in liabilities for leased assets	3	(1,333)	1,750
Issue of bond loans	14	100,000	0
(Repayment) of bond loans		(31,668)	(31,667)
Taking out of medium/long-term loans		8,934	27,136
Repayment of medium/long-term loans	14	(1,950)	(1,015)
Taking out of short-term loans		35,000	48,000
Repayment of short-term loans		(61,921)	(20,982)
Collected financial income	26	3,673	1,024
Interest expense		(4,480)	(3,640)
Other financial charges	26	(2,653)	(1,624)
Change in other financial assets	5	(12,806)	(1,762)
Change in other financial liabilities	14	245	(1,067)
Net cash flow from financial assets		**28,603**	**16,089**
Net cash flow for the period		**21,953**	**10,110**
Cash and cash equivalents at the start of the year		**70,497**	**60,387**
Cash and cash equivalents at the end of the year		**92,450**	**70,497**

Explanatory Notes

General information

The core business of the TPER Group (hereinafter also the "Group") is the provision of local and regional public transport services by road and rail.

The Parent Company is TPER S.p.A. (hereinafter "TPER" or "Company" or "Parent Company"), a joint stock company with its registered office in Bologna, in Via di Saliceto 3. The company term is fixed to 31 December 2050.

As at the date of preparation of these financial statements, no shareholder holds control. The Emilia-Romagna Region is the relative majority shareholder of TPER (46.13%). The other shareholders are the Municipality of Bologna (30.11%), the Metropolitan City of Bologna, (18.79%), the Azienda Consorziale Trasporti ACT of Reggio Emilia (3.06%), the Province of Ferrara (1.01%), the Municipality of Ferrara (0.65%), Ravenna Holding S.p.A. (0.04%) and the Province of Parma (0.04%). Furthermore, TPER owns 111,480 treasury shares (0.16%).

The Board of Directors of the Company approved and authorised the publication of these consolidated financial statements as at 31 December 2024 at the meeting held on 23 May 2025.

These financial statements are subject to statutory audit by PwC S.p.A., appointed to audit the accounts until the approval of the financial statements as at 31 December 2026.

Structure and content of the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, based on the going concern assumption of the Parent Company and of the other consolidated companies.

The consolidated financial statements has been prepared in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and approved by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as well as the previous International Accounting Standards (IAS) and previous interpretations of the Standard Interpretations Committee (SIC) still in force. For simplicity, the set of all the standards and interpretations is hereafter defined as the "IFRS".

The consolidated financial statements consist of the consolidated financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement) and of these explanatory notes and are prepared by applying the general criteria of historical cost, with the exception of the balance sheet items that according to IFRS are recognised at fair value, as indicated in the evaluation criteria of the individual items described in note no. 3 "Accounting standards and valuation criteria applied". The statement of financial position is presented on the basis of the scheme that provides for the distinction between current and non-current assets and liabilities. The income statement and the statement of comprehensive income are presented on the basis of the nature of the costs; in particular, the statement of comprehensive income, starting from the result for the year, shows the effects of gains and losses recognised directly in equity in application of IFRS. The Statement of changes in shareholders' equity represents the changes that took place during the year in the individual items that comprise it, while the cash flow statement was prepared using the indirect method.

IFRS are applied consistently with the indications provided in the "Conceptual Framework for Financial Reporting" and there have not been any circumstances that have led to the use of derogations pursuant to IAS 1, Paragraph 19.

All values are expressed in thousands of Euro, unless otherwise indicated. The Euro is the functional currency of the Parent Company and of all the subsidiaries, as well as that of the presentation of these consolidated financial statements.

For each item of the financial statements, the corresponding value of the previous year is shown for comparative purposes. For the purpose of a more accurate comparison, some values from the previous year have been reclassified. In particular, these reclassifications concerned the revenues related to the extended verification activities reclassified from the item "LPT line services" to the item "Parking and Sharing Mobility".

It should be noted that the comparative values have not been restated compared to those presented in the consolidated financial statements for the year ended 31 December 2023, as no significant events or changes in the accounting standards applied have occurred that have led to the need to make adjustments to the balances of the previous year's items.

With reference to the regulations introduced by directive no. 2013/50/EU, (the so-called transparency directive) which established that the set of documents that make up the annual financial report must be prepared in a single electronic communication format compliant with delegated regulation (EU) no. 2018/815 of 17 December 2018 (OJEU L143 of 29 May 2019) known as the European Single Electronic Format (ESEF) from financial years starting from 1 January 2021, the exemption referred to in Article 83, paragraph 1, letter b) of Consob Regulation no. 11971/1999 (Issuers) is applicable to the TPER Group, as TPER has issued "*exclusively debt securities admitted to trading on a regulated market whose unit nominal value is at least Euro 100,000*".

Criteria, procedures and scope of consolidation

The scope of consolidation includes the Parent Company and the companies over which TPER directly or indirectly exercises control, both by virtue of having obtained the majority of the votes that can be exercised during the meeting (also taking into account potential voting rights deriving from immediately exercisable options), both as a result of other facts or circumstances that (even apart from the extent of shareholder relations) attribute power over the company, the exposure or the right to variable returns on the investment in the company and the ability to use that power on the company to influence investment returns.

The scope of consolidation did not change compared to the previous year. The subsidiaries, consolidated on a line-by-line basis, are as follows:

COMPANY NAME	REGISTERED OFFICE	SHARE CAPITAL	GROUP INTEREST (%)
OMNIBUS S.c.r.l.	Via di Saliceto, 3 - Bologna	80,000	51.00
TPF S.c.r.l.	Via S. Trenti, 35 - Ferrara	10,000	97.00
TPB S.c.r.l.	Via di Saliceto, 3 - Bologna	10,000	85.00
MA.FER S.r.l.	Via di Saliceto, 3 - Bologna	3,100,000	100.00
DINAZZANO PO S.p.A.	Piazza Guglielmo Marconi 11 - Reggio Emilia	38,705,000	95.35
SST S.r.l.	Via S. Trenti, 35 - Ferrara	500,000	51.00
HERM S.r.l.	Via di Saliceto, 3 - Bologna	10,840,000	94.95
TPH2 S.c.r.l.	Via di Saliceto, 3 - Bologna	100,000	51.00

Entities are included in the scope of consolidation from the date on which the TPER Group acquires control while they are excluded from the date on which the TPER Group loses control.

TPER Group reviews the existence of the control conditions on an investee when the facts and circumstances indicate that there has been a change in one or more elements considered for the verification of its existence. For the purposes of the assessment on the requirement of control, the management analyses all the facts and circumstances, including agreements with other investors, rights deriving from other contractual agreements with potential voting rights (call options, warrants, put options assigned to minority shareholders, etc.).

Lastly, it should be noted that, in assessing the existence of the control requirements, no actual control situations were found.

For the purposes of consolidation, the financial statement figures of the subsidiaries are drawn up using the same accounting standards as the Parent Company for each accounting item; any consolidation adjustments are made to homogenise the items that are affected by the application of different accounting standards.

The data are consolidated on the basis of the following criteria and methods:

- adoption of the line-by-line consolidation method, with evidence of minority interests in the shareholders' equity, in the net result of the income statement and in the statement of comprehensive income, with recognition of assets, liabilities, revenues and costs of the subsidiaries, regardless of the Group's relative ownership percentage;
- elimination of items deriving from financial and economic transactions between the companies included in the scope of consolidation, including the reversal of any profits and losses not yet realised;
- elimination of intercompany dividends and related allocation of the values eliminated to the initial equity reserves;
- elimination of the carrying amount of the equity investments in the companies included in the scope of consolidation and the corresponding portion of shareholders' equity; allocation of the emerging positive or negative differences to the relative accrual items (assets, liabilities and shareholders' equity), defined with reference to the time of acquisition of the equity investment, then taking into account the subsequent changes;
- after the acquisition of control, any purchases of shares from minority shareholders, or transfers to them of shares that do not involve the loss of control of the company, are accounted for as transactions with shareholders and the related effects are reflected directly in shareholders' equity; as a result, any differences between the value of the change in the shareholders' equity pertaining to minority interests and the consideration paid or collected are recognised under changes in shareholders' equity pertaining to the Group.

Accounting policies and valuation criteria

The most important accounting standards and valuation criteria applied in the preparation of the consolidated financial statements for the year ending 31 December 2024 are described below. These standards and criteria are consistent with those used for the preparation of the consolidated financial statements of the previous year, with the exception of the amendments introduced with effect from 2024 to the IFRS in force, for details of which please refer to the following paragraphs.

Tangible assets

A tangible asset is recognised if, and only if: (a) it is probable that the future economic benefits associated with the item will flow to the entity; and (b) the cost can be measured reliably.

Tangible assets are recorded at purchase cost, including any directly attributable accessory charges, as well as financial charges incurred in the period of realisation of the assets.

Costs for the improvement, updating and transformation of a tangible asset are recognised as an increase in the initial cost when it is probable that the expected future economic benefits will increase. The replacement costs of identifiable components are recognised as tangible assets and depreciated over their useful life. The remaining carrying amount of the replaced component is recognised in the income statement. All other maintenance and repair costs are charged to the income statement when incurred.

The depreciable amount is the difference between the cost and the residual value at the end of their useful life. The residual value of an asset is the estimated amount that an entity would currently obtain from the divestment of the asset, net of estimated disposal costs, if the asset was already of the age and in the expected condition at the end of its useful life.

Starting from the moment in which the asset is available and ready for use, the amount to be depreciated is systematically depreciated on a straight-line basis over its useful life, defined as the period of time in which the entity is expected to use the asset.

The residual value and useful life of an asset are reviewed at least at each year-end date and, if the expectations differ from the previous estimates, the change is accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting standards, Changes in accounting estimates and errors.

Assets with a closely related use in the context of a concession are depreciated over the concession period or their useful life if lower.

In particular, for the purposes of defining the depreciation plan for buses and trolley buses used by TPER under the Bologna service contract and the Ferrara service contract and allocated for transfer, the depreciable amount is defined on the basis of the difference between the net carrying amount at the beginning of the year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of the service contracts by a possibly new contractor. This value is calculated according to the criteria identified by resolution no. 49 of 17 June 2015 of the Transport Regulation Authority and with reference to the UNI 11282/2008 standard and subsequent amendments or additions. The depreciable value is therefore amortised on the basis of the residual duration of the service contract, having taken into account, where appropriate, any extensions as well as the residual technical life of the asset.

For all other types of tangible assets, presented by homogeneous categories, the following table shows the annual depreciation rates used in 2024.

Useful life	Years
Land indefinite useful life	indefinite
Buildings	10-39
Rolling stock	10-28
Plant and machinery	5-10
Other assets	4-8

In the presence of specific indicators regarding the risk of non-recovery of the carrying amount of the tangible assets, these are subjected to verification to detect any losses (impairment test), as described later in the specific paragraph.

Tangible assets are no longer shown in the financial statements following their disposal or when no future benefit is expected from their use or disposal; any profit or loss (calculated as the difference between the sale value, net of selling costs, and the carrying amount) is recognised in the income statement for the year of sale.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, controlled by the company and capable of producing future economic benefits, as well as goodwill, when acquired for consideration.

The ability to identify is defined with reference to the possibility of distinguishing the acquired intangible asset compared to the goodwill. This requirement is normally satisfied when the intangible asset: (i) is attributable to a legal or contractual right or (ii) is separable, i.e. it can be sold, transferred, rented or exchanged independently or as an integral part of other activities. The control by the company consists in the ability to take advantage of the future economic benefits deriving from the asset and in the possibility of limiting its access to others.

Costs relating to internal development activities are recorded in the balance sheet when: (i) the cost attributable to the intangible asset can be reliably determined, (ii) there is the intention with, the availability of financial resources and the technical capacity to make the asset available for use or sale, (iii) it is demonstrable that the asset is capable of producing future economic benefits.

Intangible assets are recorded at cost, which is determined according to the same methods indicated for tangible assets.

Intangible assets with a finite useful life are amortised from the moment in which the same assets are available for use, in relation to the residual useful life.

The annual amortisation rates used in 2024, presented by similar categories, are shown in the following table.

Useful life	Years
Concession rights	Equal to the duration of the concessions
Software	3-5

In the presence of specific indicators regarding the risk of non-full recovery of the carrying amount of the intangible assets, these are subject to a review to detect any impairments, as described in the paragraph "Impairment and reversal of impairment of assets".

intangible assets are no longer shown in the financial statements following their disposal or when no future economic benefit is expected from their use or disposal.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the disposal value, less costs to sell, and the net carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

Right-of-use assets

In the case of a contract that falls within the definition of a lease, a right-of-use asset is recognised at the inception date of the contract equal to the initial value of the corresponding lease liability, plus payments due prior to or concurrently with the contractual inception date (e.g. agency fees). Subsequently, this right-of-use asset is measured net of accumulated amortisation/depreciation and impairment and is adjusted for any remeasurement of the correlated liability. Amortisation/depreciation starts on the date the lease takes effect, and extends in the shorter of the contractual duration and the useful life of the underlying asset.

The Group avails itself of the right granted by the principle of non-application of the provisions to short-term leases (with a duration not exceeding twelve months) and contracts in which the individual underlying asset is of low value; for these contracts, the Group recognises the lease fees in the income statement as a contra-entry to trade payables.

Business combinations and goodwill

Acquisitions of companies and business units are accounted for through use of the acquisition method, as required by IFRS 3; for this purpose, the acquired assets and identifiable liabilities acquired are recognised at their respective fair value at the date of acquisition. The cost of acquisition is measured by the total of the fair value, at the exchange date, of the assets, the liabilities assumed and any capital instruments issued by the Company, exchanging control of the acquired entity. Ancillary costs directly attributable to the business combination transaction are recognised in the income statement when incurred.

Goodwill is recorded as the positive difference between the acquisition cost, increased by both fair value on the date of acquisition of any non-controlling interests already held in the acquisition, and of the value of minority interests held by third parties in the acquisition (the latter valued, for each transaction, at the fair value or in proportion to the current value of the identifiable net assets of the acquisition), and the fair value of these assets and liabilities.

As at the date of acquisition, the goodwill that emerged was allocated to each of the units generating substantially autonomous financial flows that are expected to benefit from the synergies deriving from the business combination.

In the case of a negative difference between the acquisition cost (increased by the above components) and the fair value of assets and liabilities, this is recorded as income in the income statement of the year of acquisition.

Any goodwill relating to non-controlling investments is included in the carrying amount of the investments relating to these companies.

If all the necessary information for determining the fair value of the assets and liabilities acquired is not available, these are provisionally recognised in the financial year in which the business combination transaction is realised and adjusted, with retroactive effect, no later than twelve months after the date of acquisition.

After initial recognition, goodwill is not amortised and is decreased by any accumulated impairment losses, determined using the methods described in the paragraph "Impairment and reversal of impairment of assets (impairment test)".

Service concession arrangements

The agreements for service under concession are recognised in accordance with the interpretation in IFRIC 12, on the basis of which, in the presence of certain characteristics of the concession deed, the infrastructures used for the provision of public services under concession are recorded under intangible assets and/or financial assets depending on whether the concessionaire is entitled to a fee, respectively, from the customer for the service provided and/or has the right to receive it from the granting public body.

Equity investments

Equity investments in associates and joint ventures are measured using the equity method, recognising the Group's share of profits or losses accrued during the year in the income statement, with the exception of the effects relating to other changes in shareholders' equity of the investee company, other than transactions with shareholders, which are reflected directly in the Group's statement of comprehensive income. Furthermore, with the aforementioned method, for the purposes of the valuation of the equity investment, the fair values of the assets and liabilities held by the investee at the time of acquisition by the Group, as well as any goodwill (with reference to the time of acquisition of the equity investment) are determined, and their measurement in subsequent years on the basis of the accounting standards and valuation criteria illustrated in these notes.

In the event of any losses exceeding the carrying amount of the equity investment, the excess is recognised in a specific liability provision to the extent that the investing company is committed to fulfilling legal or implied obligations with regard to the investee company or in any case to cover its losses.

Equity investments in other companies are initially recorded at cost, registered at the acquisition date, insofar as it is representative of the fair value, including directly attributable transaction costs. After the initial accounting, such equity investments are measured at fair value, with recognition of the effects in the income statement, except those that are not held for trading and for which, as allowed by IFRS 9, the option of designation at fair value with recognition of subsequent changes in the same in the other components of comprehensive income has been exercised at the time of acquisition and, therefore, in a specific shareholders' equity reserve. For the latter, at the time of realisation, the profits and losses accumulated in this reserve are reclassified in the income statement.

Any impairment losses, identified as described below in the section on "Value impairment and reversal of assets (impairment test)", are reversed if the reasons for the write-downs no longer apply.

Equity investments are derecognised when the contractual rights to the cash flows derived from the assets themselves expire or when the equity investment is sold, thereby effectively transferring all the risks and benefits pertaining thereto.

Treasury shares

The purchase cost of treasury shares is recognised as a reduction in equity. The effects of any subsequent transactions on these shares are also recorded directly in equity as transactions between shareholders.

Inventories

Inventories, mainly consisting of supplies and spare parts for the maintenance of rolling stock, are valued at the lower of the purchase or production cost, determined through the application of the average weighted cost, and the net estimated recoverable amount obtainable from its sale in the ordinary course of business.

Obsolete and/or slow-moving inventories are written down in relation to the presumed possibility of their use or future sale, through the recognition of a specific provision for adjusting the value of inventories. The write-down is eliminated in subsequent years if the reasons for the same no longer apply.

Financial instruments

Financial instruments include cash and cash equivalents, derivative financial instruments and financial assets and liabilities (which for IFRS 9 include, among other things, trade receivables and payables). Financial instruments are recognised when the Group becomes part of the instrument's contractual clauses.

Cash and cash equivalents

They include cash, bank deposits or deposits with other credit institutions available for current transactions, current accounts and other equivalent values. Cash and cash equivalents are recognised at fair value, which normally coincides with the nominal value.

Financial assets

The classification of financial assets and related valuation is carried out considering both the management model of the financial asset and the contractual characteristics of the cash flows obtainable from the asset. The financial asset is measured using the amortised cost method if both of the following conditions are met:

- the management model of the financial asset consists in holding it with the purpose of collecting the related financial flows; and
- financial assets generate contractually, at predetermined dates, financial flows that are exclusively representative of the return on the financial asset itself (principal and interest).

The classification between current and non-current reflects the expectations of management regarding their realisation.

Financial assets measured at amortised cost are initially recognised at the fair value of the underlying asset; the measurement at amortised cost is carried out by applying the effective interest rate method.

The trade receivables, whose expiration falls within normal commercial terms or for which there are no significant financial components, are not discounted.

The financial asset is valued at fair value, with the recognition of the effects in the comprehensive income statement, if the objectives of the management model are to hold the financial asset for the purpose of obtaining the related contractual cash flows or selling it, and the financial generates, at predetermined dates, financial flows exclusively representative of the same financial asset.

Lastly, any residual financial assets held other than those described above are classified as assets held for trading and are measured at fair value with recognition of the effects in the income statement.

Write-down of financial assets designated at amortised cost

The Group applies the expected credit losses (ECL) model for the determination of impairment losses on financial assets designated at amortised cost. This model assumes a significant level of assessment in relation to the impact of changes in economic factors on the ECL, weighted on the basis of probability.

The provisions for the write-down of financial assets are determined using the following methodological approaches: the "General deterioration method" and the "Simplified approach".

The "General deterioration method" requires the classification of financial instruments into three stages, which reflect the level of impairment of credit quality from the time the financial instrument is acquired and involve a different method of calculating the ECL;

The "Simplified approach" provides for certain simplifications to be adopted for trade receivables, contract assets and receivables arising from leasing contracts, in order to avoid the need for entities to monitor changes in credit risk, as under the general model. The recognition of the loss under the simplified approach must be lifetime; therefore, stage allocation is not required. It is calculated over a period corresponding to the residual life of the receivable, generally not exceeding 12 months.

In cases where the General Deterioration Method is applied, the financial instruments are classified into three stages according to the deterioration in credit quality between the date of initial recognition and the valuation date:

- Stage 1: includes all financial assets under review at the time of their initial recognition (Initial Recognition Date) regardless of qualitative parameters (e.g. ratings) and with the exception of situations with objective evidence of impairment. All financial instruments that have not had a significant increase in credit risk since the Initial Recognition Date or that have a low credit risk at the reference date remain in Stage 1 at a later valuation stage. For these assets, expected credit losses over the next 12 months (12-month ECLs) are recognised, which represent expected losses given the possibility of default events occurring in the next 12 months. Interest on financial instruments included in stage 1 is calculated on the book value gross of any write-downs on the asset;
- Stage 2: includes financial instruments that have experienced a significant increase in credit risk since the Initial Recognition Date, but have no objective evidence of impairment. For these assets, only expected credit losses arising from all possible events of default over the entire expected life of the financial instrument (Lifetime ECL) are recognised. Interest on financial instruments included in stage 2 is calculated on the book value gross of any write-downs on the asset;
- Stage 3: includes financial assets that have objective evidence of impairment at the Valuation Date. For these assets, only expected credit losses arising from all possible events of default over the entire expected life of the instrument are recognised.

The original value is reinstated in subsequent years to the extent that the reasons that determined the adjustment cease to exist. In this case, the reversal of value is recorded in the income statement and cannot in any case exceed the value of the amortised cost that the financial asset would have had in the absence of previous adjustments.

Financial liabilities

Financial liabilities are initially recognised at fair value, net of any directly attributable transaction costs. Subsequently, financial liabilities are measured at amortised cost, using the effective interest rate method, with the exception of those for which the irrevocable option is exercised, at the time of recognition, for the measurement at fair value with recognition of the changes in the income statement (to eliminate or reduce the mismatch in the measurement or recognition with respect to an asset also measured at fair value).

Trade payables, whose expiration falls within normal commercial terms or for which there are no significant financial components, are not discounted. If there is a change in one or more elements of an existing financial liability (also through substitution with another instrument), a qualitative and quantitative analysis is carried out in order to verify whether this change is substantial with respect to the existing contractual terms. In the absence of substantial changes, the difference between the present value of the flows thus modified (determined using the effective interest rate of the instrument in place at the date of the modification) and the carrying amount of the instrument is recognised in the income statement, with consequent adjustment of the value the financial liability and restatement of the effective interest rate of the instrument; if substantial changes occur, the existing instrument is derecognised and the fair value of the new instrument is recognised at the same time, with the related difference recognised in the income statement.

Derivative financial instruments

All derivative financial instruments are shown in their financial statements at fair value, determined on the closing date of the financial year.

The derivatives are classified as hedging instruments, in accordance with IFRS 9, when the relationship between the derivative and the subject of the hedge is formally documented and the effectiveness of the hedge, initially and periodically verified, is high.

For instruments which cover the risk of changes in the cash flows of assets and liabilities (including with reference to prospective and highly probable assets and liabilities) subject to hedging (cash flow hedges), changes in the fair value are recognised in the statement of comprehensive income and any non-effective part of the hedging is recorded in the income statement. The cumulative changes in fair value set aside in the cash flow hedge reserve are reclassified from the statement of comprehensive income to the income statement for the year in which the hedging relationship is to cease.

For instruments that cover the risk of changes of the fair value of hedged assets and liabilities (fair value hedge), the changes in fair value are recorded in the income statement for the year. The related hedged assets and liabilities are also consistently adjusted to fair value, with an impact on the income statement.

The changes of fair value derivatives that do not meet the conditions for qualifying for IFRS 9 as hedging instruments are recognised in the income statement.

Cancellation of financial instruments

Financial instruments are no longer shown in the financial statements when, as a result of their sale or settlement, the Group is no longer involved in their management, nor does it hold the risks and benefits relating to these transferred or extinguished instruments and therefore loses the right to collection / payment of cash flows associated with the financial instrument.

Liabilities for leased assets

The lease liability, with the nature of a financial liability, is initially recognised at the present value of lease fees unpaid at the date of contractual effectiveness; for the purposes of calculation of the present value, the Group uses the incremental borrowing rate, defined for the duration of the loan and for each Group company.

The payments included in the initial measurement of the lease liability include:

- fixed payments, net of any lease incentives to be received
- variable payments due for the lease that depend on an index or rate initially measured using an index or rate at the date of effectiveness (e.g. ISTAT adjustments)
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise the option.

Variable payments that do not depend on an index or a rate are, by contrast, not included in the initial value of the lease liability. These payments are booked as a cost in the Income Statement, in the period in which the event or condition that generates the obligation is verified.

Subsequently, the lease liability is reduced to reflect the lease fees paid and increased to reflect the interest on the value that remains.

The Group recalculates the lease liability (and makes a corresponding adjustment to the associated right of use) in the event of a change in:

- the duration of the lease
- future payments due for the lease, deriving from a variation in the index or rate used to determine the payments (e.g. ISTAT) or as a result of a re-negotiation of the economic conditions.

Only in the event of a significant change in the duration of the lease or the future payments due for the lease does the Group recalculate the residual value of the lease liability, making reference to the incremental borrowing rate in force on the date of the change; in all other cases, the lease liability is recalculated by using the initial discount rate.

Funds for provisions

"Funds for provisions" are recognised when, at the reference date, there is a current obligation (legal or implicit) with respect to third parties resulting from a past event, an outflow of resources is likely to satisfy the obligation and a reliable estimate of the amount of the obligation can be made.

The provisions are recorded at the value representing the best estimate of the amount that the entity would pay to extinguish the obligation or to transfer it to third parties as at the closing date of the financial year. If the effect of discounting is significant, the provisions are determined by discounting the expected future cash flows at a discount rate that reflects the current market valuation of the cost of money. When discounting is carried out, the increase in the provision due to the passage of time is recognised as a financial charge.

Employee benefits

The liabilities related to short-term benefits guaranteed to employees, paid during the employment relationship, are recognised on an accrual basis for the amount accrued as at the end of the financial year.

The liabilities related to medium-long term benefits guaranteed to employees are recorded in exercising the right of the law, net of any assets serving the plan and the advances paid, determined on the basis of actuarial assumptions, if significant, and are recorded on an accrual basis consistent with the work services necessary to obtain the benefits.

The liabilities relating to the benefits guaranteed to employees, paid in connection with or after the termination of the employment relationship through defined contribution plans, are recorded for the amount accrued as at the end of the financial year.

The liabilities related to the benefits guaranteed to employees, paid in connection with or after the termination of the employment relationship through defined benefit plans, are recorded in the year of maturity of the right, net of any assets servicing the plan and the advances paid, determined on the basis of actuarial assumptions and are recognised on an accrual basis consistent with the work services necessary to obtain the benefits. The liability assessment is carried out by independent actuaries. The profit or loss deriving from the actuarial calculation is fully recorded in the statement of comprehensive income, in the reference year.

Revenues from contracts with customers

Revenues is the gross inflow of economic benefits arising in the course of the ordinary activities of an entity and is recognised when the control of the goods or services is transferred to the customer, at a figure representing the amount of consideration to which the entity expects to be entitled. More specifically, revenue is recognised through the application of a model that meets the following criteria:

- identification of the contract, defined as an agreement in which the parties undertake to fulfil their respective obligations;
- identification of the individual performance obligations contained in the contract;
- determination of the transaction price, i.e. the consideration expected for the transfer to the customer of the goods or services;
- allocation of the transaction price to each performance obligation, on the basis of the selling prices of the individual obligation;

- recognition of revenue when (or as) the performance obligation is satisfied by transferring the promised good or service to the customer.

The transaction price is the amount of consideration on exchange of which the customer is considered to have right to the transfer of the promised goods and services. It may include fixed and/or variable amounts. Revenues based on variable amounts are recognised in the income statement if reliably estimated and only if it is highly likely that such consideration will not, in subsequent periods, need to be wholly or substantially reversed from the income statement. In the event of a high prevalence of uncertainty related to the nature of the consideration, said consideration is only be recognised when such uncertainty is resolved.

Revenues are recognised alternatively:

- at a point in time, when the entity fulfils the obligation to transfer the promised good or service to the customer;
- over time, as the obligation to transfer the promised goods or service to the customer is fulfilled.

The good is transferred when, or in the course of the period in which, the customer acquires control of it.

Depending on the type of transaction, revenues are recognised on an accrual basis based on the specific criteria set out below:

- travel tickets: with provision of the service
- supplementations of remuneration: set forth in the appropriate service agreements with public authorities, revenue is recognised for an amount equal to the actual amount accrued on the basis of current laws and agreements
- car-sharing: with provision of the service
- maintenance activities: with the provision of the service
- logistics and transport activities, connected to the railway freight service: with provision of the service
- Crealis infrastructure management activities: according to the financial activity model envisaged by IFRIC 12. In particular, according to the provisions of IFRIC 12, the financial asset model is applicable to the case in point as the operator has the unconditional right to receive contractually guaranteed cash flows from the future transport service operator for the construction services provided and the operational maintenance services that it has undertaken to provide as network manager.

Government grants

Government grants, in the presence of a formal resolution of attribution or other equivalent legal title, are recognised on an accrual basis in direct correlation with the costs incurred.

Government grants are recognised at fair value when: (i) their amount can be reliably determined; and (ii) there is reasonable certainty that they will be received and the conditions for obtaining them will be respected.

Grants for operating expenses are recorded in the income statement in the year they accrue, consistently with the costs to which they are commensurate and are recognised, depending on the cases, as a direct deduction of the expenses incurred, or in the context of other income.

The grants received for investments in rolling stock or other tangible assets are recorded as a reduction in the cost of the asset to which they refer and contribute, in reduction, to the calculation of the relative depreciation rates.

Financial income and charges

Interest is recognised on an accrual basis on the basis of the effective interest method, i.e. using the interest rate that makes all inflows and outflows financially equivalent (including any premiums, discounts, commissions, etc.) that constitute a given transaction.

Financial charges related to the acquisition, construction or production of certain assets that require a significant period of time to be ready for use or for sale (qualifying assets) are capitalised together with the asset itself.

Dividends

They are recognised in the income statement when the right to receive the payment arises, which normally corresponds to the shareholders' meeting resolution for the distribution of dividends.

The distribution of dividends to the shareholders of the Parent Company TPER is represented as a movement in shareholders 'equity and recorded as a liability in the period in which the distribution of the same is approved by the Shareholders' Meeting.

Income taxes

Income taxes are recorded on the basis of an estimate of the tax charges to be paid, in accordance with the applicable provisions in force.

The payables relating to income taxes are recorded under current tax liabilities in the Statement of Financial Position, net of advances paid. Any positive imbalance is recorded among current tax assets.

Deferred tax assets and liabilities are calculated on the basis of the temporary differences between the carrying amount of the assets and liabilities and their tax value.

Deferred tax assets are recognised:

- for all deductible temporary differences, if it is likely that a taxable income will be realised against which the deductible temporary difference can be utilised, unless the deferred tax asset derives:
    - from the initial recognition of goodwill
    - from goodwill whose amortisation is not deductible for tax purposes
    - from the initial recognition of an asset or a liability in a transaction other than a business combination that, at the date of the transaction, does not influence either the accounting result or the taxable income (tax loss)
- for the carry-forward of unused tax losses and unused tax credits, if a taxable income is likely to be generated against which the tax loss or the tax credit can be used.

Deferred tax liabilities, if present, are booked in any case.

Deferred tax assets and liabilities are determined on the basis of the tax rates envisaged for the taxation of income in the years in which the temporary differences will reverse, based on the tax rates and tax legislation in force or essentially in force as at the reference date. The effect of the change in tax rates on the aforementioned taxes is booked to the income statement in the year in which said change materialises. Deferred tax assets and liabilities are only set off when legally allowed.

Impairment and reversal of impairment of assets (impairment test)

On the balance sheet date, the book value of tangible and intangible assets and equity investments is subject to verification to determine whether there are indications that these assets have suffered impairment.

An asset is impaired when its carrying amount exceeds its recoverable amount. To this end, both internal and external sources of information are considered. If there are indications that an impairment loss may have occurred, the Group estimates the recoverable amount.

For intangible assets with an indefinite useful life, the impairment test is carried out at least annually, regardless of whether or not events occur that lead to the assumption of a reduction in value, or more frequently in the case that events or changes in circumstances occur which may bring about any reduction in value.

The recoverable amount of an asset is the higher of its estimated fair market value, less costs to sell, and its value in use, the latter being the present value of estimated future cash flows for that asset.

If the recoverable value is lower than the relative net book value, the asset is written down to the extent of the recoverable value.

In determining the value in use, the expected future cash flows before taxes are discounted using a discount rate, before taxes, which reflects the current market estimate in relation to the cost of capital based on time and the specific risks of the asset.

If it is not possible to estimate the recoverable value of an asset individually, the estimated recoverable value is included within the Cash Generating Unit (CGU) the asset belongs to.

In the case of estimation of future cash flows of operating CGUs in operation, cash flows and discount rates are used instead net of taxes, which produce results that are substantially equivalent to those deriving from a pre-tax assessment. The impairment losses are recorded in the income statement and are classified differently depending on the nature of the impaired asset.

At the closing date of the financial statements, if there is an indication an impairment loss recognised in previous years may have been reduced, in whole or in part, the recoverability of the amounts recorded in the financial statements is checked and the potential amount of the write-down to be reversed is determined; this reversal cannot in any case exceed the amount of the write-down previously carried out. The relative impairment losses are restored, within the limits of the write-downs carried out, if the reasons that generated them cease to exist, except for goodwill and for the consideration of participating financial instruments valued at cost, in cases where the fair value cannot be reliably determined and they cannot be restored.

Earnings per share

The basic earnings per share are calculated by dividing the result for the year by the weighted average of the Company's shares outstanding during the year, excluding treasury shares.

The diluted earnings per share are calculated by dividing the result for the year by the weighted average of the Company's shares outstanding during the year, excluding treasury shares, increased by the number of shares that could potentially be issued.

It should be noted that, as at 31 December 2024, there were no shares that could potentially be placed in circulation.

Estimates and evaluations

In application of IFRS, the preparation of annual accounts requires estimates and assumptions that are reflected in the determination of the book values of the assets and liabilities, as well as the information provided in the explanatory notes, also with reference to the contingent assets and liabilities present at the reporting date. These estimates are mainly used to determine amortisation, impairment testing of assets (including the estimate of the write-down of financial assets), funds for provisions, employee benefits, and the fair value of financial assets and liabilities, the state of completion of the activities relating to the provision of services that generate revenues, current, prepaid and deferred taxes.

In particular, the estimates made are complex by nature and characterised by a high degree of uncertainty as they can be influenced by multiple variables and assumptions that include technical and economic assumptions.

In making the budget estimates, the main sources of uncertainties that could have an impact on the evaluation processes are considered. Therefore, the subsequently recorded actual results could differ from these estimates; however, the estimates and valuations are reviewed and updated periodically and the effects deriving from any change are immediately reflected in the financial statements.

The estimates also took into account assumptions based on the parameters, market and regulatory information available as at the date the preparation of the financial statements. The current facts and circumstances that influence the assumptions regarding future developments and events, however, may change due to changes in market developments or applicable regulations that are beyond the control of the Group. These changes in assumptions are also reflected in the financial statements when they occur.

On the basis of the rules defined at national and local level, an estimate was made of the Government grants pertaining to support revenue losses, during the period of lockdown and application of the restrictions as a result of the Covid pandemic.

Revenues from contracts with customers

The recognition of revenues from contracts with customers includes variable components, in which penalties are especially significant (other than those envisaged for compensation for damages). The variable components are identified at the inception of the contract and estimated at the close of each accounting period during the entire period of contractual validity, to take account of both new circumstances that materialised, and changes in the circumstances already considered for the purposes of previous evaluations. The variable price components include liabilities for future reimbursements.

Funds for provisions

The Group incorporates in Funds for provisions the probable liabilities attributable to disputes and expenses related to personnel, suppliers, third parties and, in general, other expenses deriving from the obligations undertaken. These assessments include, among other things, the measurement of the liabilities that could result from various types of disputes and proceedings, the economic effects of seizures ordered and still not definitively assigned, as well as foreseeable adjustments or reimbursements to be made to customers in cases in which they are not definitively determined.

The calculation of the allocations involves the assumption of estimates based on current knowledge of factors which may change over time, being able to generate final outcomes that are also significantly different from those taken into account in the drafting of these financial statements.

Impairment and stage allocation of financial instruments

For the purposes of the calculation of impairment and the determination of the stage allocation, the main factors subject to estimates by the Group, relating to the internal model prepared for counterparties, are as follows:

- estimate of the ratings for counterparties
- estimate of the probability of default for counterparties.

Depreciation of tangible assets and amortisation of intangible assets

The cost of tangible and intangible assets is amortised/depreciated on a straight-line basis over the estimated useful life of each asset. The economic useful life is determined at the time of purchase of the assets and is based on historical experience for similar investments, market conditions and the anticipation of any future events that could have an impact, including changes in technology. The actual useful life may therefore differ from the estimated useful life.

In particular, with regard to the depreciation plan relating to buses and trolley buses used as part of the service contracts for the LPT of Bologna and Ferrara, the estimated residual value at the end of the agreements was based on specific appraisals drawn up by an independent expert who determined the takeover value that will presumably be recognised to TPER in application of the criteria identified by Resolution no. 49 of 17 June 2015 of the Transport Regulatory Authority and referring to the UNI 11282/2008 standard and subsequent amendments or additions.

Recoverability of inventories

Inventory valuation is an estimative process subject to the uncertainty of determining the replacement value of rolling stock and consumable components that varies over time and according to market conditions as well as the conditions of use of the different types of vehicles that make up the fleet based on fleet renewal plans that may vary over time.

Deferred tax assets

Accounting for deferred tax assets takes place on the basis of expectations of taxable income in future years. The valuation of expected taxable income, for the purpose of accounting for deferred taxes, depends on factors that may vary over time and have significant effects on the valuation of said financial statements item.

Employee severance indemnity

The evaluation of employee severance indemnity is also based on the conclusions reached by the Group's external actuaries. The calculation takes account of the Employee severance indemnity accrued for work already carried out and is based on the different demographic and economic-financial assumptions. These assumptions, also based on experience and reference best practice, are subject to periodic revisions.

Going concern

In compliance with the provisions of IAS 1 pursuant to paragraph 25, in the preparation phase of this annual report, the Group carried out an assessment of its ability to continue to operate as a going concern. In this regard, the aforementioned standard establishes that "*An entity must prepare financial statements on a going concern basis unless management intends to liquidate the entity or discontinue its operations, or has no realistic alternatives to this. If management is aware, in making its judgements, of significant uncertainties relating to events or conditions that may give rise to serious doubts about the entity's ability to continue as a going concern, the entity must highlight these uncertainties. If an entity does not prepare its financial statements on a going concern basis, it must disclose that fact, together with the criteria on the basis of which it prepares the financial statements and the reason why the entity is not considered to be operating*".

In their assessment, the directors took into account the circumstances related to the changing macroeconomic scenario as a result of deterioration of geopolitical tensions.

In this context, as at 31 December 2024 the Group had a Net Financial Position of Euro 50.5 million, consisting mainly of: (i) cash and cash equivalents of Euro 92.5 million; (ii) non-current financial liabilities of Euro 128.3 million; (iii) current financial liabilities, which include the short-term portion of medium/long-term loans, of Euro 6.3 million; and (iv) liabilities for leased assets of Euro 8.3 million. The Group also has additional cash credit lines that can be used immediately, with the possibility of an increase upon request.

In light of the above considerations, based on the 2025 budget and the cash plan prepared with a time horizon of 12 months, the Directors considered the going concern assumption to be appropriate and correct after having verified the Group's ability to fulfil its obligations in the foreseeable future.

New accounting standards and interpretations, amendments to accounting standards and interpretations in force from 1 January 2024 and newly issued accounting standards and interpretations, revisions and amendments to existing standards and interpretations not yet in force.

As required by IAS 8 - Accounting Policies, Changes in accounting estimates and Errors - the table below shows:

a) the new accounting standards and new accounting interpretations, or amendments to existing standards and interpretations already applicable, which are in force from 1 January 2024;
b) the new accounting standards and interpretations, and the changes to the existing standards and interpretations already applicable, not yet effective as at 31 December 2024, that could be applied in the future in the Group's consolidated financial statements.

Document title	Date of entry into force of the IASB document	Date of approval by the EU
New accounting standards and new interpretations, amendments to accounting standards and interpretations in force from 1 January 2024		
Amendments to IAS 7 and IFRS 7 - Suppliers financing agreements	1 January 2024	25 May 2023
Amendments to IAS 1 - Presentation of Financial Statements - Classification of liabilities as current or non-current; Non-current Liabilities with Covenants	1 January 2024	19 December 2023
Amendments to IFRS 16 - Lease liabilities in a sale and leaseback transaction	1 January 2024	20 November 2023
Newly issued, revised or amended accounting standards and interpretations not yet in force or not endorsed		
Amendments to IAS 21 - Lack of exchangeability	1 January 2025	13 November 2024

With reference to the standards in force from 1 January 2024, it should be noted that they had no impact on the values of the consolidated financial statements. On the other hand, the Group is assessing any impacts deriving from the future application of the new accounting standards and interpretations not yet in force as at 31 December 2024, for which no significant effects are expected.

Significant events after the close of the year

Adjustment and tariff concessions on local public transport tickets in the Bologna area

From 1 March 2025, after 14 years from the last change on urban passes (and after 6 years in which extra-urban passes have kept the tariff unchanged), the competent institutions have resolved new tariffs for the Bologna area.

The main objective of the intervention, which made it possible to recover part of the inflation, in compliance with a precise contractual obligation, was to protect the major users of local public transport, also through the introduction of new particularly advantageous initiatives. Annual passes have undergone slight increase which, for the urban area of Bologna, concern only users belonging to the higher ISEE brackets, while significant reductions are introduced for the medium and low brackets.

Through the introduction of the "Insieme a scuola" initiative, up to two carers were also free for children residing in the Municipality of Bologna for the journey home to school.

Time or zone tickets offer different fares: a single urban journey has a variable cost depending on the method of purchase. Starting from Euro 1.90 with the 10-journey booklet, Euro 2.30 at authorised resellers or with a contactless card on board, up to Euro 2.50 by paying in coins directly on the bus. A new weekly rate was also introduced, which from May 2025 will be added to the best daily rate reserved for those who use contactless bank card payment systems. In fact, within the urban area of Bologna, regardless of the benefits that can be used, if you choose to pay with a contactless card for each trip, the maximum cost charged each day is Euro 9 (Euro 25 every 7 days).

Lastly, those who travel by local public transport occasionally during the year can benefit from the Ecoticket duration extension: a multi-journey ticket with 20 day tickets that can now be used within 10 months of the first validation.

Adjustment and tariff concessions on local public transport tickets of the Municipality of Imola

The Municipal Administration of Imola, in line with the planning of the Metropolitan City of Bologna and with the aim of guaranteeing efficient and accessible public transport, has adopted a new tariff manoeuvre made necessary to secure the system and improve the services for citizens, students and workers.

The manoeuvre aims to protect citizens who use public transport, offering benefits to students, workers and vulnerable groups. The City Pass is also used to facilitate travel between neighbourhoods and services.

Starting from 1 March 2025, the single ticket is offered at a cost of Euro 1.90, the Citypass (book of 10 trips) at a cost of Euro 16 and the monthly subscription at a cost of Euro 31. The cost of the annual subscription instead goes to Euro 246, while the cost of the annual subscription under 27 remains unchanged (including the 50% discount for subsidised categories, minors and families, just as the cost of the annual subscription remains unchanged for seniors, which is extended to over 65s).

Renewal of the National Collective Labour Agreement Autoferrotramvieri - Internavigatori (LPT Mobility)

On 20 March 2025, following previous meetings, the national secretariats of the trade unions and trade associations signed an agreement giving the status of National Collective Labour Agreement for Autoferrotramvieri - Internavigatori (Local Public Transport Mobility) - hereinafter referred to as the "National Collective Labour Agreement" - to the preliminary agreement reached on 11 December 2024.

The agreement in question has a three-year duration with effect from 1 January 2024 to 31 December 2026 and provides for a one-off, all-inclusive amount of Euro 500.00 to the parameter 175 to be reparameterised and salary increases in table remuneration for the year 2024 for a total of Euro 160 gross to be paid for Euro 60 with the remuneration relating to March 2025 and for Euro 100 with the remuneration relating to August 2026.

Starting from the remuneration of March 2025, a new Separate Remuneration Element was also established, called "EDR 2024", to the extent of Euro 40.00 gross per month at parameter 175, also to be re-measured.

The agreement reached, in addition to intervening on the economic part and introducing a mechanism aimed at favouring company productivity, reconciling it with the needs related to the settlement of life and work times, provides for the commitment of the signatory parties to resume the discussion on the regulatory part, with regard to the institutions of industrial relations and the labour market, in order to reach the definition of a contractual addendum that will come into force during the term of the same Agreement.

In addition, in order to facilitate the process of modernising the overall contractual framework as part of the upcoming renewal of the National Collective Labour Agreement, the parties will initiate a relational process leading to the identification of specific solutions with regard, inter alia, to the revision of personnel classification and of the bilateral system, as a tool capable of intervening on issues related to professional training and the management of unsuitable personnel.

At the meeting of 13 March 2025, the Council of Ministers approved the legislative decree on the reorganisation of excise duties on fuels, which provides for the resources dedicated to the stable financing of the cost of renewing the National Collective Labour Agreement. In this regard, it should be noted that the MIT will convene a technical meeting with the representatives of the same Ministry, the MEF, the Conference of the Regions and the trade associations for the definition of the operating methods for the recognition of the aforementioned resources to all companies in the sector, relating to the higher charges deriving from the renewal of the National Collective Labour Agreement.

Impacts from climate change

The TPER Group has identified climate risks and opportunities as part of the double materiality assessment, carried out in compliance with Italian Legislative Decree 125/2024 and the European sustainability reporting standards (ESRS). This assessment has made it possible to assess the impacts of physical and climate transition risks over the long term. The climate risks and opportunities identified, as well as the double materiality assessment, are illustrated in the Sustainability Disclosure.

Sustainability is at the heart of the Group's strategy in line with the objectives of the United Stations 2030 Agenda for sustainable development. The achievement of these objectives requires the implementation of significant actions aimed at a more efficient and sustainable use of the resources used, an increasing attention to safety and the promotion, without distinction of gender, of the Group's talents. This must be achieved by actively involving the

Group's supply chain with the aim of studying and implementing solutions that use materials with progressively lower emission factors.

Sensitivity to the evolution of climate change and its effects on the businesses managed is now a consolidated issue at international level, which is also reflected in a greater demand for disclosure in the annual financial report. Although there is no international accounting standard that regulates how the impacts of climate change are to be considered in the preparation of financial statements, the IASB has issued some documents to support IFRS-Adopters in meeting this request for interested parties' disclosure. Similarly, in its European Common Enforcement Priorities, ESMA highlighted that issuers must consider climate risks in the preparation of IFRS financial statements to the extent that they are material regardless of whether or not these risks are explicitly envisaged by the reference accounting standards.

For the sectors in which the Group operates, the main effects deriving from climate change have been identified as the need to continue investments in infrastructure and vehicles.

In particular, with reference to the infrastructure and vehicles used in the local public road transport service, the management has assessed that these investments change the expectation of future economic benefits related to the buses that will be replaced. Consequently, the useful life of vehicles whose replacement is likely before the end of the service contracts was reviewed and the relative residual value was zeroed (represented by an estimate of the market value that will be recognised at the end of the service contracts by a possible new contractor).

In relation to railway rolling stock, a timely recognition of the risks associated with the existence of impairment indicators was carried out. The assessment carried out did not reveal the presence of these indicators.

For all other investments, management concluded that they were not able to reduce or change the expectation of future economic benefits associated with the use of tangible and intangible assets. In pursuing the definition of updated development plans, no further specific considerations were identified to be factored into the application of the accounting standards for the preparation of the financial statements.

Finally, it should be noted that the legislation introduced in response to climate change could give rise to new obligations that did not exist before. In addition, an entity can make a public commitment to behave in a certain way or undertake certain activities in response to climate change. It is possible, therefore, that provisions previously recognised for future events could be realised sooner, necessitating a corresponding change in the estimated recognition. Climate change and the resulting associated legislation may require this assumption to be reconsidered with the consequent need to recognise or re-value certain liabilities.

Information on the Consolidated Statement of Financial Position

The items in the statement of financial position as at 31 December 2024 are commented on below. The values in brackets in the headings of the notes refer to balances as at 31 December 2023.

1. Tangible Assets

Euro 198,933 (193,261) thousand

Tangible assets as at 31 December 2024 showed a net value of Euro 198,933 thousand compared to the net value as at 31 December 2023, amounting to Euro 193,261 thousand. The table below shows the initial and final amounts of the items of tangible assets, with evidence of the original cost and accumulated depreciation as at the end of the year.

	31/12/2024			31/12/2023		
In thousands of Euro	Cost	Accumulated depreciation	Net value	Cost	Accumulated depreciation	Net value
Real estate	4,832	1,742	3,090	4,818	1,639	3,179
Real estate under construction	188		188	188	-	188
REAL ESTATE	**5,020**	**1,742**	**3,278**	**5,006**	**1,639**	**3,367**
Rolling stock of buses/trolley buses	288,942	203,838	85,104	296,508	204,348	92,160
Rolling stock of buses/trolley buses in progress	11,806		11,806	11,244	-	11,244
Railway rolling stock	106,488	36,941	69,547	99,319	33,362	65,957
Vehicle rolling stock	12,263	3,512	8,751	4,076	3,324	752
Vehicle rolling stock in progress	98		98	804		804
ROLLING STOCK	**419,597**	**244,291**	**175,306**	**411,951**	**241,034**	**170,917**
Infrastructure	30,155	21,507	8,648	28,692	20,812	7,880
Infrastructure in progress	8,890		8,890	8,917		8,917
INFRASTRUCTURE	**39,045**	**21,507**	**17,538**	**37,609**	**20,812**	**16,797**
OTHER TANGIBLE ASSETS	**15,622**	**12,811**	**2,811**	**14,305**	**12,125**	**2,180**
TOTAL	**479,284**	**280,351**	**198,933**	**468,871**	**275,610**	**193,261**

Compared to the previous year, tangible assets increased by Euro 5,672 thousand due to the combined effect of:

- investments, amounting to Euro 69,496 thousand, related primarily to rolling stock (Euro 64,249 thousand) and to infrastructure works (Euro 3,284 thousand);
- depreciation for the year of Euro 15,769 thousand;
- grants on investments of Euro 47,739 thousand.

It should be noted that, for the purpose of defining the depreciation plan for rolling stock consisting of buses and trolleybuses, the value to be depreciated is defined on the basis of the difference between the book value at the beginning of the financial year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of each service contract by a possible new contractor.

The table below provides details on the changes in 2024. In the table, the values of the disposals are shown net of the relative accumulated depreciation.

	31/12/2023			CHANGES IN THE FINANCIAL YEAR				31/12/2024
In thousands of Euro	Net value	Investments	Depreciation	Write-downs and write-backs	Disposals	Other reclassifications	Grants on investments	Net value
Real estate	3,179	10	(103)	0	0	4	0	3,090
Real estate under construction	188	0	0	0	0	0	0	188
REAL ESTATE	**3,367**	**10**	**(103)**		**0**	**4**	**0**	**3,278**
Rolling stock of buses/trolley buses	92,160	1,437	(10,025)	0	(338)	47,115	(45,245)	85,104
Rolling stock of buses/trolley buses in progress	11,244	47,711	0	0	0	(47,149)	0	11,806
Railway rolling stock	65,957	7,169	(3,579)	0	0	0	0	69,547
Vehicle rolling stock	752	7,932	(636)	0	(45)	748	0	8,751
Vehicle rolling stock in progress	804	0	0	0	0	(706)	0	98
ROLLING STOCK	**170,917**	**64,249**	**(14,240)**	**0**	**(383)**	**8**	**(45,245)**	**175,306**
Infrastructure	7,880	578	(712)	0	0	1,964	(1,062)	8,648
Infrastructure in progress	8,917	2,706	0	0	(4)	(2,729)	0	8,890
INFRASTRUCTURE	**16,797**	**3,284**	**(712)**		**(4)**	**(765)**	**(1,062)**	**17,538**
OTHER TANGIBLE ASSETS	**2,180**	**1,953**	**(714)**	**0**	**(1)**	**825**	**(1,432)**	**2,811**
TOTAL	**193,261**	**69,496**	**(15,769)**	**0**	**(388)**	**72**	**(47,739)**	**198,933**

The item "Real estate", amounting to Euro 3,278 thousand, includes buildings and land owned, used for the purposes functional to the Group's operations.

Rolling stock amounted to Euro 175,306 thousand as at 31 December 2024 and includes:

- the value of buses and trolley buses, totalling Euro 96,910 thousand as at 31 December 2024, used to provide local public transport services in the Bologna and Ferrara areas and regulated by specific service contracts;
- the value of the railway rolling stock, partly used in the context of freight transport activities and partly leased to the jointly controlled company Trenitalia Tper S.c.r.l. (hereinafter "TT") which guarantees the coordination and performance of the services to be rendered in execution of the service contract with the Company Ferrovie Emilia-Romagna S.r.l. for the public passenger transport service by rail under the responsibility of the Emilia-Romagna Region;
- the value of the vehicles used to support the local public transport services provided, as well as in the operation of sharing mobility activities. In this regard, it should be noted that the change is essentially attributable to the investments made in 2024 for the purchase of full electric cars under the Volvo brand, used in the provision of car sharing services.

The "infrastructure" item, amounting to Euro 17,538 thousand as at 31 December 2024, includes the value of works on third-party assets, issuers, validators, information panels and user information systems.

Lastly, the item "Other tangible assets" includes the value of plant, equipment and furniture and office furnishings.

It should be noted that as at 31 December 2024, the tangible assets are not encumbered by mortgages, liens or other collateral securities that limit their availability.

2. Intangible assets

Euro 13,106 (12,952) thousand

In thousands of Euro	31/12/2024 Cost	31/12/2024 Accumulated amortisation	31/12/2024 Net value	31/12/2023 Cost	31/12/2023 Accumulated amortisation	31/12/2023 Net value
Concession rights	18,201	6,027	12,174	18,201	5,713	12,488
Other intangible assets	2,186	1,254	932	1,715	1,251	464
TOTAL	**20,387**	**7,281**	**13,106**	**19,916**	**6,964**	**12,952**

The item includes concession rights, of Euro 12,174 thousand as at 31 December 2024, relating to the concession contract for the compendium of the Dinazzano Po freight yard formalised on 4 August 2017 by means of a deed with Register no. 15625 with the Province of Reggio Emilia. The concession, with a total duration of 50 years, expires on 14 July 2064. It should be noted that the Dinazzano and Guastalla freight railway stations are managed by the TPER Group with effect from 1 February 2012, as part of the partial demerger of the transport branch carried out by FER S.r.l. to FER Trasporti S.r.l. which, on the same date, was merged into the company TPER S.p.A, then transferred by deed of 25 June 2012 to the subsidiary Dinazzano Po.

The item other intangible assets, equal to Euro 932 thousand as at 31 December 2024, consisted mainly of the value of the Group's proprietary software.

The table below shows the amounts at the beginning and at the end of the year as well as the relative changes occurred in 2024.

In thousands of Euro	31/12/2023 Net value	CHANGES IN THE FINANCIAL YEAR Investments	Amortisation	Disposals	Write-downs and write-backs	Other reclassifications	31/12/2024 Net value
Concession rights	12,488	-	(313)	-	-	(1)	12,174
Other intangible assets	464	1,115	(330)	-	-	(317)	932
TOTAL	**12,952**	**1,115**	**(643)**	**-**	**-**	**(318)**	**13,106**

During the 2024 financial year, concession rights recorded a change due to the effect of the amortisation for the year of Euro 313 thousand.

In this regard, it should be noted that at the end of the previous year the presence of certain impairment indicators was identified in relation to various factors with regard to concession rights. Consequently, an impairment test was carried out, which resulted in the recognition of an impairment loss of Euro 3,000 thousand. At the end of the 2024 financial year, therefore, the possible presence of further impairment indicators was verified. In light of the analyses carried out and of the future cash prospects of the related cash generating unit (CGU), as well as of the book value of the CGU compared to the previous year and the substantial unchanged reference rates, no indicators of potential impairment were identified.

Other intangible assets, on the other hand, recorded an increase of Euro 468 thousand essentially in relation to investments of Euro 1,115 thousand, mainly for the acquisition of software licences and amortisation pertaining to the year 2024.

3. Assets for rights of use and liabilities for leased assets

Right-of-use assets

Euro 7,959 (9,362) thousand

In thousands of Euro	LPT Bologna and Ferrara	Company cars	Business unit rental fees	Car sharing	Transport of goods	TOTAL
Balance as at 01/01/2024	**2,690**	**248**	**3,125**	**-**	**3,300**	**9,362**
Increases/(decreases)	19	37	38	12	2,050	**2,156**
Amortisation/depreciation	(643)	(110)	(887)	(6)	(1,913)	**(3,559)**
Balance as at 31/12/2024	**2,066**	**175**	**2,276**	**6**	**3,437**	**7,959**

"Right of use assets" of Euro 7,959 thousand as at 31 December 2024 show a decrease of Euro 1,403 thousand, due to the combined effect of amortisation for the year (equal to Euro 3,559 thousand) and increases (equal to Euro 2,156 thousand), mainly attributable to new charters carried out as part of rail freight transport activities.

Right of use assets essentially refer to:

- Euro 2,066 thousand for contracts relating to the management of Local Public Transport in the Municipality of Bologna and Ferrara;
- Euro 175 thousand for rental of company cars;
- Euro 2,276 thousand for the right of use relating to the business unit lease agreement (LPT Bologna) entered into between TPER, via the TPB consortium and the granting body SRM, in-house company of the Municipality of Bologna on 4 March 2011 and the concession contract for use of the assets conducive to the LPT service of the Municipality of Ferrara;
- Euro 3,437 thousand to contracts relating to the rental of rolling stock used in freight transport activities.

The changes that occurred during the year 2024 include both the effects of the adjustments to the lease payments of each agreement qualified as a lease pursuant to IFRS 16, made as a contra-entry to specific adjustments of the related financial liabilities, and the effects of the new contracts entered into during 2024.
It should also be noted that for leased assets used in the context of existing service contracts, the duration of the lease has been aligned with that of the relevant service contract, on the assumption that the rights in question are closely related to the activities to which they relate.

Liabilities for leased assets

(Non-current portion) Euro 4,866 (5,893) thousand
(Current portion) Euro 3,441 (3,747) thousand

In thousands of Euro	LPT Bologna and Ferrara	Company cars	Business unit rental fees	Car sharing	Transport of goods	TOTAL
Balance as at 01/01/2024	**2,672**	**253**	**3,271**	**-**	**3,444**	**9,640**
of which:						
Current liabilities	748	110	863	-	2,026	**3,747**
Non-current liabilities	1,924	143	2,408	-	1,418	**5,893**
Balance as at 31/12/2024	**2,083**	**180**	**2,434**	**6**	**3,604**	**8,307**

of which:						
Current liabilities	675	86	914	6	1,760	**3,441**
Non-current liabilities	1,408	94	1,520	-	1,844	**4,866**

Liabilities for leased assets, which totalled Euro 8,307 thousand, decreased year-on-year by Euro 1,333 thousand and are related to the rights of use described above.

During the year 2024, financial charges for a total of Euro 451 thousand accrued on the same liabilities (Euro 486 thousand in 2023).

4. Equity investments

Euro 30,140 (24,151) thousand

At 31 December 2024, the item shows a positive change of Euro 5,989 thousand compared to the end of the previous year.

The following table shows the opening and closing balances of the equity investments held by the Group, classified by category, and the related changes that occurred in 2023.

		Valuation based on the equity method					
In thousands of Euro	**31/12/2023**	**Acquisitions and capital contributions**	**Income Statement**	**Other components of the comprehensive income statement**	**Transfers and capital repayments**	**Reclassifications and other changes**	**31/12/2024**
Equity investments accounted for at fair value	**3,343**	**-**	**-**	**-**	**-**	**-**	**3,343**
Equity investments accounted for using the equity method	**20,808**	**-**	**6,098**	**(109)**			**26,797**
- associates	8,914	-	887	(109)			9,692
- joint ventures	11,894	-	5,211	-	-	-	17,105
Equity investments	**24,151**	**-**	**6,098**	**(109)**	**-**	**-**	**30,140**

It should be noted that the valuation based on the equity method of investments in associates and joint ventures is carried out using the latest approved financial statements made available by the individual companies.

No indicators of possible impairment were identified for any of the equity investments and, consequently, no impairment tests were carried out.

With reference to the intervened change, it should be noted that it is substantially attributable to the portion of net profit deriving from the measurement of the equity investments in associates using the equity method. The positive final result of the joint venture Trenitalia Tper S.c.r.l. had a significant impact.

The following table shows the details of the equity investments held by the Group as at 31 December 2024, with an indication of the percentages of ownership and the relative carrying amount. With reference to the investments held by the Group in associates and joint ventures, there are no investments in individually significant companies with respect to both total consolidated assets, and management activities and geographical areas and, therefore, the additional information required in such cases by IFRS 12 is not provided.

In thousands of Euro	31/12/2024 % ownership	Cost	Revaluations (write-downs)	Final value	31/12/2023 % ownership	Cost	Revaluations (write-downs)	Final value
Equity investments accounted for at fair value		**4,043**	**(700)**	**3,343**		**4,043**	**(700)**	**3,343**
Start Romagna S.p.A.	14%	4,036	(700)	3,336	14%	4,036	(700)	3,336
Consorzio Acquisti Trasporti S.c.r.l.		7		7		7		7
Equity investments accounted for using the equity method		**17,293**	**9,504**	**26,797**		**17,293**	**3,514**	**20,807**
Marconi Express S.p.A.	25%	2,600	(1,681)	919	25%	2,600	(1,647)	953
Trenitalia Tper S.c.r.l.	30%	3,300	13,805	17,105	30%	3,300	8,594	11,894
SETA S.p.A.	47%	11,393	(2,620)	8,773	47%	11,393	(3,433)	7,960
TOTAL		**21,336**	**8,804**	**30,140**		**21,336**	**2,814**	**24,151**

5. Financial assets

Non-current portion Euro 39,143 (38,283) thousand
Current portion Euro 23,361 (11,415) thousand

The table below shows the breakdown of other financial assets at the beginning and end of the financial year, highlighting the current and non-current portions.

In thousands of Euro	31/12/2024 Financial statement value	Current portion	Non-current portion	31/12/2023 Financial statement value	Current portion	Non-current portion
Financial assets for contributions	**23,361**	**23,361**	**-**	**10,815**	**10,815**	**-**
Emilia-Romagna Region	2,876	2,876	-	749	749	
Municipality of Bologna	14,275	14,275	-	6,059	6,059	-
Municipality of Ferrara	5,302	5,302	-	3,622	3,622	-
Metropolitan city	908	908		-	-	-
Municipality of San Lazzaro	-	-	-	-	-	-
Other	-	-	-	385	385	-
Other financial assets	**39,143**	**-**	**39,143**	**38,883**	**600**	**38,283**
Loan to investee Marconi Express S.p.A.	9,529	-	9,529	8,997		8,997
Loans for Crealis project investments	31,781	-	31,781	31,293	-	31,293
Other	-	-	-	600	600	
Provision for the write-down of financial assets	(2,167)		(2,167)	(2,006)		(2,006)
TOTAL	**62,504**	**23,361**	**39,143**	**49,698**	**11,415**	**38,283**

The receivable from the Emilia-Romagna Region, amounting to Euro 2,876 thousand, refers for Euro 549 thousand to contributions to be collected relating to investments in buses and for the remainder to contributions on investments made for the extension of the no. 14 trolley bus line.

Financial assets for contributions held with the Municipality of Bologna, the Municipality of Ferrara and the Metropolitan City of Bologna refer to amounts still to be collected related to investments made for the purchase of buses under agreements entered into as part of various active contribution lines.

The loan to the investee company Marconi Express S.p.A., amounting to Euro 9,529 thousand as at 31 December 2024, was disbursed in line with the approved business plans and the shareholders' agreements, and refers to the TPER share of the loan for the construction of the monorail connecting the railway station and Bologna airport. The repayment of said receivable is to be considered subordinated with respect to the satisfaction of the other creditors of the investee by express contractual clause, even in the absence of the prerequisites pursuant to Article 2467 of the Italian Civil Code. Therefore, this is a voluntary subordination with respect to the bank loan, from which it follows that the timing of the collection is within the limits set forth in the bank loan agreement of the investee itself.

The Crealis investment receivable refers to the financial asset recognised in accordance with IFRIC 12, against the right claimed in light of the eventual successor operator upon the expiry of the service contract regulating local public transport in the Bologna area. In particular, following the entry into operation of the TPGV-Crealis service, 1 July 2020, and the definition of the new contractual framework reflected in the agreement signed between TPER, SRM, the Metropolitan City of Bologna, the Municipality of Bologna and the Municipality of San Lazzaro di Savena (hereinafter the "Agreement"), against the construction services rendered, the Company has accrued a right to receive a fee starting from the end of the service contract and quantified so as to remunerate both the costs incurred for the investment and future maintenance and investing activities.

In this regard, it should be noted that the Agreement provides for TPER, as manager of the TPGV network, to make the related infrastructure available to the service operator for the performance of the public service. Against this commitment, the same agreement provides for TPER to receive from the service operator a fee for the use of the infrastructure with fair remuneration on the invested capital starting from September 2024 and until the end of the 30th year from the start of the year. During 2024, the concession for the local public transport service relating to the Bologna area was extended until 29 February 2028. The deeds for the extension of concession maintained the management of the TPGV infrastructure assigned to TPER separate from the management of the assets owned by the Mobility Agency - SRM. As part of the preparation of the extension deeds, in agreement between the parties concerned, in the complex definition of a synthesis between the economic balance of the service contract and the availability of resources, it was agreed to go beyond the regulation of the specific aspects related to the remuneration of the investment in question. This circumstance made it necessary to identify a shared regulation to give concrete expression to compliance with the economic commitments undertaken in the agreement. In this regard, TPER urged the call of a technical table between the signatory parties aimed at formally redefining the times and methods for the Company to receive the agreed remuneration and identify and manage any consequent economic and financial impacts. As a result of the discussions with SRM, the Company and SRM proposed a solution to the Metropolitan City of Bologna, the Municipality of Bologna and the Municipality of San Lazzaro di Savena based on:

a) the deferral of the disbursement by the operator of the infrastructure service fee, originally envisaged from September 2024, with start postponed to March 2028;
b) the updating of the annual fee amount with respect to what is indicated in the agreement, in order to offset the time deferral and guarantee the fair remuneration on the capital invested by TPER, as envisaged in the contract;
c) the formalisation of the proposal by means of a supplementary deed to the Agreement, after a technical discussion between the parties aimed at defining any additional operational and financial aspects.

At the end of the 2024 financial year, in light of the changes in the timing, the amount of the investments to be made and the effects following the redetermination and the deferral of the fee collection, the value of the financial asset was recalculated. The new cash flows were discounted at the effective interest rate defined at the initial recognition of the financial asset. As a result of the above, the financial asset recorded a loss (so-called one day loss) of Euro 956 thousand recognised under other financial charges for the year 2024.

In compliance with the provisions of IFRS 9, a specific write-down provision was allocated to the aforementioned financial assets, which increased by Euro 161 thousand in 2024 to take into account the changed expectations in terms of expected credit loss, as reported in the following table.

In thousands of Euro	31/12/2023	Uses/releases	Allocations	31/12/2024
Provision for the write-down of financial assets	2,006		161	2,167
Total provision for write-downs	**2,006**	**-**	**161**	**2,167**

6. Deferred tax assets and deferred tax liabilities

Deferred tax assets - Euro 3,667 (3,453) thousand

The balance of deferred tax assets and deferred tax liabilities that can be offset in relation to the temporary differences between the consolidated carrying amounts and the corresponding tax values at the end of the year is shown below.

In thousands of Euro	31/12/2024	31/12/2023
Deferred tax assets IRES	3,268	3,121
Deferred tax assets IRAP	503	418
Deferred tax assets	**3,771**	**3,539**
Deferred tax liabilities IRES	(104)	(86)
Deferred tax liabilities IRAP	-	-
Deferred tax liabilities	**(104)**	**(86)**
NET DEFERRED TAX ASSETS	**3,667**	**3,453**

The changes in deferred tax assets and liabilities based on the nature of the temporary differences that generated to them are summarised in the following table.

	31/12/2023	CHANGES IN THE FINANCIAL YEAR			31/12/2024
In thousands of Euro	Opening balance	Allocations	(Releases)/(Uses)	Allocations to (releases from) OCI	Closing balance
Allocations to non-deducted provisions	3,215	865	(630)	(5)	3,445
Other temporary differences	324	2			326
DEFERRED TAX ASSETS	**3,539**	**867**	**(630)**	**(5)**	**3,771**
Adjustments to provisions for employee benefits	(86)	0	27	(45)	(104)
DEFERRED TAX LIABILITIES	**(86)**	**0**	**27**	**(45)**	**(104)**
NET DEFERRED TAX ASSETS	**3,453**	**867**	**(603)**	**(50)**	**3,667**

The balance of net deferred tax assets, equal to Euro 3,667 thousand as at 31 December 2024, is mainly composed of prepaid taxes allocated against allocations to provisions not deducted.

It should be noted that in consideration of the current macroeconomic context, characterised by high price volatility of the production inputs, no deferred tax assets have been recognised in relation to temporary differences and tax losses, as the estimate of future taxable income is not reasonably certain at present and not capable of reabsorbing them within a reasonable timeframe. The tax losses that could potentially be used to offset the taxable income of future years amount to approximately Euro 37 million.

7. Trade assets

Euro 105,581 (89,686) thousand

As at 31 December 2024, trade assets included:

- inventories of Euro 24,800 thousand (Euro 25,416 thousand as at 31 December 2023) mainly consisting of inventories and spare parts for maintenance and replacement activities carried out on railway and vehicles and related infrastructures
- trade receivables, equal to Euro 80,781 thousand (Euro 64,270 thousand as at 31 December 2023).

The breakdown of inventories is detailed in the table below.

In thousands of Euro	31/12/2024	31/12/2023
Raw materials and railway parts	22,519	21,559
Raw materials and automotive parts	87	588
Change in contract work in progress	19,332	18,869
Provision for inventory write-downs	(17,138)	(15,600)
Total	**24,800**	**25,416**

The provision for inventory write-downs is determined taking into account the value of certain engines and other complex used and overhauled subset as well as slow-moving parts and spare parts referring to vehicles whose discontinuation is expected in the short term.

The table below shows the changes in the provision in 2024.

In thousands of Euro	31/12/2023	Reclassifications	Uses	Allocations	31/12/2024
Provision for inventory write-downs	15,600	-	-	1,538	17,138
Total	**15,600**	**-**	**-**	**1,538**	**17,138**

The breakdown of trade receivables is detailed in the table below.

In thousands of Euro	31/12/2024	31/12/2023
Trade receivables from associates and joint ventures	9,864	8,113
Trade receivables from owner entities	632	564
Receivables from customers	76,619	60,924
Provision for doubtful debts	(6,334)	(5,331)

Total	**80,781**	**64,270**

Trade receivables from associates and joint ventures are mainly attributable to relations with the jointly-controlled company Trenitalia Tper S.c.a.r.l., and refer to the service and rental activities carried out by the Parent Company in relation to it.

Receivables from customers, amounting to Euro 76,619 thousand, are essentially attributable to receivables for transport services provided pursuant to the current service contracts (for Euro 33,098 thousand) and receivables from customers for services rendered as part of rail maintenance activities (for Euro 7,876 thousand) and freight transport (for Euro 8,956 thousand).

Receivables are shown net of a provision for doubtful debts of Euro 6,334 thousand as at 31 December 2024, whose changes in the year are shown in the table below.

In thousands of Euro	31/12/2023	Reclassifications	Uses	Allocations	31/12/2024
Provision for doubtful debts on trade receivables	5,331	-	(904)	1,907	6,334
Total	**5,331**	**-**	**(904)**	**1,907**	**6,334**

For trade receivables, the valuation related to recoverability is based on the weighting of a customer rating determined in consideration of the following parameters:

- the analysis of historical profiles of collections and losses;
- analysis of the past due situation on the total credit analysed;
- the application of a default rate in relation to the segmentation of customers in the portfolio by type of membership.

Lastly, it should be noted that the carrying amount of trade receivables approximates the relative fair value.

8. Cash and cash equivalents

Euro 92,450 (70,497) thousand

The item includes bank and postal deposits as well as cash provisions for petty and urgent expenses and increased by Euro 21,953 thousand compared to the previous year.

For more details on the events that generated the increase in cash and cash equivalents during the 2024 financial year, please refer to the note "Information on the cash flow statement".

9. Assets and liabilities for income taxes

Income tax assets - Euro 956 (0) thousand
Income tax liabilities - Euro 0 (254) thousand

The table below shows the amount of current tax assets and liabilities at the beginning and end of the year, in relation to the excess of prepayments on the payable for the year.

In thousands of Euro	31/12/2024	31/12/2023
Current tax assets - IRES	1,022	423
Current tax assets - IRAP	154	-
Assets for income taxes	**1,176**	**423**

Current tax liabilities - IRES	(118)	-
Current tax liabilities - IRAP	(102)	677
Liabilities for income taxes	**(220)**	**677**
Net assets for income taxes	**956**	**(254)**

As at 31 December 2024, the Group had current tax assets of Euro 956 thousand essentially attributable to the value of withholding taxes incurred.

It should be noted that starting from the 2022 financial year, as consolidating company, together with the subsidiaries Mafer S.r.l. and Dinazzano Po S.p.A., as consolidated companies, the Parent Company exercised the optional regime that allows, inter alia, the determination of a single total taxable income for the purposes of Corporate Income Tax ("IRES"), corresponding to the algebraic sum of the total net income of all the parties included in the tax unit and, consequently, of a single amount of tax paid and due, pursuant to and for the effects of Article 117 et seq. of the TUIR, and of Ministerial Decree of 1 March 2018.

10. Other current assets

Euro 2,375 (17,272) thousand

The item consists of receivables and other current assets of a nature other than trade and financial assets, as detailed in the following table.

In thousands of Euro	31/12/2024	31/12/2023
Receivables for relief	-	13,639
Receivables due from Ferrovie Emilia-Romagna	220	220
Prepaid expenses	1,071	852
Other receivables	6,927	8,522
Total	**8,218**	**23,233**
Provision for doubtful debts	(5,843)	(5,961)
Total	**2,375**	**17,272**

The change compared to the previous year is essentially attributable to the collection of receivables for compensation on lost revenues, equal to Euro 13,639 thousand, and the recognition of additional resources allocated to the sector to compensate for the lost revenues recorded in the Covid-19 epidemic emergency period.

The item "Other receivables" mainly includes: (i) the receivable from ATC S.p.A. in liquidation, equal to Euro 3,593 thousand, referring to the balances of the merger transaction that took place in 2012; (ii) receivables due from resales for travel tickets equal to Euro 843 thousand; (iii) the receivable of Euro 615 thousand relating to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport. With reference to the receivable due from ATC S.p.A. in liquidation, it is noted that it has been fully written down because the creditor is currently involved in tax litigation that could compromise - in the event of a defeat in the dispute - the financial capacity of the company.

To take into account the estimate of uncollectability of part of the other receivables, a specific provision for doubtful debts has been set aside, the changes in which are shown in the following table.

In thousands of Euro	31/12/2023	Uses/Releases	Allocations	31/12/2024
Provision for write-downs of other assets	(5,961)	118	-	(5,843)
Total provision for write-downs of other assets	**(5,961)**	**118**	**-**	**(5,843)**

11. Shareholders' equity

Euro 200,903 (182,261) thousand

As at 31 December 2024, the fully subscribed and paid-up share capital of the Parent Company consists of 68,492,702 ordinary shares with a par value of Euro 1 each, for a total of Euro 68,493 thousand, and did not change compared to 31 December 2023.

The shareholders' equity pertaining to the Group, amounting to Euro 197,613 thousand, increased by Euro 18,389 thousand compared to 31 December 2023 due to the combined effect of:

- the income statement result for 2024, which was positive in the amount of Euro 18,345 thousand;
- the positive balance of other comprehensive income (amounting to Euro 46 thousand) impacted by the actuarial loss arising from the valuation of employee benefits related to the employee severance indemnity of Euro 109 thousand offset by the positive recognition of certain effects deriving from the measurement of equity investments in associates using the equity method.

The table below shows the statement of the basic and diluted earnings per share for the two financial years compared.

In thousands of Euro	31/12/2024	31/12/2023
Weighted average number of shares issued	68,492,702	68,492,702
Weighted average number of treasury shares in portfolio	111,480	111,480
Weighted average number of shares outstanding for the purpose of calculating basic earnings	68,381,222	68,381,222
Profit for the year (thousands of Euro)	18,345	1,524
Basic earnings per share (Euro)	0.27	0.02
Distributed earnings per share (Euro)	-	-

It should be noted that, as at 31 December 2024, there were no shares that could potentially be outstanding and, therefore, the diluted earnings per share coincided with the earnings per share.

The shareholders' equity is equal to Euro 3,290 thousand, recording an increase of Euro 253 thousand as a result of the overall result for the year (Euro 312 thousand) partially offset by the distribution of dividends for Euro 59 thousand.

The Group objectives in capital management are aimed at safeguarding business continuity and guaranteeing the interests of the stakeholders, as well as allowing efficient access to external sources of financing aimed at adequately supporting the development of the Group activities and compliance with the commitments undertaken.

12. Trade liabilities

Non-current portion - Euro 312 (1,242) thousand
Current portion - Euro 58,598 (58,872) thousand

In thousands of Euro	31/12/2024 Financial statement value	Current portion	Non-current portion	31/12/2023 Financial statement value	Current portion	Non-current portion
Trade payables	54,089	53,777	312	54,666	53,424	1,242
Trade payables to subsidiaries	-	-		-	-	-
Payables to associates	4,555	4,555	-	5,339	5,339	-
Trade payables due to shareholders	5	5	-	8	8	-
Other payables	261	261	-	101	101	-
Total trade liabilities	**58,910**	**58,598**	**312**	**60,114**	**58,872**	**1,242**

Trade liabilities, which amounted to Euro 58,910 thousand, mainly consisted of trade payables (for Euro 54,089 thousand) and decreased by a total of Euro 1,204 thousand compared to the end of the previous year, mainly due to payments made close to year-end.

It should be noted that the item does not include overdue payments of a significant amount that have not been settled.

13. Funds for provisions

Non-current portion - Euro 53,581 (50,805) thousand
Current portion - Euro 6,615 (5,840) thousand

As at 31 December 2024, allocations to provisions amounted to Euro 60,196 thousand (Euro 56,645 thousand as at 31 December 2023). The following table shows the details of the funds for provisions with an indication of the relative current and non-current portions.

In thousands of Euro	31/12/2024 Financial statement value	Current portion	Non-current portion	31/12/2023 Financial statement value	Current portion	Non-current portion
Provisions for employee benefits	12,196	756	11,440	13,167	833	12,334
Other provisions	48,000	5,859	42,141	43,478	5,007	38,471
Total	**60,196**	**6,615**	**53,581**	**56,645**	**5,840**	**50,805**

The changes in funds for provisions broken down by nature are shown below.

In thousands of Euro	31/12/2023	Changes in the financial year Allocations	Financial charges	Decreases for uses	Decreases for releases	Allocations to OCI	Other reclassifications or adjustments	31/12/2024
Provision for employee benefits	13,167	646	-	(1,413)	-	(204)		12,196
Insurance deductibles provision	3,385	1,788	0	(2,495)	0	0	0	2,678
Provision for labour disputes	16,544	786	411	(939)	(462)	0	(450)	15,890
Provision for tax disputes	6,025	143	0	0	0	0	0	6,168

Expropriation litigation risk provision	1,991	-	-	(1,093)	-	-	-	898
Provision for customs disputes	3,500	5,112	0	(12)	0	0	0	8,600
Other provisions	12,032	1,410	512	(188)	0	0	0	13,766
TOTALS	**56,644**	**9,885**	**923**	**(6,140)**	**(462)**	**(204)**	**(450)**	**60,196**

Provisions for employee benefits

Non-current portion - Euro 11,440 (12,334) thousand
Current portion - Euro 756 (833) thousand

As at 31 December 2024, the item consists of the employee severance indemnity to be paid on the transfer of the employment relationship as required by the regulations in force in Italy. The decrease of Euro 971 thousand was mainly due to liquidations and advances during the year (Euro 1,413 thousand), partially offset by actuarial losses (Euro 204 thousand) and allocations made during the year (Euro 646 thousand).

The reference actuarial model for the valuation of employee severance indemnity is based on both demographic and economic assumptions. The main assumptions defined for the purposes of the actuarial estimate process of the employee severance indemnity provision as at 31 December 2024 are summarised below.

Financial assumptions	31/12/2024	31/12/2023
Annual discounting rate	3.18%	2.98%
Annual inflation rate	2.00%	2.00%
Annual rate of increase of employee severance indemnity	3.00%	3.10%
Annual remuneration rate of increase	0.50%	0.50%
Frequency of advances	2.00%	2.00%
Annual turnover rate	1.50%	1.50%

Demographic assumptions	
Mortality	ISTAT 2022
Disability	INPS tables distinguished by age and sex
Retirement age	100% upon reaching the AGO requirements

FUTURE ESTIMATED BENEFITS

YEARS	IN THOUSANDS OF EURO
1	756
2	716
3	421
4	1,072
5	1,009

Other provisions

Non-current portion - Euro 42,141 (38,471) thousand

Current portion - Euro 5,859 (5,007) thousand

The item includes allocations relating to risks and charges deemed probable at the end of the year and increased by Euro 4,522 thousand essentially due to the combined effect of:

- allocations, amounting to Euro 9,239 thousand, mainly related to: (i) risks related to disputes with personnel (for Euro 786 thousand); (ii) risks related to the payment of insurance excess as a result of claims (for Euro 1,788 thousand); (iii) risks related to a possible non-recognition of the benefit related to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport (for Euro 5,112 thousand); (iv) higher charges for the contract qualified as onerous pursuant to IAS 37 and relating to the management of the infrastructure held by Marconi Express S.p.a. that connects the central station of Bologna to the airport (for Euro 1,410 thousand);
- decreases due to uses, for Euro 3,634 thousand, mainly referring to uses against payments of deductibles on motor vehicle claims for Euro 2,495 thousand;
- decreases due to releases, amounting to Euro 1,555 thousand, mainly in relation to disputes for expropriations following the identification of settlement solutions with counterparties as well as provisions allocated for risks related to labour law disputes;
- other adjustments down by Euro 450 thousand related to the rate differential used to determine the present value of the provisions;
- the recognition of the financial effects related to the estimated utilisation of provisions in the amount of Euro 923 thousand.

The "Insurance deductibles provision" includes the estimate of the probable liability related to the insurance deductibles to be paid on motor vehicle claims occurring before the end of the year.

The "Provision for labour disputes", amounting to Euro 15,890 thousand, has been created to cover the foreseeable liabilities, expressed at current values, relating to disputes with employees. The provision also includes an estimate of legal fees and other potential ancillary costs.

The "Provision for tax disputes", amounting to Euro 6,168 thousand, is mainly attributable to the involvement of the Parent Company TPER - as legally jointly and severally liable entity - in relation to ATC tax disputes prior to its constitution.

The "Expropriation Litigation Risk Provision", amounting to Euro 898 thousand, is set up to manage the risks linked to the disputes pending before the Court of Appeal, concerning the calculation of compensation for expropriation of land on which the Dinazzano railway freight yard insists and decreased by Euro 1,093 thousand to adjust the same to the recent identification of the essential terms of a settlement agreement to definitely settle disputes in place.

The "Provision for excise duties" includes the estimate of the charges related to the possible non-recognition of the benefit connected to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport. During the year, the provision was adjusted to take into account the overall potential risk, which includes not only the repayment of the benefits related to the recovery of the higher excise duty but also the application of the maximum applicable penalties.

The "Other" provisions, amounting to Euro 13,766 thousand, mainly include the value of the provision made against the contract, qualifying as onerous, which underlies the infrastructure management activities, held in concession by the company Marconi Express S.p.A. and which connects the airport to the central station of Bologna through an elevated electric monorail.

For the residual part, "Other" provisions refer essentially to risks related to environmental reclamation work to be carried out on the locomotive refuelling area of the Sermide Railway Station.

14. Financial liabilities

Non-current portion - Euro 128,324 (24,624) thousand
Current portion - Euro 6,311 (60,732) thousand

As at 31 December 2024, financial liabilities amounted to Euro 134,635 thousand (Euro 85,356 thousand as at 31 December 2023).

The schedule of financial liabilities is shown below, highlighting the composition of the financial statement balance, the corresponding nominal value of the liability and the related collectability (current and non-current portion):

In thousands of Euro	31/12/2024				31/12/2023			
	Nominal value	Financial statement value	Current portion	Non-current portion	Nominal value	Financial statement value	Current portion	Non-current portion
Bond loans	100,000	100,750	1,499	99,251	63,333	31,779	31,779	-
Medium/long-term loans	33,167	33,151	4,715	28,436	26,167	26,167	1,935	24,232
Short-term loans	97	97	97	-	27,018	27,018	27,018	-
Other financial liabilities	637	637	-	637	392	392	-	392
Total	**133,901**	**134,635**	**6,311**	**128,324**	**116,910**	**85,356**	**60,732**	**24,624**

On 15 September 2017, through the Parent Company, the Group completed the issue of an unsecured bond loan for an amount of Euro 95 million, listed on the Dublin Stock Exchange (Irish Stock Exchange). The (non-convertible) bonds had an original maturity of 7 years and amortising repayments starting from the fifth year, present a fixed annual coupon of 1.85%. They were entirely placed with institutional investors. During 2024, the last instalment of the bond loan was repaid, which was therefore extinguished.

On 10 September 2024, the Parent Company completed the issue of a second unsecured bond loan for an amount of Euro 100 million, listed on the Dublin Stock Exchange (Irish Stock Exchange). The new issue consists of non-convertibles bonds with a maturity of 5 years and amortising repayment starting from the third year. The bond loan has a fixed annual rate of 4.343%. The bonds were entirely placed with institutional investors.

It should be noted that at the same time as the new bond issue, the Group settled a revolving loan, taken out in 2023 with a pool of lenders, for a maximum amount of principal of Euro 65 million to be used to support its investment plan in the provision by the competent entities of an amount corresponding to certain public contributions ultimately destined to the Parent Company.

The item medium/long-term loans includes the value of:

- a term loan, backed by a "Sace Green" guarantee, for a total principal amount of up to Euro 15 million to be used to support investments in the bus fleet, with a variable rate and with a term of eight years;
- a term loan, backed by a "Sace Green" guarantee, for a total principal amount of approximately Euro 12 million to be used to support investments in the train fleet, with a variable rate and with a term of ten years;
- a term loan for a total principal amount of approximately Euro 9 million to be used to support investments in the car fleet used for sharing mobility services, with a variable rate and with a term of 5 years.

The item short-term loans shows a balance at the end of the year of Euro 97 thousand, which refers to the portion of interest accrued and not yet paid on a short-term loan credit line.

It should be noted that certain financing lines require compliance with certain financial parameters (financial covenants). The criteria for determining the economic figures used in the calculation of the ratios are set forth in the agreements. Failure to meet these by the respective reference dates may result in a default event and entail the obligation to repay in advance the principal amounts, the interest and the additional amounts provided for in the agreements. For more details on financial liabilities, please refer to the note "Financial risk management".

Other financial liabilities mainly refer to security deposits at variable rates.

15. Other liabilities

Non-current portion - Euro 7,304 (17,173) thousand
Current portion - Euro 47,416 (58,889) thousand

As at 31 December 2024, other liabilities amounted to Euro 54,719 thousand and recorded a decrease of Euro 21,343 thousand compared to the end of the previous year. The table below shows the breakdown by nature of the item with an indication of the current and non-current portion.

	31/12/2024			31/12/2023		
In thousands of Euro	Financial statement value	Current portion	Non-current portion	Financial statement value	Current portion	Non-current portion
Payables to SRM mobility agency	7,032	243	6,790	17,297	638	16,659
Payables for investments	9,424	9,424	-	16,589	16,589	-
Payables to employees	14,752	14,752	-	10,445	10,445	-
Payables to shareholders	514	-	514	2,894	2,380	514
Payables due to pension institutions	2,080	2,080	-	2,116	2,116	-
Tax payables	766	766	-	834	834	-
Other payables	20,151	20,151	-	25,887	25,887	-
Total financial liabilities	**54,719**	**47,416**	**7,304**	**76,062**	**58,889**	**17,173**

"Payables due to the SRM mobility agency" (Società Reti e Mobilità S.r.l.) refer essentially to the balance due, at the reference date, in relation to the contract concerning the business unit consisting of networks, plants, capital endowments and contracts relating to the company complex intended for the exercise of the LPT service in the provincial area of Bologna. Said payables show a reduction of Euro 10,265 thousand, essentially due to the effects of the deed of recognition intervened in relation to the contractual provisions on the subject of regulating the method of calculating the investments made by TPER in relation to the assets subject to the business unit lease from SRM with reference to the metropolitan area of Bologna which offsets the right accrued to TPER on the tariff manoeuvre pursuant to Article 12-bis of the service contract.

The item "Payables for investments" includes the value of the commitments undertaken by the Group by virtue of advances obtained on certain grants on investments.

"Payables to employees" include the amounts due to employees at the end of the year for services rendered by them.

"Payables to shareholders" decreased by Euro 2,380 following the payment of dividends resolved as part of the approval of the financial statements for the year ended as at 31 December 2021.

The item "Other payables", amounting to Euro 20,151 thousand, essentially consists of deferred income on travel tickets (for Euro 16,952 thousand) valid beyond 31 December 2024 and therefore pertaining to future years, as well as other deferred income of various nature (for Euro 2,587 thousand).

Information on the income statement items

The analysis of the main balances of the consolidated income statement is shown below. The values indicated in brackets in the headings of the notes refer to the 2023 financial year.

For details on the balances of the income statement items deriving from transactions with related parties, please refer to the section "Transactions with related parties".

16. Revenues for LPT line services

Euro 212,005 (207,138) thousand

The revenues for LPT line services amounted to Euro 212,005 thousand, showing an increase of Euro 4,867 thousand compared to 2023 (Euro 207,138 thousand).

In thousands of Euro	2024	2023	Change
Travel tickets	69,979	70,475	(496)
Remuneration supplements	123,948	119,354	4,594
NCLA contributions	10,819	10,819	0
Passenger fines	6,357	5,459	898
Other revenues	902	1,031	(129)
TOTAL LPT LINE SERVICES	**212,005**	**207,138**	**4,867**

The positive performance recorded by revenues for LPT services was significantly impacted by:

- the increase in fees for services provided in relation to the Bologna and Ferrara areas by Euro 4,594 thousand, mainly as a result of the inflation adjustment of fees for minimum services;
- the increase in revenues for sanctions of Euro 898 thousand;
- the reduction in revenues from travel tickets for Euro 496 thousand.

It should be noted that, with reference to the 2024 year, the amount of Euro 6.4 million (Euro 5.5 million in 2023) was recognised under fee integration relating to the effect of the deed of recognition of the contractual provisions regarding the regulation of the method for calculating the investments made by the TPER in relation to the assets subject to the business unit lease from SRM to TPER, with reference to the metropolitan area of Bologna.

On the basis of the aforementioned deed, given that the Municipality of Bologna, the Metropolitan City of Bologna, SRM, TPB and TPER intended to quantify in a predefined amount the effects of the tariff manoeuvre with effect from 1 August 2023 to 31 July 2024, in compliance with the provisions of Article 12-bis of the service contract relating to the Bologna area, the same parties agreed that the needs of the manoeuvre would be met through the recognition by TPER - as tenant of the business unit relating to the networks, plants and capital equipment intended for the provision of local public transport in the territory of the metropolitan area of Bologna - of certain contribution lines and calculation of investments for the purpose of determining the adjustment value.

As a result of the above, TPER's accrued right to the tariff manoeuvre pursuant to the aforementioned Article 12-bis of the service contract is satisfied through the recognition of certain accrued contributions on the investments made under the business unit lease agreement, in application of the calculation method with which the value of the adjustment that will be settled at the end of the business unit lease agreement has been redefined.

Finally, it should be noted that other revenues, which amounted to Euro 902 thousand at year-end, mainly include the value of advertising and sponsorship activities carried out in connection with LPT services rendered.

17. Revenues from railway line services

Euro 28,601 (27,549) thousand

In thousands of Euro	2024	2023	Change
Revenues from railway line services	28,601	27,549	1,052
Total	**28,601**	**27,549**	**1,052**

Revenues from Railway line services recorded a positive change of Euro 1,052 thousand compared to the previous year, mainly due to higher revenues from freight rail transport services recorded by the subsidiary Dinazzano Po as part of its operational activities.

These revenues also include the rental services of railway rolling stock provided by the Parent Company as part of the passenger transport services on rail operated in the Emilia-Romagna Region through the joint venture Trenitalia Tper S.c.r.l.

18. Revenues from parking and sharing mobility

Euro 4,292 (3,109) thousand

Revenues from parking and car sharing services amounted to Euro 4,292 thousand and showed a positive change of Euro 1,183 thousand compared to the previous year (Euro 3,109 thousand).

In thousands of Euro	2024	2023	Change
Stopping and parking	810	865	(55)
Sharing mobility	3,482	2,244	1,238
TOTAL	**4,292**	**3,109**	**1,183**

The recorded positive change is essentially attributable to income from sharing mobility activities, which recorded an improved performance due to the expansion of the vehicle fleet in operation, as well as the sponsorship and co-marketing agreement signed with Volvo Car Italia, the manufacturer of the full electric vehicles used in the provision of the services.

19. Other revenues

Euro 69,182 (56,230) thousand

The details of other revenues are shown in the following table.

In thousands of Euro	2024	2023	Change
Vehicle maintenance and other services rendered to third parties	6,521	6,340	181
Railway maintenance	20,666	18,176	2,490
Other insurance reimbursements	4,937	5,829	(892)
Fines	1,620	567	1,053
Change in contract work in progress	(502)	588	(1,090)
Other	35,940	24,730	11,210

TOTAL	**69,182**	**56,230**	**12,952**

Other revenues amounted to Euro 69,182 thousand and showed an increase of Euro 12,952 thousand compared to 2023 (Euro 56,230 thousand) mainly due to:

- the recognition in 2024 of the higher value of compensation for lost revenues resulting from the COVID-19 epidemiological emergency (amounting to approximately Euro 8,400 thousand);
- the recognition of the contributions received to offset the increase in fuel costs recorded in the second and third four-month periods of 2022, used for fuelling vehicles assigned to local and regional public transport services pursuant to Article 9 of Italian Decree Law no. 115/2022 and Article 6 of Italian Decree Law no. 144/2022 (amounting to Euro 2,900 thousand);
- the increase in revenues from railway maintenance services operated by the subsidiary Mafer (Euro 2,490 thousand compared to the previous year).

In relation to the compensatory measures introduced by Italian Law no. 77 of 17 July 2020 (Article 200 paragraph 1, "Relaunch Decree") and subsequent regulatory provisions that supplemented the allocations to the fund set up by the Italian Ministry of Infrastructure and Transport to offset the reduction in tariff revenues relating to passengers in the period of the COVID-19 epidemiological emergency (23 February 2020 - 31 March 2022), it should be noted that in 2024 the Group collected a further Euro 8,399 thousand with respect to receivables in place as at 31 December 2023, recognised directly in the item other revenues, as the commissioning Entities have confirmed that there was no overcompensation in relation to the resources assigned. However, it should be noted that the total amount relating to the compensation recorded over the years is not to be considered final, as the Parent Company is still waiting for the disbursement of an additional tranche of contributions referring to the same regulatory area, the allocation of which and the actual disbursement remains subject to the outcome of the necessary checks and the formalisation of the relative deeds by the competent bodies.

20. Personnel costs

Euro 117,857 (107,752) thousand

The financial statement balance is detailed in the following table.

In thousands of Euro	2024	2023	Change
Salaries and wages	86,144	79,075	7,069
Social security contributions	24,875	23,104	1,771
Pension provisions	5,488	5,427	61
Other personnel costs	916	825	91
Change in funds for provisions	434	(679)	1,113
Total	**117,857**	**107,752**	**10,105**

Personnel costs increased by Euro 10,105 thousand compared to 2023 (Euro 107,752) mainly in relation to:

- the increase in the average workforce employed in 2024 compared to the previous year;
- the effects of the renewal of the Autoferrotramvieri - Internavigatori (Mobility/LPT) National Collective Labour Agreement, which provided for the recognition of a one-off payment with reference to the year 2024;
- higher bonuses recognised to employees.

The following tables show the headcount at the end of the year and the average headcount, broken down by job level.

Classification closing date	31/12/2024	31/12/2023	Change
Senior Managers	11	10	1
Middle managers	53	52	1
White-collar workers	279	269	10
Blue-collar workers	1971	1,855	116
Apprentices	160	160	0
Associates	0	-	0
Total	**2,474**	**2,346**	**128**

Average data classification	2024	2023	Change
Senior Managers	11	11	0
Middle managers	53	51	2
White-collar workers	272	265	7
Blue-collar workers	1905	1,780	125
Apprentices	156	170	(14)
Associates	0	-	0
Total	**2,397**	**2,277**	**120**

21. Costs for services

Euro 97,364 (92,293) thousand

The financial statement balance is detailed in the following table.

In thousands of Euro	2024	2023	Change
Transport services	44,268	42,189	2,079
Rail tolls	1,395	1,150	245
Maintenance	16,740	14,657	2,083
Cleaning	6,168	6,892	(724)
Insurance	7,899	6,953	946
Electric power	2,047	2,243	(196)
Canteen service	1,895	1,826	69
Other utilities	2,083	2,330	(247)
Consultancy	2,306	2,021	285
Other	12,563	12,032	531
Total	**97,364**	**92,293**	**5,071**

Costs for services of Euro 97,364 thousand show an increase of Euro 5,071 thousand compared to 2023 (Euro 92,293 thousand) essentially attributable to the increase in:

- costs for transport services (Euro +2,079 thousand compared to the previous year) in relation to the higher volume of replacement services operated for railway transport;
- maintenance costs (Euro +2,083 thousand compared to 2023) as a result of the increase in the volume and prices of maintenance carried out on rolling stock as well as the increase in maintenance activities and repairs to building systems;
- insurance costs (Euro +946 thousand compared to the previous year) following the renewal of some policies.

22. Raw materials and materials

Euro 46,714 (48,045) thousand

The item includes purchases of materials and is presented by nature net of changes in inventories.

In thousands of Euro	2024	2023	Change
Fuels	23,442	25,790	(2,348)
Lubricants	624	686	(62)
Tyres	1,072	934	138
Spare parts	18,386	18,742	(356)
Various materials	958	791	167
Other	694	519	175
Change in provision for inventory write-downs	1,538	583	955
TOTAL	**46,714**	**48,045**	**(1,331)**

The change recorded in the cost of raw materials and materials, equal to Euro 1,331 thousand, is essentially attributable to the lower cost incurred for fuel following the introduction of new electric traction vehicles and those with the latest generation internal combustion engine which have lower consumption levels. The cost of fuel also benefits from the price-control in relation to commodities, which in recent years had recorded strong increases as a result of the geopolitical uncertainties generated by the deterioration of the Russian-Ukrainian conflict.

The change was also affected by the reduction in costs for spare parts (for Euro 356 thousand) partially offset by the higher allocation made to the provision for inventory write-downs to take into account the state of obsolescence and slow turnover of some products that can be used as part of the maintenance activities carried out in relation to road and rail services.

23. Costs for use of third-party assets

Euro 2,634 (4,553) thousand

The item essentially refers to property and car rentals. Compared to the previous year, the item shows a decrease of Euro 1,919 thousand, primarily as a result of lower rental payments for vehicles used as part of the performance of sharing mobility services, as a result of the different service organisation model that provides for the direct ownership of the same vehicles.

24. Other operating costs

Euro 4,759 (5,093) thousand

Other operating costs, detailed in the following table, are substantially in line with the figures at the end of the previous year.

In thousands of Euro	2024	2023	Change
Taxes and fees	1,338	1,578	(240)
Audits and inspections	159	125	34
Membership fees	395	385	10
Other	2,867	3,005	(138)
Total	**4,759**	**5,093**	**(334)**

The item "Other" includes first of all the accrued expenses relating to the use of the business unit consisting of the networks, plants, capital equipment and contracts relating to the business complex intended for the exercise of the LPT service in the provincial area of Bologna, governed by a specific contract signed with the mobility agency Società Reti e Mobilità S.r.l.

25. Change in funds for provisions

Euro 6,663 (5,993) thousand

The item includes the net value of changes in allocation for provisions. In particular, the allocations made during the year refer to:

- the contract classified as onerous pursuant to IAS 37, relating to the management activities of the infrastructure held by Marconi Express S.p.a. (for Euro 1,408 thousand);
- the adjustments to the provision, already established in the previous year, to cover potential risks deriving from the failure to recognise the benefit connected to the recovery of the higher excise duty on diesel used for the transport of people.

For more details on the change in funds for provisions, please refer to note no. 13 - "Funds for provisions".

26. Financial income/(charges)

Financial income - Euro 3,673 (3,851) thousand
Financial charges - Euro -7,722 (-7,461) thousand

The balance of financial income and charges is detailed in the tables below.

In thousands of Euro	2024	2023	Change
Interest income on receivables	1,628	1,519	109
Interest income on bank accounts	1,569	1,024	545
Other interest income	25	998	(973)
Income from discounting of provisions	451	310	141
Total other financial income	**3,673**	**3,851**	**(178)**
Charges on bond loans	(1,848)	(1,136)	(712)
Charges on loans	(3,271)	(2,493)	(778)
Charges from discounting of provisions	(922)	(561)	(361)
Other financial charges	(1,731)	(3,271)	1,540
Total financial income	**(7,772)**	**(7,461)**	**(311)**
Total financial income/(charges)	**(4,099)**	**(3,610)**	**(489)**

Compared to the previous year, total financial income and charges showed an increase of Euro 489 thousand mainly due to the effect of: (i) higher charges from bond loans related to the new bond issue with a face value of Euro 100 million settled at fixed rate of 4.343%; (ii) higher loans charges, as a result of the Group's greater financial exposure; (iii) the reduction in other financial charges which in 2023 included the effects deriving from the redetermination of the repayment timing of the shareholder loan made to the affiliate Marconi Express S.p.a. It should be noted that the item "Other financial charges" includes the effects of the one day loss deriving from the recalculation of the financial asset, recognised in compliance with IFRIC 12, related to the investments of the Crealis project. For further details, please refer to note 5.

27. Tax charges

Euro 641 (416) thousands

The table below shows the details of the tax charges in the two financial years compared.

In thousands of Euro	2024	2023	Change
IRES	703	318	385
IRAP	768	899	(131)
Income from tax consolidation	(509)	(244)	(265)
Current income taxes	**962**	**973**	**(11)**
Income taxes for previous years	(57)	0	(57)
Differences on income taxes for previous years	**(57)**	**0**	**(57)**
Allocations	(867)	(445)	(422)
Releases	631	245	386
Prepaid taxes	**(236)**	**(200)**	**(36)**
Allocations	-	-	0
Releases	(28)	(357)	329
Deferred taxes	**(28)**	**(357)**	**329**
Total deferred tax assets and liabilities	**(264)**	**(557)**	**293**
Total tax income/(charges)	**641**	**416**	**225**

The balance of tax income and charges shows a net charge of Euro 641 thousand in 2024 (Euro 416 thousand in 2023) and shows a negative change of Euro 225 thousand.

The increase in tax charges was mainly affected by the allocation of current tax payables (IRAP) applied by the Parent Company.

The following table shows the reconciliation between the theoretical tax burden and that actually incurred.

IRES (In thousands of Euro)		
Description	**Value**	**Tax**
Result before tax	19,298	
Theoretical tax charge (rate 24%)		4,632
Taxable temporary differences in subsequent years		

TOTAL	-	-
Deductible temporary differences in subsequent years		
Non-deductible provision for labour disputes	1,197	
Allocation to the provision for the write-down of rolling stock	-	
Allocation to provision for deductibles	1,788	
Allocation to the Provision for agent litigation risk Customs	5,112	
Mex onerous contract	1,920	
Arrears allocations and employee bonuses	2,011	
Impairment of equity investments	-	
Allocation for cyclical maintenance	1,490	
Allocation to the Provision for tax disputes	143	
Allocation to the provision for disposal of locomotives warehouse	129	
Allocation to the provision for doubtful debt for excise duties	-	
Concession write-down due to impairment testing	-	
Allocation to the provision for doubtful debts	1,546	
Maintenance expenses deductible from 2025 to 2029	202	
Other deductible temporary differences in subsequent years	2,068	
TOTAL	**17,606**	**4,225**
Reversal of temporary differences from previous years		
Use of provisions	(6,638)	
Other reversal of temporary differences from previous years	(5,354)	
TOTAL	**(11,992)**	**(2,878)**
Differences that will not be reversed in subsequent years		
Other non-deductible costs	900	
IFRS 16 sterilisation	73	
Fuel grants pursuant to Decree Law 115/2022	(2,612)	
Non-taxable Energy and Gas Credit	0	
Super amortisation/depreciation	(2,738)	
Covid grant	(8,399)	
Hyper-amortisation/depreciation	(1,901)	
Profit from actuarial valuation of employee severance indemnity in OCI	188	
Supplementary employee severance indemnity	(181)	
Capital goods contribution	0	
IRAP deduction for personnel costs	(532)	
Other non-taxable revenues and income	(3,450)	
TOTAL	**(18,652)**	**(4,476)**
Tax base	**2,928**	**1,503**
ACE and previous tax losses	(3,332)	(800)
Tax deductions		-
Current income taxes		703

IRAP (thousands of Euro)		
Description	**Value**	**Tax**
Difference between value and costs of production	15,326	
Non relevant income statement items	127,228	
TOTAL	**142,554**	

Theoretical tax charge (rate 4.20%)		34,213
Differences that will not be reversed in subsequent years		
Increases	3,299	
Decreases	(12,353)	
Personnel deductions	(110,627)	
TOTAL	**(119,681)**	
Deductible temporary differences in subsequent years		
TOTAL	**-**	
Reversal of temporary differences from previous years		
Use of provisions for risks and deductible charges	(4,453)	
Amortisation of the cost of trademarks and goodwill	(125)	
TOTAL	**(4,578)**	
Tax base	18,295	
Current income taxes		768

Additional financial information

Information on the cash flow statement

The financial trend in 2024 shows an increase in cash and cash equivalents of Euro 21,953 thousand compared to the increase of Euro 10,110 thousand in 2023.

The flow generated by operating activities in 2024 amounted to Euro 43,502 thousand, up by Euro 5,418 thousand compared to the 2023 value (Euro 38,084 thousand). The following impact the flow generated in 2024:

- the operating cash flow before changes in working capital and other changes of Euro 44,004 thousand (Euro 35,631 thousand in 2023), which was mainly affected by the better income statement result (Euro 10,177 thousand compared to 2023), the decrease of the portion of profit from equity investments measured with the equity method (Euro 1,064 thousand) and higher net financial charges (Euro 489 thousand) partially offset by the lower write-downs of financial assets (Euro 1,070 thousand) and the lower write-downs of non-current assets (Euro 3,000 thousand);
- the flow absorbed by the change in working capital and other changes, equal to Euro 502 thousand, which includes the dynamics related to non-financial receivables and payables already commented on above.

The cash flow absorbed by investing activities amounted to Euro 50,152 thousand, mainly due to:

- investments in tangible and intangible assets for a total of Euro 79,162 thousand, up by Euro 9,868 thousand compared to 2023;
- contributions collected for investments made and to be made for Euro 28,662 thousand, up by Euro 4,501 thousand compared to 2023;
- disinvestments for a total of Euro 388 thousand.

The cash flow generated by financial assets in 2024 equal to Euro 28,603 thousand, mainly as a result of the combined effect of:

- the issue of the new bond loan amounting to Euro 100,000 thousand;
- the repayment of the third and last instalment of the bond loan issued in 2017, for Euro 31,667 thousand;

- the taking out of new medium/long-term loans for Euro 8,934 thousand, partially offset by repayments for Euro 1,950 thousand;
- the management of short-term loans, which absorbed a total of Euro 26,921 thousand in cash in 2024, essentially due to the closure of a revolving line at the same time as the issue of the new bond loan;
- the change in other financial assets and liabilities, which together absorbed cash for Euro 10,758 thousand.

Management of the financial risk

The TPER Group's objective is to maintain a balanced management of its financial exposure over time, designed to ensure a liability structure that is balanced with the composition of assets and able to ensure the necessary operational flexibility by using liquidity generated from current operating activities and bank loans.

The ability to generate liquidity from ordinary operations, combined with the debt capacity, enable the Group to adequately satisfy its operating needs, financing of operating working capital and investment requirements, as well as respect for its financial commitments.

The Group, in the ordinary performance of its operating and financial activities, is exposed to:

- liquidity risk, attributable to the availability of adequate financial resources to meet short-term commitments, as well as related to the risk of downgrading of creditworthiness with consequent limitation of the possibility of securing medium-long term resources to meet one's own investment operational needs, as well as to meet the financial liabilities assumed;
- the risk of breach of financial covenants under the existing loan and bond facilities that could trigger early redemption clauses;
- to market risk, mainly attributable: (i) the changes in the interest rates related to financial liabilities assumed and financial assets provided; (ii) to fluctuations in commodity prices;
- credit risk, connected both to normal commercial relations, and to the possibility that a financial counterparty with which liquidity investments have been made may not be able to honour all or part of its commitment.

Liquidity risk

The liquidity risk represents the possibility that the available financial resources may be insufficient to cover the operational needs and the maturing financial debt. This risk is also attributable to the potential reduction in the credit rating, which allows the Group to access credit capital at favourable conditions and to secure medium/long-term resources to meet its investment needs.

Credit ratings may be decreased as a result of events that materially affect the Group's financial position or involve a significant change in its risk profile, as well as a change in the methodologies used to assess creditworthiness. Consequently, the Group's financing conditions could become more onerous and its access to financial markets more complex.

In addition to the dynamics of credit ratings, the main factors that contribute to the Group's liquidity risk are, on the one hand, the generation/absorption of financial resources by operating and investing activities, and on the other, the maturities of financial payables and use of liquidity.

To mitigate these risks, the Group monitors the financial ratios that contribute to the determination of the rating and maintains a regular dialogue with the credit institutions, monitoring any changes to the methodologies used that could generate an impact on the credit score attributed to the Group.

In addition, the strategy adopted by the Group for the management of liquidity risk focuses on optimising its ability to generate cash flows, and on diversifying sources of funding to cover its requirements for the management of the year and for investments as well as on the continuous monitoring of expected cash flows to respect the expiry of the commitments assumed.

The following table provides details on the remaining expiries of liabilities based on the non-discounted cash flows. For the bond loan and the bank loans the amounts include both the flows relating to the reimbursement of the capital portion, and the flows relating to interest. In the event in which the flows relating to interest are at a variable rate, their non-discounted value is estimated by applying, for subsequent expiries, the latest variable rate applied in 2024.

For financial liabilities for leased assets, the flows are determined on the basis of contractual fees and, in the event in which these are subject to indexing, their non-discounted value is estimated by applying, for subsequent expiries, the latest variable rate applied in 2024.

		Contractual flows				
In thousands of Euro	**Financial statement value**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**After 5 years**	**TOTAL**
As at 31 December 2024	**201,215**	**65,930**	**14,961**	**133,349**	**2,301**	**216,541**
Bond loans	100,750	4,403	4,403	108,819	-	**117,625**
Medium/long-term loans	33,151	9,826	6,672	23,036	2,301	**41,835**
Short-term loans	97	97	-	-	-	**97**
Liabilities for leased assets	8,307	3,834	3,574	1,494	-	**8,902**
Trade liabilities	58,910	47,770	312	-	-	**48,082**
As at 31 December 2023	**154,718**	**124,829**	**8,256**	**24,343**	**4,405**	**161,833**
Bond loans	31,779	32,253	-	-	-	**32,253**
Medium/long-term loans	26,167	3,372	4,161	19,975	4,405	**31,913**
Short-term loans	27,018	27,018	-	-	-	**27,018**
Liabilities for leased assets	9,640	3,314	3,101	4,120	-	**10,535**
Trade liabilities	60,114	58,872	994	248	-	**60,114**

The TPER Group believes it has the ability to fulfil its payment obligations through the generation of cash flows from operating activities and, subordinately, through the use of stocks of cash and/or financial instruments in the portfolio that can be converted to cash.

Risk of default and non-compliance with covenants

The Group is exposed to the risk associated with non-compliance with a minimum threshold contractually defined in some financial covenants that could expose it to the risk of early redemption of the instruments in question.

The loan agreements, as with the bond loan, in line with international practice for similar transactions, generally give the lender/bond-holder the right to request the reimbursement of its receivable by arranging for the early termination of the relationship with the debtor in all cases where the latter is declared insolvent and/or subject to bankruptcy proceedings, or has initiated a liquidation procedure or another procedure with similar effects.

Specifically, certain existing loan facilities provide for the obligation to maintain, for the entire duration of the debt:

- a ratio of consolidated net financial position to consolidated shareholders' equity not exceeding 1;
- a ratio of consolidated net financial position to consolidated EBITDA not exceeding 3.7.

Non-compliance with the clauses described above constitutes a breach of the contractual obligations and the Group may be required to pay the residual debt.

The aforementioned covenants and the relative calculations are periodically monitored, also using prospective data, and in the case of exposure to early repayments, a dialogue is initiated with the lenders aimed at remedying them. It should be noted that as at 31 December 2024 there are no indications that the aforementioned covenants have not been complied with.

Interest rate risk

The interest rate risk is linked to the uncertainty caused by the trend in interest rates and can generally present a double manifestation:

- cash flow risk: this is connected to financial assets or liabilities with flows indexed to a market interest rate;
- fair value risk: it represents the risk of loss deriving from an unexpected change in the value of a financial asset or liability following an unfavourable change in the market rate curve.

The Group's approach to managing interest rate risk, which takes account of the structure of assets and the stability of the cash flows, aims to preserve funding costs and stabilise cash flows, in such a way as to safeguard margins and ensure the certainty of cash flows deriving from ordinary activities. The approach to managing interest rate risk is, therefore, prudent and provides for the analysis and control of the position, carried out periodically based on specific requirements.

The following table shows the variable and fixed rate loans payable, with an indication of the related contractual cash flows due according to the residual duration of the loans compared with those relating to 2023.

In thousands of Euro	31/12/2024	Contractual cash flows	Current portion	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Variable rate	33,248	41,932	9,923	6,672	23,036	2,301
Fixed rate	100,750	117,625	4,403	4,403	108,819	0
Total	**133,998**	**159,557**	**14,326**	**11,075**	**131,855**	**2,301**

In thousands of Euro	31/12/2023	Contractual cash flows	Current portion	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Variable rate	53,185	58,931	30,390	4,161	19,975	4,405
Fixed rate	31,779	32,253	32,253	-	-	-
Total	**84,964**	**91,184**	**62,643**	**4,161**	**19,975**	**4,405**

Commodity price risk

The Group is exposed to the price risk of energy commodities, i.e. electricity and oil products, since procurement is impacted by fluctuations in the prices of these commodities.

In 2024, as is well known, there was a price-control initiative for the reduction of fuel and electricity costs following the sharp increases in previous financial years, which were exacerbated by heightened geopolitical tensions.

In this context, the Group constantly monitored the situation, verifying the potential impacts on planning and in any case committing itself to maintaining its commitments in terms of investments and attention to the quality of the services provided.

At present, the Group is analysing the effects of the continuing volatility of commodity prices in order to implement any appropriate hedging strategies or to carry out manoeuvres that allow the maintenance of equilibrium conditions in the provision of its services, including any contracts that regulate them.

In order to diversify the risk involved, the Company has also long since embarked on an energy mix path, which allows it to use different power sources to operate its services. This diversification significantly reduces the Company's exposure to change in the prices of a single commodity.

Credit risk

Credit risk represents the exposure to potential losses resulting from the failure of commercial and/or financial counterparties to meet their obligations.

This risk can derive both from strictly technical-commercial or administrative-legal factors (disputes on the nature/quantity of the service, on the interpretation of contractual clauses; on supporting invoices, etc.), and from typically financial factors, i.e. the "credit standing" of the counterparty, if in contracts and financial instruments entered into, the debtor is not able to honour all or part of its obligations towards the Group.

The Group's counterparties are primarily composed of:

- associates or joint ventures;
- public bodies such as the Municipality of Bologna, the Municipality of Ferrara, the Emilia-Romagna Region and their subsidiaries;
- financial counterparties in relation to deposits with banks.

As regards users of LPT services, the Group operates by providing public services and the revenues deriving from the tariffs applied are essentially collected with the provision of the service.

The credit risk on liquidity and on financial instruments in the portfolio is limited given that the Group only operates with counterparties with a high credit rating.

Credit positions are subject to individual write-downs, if individually significant, for which there is an objective condition of partial or total non-collectability. The amount of the write-down takes into account an estimate of the recoverable flows and the related collection date, future recovery charges and expenses, as well as the value of any guarantees. For receivables that are not subject to an analytical write-down, provisions are allocated on a collective basis taking into account historical experience and the statistical data available.

The table below shows the exposure to credit risk, gross of the write-downs made, of the Group as at 31 December 2024 and as at 31 December 2023.

IN THOUSANDS OF EURO	Receivables 31/12/2024	not past due	past due 0-30	31-60	61-90	91-180	over 180
Trade assets	87,115	68,728	4,822	807	915	1,681	10,162
Financial assets	64,670	63,921	-	-	-	-	749
Other assets	8,218	2,419	-	-	-	20	5,779
Provision for doubtful debts	(14,343)	(3,455)	(47)	(212)	(695)	(86)	(9,848)
Total	**145,660**	**131,613**	**4,775**	**595**	**220**	**1,615**	**6,842**

IN THOUSANDS OF EURO	Receivables 31/12/2023	not past due	past due 0-30	31-60	61-90	91-180	over 180
Trade assets	69,601	55,229	2,676	757	2,221	1,811	6,907
Financial assets	51,704	50,955	-	-	-	-	749
Other assets	23,233	18,225	-	-	-	10	4,998
Provision for doubtful debts	(13,298)	(5,695)	(108)	(159)	(172)	(385)	(6,779)
TOTAL	**131,240**	**118,714**	**2,568**	**598**	**2,049**	**1,436**	**5,875**

Additional disclosures on financial instruments

The details of financial assets and liabilities required by IFRS 7, subdivided into the categories defined by IFRS 9, are shown below.

	Notes	Fair value level	Amortised cost		Fair value recognised in the income statement		Total	
In thousands of Euro			31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Non-current assets								
Equity investments in other companies	4	3	-	-	3,343	3,343	**3,343**	**3,343**
Financial assets	5		39,143	38,283	-	-	**39,143**	**38,283**
Current assets								
Trade receivables	7		80,781	64,270	-	-	**80,781**	**64,270**
Financial assets	5		23,361	11,415	-	-	**23,361**	**11,415**
Other assets	10		2,375	17,272	-	-	**2,375**	**17,272**
Non-current liabilities								
Bond loans	14		99,251	0	-	-	**99,251**	**0**
Medium/long-term loans	14		28,436	24,232	-	-	**28,436**	**24,232**
Other non-current financial liabilities	14		637	392	-	-	**637**	**392**
Long-term liabilities for leased assets	3		4,866	5,893	-	-	**4,866**	**5,893**
Trade liabilities	12		312	1,242	-	-	**312**	**1,242**
Other liabilities	15		7,304	17,173	-	-	**7,304**	**17,173**
Current liabilities								
Trade liabilities	12		58,598	58,872	-	-	**58,598**	**58,872**

Current portion of bond loans	14	1,499	31,779	-	-	**1,499**	**31,779**
Current portion of medium/long-term loans	14	4,715	1,935	-	-	**4,715**	**1,935**
Short-term loans	14	97	27,018	-	-	**97**	**27,018**
Liabilities for leased assets - short-term portion	3	3,441	3,747	-	-	**3,441**	**3,747**
Other liabilities	15	47,416	58,889	-	-	**47,416**	**58,889**

Determination of the fair value

The fair value of the financial assets and liabilities is determined in line with IFRS 13, which requires these values to be classified based on a hierarchy of levels, which reflects the characteristics of the inputs used to in its determination:

- level 1: valuations performed on the basis of quoted prices in active markets for financial assets and liabilities identical to those subject to valuation
- level 2: valuations performed on the basis of inputs other than quoted prices pursuant to level 1, which for the financial asset or liability are directly (prices) or indirectly (price derivatives) observable
- level 3: valuations that take as a reference parameters not observable on the market.

Taking the aforementioned classification as a reference, procedures were implemented to measure the fair value of the assets and liabilities as at 31 December 2024 and 31 December 2023, with reference to the observable market parameters and, in particular:

- the fair value of the financial assets and liabilities with standard conditions and terms, quoted on an active market, measured with reference to prices published in said market by leading market contributors;
- the fair value of other financial assets and liabilities is measured, where the conditions are met, by applying the discounted cash flow method, using the prices recorded for recent market transactions by leading market contributors for similar instruments as the reference balances.

The table below shows the financial assets and liabilities measured at fair value:

		Fair value as at the reporting date		
In thousands of Euro	**31/12/2024**	**Level 1**	**Level 2**	**Level 3**
Equity investments	3,343	-	-	3,343

In accordance with the provisions of IFRS 13, the fair value of the financial liabilities as at 31 December 2024 is shown below.

In thousands of Euro	**31/12/2024 Financial statement value**	**31/12/2024 Fair Value**
Bond loans	100,750	102,563
Liabilities for leased assets	8,307	9,487
Medium/long-term loans	33,151	33,109
Short-term loans	97	97

During the year, there were no transfers between the different levels of the fair value hierarchy.

For medium/long-term financial instruments where no market shares are available, the fair value was determined by discounting the expected cash flows, using the market interest rate curve as at the reference date and considering its own credit risk.

Guarantees

In thousands of Euro	31/12/2024	31/12/2023	Change
Guarantees given to third parties			
Guarantees	16,403	12,446	776
Risks			
Third-party assets at the company	2,214	3,656	(863)
SRM rented assets at the company	34,688	29,032	2,755
SRM assets at the company	19	19	(0)
Total	**53,324**	**45,153**	**2,668**

The sureties granted to third parties mainly refer to the guarantees provided by the Parent Company, on behalf of Tpb S.c.r.l. and Tpf S.c.r.l., to the respective mobility agencies for obligations assumed in relation to service contracts for local public transport in the Bologna and Ferrara areas.

The item "Third party assets at the company" refers to the first stock of railway spare parts supplied by MA.FER customers.

The item "SRM rented assets" corresponds to the net carrying amount of the assets included in the scope of the business unit held by virtue of the lease agreement and owned by the SRM mobility agency used as part of the local public transport service in the Bologna area.

In addition to the guarantees summarised above, it should be noted that the Parent Company TPER had received, as at the closing date of the financial year, Euro 24 million of guarantees from third parties to cover the purchases of goods (mainly rolling stock) and services. The most significant items of guarantees from third parties were for public transport infrastructure (Euro 2 million), for the purchase of new buses (Euro 15.5 million), new trains (Euro 3.8 million) and for new hydrogen distribution systems (Euro 2.5 million).

Transactions with related parties

The following tables show the relevant economic and financial balances of a commercial and financial nature, deriving from Group transactions with related parties.

IN THOUSANDS OF EURO		Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
SUBSIDIARIES					
	2023	815	9,892	293	2,327
Omnibus S.c.r.l.	2024	1,038	11,360	296	1,083
	2023	18,877	568	4,133	149
TPF S.c.r.l.	2024	21,827	548	3,933	166

TPB S.c.r.l.	2023	77,900	75	15,285	75
	2024	89,193	63	26,595	63
MA.FER S.r.l.	2023	3,113	272	6,962	118
	2024	3,417	313	9,451	300
DINAZZANO PO S.p.A.	2023	2,249	6	1,169	6
	2024	2,276	88	871	46
HERM S.r.l.	2023	3	-	-	-
	2024	3	-	-	-
SST S.r.l.	2023	489	2,511	336	652
	2024	471	2,619	175	707
TPH2 S.c.a.r.l.	2023	9	27	411	116
	2024	16	4,660	3	2,131
TOTAL SUBSIDIARIES	2023	103,456	13,351	28,589	3,443
	2024	118,241	19,651	41,324	4,496
ASSOCIATES					
SETA S.p.A.	2023	1,131	492	635	441
	2024	1,073	437	501	147
CONSORZIO TRASPORTI INTEGRATI	2023	-	-	-	-
	2024	-	-	-	-
TRENITALIA TPER S.c.r.l.	2023	23,107	-	2,452	3,888
	2024	24,118	1	5,541	3,224
MARCONI EXPRESS S.p.A.	2023	6,280	-	14,035	1,010
	2024	6,709	135	13,350	1,184
TOTAL ASSOCIATES	2023	30,518	492	17,122	5,339
	2024	31,900	573	19,392	4,555
OWNER ENTITIES					
Emilia-Romagna Region	2023	354	-	1,077	1,670
	2024	300	-	3,205	514
Municipality of Bologna	2023	956	1,108	6,276	762
	2024	972	1,100	14,485	5
Metropolitan city of Bologna	2023	52	1	57	471
	2024	50	8	963	-
Azienda Consorziale Trasporti ACT Reggio Emilia	2023	-	-	-	220
	2024	-	-	-	220
Province of Ferrara	2023	-	-	-	-
	2024	-	1	-	-
Municipality of Ferrara	2023	46	-	3,668	-
	2024	53	1	5,354	-
Province of Parma	2023	-	-	-	-

	2024	-	-	-	-
	2023	-	-	-	-
Ravenna Holding	2024	-	-	-	-
	2023	1,408	1,109	11,078	3,122
TOTAL OWNER ENTITIES	2024	1,375	1,110	24,007	739
	2023	135,382	14,952	56,788	11,904
TOTAL	2024	151,516	21,334	84,723	9,790

IN THOUSANDS OF EURO		**Sales to related parties**	**Purchases from related parties**	**Receivables from related parties**	**Payables to related parties**
SHAREHOLDERS					
	2023	133	2,583	4	218
FERRARA MOBILITÀ S.C.R.L. - "FEM"	2024	135	2,697	67	438
	2023	4	2,875	4	218
AUTOGUIDOVIE S.P.A.	2024	47	2,802	3	455
	2023	5,047	-	1,908	-5
MERCITALIA RAIL S.R.L.	2024	4,964	-	1,958	9
	2023	3,098	4	1,616	3
PORTO INTERMODALE RAVENNA S.P.A - SAPIR	2024	-	-	-	-
	2023	-	-	-	-
AUTORITÀ DI SISTEMA PORTUALE DEL MARE ADRIATICO CONTRO	2024	3,023	-	1,124	-
	2023	-	-	-	-
NUOVA MOBILITÀ S.C.R.L.	2024	-	-	-	-
	2023	6	4,106	6	362
CO.E.R.BUS Soc. Coop.	2024				
	2023	838	14,876	125	1,281
S.A.C.A. Soc. Coop r.l.	2024	753	16,675	430	3,112
	2023	6	7,909	41	-
COSEPURI Soc. Coop. p.A.	2024	1,513	200	7,826	1,513
	2023	26	3,079	65	78
HGENERATION S.R.L	2024	40	4,618	71	2,094
	2023	9,158	35,432	3,769	2,155
TOTAL	2024	10,476	26,992	11,479	7,620

Transactions with related parties do not include atypical or unusual transactions and are settled on an equivalent basis to those prevailing in transactions with independent parties. There were no non-recurring events and/or transactions in 2024.

No guarantees have been provided for receivables and payables with related parties. In the financial year ended as at 31 December 2024, the TPER Group did not record any impairment loss of receivables contracted with related parties. This assessment is carried out annually, at each balance sheet date, taking into consideration the financial position of the related party and the market in which the related party operates.

Compensation to directors and statutory auditors and independent auditors

The information concerning the remuneration of the directors, statutory auditors and the independent auditors of the TPER Group is presented below.

IN THOUSANDS OF EURO	31/12/2024	31/12/2023	Change
Directors' fees	411	383	28
Statutory auditors' fees	145	144	1
Independent auditors' fees	131	147	- 16
TOTAL	**687**	**674**	**13**

It should be noted that the fee for the audit of the consolidated accounts is included in the amount envisaged for the audit of the Parent Company.

Operating segments

Following the evolution recorded in the Group's activities, the following operating segments were identified in order to better assess the activity performance taking into account the business and the organisational structure of the business areas:

- Local public transport: includes all activities relating to passenger transport services in the areas served by the company, also with innovative methods (car-sharing with electric cars) and as a service for other operators in the local public transport of persons (shuttle service for Bologna airport-city and Emilia-Romagna regional train service);
- Freight transport: refers to the group's activities in the transport of goods by rail, as well as to the management activities of the Dinazzano and Guastalla freight terminals;
- Railway maintenance: includes maintenance services on railway vehicles;

In line with the provisions of IFRS 8, a summary of the identified sectors' main economic and financial performance data and indicators is shown in the following tables. It should be noted that for the purposes of a better representation of the final results of the various operating segments in the reference years, the income and financial items relating to: (i) compensation for lost revenues recognised with reference to the epidemiological emergency period from COVID-19; and (ii) compensation on higher fuel costs pursuant to Italian Law Decree 115/2022, Article 9 and subsequent amendments were identified.

	2024					
Millions of euros	**LOCAL PUBLIC TRANSPORT**	**TRANSPORT OF GOODS**	**RAILWAY MAINTENANCE**	**NON-ALLOCATED ITEMS**	**COMPENSATION**	**CONSOLIDATED TOTAL**
REVENUES	**257.6**	**24.6**	**20.6**	**-**	**11.3**	**314.1**
EBITDA	23.0	9.9	2.5	-	11.3	**46.7**
Depreciation and amortisation, write-downs, write-backs and allocations	(24.6)	(4.1)	(0.7)	-	-	**(29.4)**
EBIT	**(1.6)**	**5.7**	**1.8**	**-**	**11.3**	**17.3**
Profit/(Loss) of equity investments measured using the equity method				6.1	-	**6.1**

Financial income/(charges)				(4.1)	-	**(4.1)**
Profit before taxes from operating activities						**19.3**
Tax income/(charges)				(0.6)		**(0.6)**
Profit/(loss) for the year						**18.7**
Operating cash flow	14.1	1.9	0.3	-	24.6	**40.9**
Operating investments	(76.1)	(3.0)	(0.1)	-	-	**(79.2)**

	2023					
Millions of euros	**LOCAL PUBLIC TRANSPORT**	**TRANSPORT OF GOODS**	**RAILWAY MAINTENANCE**	**NON-ALLOCATED ITEMS**	**COMPENSATION**	**CONSOLIDATED TOTAL**
REVENUES	**249.9**	**24.6**	**19.5**	**-**	**0.1**	**294.0**
EBITDA	28.6	8.6	(1.0)	-	0.1	**36.2**
Depreciation and amortisation, write-downs, write-backs and allocations	(23.2)	(7.7)	0.1	-		**(30.8)**
EBIT	**5.3**	**0.9**	**(0.9)**	**-**	**0.1**	**5.3**
Profit/(Loss) of equity investments measured using the equity method				7.2	-	**7.2**
Financial income/(charges)				(3.6)	-	**(3.6)**
Profit before taxes from operating activities						**8.9**
Tax income/(charges)				(0.4)		**(0.4)**
Profit/(loss) for the year						**8.5**
Operating cash flow	34.1	2.7	1.2	-	1.9	**38.1**
Operating investments	(68.6)	(0.3)	(0.2)	-	-	**(69.2)**

Orders for investments

Orders for investments in place as at the date of year-end are reported below:

IN THOUSANDS OF EURO	31/12/2024	31/12/2023	Change
Asset orders in place			
Tangible assets	70,326	101,405	(31,079)
Intangible assets	718	101	617
TOTAL	**71,044**	**101,506**	**(30,462)**

The decrease in 2024 over 2023 is mainly due to the progressive realisation of infrastructure projects.

Grants, contributions, paid offices and economic benefits Italian Law no. 124/2017

Pursuant to Article 1, paragraph 125, of Italian Law no. 124 of 4 August 2017, in accordance with the obligation of transparency, it should be noted that in 2024 the following grants and/or contributions were received from public administrations:

Issuing entity	Description	Amount received Euro
Ministry of Infrastructure and Transport	Grant for the realisation of the Guided Public Transport System Bologna City Centre - San Lazzaro (BO) (TPGV) - Italian Law no. 211/92	2,038,141
Ministry of Infrastructure and Transport	Ferrobus freight regulation grant - MIT-MEF Interministerial Decree no. 566/2020	211,899
Ministry of Infrastructure and Transport	COVID 19 grant Interministerial Decree MIT-MEF no. 472/2020	34,308
Municipality of San Lazzaro	Grant for the implementation of the Guided Public Transport System Bologna City Centre - San Lazzaro (BO) (TPGV)	6,232
Municipality of Bologna	Grant for the implementation of the Guided Public Transport System Bologna City Centre - Municipality of Bologna	66,945
SRM Bologna	Balance of 80% of MATTM resources in the Po Valley no. 87 buses	9,258,558
AMI Ferrara	Balance of 80% of MATTM resources in the Po Valley no. 21 buses	1,757,685
Municipality of Bologna	Monthly report 12/2023 PNRR Next Generation EU DM_530/2021 resources (bus share)	4,012,000
Municipality of Bologna	Monthly report 12/2023 PNRR Next Generation EU DM_530/2021 resources (infrastructure share)	2,422,352
SRM Bologna	Balance 80% - first phase - no. 45 buses PSNMS RER resources DM 134/2021 first five-year period 2019~2023 (bus share)	5,057,052
AMI Ferrara	Balance 80% - first phase - no. 7 buses PSNMS RER resources DM 134/2021 first five-year period 2019~2023 (bus share)	1,069,708
Emilia-Romagna Region	First report of the contribution for the construction of LPT infrastructures - projects presented by the Companies as part of the Development and Cohesion Plan (FSC) Bologna area	127,189
Emilia-Romagna Region	First report of the contribution for the construction of LPT infrastructures - projects presented by the Companies as part of the Development and Cohesion Plan (FSC) Ferrara area	109,839
SRM Bologna	Grant balance to improve LPT quality and safety for prevention and containment of Covid-19 contagion - Decree of Regional Government no. 1269/2020	-
SRM Bologna	Advance of 40% of the contribution for the purchase of buses - resources for the years 2018-2021 and 2022-2024 pursuant to Italian Ministerial Decree 223/2020 (only on orders issued) Bologna area	2,078,053
AMI Ferrara	Advance of 40% of the contribution for the purchase of buses - resources for the years 2018-2021 and 2022-2024 pursuant to Italian Ministerial Decree 223/2020 (only on orders issued) Ferrara area	325,840
Municipality of Bologna	PRIMUS Project - Sustainable Urban Mobility Incentive Program (CAR AND BIKE SHARING) - MATTM	54,866
Mobility agencies	Sharing Mobility Bologna area intermediate incentive	809,737
Mobility agencies	Sharing Mobility Ferrara area intermediate incentive	40,675
AMI Ferrara	Grant to the higher costs for the NCLA pursuant to Italian Laws nos. 47/04, 58/05, 296/06	2,295,625
SRM Bologna	Grant to the higher costs for the NCLA pursuant to Italian Laws nos. 47/04, 58/05, 296/06	7,528,584
SRM Bologna	Contribution relating to: "Critical issues on roads systems. Interventions for LPT efficiency"	21,115
European Community	UNIVERSITAT POLITECNICA DE CATALUNYA European project SIGN-AIR 2nd and 3rd down payment	60,296
Revenues Agency	Tax credit for investments in capital goods Article 1, paragraph 1054-1058, Law 178/2020	518,585
Customs Agency	Excise duties on transport diesel	2,277,886

Mobility agencies	COVID-19 public relief for loss of revenues	22,038,084
Mobility agencies	Fuel relief pursuant to Article 9 of Italian Decree Law 115/2022	2,611,819
Revenues Agency	Art-Bonus (Decree Law 83/2014)	21,450
	TOTAL RECEIVED IN 2024	**66,854,526**

Financial Statements as at 31 December 2024

Statement of Financial Position

Amounts in Euro	Notes	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Tangible assets	1	**183,950,445**	**177,451,753**
Rolling stock		*167,979,449*	*163,318,074*
Infrastructure		*10,745,334*	*9,951,592*
Real estate		*3,106,730*	*3,186,959*
Other tangible assets		*2,118,932*	*995,128*
Intangible assets	2	**929,843**	**458,680**
Assets for rights of use	3	**4,022,898**	**5,403,496**
Equity investments	4	**53,949,106**	**53,949,106**
Non-current financial assets	5	**39,142,718**	**38,283,358**
Deferred tax assets		**0**	**0**
Other non-current assets		**0**	**0**
Total non-current assets		**281,995,010**	**275,546,393**
Current assets			
Trade assets	6	**81,204,384**	**67,418,302**
Inventories		12,485,519	12,893,780
Trade receivables		68,718,865	54,524,522
Cash and cash equivalents	7	**78,331,439**	**60,032,445**
Financial assets	5	**23,360,620**	**11,283,623**
Financial assets for contributions		23,360,620	10,883,623
Current financial assets		0	400,000
Assets for income taxes	8	**1,140,721**	**610,418**
Other current assets	9	**2,088,348**	**16,053,888**
Total current assets		**186,125,512**	**155,398,676**
TOTAL ASSETS		**468,120,522**	**430,945,069**

Amounts in Euro	Notes	31/12/2024	31/12/2023
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Capital issued		68,492,702	68,492,702
Treasury shares		(188,536)	(188,536)
Reserves and profits carried forward		94,332,504	90,895,074
Profit/(loss) for the year		9,744,648	3,294,825
Total shareholders' equity	10	**172,381,318**	**162,494,065**
Non-current liabilities			
Trade liabilities	11	**311,945**	**1,242,225**
Funds for provisions	12	**49,959,998**	**44,207,729**
Provisions for employee benefits		9,375,769	10,330,020
Other provisions		40,584,229	33,877,709
Deferred tax liabilities	13	**113,244**	**92,313**
Non-current financial liabilities	14	**128,293,003**	**24,576,279**
Bond loans		99,250,975	0
Medium/long-term loans		28,431,883	24,210,595
Other non-current financial liabilities		610,145	365,684
Liabilities for leased assets	3	**2,758,478**	**4,147,733**
Other non-current liabilities	15	**7,342,450**	**17,211,620**
Total non-current liabilities		**188,779,118**	**91,477,899**
Current liabilities			
Trade liabilities	11	**47,769,794**	**49,604,306**
Current portion of funds for provisions	12	**6,615,052**	**7,927,396**
Provisions for employee benefits		756,045	833,356
Other provisions		5,859,007	7,094,040
Current financial liabilities	14	**6,310,086**	**60,728,487**
Current portion of bond loans		1,499,330	31,779,085
Current portion of medium/long-term loans		4,713,853	1,931,255
Short-term loans		96,903	27,018,147
Current portion of liabilities for leased assets	3	**1,449,468**	**1,414,427**
Liabilities for income taxes	8	**0**	**811,717**
Other current liabilities	15	**44,815,686**	**56,486,772**
Total current liabilities		**106,960,086**	**176,973,105**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**468,120,522**	**430,945,069**

Income Statement

Amounts in Euro	Notes	2024	2023
Revenues			
LPT line services	16	182,858,008	179,388,590
Railway line services	17	6,863,328	6,665,775
Parking and sharing mobility	18	3,920,872	3,109,070
Other revenues	19	52,027,267	38,718,569
Total revenues		**245,669,475**	**227,882,004**
Costs			
Personnel costs	20	104,047,182	94,308,382
Costs for services	21	64,473,365	58,608,042
Costs for materials	22	34,324,144	35,544,736
Use of third-party assets	23	1,723,700	2,418,801
Other operating costs	24	3,665,081	3,736,294
Amortisation/depreciation		15,648,770	16,421,943
Depreciation of tangible assets	1	13,898,665	14,685,438
Amortisation of intangible assets	2	327,446	265,250
Amortisation of rights of use	3	1,422,659	1,471,255
Write-downs/(reversals) of impairment losses		1,473,341	3,989,286
Write-downs/(reversals) of the value of financial assets	5-6-9	1,473,341	461,286
Write-downs/(reversals) of the value of non-financial assets	1-4	0	3,528,000
Change in funds for provisions	25	6,520,179	5,600,740
Total costs		**231,875,762**	**220,628,224**
OPERATING RESULT		**13,793,713**	**7,253,780**
Financial income		3,646,694	3,892,180
Dividends		*61,200*	*66,300*
Other financial income		*3,585,494*	*3,825,880*
Financial charges		7,532,282	7,295,666
Charges on bond loans		*1,847,824*	*1,135,564*
Charges on loans		*3,270,059*	*2,472,009*
Other financial charges		*2,414,399*	*3,688,093*
FINANCIAL INCOME/(CHARGES)	26	**(3,885,588)**	**(3,403,486)**
PROFIT FROM OPERATING ACTIVITIES BEFORE TAXES		**9,908,125**	**3,850,294**
Tax charges	27	163,477	555,469
Current income taxes		*187,579*	*608,127*
Deferred taxes		*(24,102)*	*(52,658)*
PROFIT/(LOSS) FOR THE YEAR		**9,744,648**	**3,294,825**

Comprehensive income statement

Amounts in Euro			2024	2023
Profit/(Loss) for the year	**(a)**		**9,744,648**	**3,294,825**
Other components of the comprehensive income statement for the year that can be reclassified to the income statement	**(b)**		**-**	**-**
Profit/(loss) from actuarial valuation of provisions for employee benefits		12	187,637	(258,573)
Tax effects		13	(45,033)	62,057
Other components of the comprehensive income statement for the year that cannot be reclassified to the income statement	**(c)**		**142,604**	**(196,516)**
Total other components of comprehensive income	**(d=b+c)**		**142,604**	**(196,516)**
COMPREHENSIVE ECONOMIC RESULT FOR THE YEAR			**9,887,252**	**3,098,309**

Statement of changes in shareholders' equity

	Notes	Share capital	Reserves									Shareholders' equity
			Valuation reserves	Other reserves								
			Reserve for actuarial valuations for employee benefits	Treasury shares	Legal reserve	Share premium reserve	Capital contributions reserve	Accumulated merger surplus reserve	Other reserves	Profit/(loss) carried forward	Result for the year	
Balance as at 01.01.2023		**68,492,702**	**352,942**	**(188,536)**	**5,424,834**	**272,058**	**32,716,499**	**1,515,984**	**22,971,671**	**26,150,631**	**1,686,971**	**159,395,756**
Comprehensive income statement result for the year			(196,516)								3,294,825	**3,098,309**
Transactions with shareholders and other changes												
Allocation of the result for the year					84,349				1,602,622		(1,686,971)	**-**
Distribution of dividends												**-**
Balance as at 31.12.2023		**68,492,702**	**156,426**	**(188,536)**	**5,509,183**	**272,058**	**32,716,499**	**1,515,984**	**24,574,293**	**26,150,631**	**3,294,825**	**162,494,065**
Comprehensive income statement result for the year			142,604								9,744,648	**9,887,252**
Transactions with shareholders and other changes												
Allocation of the result for the year					658,965				2,635,860		(3,294,825)	**-**
Distribution of dividends												
Balance as at 31.12.2024	10	**68,492,702**	**299,030**	**(188,536)**	**6,168,148**	**272,058**	**32,716,499**	**1,515,984**	**27,210,153**	**26,150,631**	**9,744,648**	**172,381,317**

Cash flow statement

Amounts in Euro	Notes	2024	2023
Profit/(loss) for the year		**9,744,648**	**3,294,825**
Adjusted by:			
Amortisation/depreciation	1-2-3	15,648,770	16,421,943
Change in funds for provisions	25	6,520,179	5,600,740
Write-downs/(revaluations) of financial assets	5-6-9	1,473,341	461,286
Write-downs/(revaluations) of non-financial assets	1	0	3,528,000
Losses/(gains) from disposal of non-current assets		669,994	(98,470)
Financial charges (income)	26	3,885,588	3,403,486
Net change in deferred taxation	13	20,931	(114,716)
Change in working capital and other changes		(20,746,525)	3,897,313
Net cash flow provided by/(used in) operating activities		**17,216,926**	**36,394,407**
Investments in tangible assets	1	(74,896,544)	(63,984,740)
Investments in intangible assets	2-3	(1,132,670)	(4,906,768)
Equity investments		0	(12,750)
Investments gross of contributions		**(76,029,214)**	**(68,904,258)**
Contributions to tangible assets	1	28,329,595	24,120,694
Contributions to intangible assets		292,000	0
Grants		**28,621,595**	**24,120,694**
Disposals of tangible assets	1	337,889	257,773
Disposals of intangible assets		0	0
Disposals of equity investments		0	2,600
Disposals		**337,889**	**260,373**
Net cash flow provided by/(used in) investing activities		**(47,069,730)**	**(44,523,191)**
Issue of bond loans	14	100,000,000	0
(Repayment) of bond loans		(31,666,668)	(31,666,666)
Taking out of medium/long-term loans		8,933,846	27,136,000
(Repayment) of medium/long-term loans		(1,929,960)	(994,150)
Taking out of short-term loans		35,000,000	48,000,000
(Repayment) of short-term loans		(61,921,244)	(20,985,957)
Change in financial liabilities for leased assets	3	(1,354,214)	3,132,492
Change in financial assets	5	6,473,048	(492,193)
Change in financial liabilities	14	244,461	(887,320)
Financial income		3,585,494	993,329
Interest expense		(4,479,995)	(3,639,572)
Other financial charges		(2,414,399)	(1,455,514)
Dividends received	26	61,200	66,300
Dividends paid	15	(2,379,771)	0
Net cash flow provided by/(used in) financial assets		**48,151,798**	**19,206,749**
NET CASH FLOW FOR THE PERIOD		**18,298,994**	**11,077,965**
Cash and cash equivalents at the start of the year		60,032,445	48,954,480
Cash and cash equivalents at the end of the year		78,331,439	60,032,445

Explanatory Notes

General information

TPER S.p.A. (hereinafter TPER or Company) is a joint stock company established in 2012 with registered office in Bologna, in Via di Saliceto, 3. The company term is fixed to 31 December 2050.

TPER is an integrated mobility company with core business in local automotive and railway public transport (hereinafter also "LPT"). For more details, please refer to the Report on Operations.

At the date of preparation of these financial statements, no shareholder holds control: the Emilia-Romagna Region is the relative majority shareholder of TPER (46.13%). The other shareholders are the Municipality of Bologna (30.11%), the Metropolitan City of Bologna, (18.79%), the Azienda Consorziale Trasporti ACT of Reggio Emilia (3.06%), the Province of Ferrara (1.01%), the Municipality of Ferrara (0.65%), Ravenna Holding S.p.A. (0.04%) and the Province of Parma (0.04%). Furthermore, TPER owns 111,480 treasury shares (0.16%).

The present financial statements as at 31 December 2024 were approved by TPER's Board of Directors at the meeting of 23 May 2025, considering that TPER's Board of Directors dated 26 March 2025, as the conditions set forth in Article 2364, paragraph 2 of the Italian Civil Code were satisfied, resolved to defer the ordinary deadline for approval of the Company's financial statements from 120 days to 180 days from the end of the financial year.

These financial statements are subject to statutory audit by PwC S.p.A., appointed to audit the accounts until the approval of the financial statements as at 31 December 2026.

It should be noted that the Company, which holds significant controlling interests, also provides for the preparation of the Group's consolidated financial statements, published together with these financial statements.

Structure and content of the financial statements

TPER's financial statements for the year ended as at 31 December 2024, drafted on the basis of the going concern assumption, were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and approved by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as well as the previous International Accounting Standards (IAS) and previous interpretations of the Standard Interpretations Committee (SIC) still in force. For simplicity, the set of all the standards and interpretations is hereafter defined as the "IFRS".

The financial statements of TPER consist of the financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement) and of these explanatory notes and are prepared by applying the general cost criteria, with the exception of the balance sheet items that according to IFRS are recognised at fair value, as indicated in the evaluation criteria of the individual items described in note "Accounting standards and valuation criteria applied". The statement of financial position is presented on the basis of the scheme that provides for the distinction between current and non-current assets and liabilities. The income statement and the statement of comprehensive income are presented on the basis of the nature of the costs; in particular, the statement of comprehensive income, starting from the result for the year, shows the effects of gains and losses recognised directly in equity in application of IFRS. The Statement of changes in shareholders' equity represents the changes that took place during the year in the individual items that comprise it while the cash flow statement was prepared using the indirect method.

IFRS are applied consistently with the indications provided in the "Conceptual Framework for Financial Reporting" and there have not been any circumstances that have led to the use of derogations pursuant to IAS 1, Paragraph 19.

The statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement are expressed in Euro, while the explanatory notes are expressed in thousands of Euro unless otherwise indicated.

The Euro is the functional currency used to present TPER's financial statements.

For each item of the financial statements, the corresponding value of the previous year is shown for comparative purposes. For the purpose of a more accurate comparison, some values from the previous year have been reclassified. In particular, these reclassifications concerned the revenues related to the extended verification activities reclassified from the item "LPT line services" to the item "Parking and Sharing Mobility".

On the other hand, it should be noted that the comparative values have not been restated compared to those presented in the financial statements for the year ended 31 December 2023, as no significant events or changes in the accounting standards applied have occurred that have led to the need to make adjustments to the balances of the previous year's items.

Accounting policies and valuation criteria

The most important accounting standards and valuation criteria applied in the preparation of the financial statements for the year ending 31 December 2024 are described below. These standards and criteria are consistent with those used for the preparation of the financial statements for the financial year as at 31 December 2023, with the exception of the amendments introduced with effect from 2024 to the IFRS in force, for details of which please refer to the following paragraphs.

Tangible assets

A tangible asset is recognised if, and only if: (a) it is probable that the future economic benefits associated with the item will flow to the entity; and (b) the cost can be measured reliably.

Tangible assets are recorded at purchase cost, including any directly attributable accessory charges, as well as financial charges incurred in the period of realisation of the assets.

Costs for the improvement, updating and transformation of a tangible asset are recognised as an increase in the initial cost when it is probable that the expected future economic benefits will increase. The replacement costs of identifiable components are recognised as tangible assets and depreciated over their useful life. The remaining carrying amount of the replaced component is recognised in the income statement. All other maintenance and repair costs are charged to the income statement when incurred.

The depreciable amount is the difference between the cost and the residual value at the end of their useful life. The residual value of an asset is the estimated amount that an entity would currently obtain from the divestment of the asset, net of estimated disposal costs, if the asset was already of the age and in the expected condition at the end of its useful life.

Starting from the moment in which the asset is available and ready for use, the amount to be depreciated is systematically depreciated on a straight-line basis over its useful life, defined as the period of time in which the entity is expected to use the asset.

The residual value and useful life of an asset are reviewed at least at each year-end date and, if the expectations differ from the previous estimates, the change is accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting standards, Changes in accounting estimates and errors.

In particular, for the purposes of defining the depreciation plan for buses and trolley buses used by TPER under the Bologna service contract and the Ferrara service contract and allocated for transfer, the depreciable amount is defined on the basis of the difference between the net carrying amount at the beginning of the year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of the service contracts by a possibly new contractor. This value is calculated according to the criteria identified by resolution no. 49 of 17 June 2015 of the Transport Regulation Authority and with reference to the UNI 11282/2008 standard and subsequent amendments or additions. The depreciable value is therefore amortised on the basis of the residual duration of the service contract, taking into account, where appropriate, any extensions as well as the residual technical life of the asset.

For all other types of tangible assets, presented by homogeneous categories, the following table shows the annual depreciation rates used in 2024.

Useful life	Years
Land indefinite useful life	indefinite
Buildings	10-39
Rolling stock	10-28
Plant and machinery	5-10
Other assets	4-8

In the presence of specific indicators regarding the risk of non-recovery of the carrying amount of the tangible assets, these are subjected to verification to detect any losses (impairment test), as described later in the specific paragraph.

Tangible assets are no longer shown in the financial statements following their disposal or when no future benefit is expected from their use or disposal; any profit or loss (calculated as the difference between the sale value, net of selling costs, and the carrying amount) is recognised in the income statement for the year of sale.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance, controlled by the company and capable of producing future economic benefits, as well as goodwill, when acquired for consideration.

The ability to identify is defined with reference to the possibility of distinguishing the acquired intangible asset compared to the goodwill. This requirement is normally satisfied when the intangible asset: (i) is attributable to a legal or contractual right or (ii) is separable, i.e. it can be sold, transferred, rented or exchanged independently or as an integral part of other activities. The control by the company consists in the ability to take advantage of the future economic benefits deriving from the asset and in the possibility of limiting its access to others.

Costs relating to internal development activities are recorded in the balance sheet when: (i) the cost attributable to the intangible asset can be reliably determined, (ii) there is the intention with, the availability of financial resources and the technical capacity to make the asset available for use or sale, (iii) it is demonstrable that the asset is capable of producing future economic benefits.

Intangible assets are recorded at cost, which is determined according to the same methods indicated for tangible assets.

Intangible assets with a finite useful life are amortised from the moment in which the same assets are available for use, in relation to the residual useful life.

The annual amortisation rates used in 2024, presented by similar categories, are shown in the following table.

Useful life	Years
Software	3-5

In the presence of specific indicators regarding the risk of non-full recovery of the carrying amount of the intangible assets, these are subject to a review to detect any impairments, as described in the paragraph "Impairment and reversal of impairment of assets".

intangible assets are no longer shown in the financial statements following their disposal or when no future economic benefit is expected from their use or disposal.

The gain or loss arising from the derecognition of an intangible asset is determined as the difference between the disposal value, less costs to sell, and the net carrying amount of the asset and is recognised in profit or loss when the asset is derecognised.

Right of use

In the case of a contract that falls within the definition of a lease, a right-of-use asset is recognised at the inception date of the contract equal to the initial value of the corresponding lease liability, plus payments due prior to or concurrently with the contractual inception date (e.g. agency fees). Subsequently, this right of use is measured net of accumulated amortisation/depreciation and impairment and is adjusted for any remeasurement of the correlated liability. Amortisation/depreciation starts on the date the lease takes effect, and extends in the shorter of the contractual duration and the useful life of the underlying asset.

The Company avails itself of the right granted by the principle of non-application of the relative provisions to short-term leases (with a duration not exceeding twelve months) and contracts in which the individual underlying asset is of low value; for these contracts, the Group recognises the lease fees in the income statement as a contra-entry to trade payables.

Business combinations and goodwill

Acquisitions of companies and business units are accounted for through use of the acquisition method, as required by IFRS 3; for this purpose, the acquired assets and identifiable liabilities acquired are recognised at their respective fair value at the date of acquisition. The cost of acquisition is measured by the total of the fair value, at the exchange date, of the assets, the liabilities assumed and any capital instruments issued by the Company, exchanging control of the acquired entity. Ancillary costs directly attributable to the business combination transaction are recognised in the income statement when incurred.

Goodwill is recorded as the positive difference between the acquisition cost, increased by both fair value on the date of acquisition of any non-controlling interests already held in the acquisition, and of the value of minority interests held by third parties in the acquisition (the latter valued, for each transaction, at the fair value or in proportion to the current value of the identifiable net assets of the acquisition), and the fair value of these assets and liabilities.

As at the date of acquisition, the goodwill that emerged was allocated to each of the units generating substantially autonomous financial flows that are expected to benefit from the synergies deriving from the business combination.

In the case of a negative difference between the acquisition cost (increased by the above components) and the fair value of assets and liabilities, this is recorded as income in the income statement of the year of acquisition.

If all the necessary information for determining the fair value of the assets and liabilities acquired is not available, these are provisionally recognised in the financial year in which the business combination transaction is realised and adjusted, with retroactive effect, no later than twelve months after the date of acquisition.

After initial recognition, goodwill is not amortised and is decreased by any accumulated impairment losses, determined using the methods described in the paragraph "Impairment and reversal of impairment of assets (impairment test)".

Service concession arrangements

The agreements for service under concession are recognised in accordance with the interpretation in IFRIC 12, on the basis of which, in the presence of certain characteristics of the concession deed, the infrastructures used for the provision of public services under concession are recorded under intangible assets and/or financial assets depending on whether the concessionaire is entitled to a fee, respectively, from the customer for the service provided and/or has the right to receive it from the granting public body.

Equity investments

Equity investments in subsidiaries, associates and joint ventures are valued at cost, including directly attributable additional charges. The cost is adjusted for any loss in value according to the criteria established by IAS 36, for which reference should be made to the section on "Impairment and reversal of impairment of assets (impairment test)". The value is subsequently reinstated if the conditions that determined the adjustments cease to exist; the reversal of value cannot exceed the original cost of the equity investment. In the event of any losses exceeding the carrying amount of the equity investment, the excess is recognised in a specific liability provision to the extent that the Company is committed to fulfilling legal obligations implied with regard to the investee company or in any case to cover its losses.

Equity investments in other companies, which can be classified in the category of capital financial instruments pursuant to IFRS 9, are initially recorded at cost, registered at the settlement date, insofar as it is representative of the fair value, including directly attributable transaction costs.

After the initial accounting, such equity investments are measured at fair value, with recognition of the effects in the income statement, except those that are not held for trading and for which, as allowed by IFRS 9, the option of designation at fair value with recognition of subsequent changes in the other components of other comprehensive income has been exercised at the time of acquisition.

Equity investments are derecognised when the contractual rights to the cash flows derived from the assets themselves expire or when the equity investment is sold, thereby effectively transferring all the risks and benefits pertaining thereto.

Treasury shares

The purchase cost of treasury shares is recognised as a reduction in equity. The effects of any subsequent transactions on these shares are also recorded directly in equity as transactions between shareholders.

Inventories

Inventories, mainly consisting of supplies and spare parts for the maintenance of rolling stock, are valued at the lower of the purchase or production cost, determined through the application of the average weighted cost, and the net estimated recoverable amount obtainable from its sale in the ordinary course of business.

Obsolete and/or slow-moving inventories are written down in relation to the presumed possibility of their use or future sale, through the recognition of a specific provision for adjusting the value of inventories. The write-down is eliminated in subsequent years if the reasons for the same no longer apply.

Financial instruments

Financial instruments include cash and cash equivalents, derivative financial instruments and financial assets and liabilities (which for IFRS 9 include, among other things, trade receivables and payables).

Financial instruments are recognised when the Company becomes part of the instrument's contractual clauses.

Cash and cash equivalents

They include cash, bank deposits or deposits with other credit institutions available for current transactions, current accounts and other equivalent values. Cash and cash equivalents are recognised at fair value, which normally coincides with the nominal value.

Financial assets

The classification of financial assets and related valuation is carried out considering both the management model of the financial asset and the contractual characteristics of the cash flows obtainable from the asset. The financial asset is measured using the amortised cost method if both of the following conditions are met:

- the business model of the financial asset consists in holding it with the purpose of collecting the related financial flows;
- financial assets generate contractually, at predetermined dates, financial flows that are exclusively representative of the return on the financial asset itself (principal and interest).

The classification between current and non-current reflects the expectations of management regarding their realisation.

Financial assets measured at amortised cost are initially recognised at the fair value of the underlying asset; the measurement at amortised cost is carried out by applying the effective interest rate method.

The trade receivables, whose expiration falls within normal commercial terms or for which there are no significant financial components, are not discounted.

The financial asset is valued at fair value, with the recognition of the effects in the comprehensive income statement, if the objectives of the management model are to hold the financial asset for the purpose of obtaining the related contractual cash flows or selling it, and the financial generates, at predetermined dates, financial flows exclusively representative of the same financial asset.

Lastly, any residual financial assets held other than those described above are classified as assets held for trading and are measured at fair value with recognition of the effects in the income statement.

Write-down of financial assets designated at amortised cost

The Company applies the expected credit losses (ECL) model for the determination of impairment losses on financial assets designated at amortised cost. This model assumes a significant level of assessment in relation to the impact of changes in economic factors on the ECL, weighted on the basis of probability.

The provisions for the write-down of financial assets are determined using the following methodological approaches: the "*General deterioration method*" and the "*Simplified approach*".

The "*General deterioration method*" requires the classification of financial instruments into three stages, which reflect the level of impairment of credit quality from the time the financial instrument is acquired and involve a different method of calculating the ECL;

The "*Simplified approach*" provides for certain simplifications to be adopted for trade receivables, contract assets and receivables arising from leasing contracts, in order to avoid the need for entities to monitor changes in credit risk, as under the general model. The recognition of the loss under the simplified approach must be lifetime, so stage allocation is not required. It is calculated over a period corresponding to the residual life of the receivable, generally not exceeding 12 months.

In cases where the *General Deterioration Method* is applied, the financial instruments are classified into three stages according to the deterioration in credit quality between the date of initial recognition and the valuation date:

- Stage 1: includes all financial assets under review at the time of their initial recognition (Initial Recognition Date) regardless of qualitative parameters (e.g. ratings) and with the exception of situations with objective evidence of impairment. All financial instruments that have not had a significant increase in credit risk since the Initial Recognition Date or that have a low credit risk at the reference date remain in Stage 1 at a later valuation stage. For these assets, expected credit losses over the next 12 months (12-month ECLs) are recognised, which represent expected losses given the possibility of default events occurring in the next 12 months. Interest on financial instruments included in stage 1 is calculated on the book value gross of any write-downs on the asset;
- Stage 2: includes financial instruments that have experienced a significant increase in credit risk since the Initial Recognition Date, but have no objective evidence of impairment. For these assets, only expected credit losses arising from all possible events of default over the entire expected life of the financial instrument (Lifetime ECL) are recognised. Interest on financial instruments included in stage 2 is calculated on the book value gross of any write-downs on the asset;
- Stage 3: includes financial assets that have objective evidence of impairment at the Valuation Date. For these assets, only expected credit losses arising from all possible events of default over the entire expected life of the instrument are recognised.

The original value is reinstated in subsequent years to the extent that the reasons that determined the adjustment cease to exist. In this case, the reversal of value is recorded in the income statement and cannot in any case exceed the value of the amortised cost that the financial asset would have had in the absence of previous adjustments.

Financial liabilities

Financial liabilities are initially recognised at fair value, net of any directly attributable transaction costs. Subsequently, financial liabilities are measured at amortised cost, using the effective interest rate method, with the exception of those for which the irrevocable option is exercised, at the time of recognition, for the measurement at fair value with recognition of the changes in the income statement (to eliminate or reduce the mismatch in the measurement or recognition with respect to an asset also measured at fair value).

Trade payables, whose expiration falls within normal commercial terms or for which there are no significant financial components, are not discounted. If there is a change in one or more elements of an existing financial liability (also through substitution with another instrument), a qualitative and quantitative analysis is carried out in order to verify whether this change is substantial with respect to the existing contractual terms. In the absence of substantial changes, the difference between the present value of the flows thus modified (determined using the effective interest rate of the instrument in place at the date of the modification) and the carrying amount of the instrument is recognised in the income statement, with consequent adjustment of the value the financial liability and restatement of the effective interest rate of the instrument; if substantial changes occur, the existing instrument is derecognised and the fair value of the new instrument is recognised at the same time, with the related difference recognised in the income statement.

Derivative financial instruments

All derivative financial instruments are shown in their financial statements at fair value, determined on the closing date of the financial year.

The derivatives are classified as hedging instruments, in accordance with IFRS 9, when the relationship between the derivative and the subject of the hedge is formally documented and the effectiveness of the hedge, initially and periodically verified, is high.

For instruments which cover the risk of changes in the cash flows of assets and liabilities (including with reference to prospective and highly probable assets and liabilities) subject to hedging (cash flow hedges), changes in the fair value are recognised in the statement of comprehensive income and any non-effective part of the hedging is recorded in the income statement. The cumulative changes in fair value set aside in the cash flow hedge reserve are reclassified from the statement of comprehensive income to the income statement for the year in which the hedging relationship is to cease.

For instruments that cover the risk of changes of the fair value of hedged assets and liabilities (fair value hedge), the changes in fair value are recorded in the income statement for the year. The related hedged assets and liabilities are also consistently adjusted to fair value, with an impact on the income statement.

The changes of fair value derivatives that do not meet the conditions for qualifying for IFRS 9 as hedging instruments are recognised in the income statement.

Cancellation of financial instruments

Financial instruments are no longer shown in the financial statements when, as a result of their sale or settlement, the Company is no longer involved in their management, nor does it hold the risks and benefits relating to these transferred or extinguished instruments and therefore loses the right to collection / payment of cash flows associated with the financial instrument.

Liabilities for leased assets

The lease liability, with the nature of a financial liability, is initially recognised at the present value of lease fees unpaid at the date of contractual effectiveness; for the purposes of calculation of the present value, the Company uses the incremental borrowing rate, defined for the duration of the loan.

The payments included in the initial measurement of the lease liability include:

- fixed payments, net of any lease incentives to be received
- variable payments due for the lease that depend on an index or rate initially measured using an index or rate at the date of effectiveness (e.g. ISTAT adjustments)
- the exercise price of a purchase option, if the lessee is reasonably certain to exercise the option.

Variable payments that do not depend on an index or a rate are, by contrast, not included in the initial value of the lease liability. These payments are booked as a cost in the Income Statement, in the period in which the event or condition that generates the obligation is verified.

Subsequently, the lease liability is reduced to reflect the lease fees paid and increased to reflect the interest on the value that remains.

The Company recalculates the lease liability (and makes a corresponding adjustment to the associated right of use) in the event of a change in:

- the duration of the lease
- future payments due for the lease, deriving from a variation in the index or rate used to determine the payments (e.g. ISTAT) or as a result of a re-negotiation of the economic conditions.

Only in the event of a significant change in the duration of the lease or the future payments due for the lease does the Company recalculate the residual value of the lease liability, making reference to the incremental borrowing rate in force on the date of the change; in all other cases, the lease liability is recalculated by using the initial discount rate.

Funds for provisions

"Funds for provisions" are recognised when, at the reference date, there is a current obligation (legal or implicit) with respect to third parties resulting from a past event, an outflow of resources is likely to satisfy the obligation and a reliable estimate of the amount of the obligation can be made.

The provisions are recorded at the value representing the best estimate of the amount that the Company would pay to extinguish the obligation or to transfer it to third parties as at the closing date of the financial year. If the effect of discounting is significant, the provisions are determined by discounting the expected future cash flows at a discount rate that reflects the current market valuation of the cost of money. When discounting is carried out, the increase in the provision due to the passage of time is recognised as a financial charge.

Employee benefits

The liabilities related to short-term benefits guaranteed to employees, paid during the employment relationship, are recognised on an accrual basis for the amount accrued as at the end of the financial year.

The liabilities related to medium-long term benefits guaranteed to employees are recorded in exercising the right of the law, net of any assets serving the plan and the advances paid, determined on the basis of actuarial assumptions, if significant, and are recorded on an accrual basis consistent with the work services necessary to obtain the benefits.

The liabilities relating to the benefits guaranteed to employees, paid in connection with or after the termination of the employment relationship through defined contribution plans, are recorded for the amount accrued as at the end of the financial year.

The liabilities related to the benefits guaranteed to employees, paid in connection with or after the termination of the employment relationship through defined benefit plans, are recorded in the year of maturity of the right, net of any assets servicing the plan and the advances paid, determined on the basis of actuarial assumptions and are recognised on an accrual basis consistent with the work services necessary to obtain the benefits. The liability assessment is carried out by independent actuaries. The profit or loss deriving from the actuarial calculation is fully recorded in the statement of comprehensive income, in the reference year.

Revenues from contracts with customers

Revenues is the gross inflow of economic benefits arising in the course of the ordinary activities of an entity and is recognised when the control of the goods or services is transferred to the customer, at a figure representing the amount of consideration to which the entity expects to be entitled. More specifically, revenue is recognised through the application of a model that meets the following criteria:

- identification of the contract, defined as an agreement in which the parties undertake to fulfil their respective obligations
- identification of the individual performance obligations contained in the contract
- determination of the transaction price, i.e. the consideration expected for the transfer to the customer of the goods or services
- allocation of the transaction price to each performance obligation, on the basis of the selling prices of the individual obligation
- recognition of revenue when (or as) the performance obligation is satisfied by transferring the promised good or service to the customer.

The transaction price is the amount of consideration on exchange of which the customer is considered to have right to the transfer of the promised goods and services. It may include fixed and/or variable amounts. Revenues based on variable amounts are recognised in the income statement if reliably estimated and only if it is highly likely that such consideration will not, in subsequent periods, need to be wholly or substantially reversed from the income statement. In the event of a high prevalence of uncertainty related to the nature of the consideration, said consideration is only be recognised when such uncertainty is resolved.

Revenues are recognised alternatively:

- at a point in time, when the entity fulfils the obligation to transfer the promised good or service to the customer
- over time, as the obligation to transfer the promised goods or service to the customer is fulfilled.

The good is transferred when, or in the course of the period in which, the customer acquires control of it.

Depending on the type of transaction, revenues are recognised on an accrual basis based on the specific criteria set out below:

- travel tickets: with provision of the service
- supplementations of remuneration: set forth in the appropriate service agreements with public authorities, revenue is recognised for an amount equal to the actual amount accrued on the basis of current laws and agreements
- car-sharing: with provision of the service
- maintenance activities: with the provision of the service
- logistics and transport activities, connected to the railway freight service: with provision of the service
- Crealis infrastructure management activities: according to the financial activity model envisaged by IFRIC 12. In particular, according to the provisions of IFRIC 12, the financial asset model is applicable to the case in point as the operator has the unconditional right to receive contractually guaranteed cash flows from the future transport service operator for the construction services provided and the operational maintenance services that it has undertaken to provide as network manager.

Government grants

Government grants, in the presence of a formal resolution of attribution or other equivalent legal title, are recognised on an accrual basis in direct correlation with the costs incurred.

Government grants are recognised at fair value when: (i) their amount can be reliably determined; and (ii) there is reasonable certainty that they will be received and the conditions for obtaining them will be respected.

Grants for operating expenses are recorded in the income statement in the year they accrue, consistently with the costs to which they are commensurate and are recognised, depending on the cases, as a direct deduction of the expenses incurred, or in the context of other income.

The grants received for investments in rolling stock or other tangible assets are recorded as a reduction in the cost of the asset to which they refer and contribute, in reduction, to the calculation of the relative depreciation rates.

Financial income and charges

Interest is recognised on an accrual basis on the basis of the effective interest method, i.e. using the interest rate that makes all inflows and outflows financially equivalent (including any premiums, discounts, commissions, etc.) that constitute a given transaction.

Financial charges related to the acquisition, construction or production of certain assets that require a significant period of time to be ready for use or for sale (qualifying assets) are capitalised together with the asset itself.

Dividends

They are recognised in the income statement when the right to receive the payment arises, which normally corresponds to the shareholders' meeting resolution for the distribution of dividends.

The distribution of dividends to the shareholders of TPER is represented as a movement in shareholders 'equity and recorded as a liability in the period in which the distribution of the same is approved by the Shareholders' Meeting.

Income taxes

Income taxes are recorded on the basis of an estimate of the tax charges to be paid, in accordance with the applicable provisions in force.

The payables relating to income taxes are recorded under current tax liabilities in the Statement of Financial Position, net of advances paid. Any positive imbalance is recorded among current tax assets.

Deferred tax assets and liabilities are calculated on the basis of the temporary differences between the carrying amount of the assets and liabilities and their tax value.

Deferred tax assets are recognised:

- for all deductible temporary differences, if it is likely that a taxable income will be realised against which the deductible temporary difference can be utilised, unless the deferred tax asset derives:
- from the initial recognition of goodwill
- from goodwill whose amortisation is not deductible for tax purposes
- from the initial recognition of an asset or a liability in a transaction other than a business combination that, at the date of the transaction, does not influence either the accounting result or the taxable income (tax loss)
- for the carry-forward of unused tax losses and unused tax credits, if a taxable income is likely to be generated against which the tax loss or the tax credit can be used.

Deferred tax liabilities, if present, are booked in any case.

Deferred tax assets and liabilities are determined on the basis of the tax rates envisaged for the taxation of income in the years in which the temporary differences will reverse, based on the tax rates and tax legislation in force or essentially in force as at the reference date. The effect of the change in tax rates on the aforementioned taxes is booked to the income statement in the year in which said change materialises. Deferred tax assets and liabilities are only set off when legally allowed.

Impairment and reversal of impairment of assets (impairment test)

On the balance sheet date, the book value of tangible and intangible assets and equity investments is subject to verification to determine whether there are indications that these assets have suffered impairment.

An asset is impaired when its carrying amount exceeds its recoverable amount.

To this end, both internal and external sources of information are considered. For the former (internal sources), the following are considered: the obsolescence or physical deterioration of the asset, any significant changes in the use of the asset, and the economic performance of the asset compared to what was expected.

As far as external sources are concerned, the following are considered: the market price development of assets, any technological, market or regulatory discontinuities, the development of market interest rates or the cost of capital used to value investments. If there are indications that an impairment loss may have occurred, the Company makes a formal estimate of the recoverable amount.

For intangible assets with an indefinite useful life and those in progress, the impairment test is carried out at least annually, regardless of whether or not events occur that lead to the assumption of a reduction in value, or more frequently in the case that events or changes in circumstances occur which may bring about any reduction in value.

The recoverable amount of an asset is the higher of its estimated fair market value, less costs to sell, and its value in use, the latter being the present value of estimated future cash flows for that asset.

If the recoverable value is lower than the relative net book value, the asset is written down to the extent of the recoverable value.

In determining the value in use, the expected future cash flows before taxes are discounted using a discount rate, before taxes, which reflects the current market estimate in relation to the cost of capital based on time and the specific risks of the asset.

If it is not possible to estimate the recoverable value of an asset individually, the estimated recoverable value is included within the Cash Generating Unit (CGU) the asset belongs to.

In the case of estimation of future cash flows of operating CGUs in operation, cash flows and discount rates are used instead net of taxes, which produce results that are substantially equivalent to those deriving from a pre-tax assessment.

The impairment losses are recorded in the income statement and are classified differently depending on the nature of the impaired asset. At the closing date of the financial statements, if there is an indication an impairment loss recognised in previous years may have been reduced, in whole or in part, the recoverability of the amounts recorded in the financial statements is checked and the potential amount of the write-down to be reversed is determined; this reversal cannot in any case exceed the amount of the write-down previously carried out. The relative impairment losses are restored, within the limits of the write-downs carried out, if the reasons that generated them cease to exist, except for goodwill and for the consideration of participating financial instruments valued at cost, in cases where the fair value cannot be reliably determined and they cannot be restored.

Estimates and evaluations

In application of IFRS, the preparation of annual accounts requires estimates and assumptions that are reflected in the determination of the book values of the assets and liabilities, as well as the information provided in the explanatory notes, also with reference to the contingent assets and liabilities present at the reporting date. These estimates are mainly used to determine amortisation, impairment testing of assets (including the estimate of the write-down of financial assets), funds for provisions, employee benefits, and the fair value of financial assets and liabilities, the state of completion of the activities relating to the provision of services that generate revenues, current, prepaid and deferred taxes.

The estimates made are complex by nature and characterised by a high degree of uncertainty as they can be influenced by multiple variables and assumptions that include technical and economic assumptions.

In making the budget estimates, the main sources of uncertainties that could have an impact on the evaluation processes are considered. Therefore, the subsequently recorded actual results could differ from these estimates; however, the estimates and valuations are reviewed and updated periodically and the effects deriving from any change are immediately reflected in the financial statements.

The estimates also took into account assumptions based on the parameters, market and regulatory information available as at the date the preparation of the financial statements. The current facts and circumstances that influence assumptions regarding future developments and events, however, may change due to changes in market developments or applicable regulations that are beyond the control of the Company. These changes in assumptions are also reflected in the financial statements when they occur.

It should be noted that an estimate was made - on the basis of the rules defined at national and local level - also of the Government grants pertaining to support revenue losses, during the period of lockdown and application of the restrictions as a result of the Covid pandemic.

Revenues from contracts with customers

The recognition of revenues from contracts with customers includes variable components, in which penalties are especially significant (other than those envisaged for compensation for damages). The variable components are identified at the inception of the contract and estimated at the close of each accounting period during the entire period of contractual validity, to take account of both new circumstances that materialised, and changes in the circumstances already considered for the purposes of previous evaluations. The variable price components include liabilities for future reimbursements.

Funds for provisions

The Company incorporates in Funds for provisions the probable liabilities attributable to disputes and expenses related to personnel, suppliers, third parties and, in general, other expenses deriving from the obligations undertaken. These assessments include, among other things, the measurement of the liabilities that could result from various types of disputes and proceedings, the economic effects of seizures ordered and still not definitively assigned, as well as foreseeable adjustments or reimbursements to be made to customers in cases in which they are not definitively determined.

The calculation of the allocations involves the assumption of estimates based on current knowledge of factors which may change over time, being able to generate final outcomes that are also significantly different from those taken into account in the drafting of these financial statements.

Impairment and stage allocation of financial instruments

For the purposes of the calculation of impairment and the determination of the stage allocation, the main factors subject to estimates by the Company, relating to the internal model prepared for counterparties, are as follows:

- estimate of the ratings for counterparties
- estimate of the probability of default for counterparties.

Depreciation of tangible assets and amortisation of intangible assets

The cost of tangible and intangible assets is amortised/depreciated on a straight-line basis over the estimated useful life of each asset. The economic useful life is determined at the time of purchase of the assets and is based on historical experience for similar investments, market conditions and the anticipation of any future events that could have an impact, including changes in technology. The actual useful life may therefore differ from the estimated useful life.

In particular, with regard to the depreciation plan relating to buses and trolley buses used as part of the service contracts for the LPT of Bologna and Ferrara, the estimated residual value at the end of the agreements was based on specific appraisals drawn up by an independent expert who determined the takeover value that will presumably be recognised to TPER in application of the criteria identified by Resolution no. 49 of 17 June 2015 of the Transport Regulatory Authority and referring to the UNI 11282/2008 standard and subsequent amendments or additions.

Recoverability of inventories

Inventory valuation is an estimative process subject to the uncertainty of determining the replacement value of rolling stock and consumable components that varies over time and according to market conditions as well as the conditions of use of the different types of vehicles that make up the fleet based on fleet renewal plans that may vary over time.

Deferred tax assets

Accounting for deferred tax assets takes place on the basis of expectations of taxable income in future years. The valuation of expected taxable income, for the purpose of accounting for deferred tax assets, depends on factors that may vary over time and have significant effects on the valuation of said financial statements item.

Employee severance indemnity

The evaluation of Employee severance indemnity is also based on the conclusions reached by the Company's external actuaries. The calculation takes account of the Employee severance indemnity accrued for work already carried out and is based on the different demographic and economic-financial assumptions. These assumptions, also based on experience and reference best practice, are subject to periodic revisions.

New accounting standards and interpretations, amendments to accounting standards and interpretations in force from 1 January 2024 and newly issued accounting standards and interpretations, revisions and amendments to existing standards and interpretations not yet in force.

As required by IAS 8 - Accounting Policies, Changes in accounting estimates and Errors - the table below shows:

a) the new accounting standards and new accounting interpretations, or amendments to existing standards and interpretations already applicable, which are in force from 1 January 2024;
b) the new accounting standards and interpretations, and the changes to the existing standards and interpretations already applicable, not yet effective as at 31 December 2024, that could be applied in the future in the Group's consolidated financial statements.

Document title	Date of entry into force of the IASB document	Date of approval by the EU
New accounting standards and new interpretations, amendments to accounting standards and interpretations in force from 1 January 2024		
Amendments to IAS 7 and IFRS 7 - Suppliers financing agreements	1 January 2024	25 May 2023
Amendments to IAS 1 - Presentation of Financial Statements - Classification of liabilities as current or non-current; Non-current Liabilities with Covenants	1 January 2024	19 December 2023
Amendments to IFRS 16 - Lease liabilities in a sale and leaseback transaction	1 January 2024	20 November 2023
Newly issued, revised or amended accounting standards and interpretations not yet in force or not endorsed		
Amendments to IAS 21 - Lack of exchangeability	1 January 2025	13 November 2024

With reference to the standards in force from 1 January 2024, it should be noted that they had no impact on the values of the financial statements. On the other hand, the Company is assessing any impacts deriving from the future application of the new accounting standards and interpretations not yet in force as at 31 December 2024, for which no significant effects are expected.

Significant events after the close of the year

Adjustment and tariff concessions on local public transport tickets in the Bologna area

From 1 March 2025, after 14 years from the last change on urban passes (and after 6 years in which extra-urban passes have kept the tariff unchanged), the competent institutions have resolved new tariffs for the Bologna area.

The main objective of the intervention, which made it possible to recover part of the inflation, in compliance with a precise contractual obligation, was to protect the major users of local public transport, also through the introduction of new particularly advantageous initiatives. Annual passes have undergone slight increase which, for the urban area of Bologna, concern only users belonging to the higher ISEE brackets, while significant reductions are introduced for the medium and low brackets.

Through the introduction of the "Insieme a scuola" initiative, up to two carers were also free for children residing in the municipality of Bologna for the journey home to school.

Time or zone tickets offer different fares: a single urban journey has a variable cost depending on the method of purchase. Starting from Euro 1.90 with the 10-journey booklet, Euro 2.30 at authorised resellers or with a contactless card on board, up to Euro 2.50 by paying in coins directly on the bus. A new weekly rate was also introduced, which from May 2025 will be added to the best daily rate reserved for those who use contactless bankcard payment systems. In fact, within the urban area of Bologna, regardless of the benefits that can be used, if you choose to pay with a contactless card for each trip, the maximum cost charged each day is Euro 9 (Euro 25 every 7 days).

Lastly, those who travel by local public transport occasionally during the year can benefit from the Ecoticket duration extension: a multi-journey ticket with 20 day tickets that can now be used within 10 months of the first validation.

Adjustment and tariff concessions on local public transport tickets of the Municipality of Imola

The Municipal Administration of Imola, in line with the planning of the Metropolitan City of Bologna and with the aim of guaranteeing efficient and accessible public transport, has adopted a new tariff manoeuvre made necessary to secure the system and improve the services for citizens, students and workers.

The manoeuvre aims to protect citizens who use public transport, offering benefits to students, workers and vulnerable groups. The City Pass is also used to facilitate travel between neighbourhoods and services.

Starting from 1 March 2025, the single ticket is offered at a cost of Euro 1.90, the Citypass (book of 10 trips) at a cost of Euro 16 and the monthly subscription at a cost of Euro 31. The cost of the annual subscription instead goes to Euro 246, while the cost of the annual subscription under 27 remains unchanged (including the 50% discount for subsidised categories, minors and families, just as the cost of the annual subscription remains unchanged for seniors, which is extended to over 65s).

Renewal of the National Collective Labour Agreement Autoferrotramvieri - Internavigatori (LPT Mobility)

On 20 March 2025, following previous meetings, the national secretariats of the trade unions and trade associations signed an agreement giving the status of National Collective Labour Agreement for Autoferrotramvieri - Internavigatori (Local Public Transport Mobility) - hereinafter referred to as the "National Collective Labour Agreement" - to the preliminary agreement reached on 11 December 2024.

The agreement in question has a three-year duration with effect from 1 January 2024 to 31 December 2026 and provides for a one-off, all-inclusive amount of Euro 500.00 to the parameter 175 to be reparameterised and salary increases in table remuneration for the year 2024 for a total of Euro 160 gross to be paid for Euro 60 with the remuneration relating to March 2025 and for Euro 100 with the remuneration relating to August 2026.

Starting from the remuneration of March 2025, a new Separate Remuneration Element was also established, called "EDR 2024", to the extent of Euro 40.00 gross per month at parameter 175, also to be re-measured.

The agreement reached, in addition to intervening on the economic part and introducing a mechanism aimed at favouring company productivity, reconciling it with the needs related to the settlement of life and work times, provides for the commitment of the signatory parties to resume the discussion on the regulatory part, with regard to the institutions of industrial relations and the labour market, in order to reach the definition of a contractual addendum that will come into force during the term of the same Agreement.

In addition, in order to facilitate the process of modernising the overall contractual framework as part of the upcoming renewal of the National Collective Labour Agreement, the parties will initiate a relational process leading to the identification of specific solutions with regard, inter alia, to the revision of personnel classification and of the bilateral system, as a tool capable of intervening on issues related to professional training and the management of unsuitable personnel.

At the meeting of 13 March 2025, the Council of Ministers approved the legislative decree on the reorganisation of excise duties on fuels, which provides for the resources dedicated to the stable financing of the cost of renewing the National Collective Labour Agreement. In this regard, it should be noted that the MIT will convene a technical meeting with the representatives of the same Ministry, the MEF, the Conference of the Regions and the trade associations for the definition of the operating methods for the recognition of the aforementioned resources to all companies in the sector, relating to the higher charges deriving from the renewal of the National Collective Labour Agreement.

Impacts from climate change

TPER has identified climate risks and opportunities as part of the double materiality assessment, carried out in compliance with Italian Legislative Decree 125/2024 and the European sustainability reporting standards (ESRS). This assessment has made it possible to assess the impacts of physical and climate transition risks over the long term. The climate risks and opportunities identified, as well as the double materiality assessment, are illustrated in the Sustainability Disclosure.

Sustainability is at the heart of TPER's strategy in line with the objectives of the United Nations 2030 Agenda for sustainable development. The achievement of these objectives requires the implementation of significant actions aimed at a more efficient and sustainable use of the resources used, an increasing attention to safety and the promotion, without distinction of gender, of the Company's talents. This must be achieved by actively involving TPER's supply chain with the aim of studying and implementing solutions that use materials with progressively lower emission factors.

Sensitivity to the evolution of climate change and its effects on the businesses managed is now a consolidated issue at international level, which is also reflected in a greater demand for disclosure in the annual financial report. Although there is no international accounting standard that regulates how the impacts of climate change are to be considered in the preparation of financial statements, the IASB has issued some documents to support IFRS-Adopters in meeting this request for interested parties' disclosure. Similarly, in its European Common Enforcement Priorities, ESMA highlighted that issuers must consider climate risks in the preparation of IFRS financial statements to the extent that they are material regardless of whether or not these risks are explicitly envisaged by the reference accounting standards.

For the sectors in which the Company operates, the main effects deriving from climate change have been identified as the need to continue investments in infrastructure and vehicles.

In particular, with reference to the infrastructure and vehicles used in the local public road transport service, the management has assessed that these investments change the expectation of future economic benefits related to the buses that will be replaced. Consequently, the useful life of vehicles whose replacement is likely before the end of the service contracts was reviewed and the relative residual value was zeroed (represented by an estimate of the market value that will be recognised at the end of the service contracts by a possible new contractor).

In relation to railway rolling stock, a timely recognition of the risks associated with the existence of impairment indicators was carried out. The assessment carried out did not reveal the presence of these indicators.

For all other investments, management concluded that they were not able to reduce or change the expectation of future economic benefits associated with the use of tangible and intangible assets. In pursuing the definition of updated development plans, no further specific considerations were identified to be factored into the application of the accounting standards for the preparation of the financial statements.

Finally, it should be noted that the legislation introduced in response to climate change could give rise to new obligations that did not exist before. In addition, an entity can make a public commitment to behave in a certain way or undertake certain activities in response to climate change. It is possible, therefore, that provisions previously recognised for future events could be realised sooner, necessitating a corresponding change in the estimated recognition. Climate change and the resulting associated legislation may require this assumption to be reconsidered with the consequent need to recognise or re-value certain liabilities.

Information on the Statement of Financial Position

The items in the statement of financial position as at 31 December 2024 are commented on below. The values in brackets in the headings of the notes refer to balances as at 31 December 2023.

1. Tangible Assets

Euro 183,950 (177,452) thousand

Tangible assets as at 31 December 2024 showed a net value of Euro 183,950 thousand compared to the net value of Euro 177,452 thousand as at 31 December 2023. The table below shows the initial and final amounts of the items of tangible assets, with evidence of the original cost and accumulated depreciation as at the end of the year.

	31/12/2024			31/12/2023		
In thousands of Euro	Cost	Accumulated depreciation	Net value	Cost	Accumulated depreciation	Net value
Real estate	4,572	(1,653)	2,919	4,572	(1,573)	2,999
Real estate under construction	188	-	188	188	-	188
REAL ESTATE	**4,760**	**(1,653)**	**3,107**	**4,760**	**(1,573)**	**3,187**
Rolling stock of buses/trolley buses	287,042	(202,136)	84,906	294,609	(202,839)	91,770
Rolling stock of buses/trolley buses in progress	11,806	-	11,806	11,244	-	11,244
Railway rolling stock	90,534	(31,272)	59,262	84,499	(28,698)	55,801
Railway rolling stock in progress	3,183	-	3,183	2,993	-	2,993
Vehicle rolling stock	12,297	(3,573)	8,724	3,673	(2,967)	706
Vehicle rolling stock in progress	98	-	98	804	-	804
ROLLING STOCK	**404,960**	**(236,981)**	**167,979**	**397,822**	**(234,504)**	**163,318**
Infrastructure	21,374	(19,518)	1,856	20,196	(19,157)	1,039
Infrastructure in progress	8,889	-	8,889	8,913	-	8,913
INFRASTRUCTURE	**30,263**	**(19,518)**	**10,745**	**29,109**	**(19,157)**	**9,952**
OTHER TANGIBLE ASSETS	**12,404**	**(10,285)**	**2,119**	**10,879**	**(9,884)**	**995**
TOTAL TANGIBLE ASSETS	**452,387**	**(268,437)**	**183,950**	**442,570**	**(265,118)**	**177,452**

Compared to the previous year, tangible assets increased by Euro 6,498 thousand mainly due to:

- investments made in 2024 amounting to Euro 68,397 thousand;
- depreciation for the year of Euro 13,899 thousand;
- grants on investments amounting to Euro 47,739 thousand.

It should be noted that, for the purpose of defining the depreciation plan for rolling stock consisting of buses and trolleybuses, the value to be depreciated is defined on the basis of the difference between the book value at the beginning of the financial year and the residual value, which in this specific case is represented by an estimate of the market value that will be recognised at the end of each service contract by a possible new contractor.

The table below provides details of the changes in tangible assets that occurred in 2024. In the table, the values of the disposals are shown net of the relative accumulated depreciation.

In thousands of Euro	31/12/2023	CHANGES IN THE FINANCIAL YEAR						31/12/2024
	Net value	Investments	Depreciation	Write-downs and write-backs	Disposals	Other reclassifications or adjustments	Grants on investments	Net value
Real estate	**2,999**	-	(80)	-	-	-	-	**2,919**
Real estate under construction	**188**	-	-	-	-	-	-	**188**
REAL ESTATE	**3,187**	**-**	**(80)**	**-**	**-**	**-**	**-**	**3,107**
Rolling stock of buses/trolley buses	**91,770**	1,437	(9,831)	-	(338)	47,114	(45,245)	**84,907**
Rolling stock of buses/trolley buses in progress	**11,244**	47,711	-	-	-	(47,149)	0	**11,806**
Railway rolling stock	**55,801**	4,828	(2,575)	-	-	1,207	0	**59,261**
Railway rolling stock in progress	**2,993**	1,397	-	-	-	(1,207)	0	**3,183**
Vehicle rolling stock	**706**	7,918	(607)	-	-	706		**8,723**
Vehicle rolling stock in progress	**804**	-	-	-	-	(706)	0	**98**
ROLLING STOCK	**163,318**	**63,291**	**(13,013)**	**-**	**(338)**	**(35)**	**(45,245)**	**167,978**
Infrastructure	**1,039**	569	(379)	-	-	1,689	(1,062)	**1,856**
Infrastructure in progress	**8,913**	2,706	-	-	-	(2,729)	-	**8,890**
INFRASTRUCTURE	**9,952**	**3,275**	**(379)**	**-**	**-**	**(1,040)**	**(1,062)**	**10,746**
OTHER TANGIBLE ASSETS	**995**	**1,831**	**(427)**	**-**	**-**	**1,152**	**(1,432)**	**2,119**
TOTAL	**177,452**	**68,397**	**(13,899)**	**-**	**(338)**	**77**	**(47,739)**	**183,950**

The item "Real estate", amounting to Euro 3,107 thousand, includes buildings and land owned for the purposes of operations.

Rolling stock amounted to Euro 167,978 thousand as at 31 December 2024 and includes:

- the value of buses and trolley buses, totalling Euro 96,712 thousand as at 31 December 2024, used to provide local public transport services in the Bologna and Ferrara areas and regulated by specific service contracts;
- the value of the railway rolling stock, partly leased to the jointly controlled company Trenitalia Tper S.c.a.r.l. (hereinafter "TT") which guarantees the coordination and performance of the services to be rendered in execution of the service contract with Company Ferrovie Emilia-Romagna S.r.l. for the provision of the public passenger transport service by rail under the responsibility of the Emilia-Romagna Region and in part leased to the subsidiary Dinazzano Po S.p.A. and used by the latter as part of freight transport activities;
- the value of the vehicles used to support the local public transport services provided, as well as the vehicles used for sharing mobility activities. In this regard, it should be noted that the change is essentially attributable to the investments made in 2024 for the purchase of full electric cars under the Volvo brand, used in the provision of car sharing services.

The "infrastructure" item, amounting to Euro 10,746 thousand as at 31 December 2024, includes the value of the works carried out in support of the activities for the provision of public transport as well as issuers, validators, electronic information panels and information systems for users. The increase compared to the previous year mainly relates to investments in progress for the construction of electric recharging systems to power the new electric-powered vehicles.

Lastly, the item "Other tangible assets" includes the value of plant, equipment, furniture and office furnishings.

It should be noted that as at 31 December 2024, the tangible assets are not encumbered by mortgages, liens or other collateral securities that limit their availability.

2. Intangible assets

Euro 930 (459) thousands

In thousands of Euro	31/12/2024 Cost	31/12/2024 Accumulated amortisation	31/12/2024 Net value	31/12/2023 Cost	31/12/2023 Accumulated amortisation	31/12/2023 Net value
Intangible assets	8,930	(8,326)	604	8,198	(7,999)	199
Intangible assets in progress	326	-	326	260	-	260
TOTAL INTANGIBLE ASSETS	**9,256**	**(8,326)**	**930**	**8,458**	**(7,999)**	**459**

The item refers essentially to investments in software relating to operational management systems. The table below shows the amounts at the beginning and at the end of the year as well as the relative changes occurred in 2024.

	31/12/2023	CHANGES IN THE FINANCIAL YEAR						31/12/2024
In thousands of Euro	Net value	Investments	Amortisation	Write-downs and write-backs	Disposals	Other reclassifications or adjustments	Grants on investments	Net value
Intangible assets	199	780	(327)	-	-	244	(292)	604
Intangible assets in progress	260	335		-	-	(269)	-	326
TOTAL	**459**	**1,115**	**(327)**	**-**	**-**	**(25)**	**(292)**	**930**

As at 31 December 2024, the value of intangible assets recorded an overall increase of Euro 471 thousand as the combined effect of investments for the period, totalling Euro 1,115 thousand, mainly for the purchase of software licences, amortisation for the period of Euro 327 thousand and contributions on investments recognised for Euro 292 thousand.

3. Assets for rights of use and liabilities for leased assets

Right-of-use assets

Euro 4,023 (5,403) thousand

In thousands of Euro	LPT Bologna and Ferrara	Company cars	Business unit rental fees	Car sharing	Total
Balance as at 01.01.2024	**2,119**	**160**	**3,125**	**0**	**5,403**
Increases/(decreases)	(8)	0	39	12	**43**
Amortisation/depreciation	(469)	(61)	(887)	(6)	**(1,423)**
Balance as at 31.12.2024	**1,642**	**99**	**2,277**	**6**	**4,023**

Right-of-use assets equal to Euro 4,023 thousand as at 31 December 2024 refer to:

- Euro 1,642 thousand for contracts relating to the management of Local Public Transport in the Municipality of Bologna and Ferrara;
- Euro 99 thousand for the rental of company cars;
- Euro 2,276 thousand for the right of use relating to the business unit lease agreement (LPT Bologna) entered into between TPER, via the TPB consortium and the granting body SRM, in-house company of the Municipality of Bologna on 4 March 2011 and the concession contract for use of the assets conducive to the LPT service of the Municipality of Ferrara;
- Euro 6 thousand to the right of use relating to lease agreements for stalls used as part of the car sharing service.

The changes that occurred during the year 2024 include both the effects of the adjustments to the lease payments of each agreement qualified as a lease pursuant to IFRS 16, made as a contra-entry to specific adjustments of the related financial liabilities, and the effects of the new contracts entered into during 2024.

It should be noted that for leased assets used in the context of existing service contracts, the duration of the lease has been aligned with that of the relevant service contract, on the assumption that the rights in question are closely related to the activities to which they relate.

Liabilities for leased assets

(Non-current portion) Euro 2,758 (4,148) thousand
(Current portion) Euro 1,449 (1,414) thousand

In thousands of Euro	LPT Bologna and Ferrara	Company cars	Business unit rental fees	Car sharing	Total
Balance as at 01.01.2024	**2,127**	**165**	**3,272**	**0**	**5,564**
of which:					
Current liabilities	490	62	863	0	**1,414**
Non-current liabilities	1,637	103	2,409	0	**4,148**
Balance as at 31.12.2024	**1,665**	**102**	**2,434**	**6**	**4,207**
of which:					
Current liabilities	476	53	914	6	1,449
Non-current liabilities	1,189	49	1,520	0	2,758

Liabilities for leased assets, totalling Euro 4,207 thousand, down by Euro 1,357 thousand compared to 31 December 2023 (Euro 5,564 thousand), are related to the rights of use described above.

Financial charges totalling Euro 240 thousand (Euro 322 thousand in 2023) accrued on liabilities for leased assets in the year 2024.

4. Equity investments

Euro 53,949 (53,949) thousand

The following table shows the opening and closing balances (with indication of the original cost and cumulative write-downs) of the equity investments held by the Company classified by category.

In thousands of Euro	31/12/2024				31/12/2023			
	% ownership	Cost	Revaluations (write-downs)	Final value	% ownership	Cost	Revaluations (write-downs)	Final value
Subsidiaries								
TPF S.c.r.l.	97%	10	-	10	97%	10	-	10
SST S.r.l.	51%	94	-	94	51%	94	-	94
TPB S.c.r.l.	85%	9	-	9	85%	9	-	9
OMNIBUS S.c.r.l.	51%	39	-	39	51%	39	-	39
DINAZZANO PO S.p.A.	95%	36,905	(3,528)	33,377	95%	36,905	(3,528)	33,377
MA.FER S.r.l.	100%	3,100	-	3,100	100%	3,100	-	3,100
HERM S.r.l.	95%	10,621	(2,400)	8,221	95%	10,621	(2,400)	8,221
TPH2 S.c.a.r.l.	51%	51	-	51	51%	51		51
Associates								
Marconi Express S.p.A.	25%	2,600	(860)	1,740	25%	2,600	(860)	1,740
SETA S.p.A.	7%	673	-	673	7%	673	-	673
Jointly controlled equity investments								
Trenitalia Tper S.c.r.l.	30%	3,300	-	3,300	30%	3,300	-	3,300
Equity investments in other companies								
START ROMAGNA S.p.A.	14%	4,036	(700)	3,336	14%	4,036	(700)	3,336

Total		61,437	(7,488)	53,949		61,437	(7,488)	53,949

In relation to the recoverability of the book value of the equity investments in place as at 31 December 2024, no indications were recorded, from internal information sources, of events or changes in circumstances with an unfavourable effect that could cause impairment.

In particular, with reference to the investment held in Dinazzano Po S.p.a., which was written down in 2023, having regard to the future cash prospects of the associate and the substantial stability of the reference rates, at the end of the 2024 financial year the management deemed there were no impairment indicators.

The following table shows the main information of the investee companies as taken from the latest available financial statements. In this regard, it should be noted that for the investee Start Romagna S.p.A. the latest available financial statements relate to the year ended 31 December 2023, while for all the other investee companies the data used was taken from financial statements for the year ended 31 December 2024.

In thousands of Euro	Registered office	% ownership	Shareholders' equity	Profit/(loss) for the year
Subsidiaries				
TPF S.c.r.l.	Ferrara	97.0%	13	0
SST S.r.l.	Ferrara	51.0%	1,875	213
TPB S.c.r.l.	Bologna	85.0%	19	0
OMNIBUS S.c.r.l.	Bologna	51.0%	109	1
DINAZZANO PO S.p.A.	Reggio Emilia	95.3%	35,698	(3,445)
MA.FER S.r.l.	Bologna	100.0%	10,309	18
HERM S.r.l.	Bologna	95.0%	8,433	(9)
TPH2 S.c.a.r.l.	Bologna	51.0%	100	0
Associates				
Marconi Express S.p.A.	Bologna	25.0%	14,684	(189)
SETA S.p.A.	Modena	6.7%	18,050	62
Jointly controlled equity investments				
Trenitalia Tper S.c.a.r.l.	Bologna	30.0%	39,649	25,066
Equity investments in other companies				
START ROMAGNA S.p.A.	Rimini	13.9%	30,377	73

5. Financial assets

Non-current portion - Euro 39,143 (38,283) thousand
Current portion - Euro 23,361 (11,284) thousand

The table below shows the breakdown of other financial assets at the beginning and end of the financial year, highlighting the current and non-current portions.

In thousands of Euro	31/12/2024 Financial statement value	Current portion	Non-current portion	31/12/2023 Financial statement value	Current portion	Non-current portion
Financial assets for contributions	**23,361**	**23,361**	**-**	**10,884**	**10,884**	**-**
Emilia-Romagna Region	2,876	2,876	-	749	749	-
Municipality of Bologna	14,275	14,275	-	6,128	6,128	-
Municipality of Ferrara	5,302	5,302	-	3,622	3,622	-
Metropolitan city	908	908	-			
Municipality of San Lazzaro	-	-	-	-	-	-
Other	-	-	-	385	385	-
Other financial assets	**39,143**	**-**	**39,143**	**38,683**	**400**	**38,283**
Loan to investee Marconi Express S.p.A.	9,529	-	9,529	8,997	-	8,997
Receivable due from subsidiary OMNIBUS for car sharing fleet rental	-	-	-	-	-	-
Loan to investee TPH2 S.c.a.r.l.	-	-	-	400	400	-
Loans for Crealis project investments	31,781	-	31,781	31,292	-	31,292
Provision for the write-down of financial assets	**(2,167)**	**-**	**(2,167)**	**(2,006)**	**-**	**(2,006)**
TOTAL	**62,504**	**23,361**	**39,143**	**49,567**	**11,284**	**38,283**

The receivable from the Emilia-Romagna Region, amounting to Euro 2,876 thousand, refers for Euro 549 thousand to contributions to be collected relating to investments in buses and for the remainder to contributions on investments made for the extension of the no. 14 trolley bus line.

Financial assets for contributions held with the Municipality of Bologna, the Municipality of Ferrara and the Metropolitan City of Bologna refer to amounts still to be collected related to investments made for the purchase of buses under agreements entered into as part of various active contribution lines.

The loan to the investee company Marconi Express S.p.A., amounting to Euro 9,529 thousand as at 31 December 2024, was disbursed in line with the approved business plans and the shareholders' agreements, and refers to the TPER share of the loan for the construction of the monorail connecting the railway station and Bologna airport. The repayment of said receivable is to be considered subordinated with respect to the satisfaction of the other creditors of the investee by express contractual clause, even in the absence of the prerequisites pursuant to Article 2467 of the Italian Civil Code. Therefore, this is a voluntary subordination with respect to the bank loan, from which it follows that the timing of the collection is within the limits set forth in the bank loan agreement of the investee itself.

The Crealis investment receivable refers to the financial asset recognised in accordance with IFRIC 12, against the right claimed in light of the eventual successor operator upon the expiry of the service contract regulating local public transport in the Bologna area. In particular, following the entry into operation of the TPGV-Crealis service, 1 July 2020, and the definition of the new contractual framework reflected in the agreement signed between TPER, SRM, the Metropolitan City of Bologna, the Municipality of Bologna and the Municipality of San Lazzaro di Savena (hereinafter the "Agreement"), against the construction services rendered, the Company has accrued a right to receive a fee starting from the end of the service contract and quantified so as to remunerate both the costs incurred for the investment and future maintenance and investing activities.

In this regard, it should be noted that the Agreement provides for TPER, as manager of the TPGV network, to make the related infrastructure available to the service operator for the performance of the public service. Against this commitment, the same agreement provides for TPER to receive from the service operator a fee for the use of the infrastructure with fair remuneration on the invested capital starting from September 2024 and until the end of the 30th year from the start of the year. During

2024, the concession for the local public transport service relating to the Bologna area was extended until 29 February 2028. The deeds for the extension of concession maintained the management of the TPGV infrastructure assigned to TPER separate from the management of the assets owned by the Mobility Agency - SRM. As part of the preparation of the extension deeds, in agreement between the parties concerned, in the complex definition of a synthesis between the economic balance of the service contract and the availability of resources, it was agreed to go beyond the regulation of the specific aspects related to the remuneration of the investment in question. This circumstance made it necessary to identify a shared regulation to give concrete expression to compliance with the economic commitments undertaken in the agreement. In this regard, TPER urged the call of a technical table between the signatory parties aimed at formally redefining the times and methods for the Company to receive the agreed remuneration and identify and manage any consequent economic and financial impacts. As a result of the discussions with SRM, the Company and SRM proposed a solution to the Metropolitan City of Bologna, the Municipality of Bologna and the Municipality of San Lazzaro di Savena based on:

d) the deferral of the disbursement by the operator of the infrastructure service fee, originally envisaged from September 2024, with start postponed to March 2028;
e) the updating of the annual fee amount with respect to what is indicated in the agreement, in order to offset the time deferral and guarantee the fair remuneration on the capital invested by TPER, as envisaged in the contract;
f) the formalisation of the proposal by means of a supplementary deed to the Agreement, after a technical discussion between the parties aimed at defining any additional operational and financial aspects.

At the end of the 2024 financial year, in light of the changes in the timing, the amount of the investments to be made and the effects following the redetermination and the deferral of the fee collection, the value of the financial asset was recalculated. The new cash flows were discounted at the effective interest rate defined at the initial recognition of the financial asset. As a result of the above, the financial asset recorded a loss (so-called one day loss) of Euro 956 thousand recognised under other financial charges for the year 2024.

In compliance with the provisions of IFRS 9, a specific write-down provision was allocated to the aforementioned financial assets, which increased by Euro 161 thousand in 2024 to take into account the changed expectations in terms of expected credit loss.

IN THOUSANDS OF EURO	31/12/2023	Uses/releases	Allocations	31/12/2024
On financial assets	2,006		161	2,167
TOTAL PROVISION FOR DOUBTFUL DEBTS	**2,006**	**-**	**161**	**2,167**

6. Trade assets

Euro 81,204 (67,418) thousand

As at 31 December 2024, trade assets included:

- inventories of Euro 12,486 thousand (Euro 12,894 thousand as at 31 December 2023) mainly consisting of inventories and spare parts for maintenance and replacement activities carried out on rolling stock and related infrastructures;
- trade receivables, equal to Euro 68,719 thousand (Euro 54,525 thousand as at 31 December 2023).

The breakdown of inventories is detailed in the table below.

In thousands of Euro	31/12/2024	31/12/2023
Inventories		
Raw materials and automotive parts	19,279	18,827
Provision for inventory write-downs	(6,793)	(5,933)
TOTAL	**12,486**	**12,894**

The provision for inventory write-downs, which increased by Euro 860 thousand compared to the end of the previous year, was determined by taking into account the net realisable value of certain engines and other complex used and overhauled subsets as well as the slow-moving parts and spare parts referring to vehicles whose discontinuation is expected in the short term.

The table below shows the changes in the provision in 2024.

In thousands of Euro	31/12/2023	Uses/Releases	Allocations	31/12/2024
Provision for inventory write-downs	5,933	0	860	6,793
TOTAL	**5,933**	**0**	**860**	**6,793**

The breakdown of trade receivables is detailed in the table below.

In thousands of Euro	31/12/2024	31/12/2023
Trade receivables from:		
Subsidiaries	40,824	27,682
Associates	9,863	8,125
Owner entities	632	564
Receivables from third parties	24,017	23,070
Total trade receivables	**75,336**	**59,441**
Provision for doubtful debts	(6,618)	(4,916)
Total	**68,719**	**54,525**

Trade receivables from subsidiaries, amounting to Euro 40,824 thousand, essentially refer to fees for minimum services with respect to the TPB and TPF consortia, as well as for rentals, administrative services and personnel secondments provided to subsidiaries. The increase recorded is essentially attributable to an advance payments made by the mobility agency SRM to TPB and, in turn, by TPB to TPER at the end of the previous year in relation to the minimum services operated with reference to the last months of the financial year.

Trade receivables from associates, amounting to Euro 9,863 thousand, refer to commercial transactions involving specific activities with Trenitalia Tper, Marconi Express, as well as with Seta S.p.A.

The item "Receivables from third parties", equal to Euro 24,017 thousand, is essentially attributable to receivables for the sale of travel tickets as well as receivables from customers for services rendered as part of maintenance activities, for rent receivables and for the sale of advertising space.

Trade receivables are shown net of a provision for doubtful debts of Euro 6,618 thousand as at 31 December 2024, whose changes in the year are shown in the table below.

In thousands of Euro	31/12/2023	Uses/Releases	Allocations	31/12/2024
Provision for doubtful debts	4,916	(3)	1,704	6,618
TOTAL	**4,916**	**(3)**	**1,704**	**6,618**

For trade receivables, the valuation related to recoverability is based on the weighting of a customer rating determined in consideration of the following parameters:

- the analysis of historical profiles of collections and losses;
- analysis of the past due situation on the total credit analysed;
- the application of a default rate in relation to the segmentation of customers in the portfolio by type of membership.

Lastly, it should be noted that the carrying amount of trade receivables approximates the relative fair value.

7. Cash and cash equivalents

Euro 78,331 (60,032) thousand

The item includes bank and postal deposits and short-term deposits, as well as cash provisions for petty and urgent expenses and increased by Euro 18,299 thousand compared to the previous year.

For more details on the events that generated the increase in cash and cash equivalents during the 2024 financial year, please refer to the note "Information on the cash flow statement".

8. Assets and liabilities for income taxes

Income tax assets - Euro 1,141 (610) thousand
Income tax liabilities - Euro - (812) thousand

The table below shows the amount of current tax assets and liabilities at the beginning and end of the year.

In thousands of Euro	31/12/2024	31/12/2023
IRES	0	-
IRES from tax consolidation	1,012	610
IRAP	129	-
Assets for income taxes	**1,141**	**610**
IRAP	-	812
Liabilities for income taxes	**-**	**812**

As at 31 December 2024, the Company had income tax assets, which increased by Euro 531 thousand compared to 31 December 2023, consisting of taxes arising from participation in the national tax consolidation scheme. In fact, starting from the 2022 financial year, as consolidating company, together with the subsidiaries Mafer S.r.l. and Dinazzano Po S.p.A., as consolidated companies, the Company exercised the optional regime that allows, inter alia, the determination of a single total taxable income for the purposes of Corporate Income Tax ("IRES"), corresponding to the algebraic sum of the total net income of all the parties included in the tax unit and, consequently, of a single amount of tax paid and due, pursuant to and for the effects of Article 117 et seq. of the TUIR, and of Ministerial Decree of 1 March 2018.

It should be noted that the receivable amount recognised for Euro 129 thousand is the value of the receivable due to the payments on account on the tax net of the payable for current tax payables for the year.

9. Other current assets

Euro 2,088 (16,054) thousand

The item consists of receivables and other current assets of a nature other than trade and financial assets, as detailed in the following table.

In thousands of Euro	31/12/2024	31/12/2023
Receivables for compensation on lost revenues	-	13,639
Receivables for fuel relief Article 9 Decree Law no. 115/2022	-	-
Receivables due from Ferrovie Emilia-Romagna	220	220
Prepaid expenses	506	400
Tax credits for investments	-	519
Energy and gas tax credits	-	-
Other receivables	5,988	6,020
Total	**6,714**	**20,798**
Provision for doubtful debts	(4,626)	(4,744)
Total	**2,088**	**16,054**

The change compared to the previous year is essentially attributable to the collection of receivables for compensation on lost revenues, equal to Euro 13,639 thousand.

The item "Other receivables" mainly includes: (i) the receivable from ATC S.p.A. in liquidation, equal to Euro 3,593 thousand, referring to the balances of the merger transaction that took place in 2012; (ii) receivables due from resales for travel tickets equal to Euro 843 thousand; (iii) the receivable of Euro 615 thousand relating to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport. With reference to the receivable due from ATC S.p.A. in liquidation, it is noted that it has been fully written down because the creditor is currently involved in tax litigation that could compromise - in the event of a defeat in the dispute - the financial capacity of the company.

To take into account the estimate of uncollectability of part of the other receivables, a specific provision for doubtful debts has been set aside, the changes in which are shown in the following table.

In thousands of Euro	31/12/2023	Uses/Releases	Allocations	31/12/2024
Provision for write-downs of other current assets	(4,744)	118		(4,626)
TOTAL	**(4,744)**	**118**		**(4,626)**

10. Shareholders' equity

Euro 172,381 (162,494) thousand

In thousands of Euro	31/12/2024	31/12/2023
Capital issued	68,493	68,493
Treasury shares	(189)	(189)
Reserves	67,882	64,588
Profit/(loss) carried forward	26,151	26,151
Actuarial profit/loss	299	156
Profit/loss for the year	9,745	3,295

Total		172,381	162,494

The fully subscribed and paid-up share capital of TPER as at 31 December 2024 consists of 68,492,702 ordinary shares with a par value of Euro 1 each, for a total of Euro 68,493 thousand, and did not change in 2024 financial year.

As at 31 December 2024:

- there are 68,492,702 outstanding shares (68,492,702 as at 31 December 2023)
- there are 111,480 treasury shares (111,480 as at 31 December 2023).

The increase in shareholders‘ equity compared to 31 December 2023, amounting to Euro 9,887 thousand, detailed in the statement of changes in shareholders' equity, is entirely due to the comprehensive income result for 2024, consisting of the profit for the year (Euro 9,745 thousand) and the positive balance of other comprehensive income (for Euro 143 thousand) affected by the actuarial gain arising from the valuation of employee benefits related to the employee severance indemnity.

The following is a summary table of the shareholders' equity items as at 31 December 2024 with an indication of the relative possibility of use and the evidence of the available quota.

In thousands of Euro	31/12/2024	Possibility of use (A, B, C, D)*	Portion available	Summary of uses made in the period 01/01/2019 - 31/12/2024 (pursuant to Article 2427, 7 bis, of the Italian Civil Code)	
				To cover losses	For other reasons
Capital issued	68,493				
Legal reserve	6,168	B	6,168		
Extraordinary reserve	30,232	A, B, C	30,232		
Reserve from profits/(losses) from actuarial valuation of provisions for employee benefits	299		299		
Other reserves	34,505	A, B, C	34,505		
Profits carried forward	23,129	A, B, C	23,129		
Reserves and profits carried forward	**162,826**				
Treasury shares	(189)				
TOTAL	**162,637**				
of which:					
Non-distributable portion			6,467		
Distributable portion			87,866		

(*) **Key:**

A: share capital increase
B: coverage of losses
C: distribution to shareholders
D: other statutory/shareholders' meeting restrictions

The objectives of TPER in capital management are aimed at safeguarding business continuity and guaranteeing the interests of the stakeholders, as well as allowing efficient access to external sources of financing aimed at adequately supporting the development of operating activities and compliance with the commitments undertaken.

11. Trade liabilities

Non-current portion - Euro 312 (1,242) thousand
Current portion - Euro 47,770 (49,604) thousand

In thousands of Euro	31/12/2024	Current portion	Non-current portion	31/12/2023	Current portion	Non-current portion
Trade payables	38,921	38,609	312	41,880	40,638	1,242

Trade payables to subsidiaries	4,363	4,363	-	3,310	3,310	-
Trade payables to associates	4,526	4,526	-	5,310	5,310	-
Trade payables due to shareholders	5	5	-	8	8	-
Other trade payables	267	267	-	338	338	-
Total	**48,082**	**47,770**	**312**	**50,846**	**49,604**	**1,242**

Trade liabilities, which amounted to Euro 48,082 thousand, mainly consist of trade payables to third-party suppliers (for Euro 38,921 thousand) and decreased by a total of Euro 2,764 thousand compared to the end of the previous year, mainly due to higher payments made close to year-end 2024.

12. Funds for provisions

Non-current portion - Euro 49,960 (44,208) thousand
Current portion - Euro 6,615 (7,927) thousand

As at 31 December 2024, allocations to provisions amounted to Euro 56,575 thousand (Euro 52,135 thousand as at 31 December 2023). The following table shows the details of the funds for provisions with an indication of the relative current and non-current portions.

	31/12/2024			31/12/2023		
In thousands of Euro	**Financial statement value**	**Current portion**	**Non-current portion**	**Financial statement value**	**Current portion**	**Non-current portion**
Provisions for employee benefits	10,132	756	9,376	11,163	833	10,330
Other provisions	46,443	5,859	40,584	40,972	7,094	33,878
TOTAL	**56,575**	**6,615**	**49,960**	**52,135**	**7,927**	**44,208**

The changes in funds for provisions broken down by nature are shown below.

	31/12/2023	CHANGES IN THE FINANCIAL YEAR						31/12/2024
In thousands of Euro	**Opening balance**	**Allocations**	**Financial charges**	**Decreases for uses**	**Decreases for releases**	**Allocations to OCI**	**Other reclassifications or adjustments**	**Closing balance**
Provision for employee benefits	11,163	314		(1,157)		(188)	-	10,132
Insurance deductibles provision	3,385	1,788	-	(2,495)	-	-	-	2,678
Provision for labour disputes in progress	16,543	786	411	(939)	(462)		(450)	15,889
Provision for SRM litigation risks	876	-	-	-		-	-	876
Provision for tax disputes	5,620	-	-	-	-	-	-	5,620
Provision for onerous contract risks	8,960	1,408	512	-	-	-	-	10,880
Provision for privacy risks	25	-	-	(25)		-	-	0
Provision for excise duties	3,500	5,112		(12)				8,600
Other provisions	2,063		-	(162)	-	-	-	1,900

Total	**52,135**	**9,408**	**923**	**(4,790)**	**(462)**	**(188)**	**(450)**	**56,575**

Provisions for employee benefits

Non-current portion - Euro 9,376 (10,330) thousand
Current portion - Euro 756 (833) thousand

As at 31 December 2024, the item consists of the employee severance indemnity to be paid on the transfer of the employment relationship as required by the regulations in force in Italy. The decrease of Euro 1,031 thousand mainly related to settlements and advances during the year (Euro 1,157 thousand) and to the recognition of actuarial gains for the year (Euro 188 thousand) partially offset by the recognition of interest costs (Euro 314 thousand).

The reference actuarial model for the valuation of employee severance indemnity is based on both demographic and economic assumptions.

The main assumptions defined for the purposes of the actuarial estimate process of the employee severance indemnity provision as at 31 December 2024 are summarised below.

Financial assumptions	31/12/2024	31/12/2023
Annual discounting rate	3.18%	2.98%
Annual inflation rate	2.00%	2.00%
Annual rate of increase of employee severance indemnity	3.00%	3.10%
Annual remuneration rate of increase	0.50%	0.50%
Frequency of advances	2.00%	2.00%
Annual turnover rate	1.50%	1.50%

Demographic assumptions	
Mortality	ISTAT 2022
Disability	INPS tables distinguished by age and sex
Retirement age	100% upon reaching the AGO requirements

FUTURE ESTIMATED BENEFITS YEARS	IN THOUSANDS OF EURO
1	756
2	716
3	421
4	1,072
5	1,009

During the 2024 financial year, the following changes took place:

In thousands of Euro	
Balance as at 01/01/2024	**11,163**
Interest cost	314
Benefits paid	(1,219)
Transferred	61
Actuarial (profits)/losses	(188)
Balance as at 31/12/2024	**10,132**

Other provisions

Non-current portion - Euro 40,584 (33,878) thousand
Current portion - Euro 5,859 (7,094) thousand

The item includes provisions relating to risks and charges deemed probable at the end of the year and increased by Euro 5,471 thousand essentially due to the combined effect of:

- allocations, amounting to Euro 9,094 thousand, essentially related to: (i) risks related to disputes with personnel (for Euro 786 thousand); (ii) risks related to the payment of insurance excess as a result of claims (for Euro 1,788 thousand); (iii) risks related to a probable non-recognition of the benefit related to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport (for Euro 5,112 thousand); (iv) higher charges related to the contract qualified as onerous pursuant to IAS 37 and relating to the management of the infrastructure held by Marconi Express S.p.a. that connects the central station of Bologna to the airport (for Euro 1,408 thousand);
- decreases due to uses, for Euro 3,633 thousand, mainly referring to uses against payments of deductibles on motor vehicle claims and the conclusion of certain labour cases;
- decreases for releases, amounting to Euro 462 thousand, mainly related to the provision for litigation risks with personnel;
- the recognition of the financial effects related to the estimated utilisation of provisions in the amount of Euro 923 thousand.

The "Insurance deductibles provision" includes the estimate of the probable liability related to the insurance deductibles to be paid on motor vehicle claims occurring before the end of the year.

The "Provision for labour disputes", amounting to Euro 15,889 thousand, has been created to cover the foreseeable liabilities, expressed at current values, relating to disputes with employees. The provision also includes an estimate of legal fees and other potential ancillary costs.

The "Provision for tax disputes", amounting to Euro 5,620 thousand, is mainly attributable to the involvement of the Company - as legally jointly and severally liable entity - in relation to tax disputes prior to its constitution.

The "Provision for onerous contract risks" includes the value of the provision made against the contract, qualifying as onerous pursuant to IAS 37, which underlies the infrastructure management activities, held in concession by the company Marconi Express S.p.A., which connects the airport to the central station of Bologna through an elevated electric monorail.

The "Provision for excise duties" includes the estimate of the charges related to the possible non-recognition of the benefit connected to the recovery of the higher excise duty paid in relation to the use of diesel fuel used for passenger transport.

The remaining part of the risk provision is represented by the provision for risks related to environmental reclamation work to be carried out on the locomotive refuelling area of the Sermide Railway Station.

13. Deferred tax liabilities

Euro -113 (-92) thousand

The following table shows the amount of deferred tax liabilities in relation to temporary differences between book values and corresponding tax values at year-end.

In thousands of Euro	31/12/2024	31/12/2023
Deferred tax liabilities IRES	(113)	(92)
Deferred tax liabilities IRAP	-	-
Deferred tax liabilities	**(113)**	**(92)**

Changes in deferred taxes are summarised in the table below.

In thousands of Euro	31/12/2023	Changes in the financial year: Allocations	Releases/Uses	Allocations to (releases from) OCI	Other reclassifications or adjustments	31/12/2024
Other temporary differences	(92)	-	24	(45)	-	(113)
Deferred tax liabilities	**(92)**	**-**	**24**	**(45)**	**-**	**(113)**

The balance of deferred taxes, which amounted to Euro 113 thousand as at 31 December 2024, is mainly composed of temporary differences related to the difference between the tax value and the book value of the liability for employee severance indemnity.

It should be noted that in consideration of the current macroeconomic context, characterised by high price volatility of the production inputs, no deferred tax assets have been recognised in relation to temporary differences and tax losses, as the estimate of future taxable income is not reasonably certain at present and not capable of reabsorbing them within a reasonable timeframe.

14. Financial liabilities

Non-current portion - Euro 128,293 (24,576) thousand
Current portion - Euro 6,310 (60,728) thousand

As at 31 December 2024, financial liabilities amounted to Euro 134,603 thousand (Euro 85,304 thousand as at 31 December 2023).

The schedule of financial liabilities is shown below, highlighting the composition of the financial statement balance, the corresponding nominal value of the liability and the related collectability (current and non-current portion):

In thousands of Euro	31/12/2024				31/12/2023			
	Nominal value	Financial statement value	Current portion	Non-current portion	Nominal value	Financial statement value	Current portion	Non-current portion
Bond loans	100,000	100,750	1,499	99,251	31,667	31,779	31,779	-
Medium/long-term loans	33,167	33,146	4,714	28,432	26,168	26,141	1,931	24,210
Short-term loans	97	97	97	-	27,018	27,018	27,018	-
Other financial liabilities	610	610	-	610	366	366	-	366
TOTAL	**133,874**	**134,603**	**6,310**	**128,293**	**85,219**	**85,304**	**60,728**	**24,576**

On 15 September 2017, TPER completed the issue of an unsecured bond loan for an amount of Euro 95 million, listed on the Dublin Stock Exchange (Irish Stock Exchange). The (non-convertible) bonds had an original maturity of 7 years and amortising repayments starting from the fifth year, present a fixed annual coupon of 1.85%. They were entirely placed with institutional investors. During 2024, the last instalment of the bond loan was repaid, which was therefore extinguished.

On 10 September 2024, TPER completed the issue of a second unsecured bond loan for an amount of Euro 100 million, listed on the Dublin Stock Exchange (Irish Stock Exchange). The new issue consists of non-convertibles bonds with a maturity of 5 years and amortising repayment starting from the third year. The bond loan has a fixed annual rate of 4.343%. The bonds were entirely placed with institutional investors.

It should be noted that at the same time as the new bond issue, the Company settled a revolving loan, taken out in 2023 with a pool of lenders, for a maximum amount of principal of Euro 65 million to be used to support its investment plan in the provision by the competent entities of an amount corresponding to certain public contributions ultimately destined to TPER.

The item medium/long-term loans includes the value of:

- a term loan, backed by a "Sace Green" guarantee, for a total principal amount of up to Euro 15 million to be used to support investments in the bus fleet, with a variable rate and with a term of eight years;
- a term loan, backed by a "Sace Green" guarantee, for a total principal amount of approximately Euro 12 million to be used to support investments in the train fleet, with a variable rate and with a term of ten years;
- a term loan for a total principal amount of approximately Euro 9 million to be used to support investments in the car fleet used for sharing mobility services, with a variable rate and with a term of 5 years.

The item short-term loans shows a balance at the end of the year of Euro 97 thousand, which refers to the portion of interest accrued and not yet paid on a short-term loan credit line.
It should be noted that certain financing lines require compliance with certain financial parameters (financial covenants). The criteria for determining the economic figures used in the calculation of the ratios are set forth in the agreements. Failure to meet these by the respective reference dates may result in a default event and entail the obligation to repay in advance the principal amounts, the interest and the additional amounts provided for in the agreements. For more details on financial liabilities, please refer to the note "Financial risk management".

Other financial liabilities mainly refer to security deposits at variable rates.

15. Other liabilities

Non-current portion - Euro 7,342 (17,212) thousand
Current portion - Euro 44,816 (56,487) thousand

As at 31 December 2024, other liabilities amounted to Euro 52,158 thousand and recorded a decrease of Euro 21,540 thousand compared to the end of the previous year. The table below shows the breakdown by nature of the item with an indication of the current and non-current portion.

In thousands of Euro	31/12/2024	Current portion	Non-current portion	31/12/2023	Current portion	Non-current portion
Payables to shareholders	514	-	514	2,894	2,380	514
Payables to subsidiaries	133	95	38	133	95	38
Payables to associates	29	29	-	29	29	-
Payables due to pension institutions	1,780	1,780	-	1,760	1,760	-
Tax payables	545	545	-	635	635	-
Payables to employees	12,985	12,985	-	8,906	8,906	-
Payables to SRM mobility agency	7,033	243	6,790	17,296	637	16,659
Other payables	29,139	29,139	-	42,045	42,045	-
Total	**52,158**	**44,816**	**7,342**	**73,698**	**56,487**	**17,212**

"Payables to shareholders" decreased by Euro 2,380 following the payment of dividends resolved as part of the approval of the financial statements for the year ended as at 31 December 2021.

"Payables to employees" include the amounts due to employees at the end of the year for services rendered by them.

"Payables due to the SRM mobility agency" (Società Reti e Mobilità S.r.l.) refer essentially to the balance due, at the reference date, in relation to the contract concerning the business unit consisting of networks, plants, capital endowments and contracts relating to the company complex intended for the exercise of the LPT service in the provincial area of Bologna. Said payables show a reduction of Euro 10,263 thousand, essentially due to the effects of the deed of recognition intervened in relation to the contractual provisions on the subject of regulating the method of calculating the investments made by TPER in relation to the assets subject to the business unit lease from SRM with reference to the metropolitan area of Bologna which offsets the right accrued to TPER on the tariff manoeuvre pursuant to Article 12-bis of the service contract.

The item "Other payables", amounting to Euro 29,139 thousand, essentially consists of: (i) the value of the commitments undertaken by the Company by virtue of advances obtained on certain grants on investments (for Euro 9,424 thousand); (ii) deferred income on travel tickets (for Euro 16,952 thousand) valid beyond 31 December 2024 and therefore pertaining to future years, as well as other prepayments (for Euro 2,569 thousand).

Information on the income statement items

The analysis of the main balances of the income statement is shown below. The values indicated in brackets in the headings of the notes refer to the 2023 financial year.

For details on the balances of the income statement items deriving from transactions with related parties, please refer to the section "Transactions with related parties".

16. Revenues for LPT line services

Euro 182,858 (179,389) thousand

The revenues for LPT line services amounted to Euro 182,858 thousand, marking an increase of Euro 3,469 thousand compared to 2023 (Euro 179,389 thousand).

In thousands of Euro	2024	2023	Change
Travel tickets	70,184	70,596	(412)
Remuneration supplements	94,907	91,793	3,114
NCLA contributions	10,509	10,509	-
Sanctions	6,357	5,460	897
Other revenues	901	1,031	(130)
TOTAL	**182,858**	**179,389**	**3,469**

The positive performance in revenues from LPT services is mainly attributable to:

- the increase in additions to fees relating to LPT service contracts, mainly as a result of the inflationary adjustments of fees for minimum services;
- the increase in revenues for sanctions of Euro 897 thousand;
- the reduction in revenues from travel tickets for Euro 412 thousand.

It should be noted that, with reference to the 2024 year, the amount of Euro 6.4 million (Euro 5.5 million in 2023) was recognised under fee integration relating to the effect of the deed of recognition of the contractual provisions regarding the regulation of the method for calculating the investments made by the TPER in relation to the assets subject to the business unit lease from SRM to TPER, with reference to the metropolitan area of Bologna.

On the basis of the aforementioned deed, given that the Municipality of Bologna, the Metropolitan City of Bologna, SRM, TPB and TPER intended to quantify in a predefined amount the effects of the tariff manoeuvre with effect from 1 August 2023 to 31 July 2024, in compliance with the provisions of Article 12-bis of the service contract relating to the Bologna area, the same parties agreed that the needs of the manoeuvre would be met through the recognition by TPER - as tenant of the business unit relating to the networks, plants and capital equipment intended for the provision of local public transport in the territory of the metropolitan area of Bologna - of certain contribution lines and calculation of investments for the purpose of determining the adjustment value.

As a result of the above, TPER's accrued right to the tariff manoeuvre pursuant to the aforementioned Article 12-bis of the service contract is satisfied through the recognition of certain accrued contributions on the investments made under the business unit lease agreement, in application of the calculation method with which the value of the adjustment that will be settled at the end of the business unit lease agreement has been redefined.

Finally, it should be noted that other revenues, which amounted to Euro 901 thousand at year-end, mainly include the value of advertising and sponsorship activities carried out in connection with LPT services rendered.

17. Revenues from railway line services

Euro 6,863 (6,666) thousand

In thousands of Euro	2024	2023	Change
Revenues from railway services	6,863	6,666	197
TOTAL	**6,863**	**6,666**	**197**

Revenues for railways services are substantially in line with those recorded at the end of the previous year (Euro 6.7 million).

These revenues include the rental services of railway rolling stock provided by TPER as part of the passenger transport services on rail operated in the Emilia-Romagna Region through the joint venture Trenitalia Tper S.c.r.l. as well as those disbursed to the subsidiary Dinazzano Po S.p.A. as part the railway freight activities.

18. Revenues from parking and sharing mobility

Euro 3,921 (3,109) thousand

Revenues from parking and sharing mobility services amounted to Euro 3,921 thousand and showed a positive change of Euro 812 thousand compared to the previous year (Euro 3,109 thousand).

In thousands of Euro	2024	2023	Change
Parking	810	865	(55)
Car sharing	3,111	2,244	867
TOTAL	**3,921**	**3,109**	**812**

The recorded positive change is essentially attributable to income from sharing mobility activities, which recorded an improved performance due to the expansion of the vehicle fleet in operation, as well as the sponsorship and co-marketing agreement signed with Volvo Car Italia, the manufacturer of the full electric vehicles used in the provision of the services.

19. Other revenues

Euro 52,027 (38,719) thousand

The details of other revenues are shown in the following table.

In thousands of Euro	2024	2023	Change
Vehicle maintenance and services rendered to third parties	8,118	7,882	236
Insurance and other reimbursements	6,043	6,531	(488)
Fines	1,961	683	1,278
Other income	35,905	23,623	12,282
TOTAL	**52,027**	**38,719**	**13,308**

Other revenues amounted to Euro 52,027 thousand and showed an increase of Euro 13,308 thousand compared to 2023 (Euro 38,719 thousand) mainly due to:

- the increase in revenues from fines, for Euro 1,278 thousand, essentially due to the higher value of fines charged to suppliers for delays or non-compliance essentially on supplies of road-based rolling stock;
- the recognition in 2024 of the higher value of compensation for lost revenues resulting from the COVID-19 epidemiological emergency (amounting to approximately Euro 8,400 thousand);
- the recognition of the contributions received to offset the increase in fuel costs recorded in the second and third four-month periods of 2022, used for fuelling vehicles assigned to local and regional public transport services pursuant to Article 9 of Italian Decree Law no. 115/2022 and Article 6 of Italian Decree Law no. 144/2022 (amounting to Euro 2,612 thousand);
- the increase in LPT rental services by Euro 2,227 thousand is essentially attributable to the additional replacement services operated in 2024;
- the recognition in 2023 of the revenues deriving from the benefit recognised as a tax credit (for 1,608 thousand euro) in order to offset the higher charges incurred by companies deriving from the increase in the prices applied to electricity and gas consumption.

In relation to the compensatory measures introduced by Italian Law no. 77 of 17 July 2020 (Article 200 paragraph 1, "Relaunch Decree") and subsequent regulatory provisions that supplemented the allocations to the fund set up by the Italian Ministry of Infrastructure and Transport to offset the reduction in tariff revenues relating to passengers in the period of the COVID-19 epidemiological emergency (23 February 2020 - 31 March 2022), it should be noted that in 2024 TPER collected a further Euro 8,399 thousand with respect to receivables in place as at 31 December 2023, recognised directly in the item other revenues, as the commissioning Entities have confirmed that there was no overcompensation in relation to the resources assigned. However, it should be noted that the total amount relating to the compensation recorded over the years is not to be considered final, as the Company is still waiting for the disbursement of an additional tranche of contributions referring to the same regulatory area, the allocation of which and the actual disbursement remains subject to the outcome of the necessary checks and the formalisation of the relative deeds by the competent bodies.

20. Personnel costs

Euro 104,047 (94,308) thousand

The breakdown of personnel costs is shown in the following table.

In thousands of Euro	2024	2023	Change
Salaries and wages	75,789	68,892	6,897
Social security contributions	22,129	20,421	1,708
Pension provisions	4,890	4,855	35
Change in provisions for personnel risks	324	(654)	978
Other personnel costs	915	794	121
TOTAL	**104,047**	**94,308**	**9,739**

Personnel costs increase by Euro 9,739 thousand compared to the previous year, essentially as a result of:

- the increase in wages and salaries and related social security charges for a total of Euro 8,605 thousand essentially generated as a result of: (i) the increase in the average workforce employed in 2024 compared to the previous year; (ii) the effects of the renewal of the Autoferrotramvieri-Internavigatori (Mobility/LPT) National Collective Labour Agreement, which provided for the recognition of a one-off payment with reference to the year 2024; (iii) higher bonuses awarded to employees;
- the change in allocations to provisions related to personnel risks, for Euro 978 thousand.

The following tables show the headcount at the end of the year and the average headcount, broken down by job level.

STAFF AS AT 31/12/2024			
Classification	**2024**	**2023**	**Change**
Senior Managers	10	9	1
Middle managers	49	48	1
White-collar workers	246	232	14
Blue-collar workers	1,671	1,623	48
Apprentices	141	151	(10)
Total	**2,117**	**2,063**	**54**

AVERAGE WORKFORCE			
Classification	**2024**	**2023**	**Change**
Senior Managers	10	10	0
Middle managers	49	47	3
White-collar workers	240	233	8
Blue-collar workers	1,651	1,621	30
Apprentices	152	161	(9)
Total	**2,102**	**2,071**	**31**

21. Costs for services

Euro 64,473 (58,608) thousand

The financial statement balance is detailed in the following table.

In thousands of Euro	2024	2023	Change
Transport services	14,119	12,331	1,788
Maintenance	17,591	14,245	3,346
Cleaning	5,840	6,509	(669)
Insurance	7,370	6,545	825

Electric power	1,809	1,996	(187)
Canteen service	1,895	1,826	69
Other utilities	1,679	1,899	(220)
Consultancy	1,830	1,500	330
Other costs for services	12,340	11,757	583
TOTAL	**64,473**	**58,608**	**5,865**

Costs for services recorded an increase of Euro 5,865 thousand compared to the previous year, essentially due to the combined effect of:

- the increase in transport services in relation to the higher volume of replacement services operated for railway transport;
- the increase in maintenance costs, as a result of the increase in the volume and prices of maintenance carried out on rolling stock, as well as the increase in maintenance activities and repairs of building systems;
- the reduction in the cleaning costs primarily due to lower prices for these services and a return to normal activity levels following the non-recurring interventions implemented to address the risks linked to the COVID-19 pandemic emergency;
- the reduction in electricity costs caused mainly by the calming of energy prices, which had risen significantly as a result of emerging geopolitical tensions.

22. Raw materials and materials

Euro 34,324 (35,545) thousand

The item includes costs for the purchases of materials, as detailed in the table below:

In thousands of Euro	2024	2023	Change
Fuels	19,600	21,440	(1,840)
Lubricants	467	464	3
Tyres	1,072	934	138
Spare parts	9,907	10,426	(519)
Various materials	1,796	1,265	531
Change in provision for inventory write-downs	860	612	248
Other	622	404	218
TOTAL	**34,324**	**35,545**	**(1,221)**

The change recorded in the cost of raw materials and materials, equal to Euro 1,221 thousand, is essentially attributable to the lower cost incurred for fuel following the introduction of new electric traction vehicles and those with the latest generation internal combustion engine which have lower consumption levels. The cost of fuel also benefits from the price-control in relation to commodities, which in recent years had recorded strong increases as a result of the geopolitical uncertainties generated by the deterioration of the Russian-Ukrainian conflict.

23. Costs for use of third-party assets

Euro 1,724 (2,419) thousand

Costs for the use of third-party assets mainly refer to the rental of real estate (for Euro 871 thousand) and the cost of leasing cars used in the provision of sharing mobility services.

Compared to the previous year, these costs show a decrease of Euro 695 thousand, essentially as a result of lower rental payments for vehicles used as part of the performance of sharing mobility services, as a result of the different service organisation model that provides for the direct ownership of the same vehicles.

24. Other operating costs

Euro 3,665 (3,736) thousand

Other operating costs, detailed in the following table, are substantially in line with the figures at the end of the previous year.

In thousands of Euro	2024	2023	Change
Taxes and fees	1,055	1,059	(4)
Audits and inspections	159	125	34
Membership fees	250	240	10
Other	2,201	2,312	(111)
TOTAL	**3,665**	**3,736**	**(71)**

The item "Other" mainly includes the accrued expenses relating to the use of the business unit consisting of the networks, plants, capital equipment and contracts relating to the business complex intended for the exercise of the LPT service in the provincial area of Bologna, governed by a specific contract signed with the mobility agency Società Reti e Mobilità S.r.l.

25. Change in funds for provisions

Euro 6,520 (5,601) thousand

The amount of the item, negative for Euro 6,520 thousand, is essentially attributable to:

- the allocations made with reference to the contract classified as onerous pursuant to IAS 37, relating to the management activities of the infrastructure held by Marconi Express S.p.a. (for Euro 1,408 thousand);
- the allocation of Euro 5,112 thousand aimed at adjusting the provision, already established in the previous year, to cover potential risks deriving from the failure to recognise the benefit connected to the recovery of the higher excise duty on diesel used for the transport of people.

For more details on the change in funds for provisions, please refer to note no. 12 - "Funds for provisions".

26. Financial income/(charges)

Financial income - Euro 3,647 (3,892) thousand
Financial charges - Euro -7,532 (-7,296) thousand

The balance of financial income and charges is detailed in the table below.

In thousands of Euro	2024	2023	Change
Dividends	61	66	(5)
Other financial income	3,586	3,826	(240)
of which:			
- interest income on receivables	1,628	1,519	109
- interest income on bank accounts	1,499	993	506
- income from discounting of provisions	451	310	141
- other income	8	1,004	(996)
Total financial income	**3,647**	**3,892**	**(245)**
Charges on bond loans	(1,848)	(1,136)	(712)
Charges on loans	(3,270)	(2,472)	(798)
Other financial charges	(2,414)	(3,688)	1,274
of which:			
- charges from discounting provisions	(922)	(561)	(361)
- interest on liabilities for leased assets	(240)	(322)	82
- other charges	(1,252)	(2,805)	1,553
Total financial income	**(7,532)**	**(7,296)**	**(236)**
Total financial income/(charges)	**(3,885)**	**(3,403)**	**(481)**

Compared to the previous year, total financial income shows a decrease of Euro 245 thousand, essentially due to the combined effect of: (i) higher interest income on bank current accounts for Euro 506 thousand; (ii) the increase in financial income from the discounting of provisions for Euro 141 thousand; (iii) the decrease in other financial income for Euro 996 thousand, which affected the one day profit recorded in the previous year as a consequence of the recalculation of the financial asset related to the Crealis project.

Financial charges recorded an increase of Euro 236 thousand compared to the previous year mainly due to: (i) higher charges from the bond loan, for Euro 712 thousand, as a result of the greater exposure of the Company following the finalisation of the transaction of issue of the new bond loan regulated at a fixed rate of 4.343%; (ii) higher charges from loans, for Euro 798 thousand, as a result of the higher volume of medium/long-term loans, regulated at variable rates; (iii) the decrease in other financial charges, for Euro 1,553 thousand, almost entirely attributable to the fact that the year 2023 was burdened by a charge ("one day loss") related to the redetermination of the repayment timing of the shareholder loan made to the associate Marconi Express S.p.a.

It should be noted that the item "other charges" includes the effects of the one day loss deriving from the recalculation of the financial asset, recognised in compliance with IFRIC 12, related to the investments of the Crealis project. For further details, please refer to note 5.

27. Tax charges

Euro 163 (555) thousands

The table below shows the details of the tax charges in the two financial years compared.

In thousands of Euro	2024	2023	Change
IRAP	626	812	(186)
Income from tax consolidation	(381)	(204)	(177)
Current income taxes	**245**	**608**	**(363)**
Income taxes for previous years	(57)	0	(57)

CURRENT TAXES	**188**	**608**	**(420)**
Allocations	(24)	(53)	29
Releases	0	0	0
Deferred taxes	**(24)**	**(53)**	**29**
DEFERRED TAX ASSETS AND LIABILITIES	**(24)**	**(53)**	**29**
TAX (INCOME) CHARGES	**163**	**555**	**(392)**

The balance of tax income and charges shows a net charge of Euro 163 thousand in 2024 (Euro 555 thousand in 2023) and shows a change of Euro -392 thousand.

The change is affected by the determination of the current tax burden consisting only of IRAP (regional business tax) for Euro 626 thousand, as well as the higher tax income deriving from inclusion in the national tax consolidation scheme with the subsidiaries Mafer S.r.l. and Dinazzano Po S.p.a.

The following table shows the reconciliation between the theoretical tax burden and what was effectively incurred.

IRES (In thousands of Euro)		
Description	**Value**	**Tax**
Result before tax	9,908	
Theoretical tax charge (rate 24%)		2,378
Taxable temporary differences in subsequent years		
TOTAL	-	
Deductible temporary differences in subsequent years		
Non-deductible provision for labour disputes	1,197	
Allocation to the Provision for agent litigation risk Customs	5,112	
Allocation to provision for deductibles	1,788	
Allocation to the non-deductible provision for doubtful debts	1,323	
Provision for environmental reclamation fund	-	
Write-down of equity investment	-	
MEX onerous contract	1,920	
Non-deductible arrears allocations and employee bonuses	1,901	
Other deductible temporary differences in subsequent years	1,046	
TOTAL	**14,287**	
Reversal of temporary differences from previous years		
Use of provisions	(4,934)	
Other reversal of temporary differences from previous years	(229)	
TOTAL	**(5,163)**	
Differences that will not be reversed in subsequent years		
Profit from actuarial valuation of employee severance indemnity in OCI	188	
Other non-deductible costs	(157)	
Covid 10-bis contributions	(8,399)	
Fuel grants pursuant to Decree Law 115/2022	(2,612)	
Non-taxable Energy and Gas Credit	0	
Super amortisation/depreciation	(2,635)	
Hyper-amortisation/depreciation	(1,901)	
Other non-taxable revenues and income	(184)	
TOTAL	**(15,700)**	
Tax base	**3,332**	
ACE and previous tax losses	(3,332)	
Tax deductions		
Current income taxes	-	-

IRAP (thousands of Euro) Description	Value	Tax
Difference between value and costs of production	14,244	
Non relevant income statement items	112,334	
TOTAL	**126,578**	
Theoretical tax charge (rate 4.20%)		5,316
Differences that will not be reversed in subsequent years		
Increases	2,586	
Decreases	(12,781)	
Personnel deductions	(98,700)	
TOTAL	**(108,895)**	
Deductible temporary differences in subsequent years		
Reversal of temporary differences from previous years		
Use of provisions for risks and deductible charges	(2,657)	
Amortisation of the cost of trademarks and goodwill	(125)	
TOTAL	**(2,782)**	
Tax base	14,901	
Current income taxes		626

Additional financial information

Information on the cash flow statement

The financial trend in 2024 shows an increase in cash and cash equivalents of Euro 18,299 thousand compared to the increase of Euro 11,078 thousand in 2023.

The flow generated by operating activities in 2024 amounted to Euro 17,217 thousand, down by Euro 19,177 thousand compared to the 2023 value (Euro 36,394 thousand).

The following impact the flow generated in 2024:

- the operating cash flow generated before changes in working capital and other changes of Euro 37,963 thousand (Euro 32,497 thousand in 2023), which was impacted by the increase in profit for the year (Euro +6,449 thousand compared to 2023), impairment of non-financial assets (Euro +1,012 thousand) and higher net financial charges (Euro +482 thousand) partially offset by the overall decrease by the write-downs of non-financial assets (Euro -3,528 thousand);
- changes in working capital for the year and other changes for Euro -20,747 thousand generated essentially due to the increase in trade assets (for Euro 13,786 thousand), the reduction in trade liabilities (for Euro 2,765 thousand), the reduction in other current assets (for Euro 13,965 thousand) and the reduction of other non-current liabilities (for Euro 9,869 thousand).

The cash flow absorbed by investment activities amounted to Euro 47,070 thousand, mainly due to:

- investments in tangible and intangible assets for a total of Euro 76,029 thousand, up by Euro 7,125 thousand compared to 2023;
- contributions collected for investments made and to be made for Euro 28,622 thousand, up by Euro 4,501 thousand compared to 2023;
- disposals of tangible assets for Euro 338 thousand.

The cash flow generated by financial assets in 2024 amounted to Euro 48,152 thousand, mainly as a result of:

- the issue of a new bond loan for Euro 100,000 thousand and the closure of the previous issue with the repayment of the last instalment of Euro 31,667 thousand;
- the taking out of the new medium/long-term loan for Euro 8,934 thousand for the purchase of vehicles used as part of the provision of sharing mobility services and the repayment of instalments of medium/long-term loans for a total of Euro 1,930 thousand;
- the total absorption of Euro 26,921 thousand generated by the management of short-term loans essentially attributable to the closure of a revolving line at the same time as the issue of the new bond loan;
- the reduction in liabilities for leased assets for Euro 1,354 thousand.

Management of the financial risk

The Company's objective is to maintain over time a balanced management of its financial exposure, designed to ensure a liability structure that is balanced with the composition of assets and able to ensure the necessary operational flexibility by using liquidity generated from current operating activities and bank loans.

The ability to generate liquidity from ordinary operations, combined with the debt capacity, enables the Company to adequately satisfy its operating needs, financing of operating working capital and investment requirements, as well as respect for its financial commitments.

The Company, in the ordinary performance of its operating and financial activities, is exposed to:

- liquidity risk, attributable to the availability of adequate financial resources to meet short-term commitments, as well as related to the risk of downgrading of creditworthiness with consequent limitation of the possibility of securing medium-long term resources to meet one's own investment operational needs, as well as to meet the financial liabilities assumed;

- the risk of breaches of financial covenants under the bond loan and medium/long-term loans taken out that could trigger early repayment clauses;
- to market risk, mainly attributable: (i) the changes in the interest rates related to financial liabilities assumed and financial assets provided; (ii) to fluctuations in commodity prices;
- credit risk, connected both to normal commercial relations, and to the possibility that a financial counterparty with which liquidity investments have been made may not be able to honour all or part of its commitment.

The Company is not exposed to foreign exchange risk and has not made use of derivative financial instruments to hedge the aforementioned risks.

Liquidity risk

The liquidity risk represents the possibility that the available financial resources may be insufficient to cover the operational needs and the maturing financial debt. This risk is also attributable to the potential reduction in the credit rating, which allows the Company to access credit capital at favourable conditions and to secure medium/long-term resources to meet its investment needs.

Credit ratings may be decreased as a result of events that materially affect the Company's financial position or involve a significant change in its risk profile, as well as a change in the methodologies used to assess creditworthiness. Consequently, the Company's financing conditions could become more onerous and its access to financial markets more complex.

In addition to the dynamics of credit ratings, the main factors that contribute to the liquidity risk are, on the one hand, the generation or absorption of financial resources by operating and investing activities, and on the other, the maturities of financial payables and use of liquidity.

To mitigate these risks, the Company monitors the financial ratios that contribute to the determination of the rating and maintains a regular dialogue with the credit institutions, monitoring any changes to the methodologies used that could generate an impact on the credit score attributed to the Company.

The strategy adopted by the Company for the management of liquidity risk focuses on optimising its ability to generate cash flows, and on diversifying sources of funding to cover its requirements both for operational needs and for investments as well as on the continuous monitoring of expected cash flows to comply with the expiry of the commitments assumed.

The following table provides details on the remaining expiries of liabilities based on the non-discounted cash flows. For financial liabilities for leased assets, the flows are determined on the basis of contractual fees and, in the event in which these are subject to indexing, their non-discounted value is estimated by applying, for subsequent expiries, the latest variable rate applied in 2024.

		Contractual flows				
In thousands of Euro	**Financial statement value**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**After 5 years**	**TOTAL**
As at 31 December 2024	**186,282**	**59,877**	**12,995**	**133,198**	**2,301**	**208,371**
Bond loans	100,750	4,403	4,403	108,819	-	**117,625**
Medium/long-term loans	33,146	5,973	6,672	23,036	2,301	**37,982**
Short-term loans	97	97	-	-	-	**97**
Liabilities for leased assets	4,207	1,634	1,608	1,343	-	**4,585**
Trade liabilities	48,082	47,770	312		-	**48,082**
As at 31 December 2023	**141,346**	**113,900**	**6,805**	**23,095**	**4,405**	**148,205**
Bond loans	31,779	32,253	-	-	-	**32,253**

Medium/long-term loans	26,141	3,349	4,157	19,975	4,405	**31,886**
Short-term loans	27,018	27,018	-	-	-	**27,018**
Liabilities for leased assets	5,562	1,676	1,654	2,872	-	**6,202**
Trade liabilities	50,846	49,604	994	248	-	**50,846**

TPER believes it has the ability to fulfil its payment obligations through the generation of cash flows from operating activities and, subordinately, through the use of stocks of cash and/or financial instruments in the portfolio that can be converted to cash.

Risk of default and non-compliance with covenants

The Company is exposed to the risk associated with non-compliance with a minimum threshold contractually defined in some financial covenants that could generate the risk of early redemption of certain medium- and long-term loans and the bond loan.

The loan agreements, as with the bond loan, in line with international practice for similar transactions, generally give the lender or bond-holder the right to request the reimbursement of its receivable by arranging for the early termination of the relationship with the debtor in all cases where the latter is declared insolvent and/or subject to bankruptcy proceedings, or has initiated a liquidation procedure or another procedure with similar effects.

Specifically, certain outstanding loans, including the new bond loan stipulated during the year, include the obligation to maintain, throughout the life of the debt:

- a ratio of consolidated net financial position to consolidated shareholders' equity not exceeding 1;
- a ratio of consolidated net financial position to consolidated EBITDA not exceeding 3.7.

The aforementioned covenants and the relative calculations are periodically monitored, also using prospective data, and in the case of exposure to early repayments, a dialogue is initiated with the lenders aimed at remedying them. It should be noted that as at 31 December 2024 there are no indications that the aforementioned covenants have not been complied with.

Interest rate risk

The interest rate risk is linked to the uncertainty caused by the trend in interest rates and can generally present a double manifestation:

- cash flow risk: this is connected to financial assets or liabilities with flows indexed to a market interest rate;
- fair value risk: it represents the risk of loss deriving from an unexpected change in the value of a financial asset or liability following an unfavourable change in the market rate curve.

The Company's approach to managing interest rate risk, which takes account of the structure of assets and the stability of the cash flows, aims to minimise funding costs and stabilise cash flows, in such a way as to safeguard margins and ensure the certainty of cash flows deriving from ordinary activities. The approach to managing interest rate risk is, therefore, prudent and provides for the analysis and control of the position, carried out periodically based on specific requirements.

As at 31 December 2024, the Company's exposure is entirely regulated at variable rates, net of the bond loan, which is regulated at a fixed rate. The following table shows the expected contractual cash flows in relation to the type of interest rate applied.

In thousands of Euro	31/12/2024	Contractual cash flows	Current portion	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Fixed rate	100,750	117,625	4,403	4,403	108,819	-
Variable rate	33,243	38,079	6,070	6,672	23,036	2,301
Total	**133,993**	**155,704**	**10,473**	**11,075**	**131,855**	**2,301**

In thousands of Euro	31/12/2023	Contractual cash flows	Current portion	Between 1 and 2 years	Between 2 and 5 years	After 5 years
Fixed rate	31,779	32,253	32,253	-	-	-
Variable rate	53,159	58,904	30,367	4,157	19,975	4,405
TOTAL	**84,938**	**91,157**	**62,620**	**4,157**	**19,975**	**4,405**

Commodity price risk

TPER is exposed to the price risk of energy commodities, i.e. electricity, natural gas and oil products, since procurement is impacted by fluctuations in the prices of these commodities.

In 2024, as is well known, there was a price-control initiative for the reduction of fuel and electricity costs following the sharp increases in previous financial years, which were exacerbated by heightened geopolitical tensions.

In this context, TPER constantly monitored the situation, verifying the potential impacts on planning and in any case committing itself to maintaining its commitments in terms of investments and attention to the quality of the services provided.

At present, the Company is analysing the effects of the continuing volatility of commodity prices in order to implement any appropriate hedging strategies or to carry out manoeuvres that allow the maintenance of equilibrium conditions in the provision of its services, including any contracts that regulate them.

In order to diversify the risk involved, the Company has also long since embarked on an energy mix path, which allows it to use different power sources to operate its services. This diversification significantly reduces the Company's exposure to change in the prices of a single commodity.

Credit risk

Credit risk represents the exposure to potential losses resulting from the failure of commercial and/or financial counterparties to meet their obligations.

TPER's counterparties are primarily composed of:

- subsidiaries and associates;
- the Municipality of Bologna, the Municipality of Ferrara, the Emilia-Romagna Region and their investees;
- financial counterparties in relation to deposits at banks and capital contributions, also in the form of loans granted to investees.

As regards users of LPT services, TPER operates by providing public services and the revenues deriving from the tariffs applied are essentially collected with the provision of the service.

The credit risk on liquidity and on financial instruments in the portfolio is limited given that TPER only operates with counterparties with a high credit rating.

Credit positions are subject to individual write-downs, if individually significant, for which there is an objective condition of partial or total non-collectability. The amount of the write-down takes into account an estimate of the recoverable flows and the related collection date, future recovery charges and expenses, as well as the value of any guarantees. For receivables that are not subject to an analytical write-down, provisions are allocated on a collective basis taking into account historical experience and the statistical data available.

The table below shows the exposure to credit risk, gross of the write-downs made, of the Company as at 31 December 2024 and as at 31 December 2023.

			past due				
In thousands of Euro	Receivables 31/12/2024	not past due	0-30	31-60	61-90	91-180	over 180
Trade assets	75,337	58,280	4,729	543	718	1,595	9,472
Financial assets	64,670	63,921					749
Other assets	6,714	2,197					4,517
Provision for doubtful debts	(13,411)	(3,694)	(152)	(215)	(695)	(120)	(8,535)
Total	**133,310**	**120,704**	**4,577**	**328**	**23**	**1,475**	**6,203**

			past due				
In thousands of Euro	Receivables 31/12/2023	not past due	0-30	31-60	61-90	91-180	over 180
Trade assets	59,441	46,234	2,514	722	2,102	1,675	6,195
Financial assets	51,573	50,824	-	-	-	-	749
Other assets	20,798	16,296	-	-	-	1	4,501
Provision for doubtful debts	(11,667)	(3,027)	(106)	(148)	(111)	(309)	(7,966)
TOTAL	**120,145**	**110,326**	**2,408**	**574**	**1,991**	**1,367**	**3,478**

Additional disclosures on financial instruments

The details of financial assets and liabilities required by IFRS 7, subdivided into the categories defined by IFRS 9, are shown below.

			Amortised cost		Fair Value		Total	
In thousands of Euro	Notes	Fair value level	31/12/2024	31/12/2023	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Non-current assets								
Equity investments	4	3	48,200	48,200	5,749	5,749	53,949	53,949
Financial assets	5		39,143	38,283			39,143	38,283
Current assets								
Trade receivables	6		68,718	54,525			68,718	54,525
Financial assets	5		23,361	11,284			23,361	11,284
Assets for current income taxes	8		1,141	610			1,141	610
Other assets	9		2,088	16,054			2,088	16,054
Non-current liabilities								
Bond loans	14		99,251	-			99,251	-
Medium/long-term loans	14		28,432	24,210			28,432	24,210
Other financial liabilities	14		610	366			610	366

Trade liabilities	11	312	1,242			312	1,242
Long-term liabilities for leased assets	3	2,758	4,148			2,758	4,148
Other liabilities	15	7,342	17,212			7,342	17,212
Current liabilities							
Bond loans	14	1,499	31,779			1,499	31,779
Trade liabilities	11	47,770	49,604			47,770	49,604
Medium/long-term loans	14	4,714	1,931			4,714	1,931
Short-term loans	14	97	27,018			97	27,018
Liabilities for leased assets - short-term portion	3	1,449	1,414			1,449	1,414
Current income tax liabilities	8	-	812			-	812
Other liabilities	15	44,816	56,487			44,816	56,487

Determination of the fair value

The fair value of the financial assets and liabilities is determined in line with IFRS 13, which requires these values to be classified based on a hierarchy of levels, which reflects the characteristics of the inputs used to in its determination:

- level 1: valuations performed on the basis of quoted prices in active markets for financial assets and liabilities identical to those subject to valuation;
- level 2: valuations performed on the basis of inputs other than quoted prices pursuant to level 1, which for the financial asset or liability are directly (prices) or indirectly (price derivatives) observable;
- level 3: valuations that take as a reference parameters not observable on the market.

Taking the aforementioned classification as a reference, procedures were implemented to measure the fair value of the assets and liabilities as at 31 December 2024 and 31 December 2023, with reference to the observable market parameters and, in particular:

- the fair value of the financial assets and liabilities with standard conditions and terms, quoted on an active market, measured with reference to prices published in said market by leading market contributors;
- the fair value of other financial assets and liabilities is measured, where the conditions are met, by applying the discounted cash flow method, using the prices recorded for recent market transactions by leading market contributors for similar instruments as the reference balances.

The table below shows the financial assets and liabilities measured at fair value:

		Fair value as at the reporting date		
In thousands of Euro	**31/12/2024**	**Level 1**	**Level 2**	**Level 3**
Equity investments	5,749	-	-	5,749

In accordance with the provisions of IFRS 13, the fair value of the financial liabilities as at 31 December 2024 is shown below.

	31/12/2024	31/12/2024
In thousands of Euro	**Financial statement value**	**Fair Value**
Bond loans	100,750	102,563
Liabilities for leased assets	4,207	4,233
Medium/long-term loans	33,146	33,083
Short-term loans	97	97
Other financial liabilities	610	610

During the year, there were no transfers between the different levels of the fair value hierarchy.

For medium/long-term financial instruments where no market shares are available, the fair value was determined by discounting the expected cash flows, using the market interest rate curve as at the reference date and considering its own credit risk.

Guarantees

As at 31 December 2024, there were guarantees issued by the Company and risks assumed in relation to third-party assets at the company, including the following by relevance:

DESCRIPTION	31/12/2024	31/12/2023	Change
GUARANTEES GIVEN TO THIRD PARTIES			-
Sureties granted	16,283	12,371	3,912
RISKS			-
Third-party assets at the company	1,213	-	1,213
SRM rented assets at the company	34,688	29,032	5,656
SRM assets at the company	19	19	-
TOTAL	**52,203**	**41,422**	**10,781**

The sureties granted to third parties mainly refer to the guarantees provided by TPER, on behalf of Tpb S.c.r.l. and Tpf S.c.r.l., to the respective mobility agencies for obligations assumed in relation to service contracts for local public transport in the Bologna and Ferrara areas.

The item "Third-party assets at the company" corresponds to the value of three vehicles owned by the Company Marconi Express S.p.a. that are currently used by TPER.

The item "SRM rented assets" corresponds to the net carrying amount of the assets included in the scope of the business unit held by virtue of the lease agreement and owned by the SRM mobility agency used as part of the local public transport service in the Bologna area.

In addition to the guarantees summarised above, it should be noted that the Company, in order to guarantee the payment obligations arising from the loans contracted, has established a set of guarantees (the "Security Package"), which consists of the transfer of the takeover value that a possible third-party manager would have to pay to the Company in the event of termination of one and both service contracts.

Management and coordination activities pursuant to Article 2497 et seq.

TPER autonomously defines its strategic guidelines and is fully autonomous in terms of organisation, management and negotiation, as it is not subject to any management and coordination activity pursuant to Article 2497 et seq. of the Italian Civil Code.

Transactions with related parties

The main transactions made by the Company with its related parties, identified according to the criteria defined by IAS 24, are described below.

The following tables show the economic and financial balances of a commercial and financial nature, deriving from transactions with related parties, including those relating to directors, statutory auditors and other executives with strategic responsibilities in the Company.

Transactions with related parties do not include atypical or unusual transactions and are settled on an equivalent basis to those prevailing in transactions with independent parties. There were no non-recurring events and/or transactions in 2024.

IN THOUSANDS OF EURO		Sales to related parties	Purchases from related parties	Receivables from related parties	Payables to related parties
SUBSIDIARIES					
Omnibus S.c.r.l.	2023	815	9,892	293	2,327
	2024	1,038	11,360	296	1,083
TPF S.c.r.l.	2023	18,877	568	4,133	149
	2024	21,827	548	3,933	166
TPB S.c.r.l.	2023	77,900	75	15,285	75
	2024	89,193	63	26,595	63
MA.FER S.r.l.	2023	3,113	272	6,962	118
	2024	3,417	313	9,451	300
DINAZZANO PO S.p.A.	2023	2,249	6	1,169	6
	2024	2,276	88	871	46
HERM S.r.l.	2023	3	-	-	-
	2024	3	-	-	-
SST S.r.l.	2023	489	2,511	336	652
	2024	471	2,619	175	707
TPH2 S.c.a.r.l.	2023	9	27	411	116
	2024	16	4,660	3	2,131
TOTAL SUBSIDIARIES	2023	103,456	13,351	28,589	3,443
	2024	118,241	19,651	41,324	4,496
ASSOCIATES					
SETA S.p.A.	2023	1,131	492	635	441
	2024	1,073	437	501	147
CONSORZIO TRASPORTI INTEGRATI	2023	-	-	-	-
	2024	-	-	-	-
TRENITALIA TPER S.c.r.l.	2023	23,107	-	2,452	3,888
	2024	24,118	1	5,541	3,224
MARCONI EXPRESS S.p.A.	2023	6,280	-	14,035	1,010
	2024	6,709	135	13,350	1,184
TOTAL ASSOCIATES	2023	30,518	492	17,122	5,339
	2024	31,900	573	19,392	4,555
OWNER ENTITIES					
Emilia-Romagna Region	2023	354	-	1,077	1,670
	2024	300	-	3,205	514
Municipality of Bologna	2023	956	1,108	6,276	762
	2024	972	1,100	14,485	5
Metropolitan city of Bologna	2023	52	1	57	471
	2024	50	8	963	-
Azienda Consorziale Trasporti ACT Reggio Emilia	2023	-	-	-	220
	2024	-	-	-	220

Province of Ferrara	2023	-	-	-	-
	2024	-	1	-	-
Municipality of Ferrara	2023	46	-	3,668	-
	2024	53	1	5,354	-
Province of Parma	2023	-	-	-	-
	2024	-	-	-	-
Ravenna Holding	2023	-	-	-	-
	2024	-	-	-	-
TOTAL OWNER ENTITIES	2023	1,408	1,109	11,078	3,122
	2024	1,375	1,110	24,007	739
TOTAL	2023	135,382	14,952	56,788	11,904
	2024	151,516	21,334	84,723	9,790

No guarantees have been provided for receivables and payables with related parties.

Compensation to directors and statutory auditors and independent auditors

The information concerning the remuneration of the directors, statutory auditors and the independent auditors of TPER S.p.A. is presented below.

In thousands of Euro	31/12/2024	31/12/2023	Change
Directors' fees	179	160	19
Statutory auditors' fees	92	92	-
Independent auditors' fees	45	45	-
TOTAL	**316**	**297**	**19**

Grants, contributions, paid offices and economic benefits Italian Law no. 124/2017

Pursuant to Article 1, paragraph 125, of Italian Law no. 124 of 4 August 2017, in accordance with the obligation of transparency, it should be noted that in 2024 the following grants/contributions were received from public administrations, including through consortia:

	Description	Amount received Euro
Ministry of Infrastructure and Transport	Grant for the realisation of the Guided Public Transport System Bologna City Centre - San Lazzaro (BO) (TPGV) - Italian Law no. 211/92	2,038,141
Municipality of San Lazzaro	Grant for the implementation of the Guided Public Transport System Bologna City Centre - San Lazzaro (BO) (TPGV)	6,232
Municipality of Bologna	Grant for the implementation of the Guided Public Transport System Bologna City Centre - Municipality of Bologna	66,945
SRM Bologna	balance of 80% of MATTM resources in the Po Valley no. 87 buses	9,258,558
AMI Ferrara	balance of 80% of MATTM resources in the Po Valley no. 21 buses	1,757,685

Municipality of Bologna	monthly report 12/2023 PNRR Next Generation EU DM_530/2021 resources (bus share)	4,012,000
Municipality of Bologna	monthly report 12/2023 PNRR Next Generation EU DM_530/2021 resources (infrastructure share)	2,422,352
SRM Bologna	balance 80% - first phase - no. 45 buses PSNMS RER resources DM 134/2021 first five-year period 2019~2023 (bus share)	5,057,052
AMI Ferrara	balance 80% - first phase - no. 7 buses PSNMS RER resources DM 134/2021 first five-year period 2019~2023 (bus share)	1,069,708
Emilia-Romagna Region	first report of the contribution for the construction of LPT infrastructures - projects presented by the Companies as part of the Development and Cohesion Plan (FSC) Bologna area	127,189
Emilia-Romagna Region	first report of the contribution for the construction of LPT infrastructures - projects presented by the Companies as part of the Development and Cohesion Plan (FSC) Ferrara area	109,839
SRM Bologna	grant balance to improve LPT quality and safety for prevention and containment of Covid-19 contagion - Decree of Regional Government no. 1269/2020	-
SRM Bologna	advance of 40% of the contribution for the purchase of buses - resources for the years 2018-2021 and 2022-2024 pursuant to Italian Ministerial Decree 223/2020 (only on orders issued) Bologna area	2,078,053
AMI Ferrara	advance of 40% of the contribution for the purchase of buses - resources for the years 2018-2021 and 2022-2024 pursuant to Italian Ministerial Decree 223/2020 (only on orders issued) Ferrara area	325,840
Municipality of Bologna	PRIMUS project - Sustainable Urban Mobility Incentive Program (CAR AND BIKE SHARING) - MATTM	54,866
Mobility agencies	Sharing Mobility Bologna area intermediate incentive	88,966
AMI Ferrara	Grant to the higher costs for the NCLA pursuant to Italian Laws nos. 47/04, 58/05, 296/06	2,295,625
SRM Bologna	Grant to the higher costs for the NCLA pursuant to Italian Laws nos. 47/04, 58/05, 296/06	7,528,584
SRM Bologna	Contribution relating to: "Critical issues on roads systems. Interventions for LPT efficiency"	21,115
European Community	UNIVERSITAT POLITECNICA DE CATALUNYA European project SIGN-AIR 2nd and 3rd down payment	60,296
Revenues Agency	Tax credit for investments in capital goods Article 1, paragraph 1054-1058, Law 178/2020	518,585
Customs Agency	Excise duties on transport diesel	1,086,908
Mobility agencies	COVID-19 public relief for loss of revenues	22,038,084
Mobility agencies	Fuel relief pursuant to Article 9 of Italian Decree Law 115/2022	2,611,819
Revenues Agency	Art-Bonus (Decree Law 83/2014)	21,450
	TOTAL RECEIVED IN 2024	**64,655,894**

Report on the 2024 Financial Statements

Board of Statutory Auditors' Report

TPER S.p.A.

Registered office in Bologna - via di Saliceto no. 3

Share capital Euro 68,492,702.00 fully paid-up

Registered in the Register of Companies and Tax Code 03182161202

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Report of the Board of Statutory Auditors on the separate and consolidated Financial Statements of TPER as at 31 December 2024 prepared pursuant to Article 2429, paragraph 2, of the Italian Civil Code.

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Dear Shareholders,

the Board of Statutory Auditors, pursuant to Article 2429, paragraph 2 of the Italian Civil Code, is called upon to report to the Shareholders' Meeting of TPER S.P.A. ("*TPER*" or "*the Company*"), called to approve the financial statements, on the results of the financial year and on the activities carried out during the year in the fulfilment of its duties, as well as on the omissions and on any questionable facts identified.

The Board of Statutory Auditors also has the right to make observations and proposals regarding the financial statements and their approval as well as matters within its competence.

In its current composition, the undersigned Board was appointed by the resolution adopted by the Shareholders' Meeting held on 1 July 2024, for a duration of three financial years and until the approval of the financial statements as at 31 December 2026.

During the financial year ended 31 December 2024, the Board of Statutory Auditors performed the supervisory functions provided for in Articles 2403 of the Italian Civil Code, and therefore monitored compliance with the law and the Articles of Association, compliance with the principles of proper administration and the adequacy of the organisational structure, the financial reporting process, the internal control and risk management system, the Company's administrative and accounting system – including the latter's reliability in correctly represent operating events – the adequacy of the instructions issued by the Company to its Subsidiaries and the manner in which the corporate governance rules are actually implemented, as well as monitoring - in its capacity as the internal control and audit committee pursuant to Article 19 of Italian Legislative Decree no. 39 of 27 January 2010 - both the statutory audit of the annual and consolidated accounts, and the separate and consolidated sustainability report, verifying the selection process and the independence of the Independent Auditors.

The activities and functions assigned to the Board of Statutory Auditors were carried out in accordance with the provisions of the law and the Rules of Conduct for the Board of Statutory Auditors of Listed Companies, insofar as compatible, issued by the National Council of Certified Public Accountants and Accounting Experts.

TPER has drawn up the Integrated Report that combines the statutory Annual Report and the Sustainability Report. In particular, the Integrated Report include both the TPR Separate Financial Statements and the Consolidated Financial Statements of the same Group for the year ended as at 31.12.2024, as well as the Report on Operations, including the Consolidated Non-Financial Statement.

This report was approved collectively and in time for its filing at the registered office of the Company, 15 days prior to the date of the Shareholders' Meeting for the approval of the financial statements of 2024, together with the other mandatory attachments that accompany them and the Report on Operations, as outlined above. The Board of Directors made available the related documents approved on 23 May 2025 and relating to the separate financial statements as at 31 December 20234, in compliance with the terms set out in Article 2429 of the Italian Civil Code.

This report does not concern some of the audit activities and in this sense the undersigned Board, in its capacity as Internal Control and Audit Committee pursuant to Article 19 of Italian Legislative Decree 39/2010, reports that from the year in question the Company has put in place a double control model, having appointed PricewaterhouseCoopers S.p.A. (hereinafter also PwC) for the statutory audit, for a period of nine financial years expiring with the approval of the financial statements as at 31 December 2026, on the one hand, as well as RIA Grant Thornton S.p.A. (hereinafter "RIA GT"), on the other hand, appointed by the Shareholders' Meeting of 13 January 2025 to certify the compliance of the Sustainability Report pursuant to Italian Legislative Decree no. 125 of 06/09/2024, for the duration of three financial years and precisely those ending as at 31 December 2024, 2025 and 2026.

The functions of the Supervisory Body pursuant to Italian Legislative Decree no. 231/2001 are assigned to another collegiate body within TPER.

General introduction

TPER is one of the main sustainable mobility groups in Italy and is the largest company in Emilia-Romagna in the public transport sector, carrying out its activities mainly in the Bologna and Ferrara areas through road transport and trolley bus transport. The company also manages regional rail passenger transport, in partnership with Trenitalia through its associate Trenitalia Tper (TT), on the basis of specific service contracts.
It is a publicly held non-controlling company listed pursuant to Article 26, paragraph 5 of the Italian Legislative Decree no. 175/2016 and, therefore, is excluded from the scope of application of this Decree, as well as, partially, from the scope of application of the transparency obligations provided for by Italian Legislative Decree no. 33/2013.

With regard to the nature and legal qualification of TPER, it is believed that the indicators of public control required by the combined provisions of the aforementioned Italian Legislative Decree no. 175/2016 and the relevant Italian Civil Code are not met.

In particular, the Shareholders do not hold controlling shares pursuant to Article 2 lett. b) of Italian Legislative Decree no. 175/2016 and Article 2359 of the Italian Civil Code and there are no bylaws or shareholders' agreements among the public shareholders that require the unanimous consent of the same shareholders for the company's strategic financial and management decisions (there is no formalised coordination among the participating public administrations).

The financial statements were prepared in compliance with the provisions of the applicable law and the IAS/IFRS international accounting standards issued by the IASB and adopted by the EU, as well as according to the relevant interpretations of the IFRIC, integrated with the approved amendments and currently applicable, in addition to the verified compliance with the provisions of Italian Legislative Decree 38/2005, due to the obligation imposed by current legislation and consequent to having assumed, from the 2017 financial year, the qualification of Public Interest Entity (PIE) as defined by Article 16 of Italian Legislative Decree 39/2010 with the issue of the first Bond Loan, repaid in the current financial year with the seamless issue at the same time of a second Bond Loan, both listed on the Irish Stock Exchange.

With reference to the main facts and events that characterised operations in 2024, as well as the first months of 2025, the Directors have provided related accurate and full disclosures in the Financial Statements, to which reference is made.

Verification of the independence requirements by the Board of Statutory Auditors

On 8 October 2024, the Board of Statutory Auditors carried out its annual self-assessment, with positive results, with regard to all members meeting the independence requirements in compliance and consistent with the requirements set forth in Standard Q.1.7. (Rules of conduct for the Board of Statutory Auditors of listed companies issued by the CNDCEC) and positively assessed the multifaceted skills of the standing members of the Board of Statutory Auditors, of which the Chairperson and one standing auditor are enrolled in the Order of Chartered Accountants and Accounting Experts of Bologna and in the register of statutory auditors, while the other is enrolled in the Bar Association of Bologna.

Meetings of the Board of Statutory Auditors

In the period between the start of the 2024 financial year and 31/12/2024, the Board of Statutory Auditors participated in Shareholders' Meetings and the meetings of the Board of Directors; the Board also met periodically to carry out its own pertinent activities, acquiring the necessary information, including through the collection of documents, data and information during periodic meetings scheduled with the Company's management, whose attendance and relevance is certified by the related duly signed minutes.

In this context, the Board acknowledges that during the period of its mandate, there were no violations of the law or of the Articles of Association, nor any transactions that were manifestly imprudent, risky, and in potential conflict of interest or such as to compromise the integrity of the corporate assets.

The Board also held periodic meetings with the independent auditor PwC, with RIA GT who is entrusted with the compliance certification pertaining to the Sustainability Report, with the Supervisory Body as well as with the Internal Auditor, from which no significant data or information emerged that needs to be highlighted in this report.

In addition, the undersigned Board met with the subsidiaries' statutory auditors for a fruitful exchange of information.

Knowledge of the company, risk assessment and report on assigned tasks

Having acknowledged this, the undersigned Board declares to have ascertained with regard to the Company, also due to the fact that the current Chairperson was a standing auditor in the previous Board of Statutory Auditors, specifically with regard to:

(i) the type of activity carried out;

(ii) the administrative, organisational and accounting structure;

also taking into account the size and problems of the company, it is reiterated that the "planning" phase of the supervisory activity, in which it is necessary to assess the intrinsic risks and critical issues with respect to the two parameters mentioned above, was carried out by means of positive feedback with regard to what is already known on the basis of information acquired over time, also by examining the minutes of the checks and controls carried out by the Board of Statutory Auditors in office until 1 July 2024.

It was therefore possible to confirm that:

- the typical activity carried out by the Company (automotive and railway LPT services carried out both directly and through subsidiaries and investee companies) did not change during the year in question and is consistent with the corporate purpose;
- the organisational structure is suitable to allow the preparation of the financial statements on the basis of the IAS/IFRS international accounting standards and in the logic of business development, for an appropriate and effective functional reorganisation, therefore, not only from an accounting and administrative point of view;
- the human resources dedicated to the business activities of TPER (consolidated average figure) increased from 2,346 to 2,406 from 2023 to 2024;
- it should also be noted that the Company operated in 2024, taking into account the above, in terms substantially comparable with the previous year and, consequently, checks were carried out on these assumptions, having the elements to be able to verify, in its method and merit, the substantial comparability of values and results with those of the previous year.

This report therefore summarises the activity concerning the disclosure required by Article 2429, paragraph 2, of the Italian Civil Code and more precisely:

- on the activity carried out in fulfilling the duties envisaged by the law;
- on the results of the financial year;

- on the observations and proposals regarding the financial statements, with particular reference to the possible use by the Board of Directors of the exemption pursuant to Article 2423, paragraph 5, of the Italian Civil Code and pursuant to Article 5 of Italian Legislative Decree no. 38/2005;
- on the possible receipt of complaints from Shareholders pursuant to Article 2408 of the Italian Civil Code.

Significant events during the year

With regard to the significant events that occurred in the year ended as at 31 December 2024, please refer to the Report of the Board of Directors on Operations accompanying the Financial Statements which, to the best of the knowledge of the Board of Statutory Auditors, fully summarises the most significant events that concerned the TPER Company and the Group as a whole.

The Board of Statutory Auditors continuously monitored the progress of interventions both from the EU and state and regional ones in the transport sector, the Company's corresponding initiatives, and the status of the Covid-19 refund receivables relating to previous financial years and fully collected in 2024.

Macro-organisational structure of TPER

From previous financial years, TPER started a process of reorganisation to support the evolution of the business based on the changes taking place in the mobility sector, and to develop all the new projects that will enable the company to evolve in the light of the new objectives and role of the LPT and the new technological scenario (digital transformation, green transition, new technologies) that require a very large amount of investments.

In this perspective, in the company key sectors, also from a Group perspective, also in 2024 the Company recruited professional young people to offset retirements to support main functions with a view to strengthening and developing skills as well as to manage the many related and changed activities.

Intercompany transactions or transactions with related parties

To the best of our knowledge, the Company has not carried out atypical and/or unusual transactions with Group companies, related parties or third parties; the transactions carried out with subsidiaries and/or associates of the TPER Group are, to the knowledge of the Board of Statutory Auditors, essentially the provision of services and transactions of a commercial or financial nature, carried out in compliance with the procedures adopted by the Board of Directors, which assessed their adequacy and correspondence with an effective corporate interest.

Significant events subsequent to the close of the financial year and foreseeable management evolution

With regard to the significant events of the first few months of 2025, as already specified, the Directors have provided the related full disclosure in the Financial Statements, to which reference is made, on which the Board has nothing to report.

Supervisory activities

During the financial year ended as at 31 December 2024, the Board of Statutory Auditors, as far as possible, was able to ascertain that:

- the decisions made by the Shareholders and the Board of Directors were compliant with the law and the Articles of Association and were not clearly imprudent or such as to compromise the integrity of the company assets;
- sufficient information was acquired on the general operating performance and on its outlook, as well as on the most significant transactions, in terms of size or characteristics, carried out by the company and its subsidiaries; in accordance with the management organisational chart, the information required by Article 2381, paragraph 5, of the Italian Civil Code, were provided and acquired by the Chief Executive Officer and by the Director, both during scheduled meetings and at the time of any individual meeting with the members of the Board of Statutory Auditors at the

Company's registered office; and also through telephone and computer contacts/information flows with the members of the Board of Directors: it follows from all of the foregoing, and on the basis of our understanding , that the directors have complied, in substance and form, with the requirements imposed on them by the aforementioned provision;

- the transactions realised were also compliant with the law and the articles of association and not in potential conflict with the resolutions adopted by the Shareholders' Meeting or such as to compromise the integrity of the company assets, and were adequately assessed by the Board of Directors;
- no specific observations are made regarding the adequacy of the Company's organisational structure during the year, nor regarding the adequacy of the administrative, accounting and control systems, as well as the reliability of the latter in correctly representing the operating events, to the extent of our knowledge, also for the purposes and effects of the disclosure due pursuant to the law, also with regard to matters strictly of a non-financial nature;
- knowledge was acquired and monitored, to the extent applicable, on the adequacy and functioning of the organisational, administrative and accounting system, as well as on the reliability of the latter to correctly represent management events, also in relation to the timely detection of a business crisis and the loss of business continuity, by obtaining, in this regard, specific information from the heads of functions of PwC, appointed as independent auditor, of RIA GT, entrusted with the certification of the "non-financial" report, also by examining company documents and, in this regard, there are no particular observations to report;
- during the periodic checks pursuant to Article 2403, paragraph 1, of the Italian Civil Code, the Board has taken note of the development of the business carried out by the Company. There were also recurring discussions, in addition to the two independent auditors, with the Internal Audit function and with the Supervisory Body, as well as with the management and the professionals assisting the Company: the results provided positive results, with a fruitful exchange of information. Following the Board's explorations, it has become clear that relations with the people working in the aforementioned structure were inspired by reciprocal collaboration in respect of the roles assigned to each one, having clarified those pertaining and attributable to the Board of Statutory Auditors;
- no critical issues have arisen with regard to the proper implementation of the organisational model that need to be highlighted in this report;
- we have not made any reports to the administrative Body pursuant to and for the purposes of Article 25-*octies* of Italian Legislative Decree no. 14 of 12 January 2019;
- we have not received any reports from public creditors pursuant to Article 25-*novies* of Italian Legislative Decree no. 14 of 12 January 2019;
- we have acknowledged that, within the terms of the law, the company has appointed a Data Protection Officer (DPO), as required by European Regulation no. 2016/679 on privacy;
- the consultants and external professionals appointed to provide accounting, tax, corporate and employment law assistance have not substantially changed, except for those relating to any extraordinary or non-recurring transactions, and therefore they have historical knowledge of the activities carried out and of any management issues, including extraordinary ones, that have impacted on the results of the financial statements;
- no interventions were necessary due to omissions of the management Body pursuant to Article 2406 of the Italian Civil Code;
- no complaints were received pursuant to Article 2408 of the Italian Civil Code;
- no complaints were made pursuant to Article 2409, paragraph 7, of the Italian Civil Code;
- during the year, the Board of Statutory Auditors, also in its capacity as Internal Control and Audit Committee, was requested to issue opinions pursuant to Article 19, letter e), of Italian Legislative Decree no. 39 of 27 January 2010, details of which are provided in the rest of this report.

In this regard, in its capacity as the Internal Control and Audit Committee, the Board of Statutory Auditors carried out the activities envisaged by Article 19 of Italian Legislative Decree no. 39/2010, due to its qualification as a Public Interest Entity (PIE), being required to:

i) inform the Management Body of the Company of the outcome of the statutory audit, sending the same the additional Report addressed to this Board in its capacity of Internal Control and Audit Committee, pursuant to Article 11 of European Regulation no. 537/2014 prepared by the independent auditors, accompanied by any observations;

ii) monitor the financial reporting process and submit recommendations or proposals aimed at ensuring its integrity;

iii) monitor the effectiveness of the Company's internal quality control and risk management systems and, if applicable, of the internal audit, with regard to financial reporting of the audited entity, without violating its independence;

iv) monitor the statutory audit of the financial statements and of the consolidated financial statements, also taking into account any results and conclusions of the quality controls carried out pursuant to Article 26, paragraph 6, of the European Regulation, where available;

v) verify and monitor the independence of the statutory auditors or independent auditors pursuant to Articles 10, 10-*bis*, 10-*ter*, 10-*quater* and 17 of Italian Legislative Decree no. 39/2010 and Article 6 of the European Regulation, in particular with regard to the adequacy of the provision of services other than auditing to the audited entity, in accordance with Article 5 of said Regulation;

vi) respond to the procedure for the selection of statutory auditors or independent auditors and recommend the statutory auditors or audit firms to be appointed pursuant to Article 16 of the European Regulation.

The following findings emerge from the supervisory activities carried out by the Board of Statutory Auditors for this purpose:

(i) Comments on the Additional Report pursuant to Article 11 of the European Regulation

The Board of Statutory Auditors has read the report by the independent auditors PwC today, issued pursuant to Article 11 of European Regulation (EU) 537/2014. The document adequately illustrates the results of the statutory audit as well as the mandatory information pursuant to the second paragraph of the aforementioned Article 11 of Regulation (EU) 537/2014.

ii) Monitoring of the financial reporting process

As part of the audits carried out during the year, the Board of Statutory Auditors obtained feedback on the existence of adequate rules and processes to oversee the process of formulation and disclosure of financial information, obtaining evidence of the financial disclosure process and of the administrative and accounting procedures, which are adequate with respect to the activities currently carried out by TPER;

The same control Body has verified TPER's ability to fulfil its obligations taking into account the state measures in support of the LPT and the availability of liquidity reserves or other forms of access to credit.

The Board also checked compliance in the financial year with the financial covenants pertaining to the bond loan issued for Euro 100.0 million in the current year and listed on the Irish Stock Exchange, whose terms and conditions are illustrated in detail in the Financial Statements.

iii) Supervision of the effectiveness of the internal control, internal audit and risk management systems

The Board of Statutory Auditors periodically met with the Heads of the control functions and in particular with the Internal Audit function of TPER to exchange information on the activities carried out, obtaining updates on the execution of the audit plan and, in this context, on the audit interventions carried out and the related results, also on a programmatic and prospective basis.

The undersigned Body has received today from PwC, pursuant to Article 11 of Regulation (EU) 537/2014, the Report to the Internal Control and Audit Committee ("additional report") which did not reveal any significant shortcomings relating to the Internal Control System (ICS), such as to be brought to the attention of the same Board.

iv) Supervision of the statutory audit of the annual financial statements

The Board of Statutory Auditors met with the representatives of PwC with whom the planned exchange of information was established.

In the reports pursuant to Article 11 of the European Regulation (EU) 537/2014, as well as Article 14 of Italian Legislative Decree no. 39/2010, issued by the above mentioned independent auditors today, it is certified that, on the basis of the checks carried out, as mentioned above, no significant shortcomings emerged in the internal control system in relation to the process of financial reporting, "key aspects" of the statutory audit were highlighted, with the relative description of the separate and consolidated financial statements.

v) Supervision of the independence of the independent auditors, in particular with regard to the provision of non-audit services.

The Board of Statutory Auditors supervised the independence of the independent auditors PwC and obtained the annual confirmation of independence pursuant to Article 6, paragraph 2) letter a) of European Regulation 537/2014.

In particular, PwC confirmed today, with specific certification, that it had complied with the ethical principles set out in Articles 9 and 9-*bis* of Italian Legislative Decree no. 39/2010 and that no situations were found that compromised their independence pursuant to Articles 10 and 17 of Italian Legislative Decree no. 39/2010 and Articles 4 and 5 of European Regulation 537/2014, also confirming the fulfilment of the requirements of Article 6, paragraph 2, letter b) of Regulation (EU) 537/2014.

Pursuant to Article 19 of Italian Legislative Decree no. 39/2020 and European Regulation no. 537/2014, in the 2024 financial year the Board expressed a favourable opinion on the assignment to PwC of additional services other than the ongoing statutory audit relating to (i) control of the prospectus aimed at calculating sickness benefits for LPT workers; (ii) issue of the aforementioned bond loan placed on the Irish Stock Exchange.

In addition, also during the year 2024, the undersigned Body expressed a favourable opinion with reference to an assignment conferred to another entity of the PwC network concerning support in the benchmark analysis of the parking management sector in view of the tender that will be called for the LPT service.

vi) Supervisory activities on the consolidated sustainability report pursuant to Article 14 of Italian Legislative Decree 39/2010

The Board of Statutory Auditors has also met with representatives of RIA GT and established with them an exchange of information in relation to, among other things, environmental, social and personnel-related issues, respect for human rights and the fight against corruption and bribery, useful for guaranteeing an understanding of the activities carried out by the TPER Group, their progress, results and impacts.

The control Body verified the fulfilment of the obligations imposed by the regulations on the preparation and publication of non-financial information, noting that in the report pursuant to Article 14 of Italian Legislative Decree no. 39 of 27 January 2020, issued by the aforementioned auditing firm today, it is certified that there are no elements to believe that (i) the aforementioned consolidated sustainability report was not prepared in compliance with the standards adopted by the European Commission pursuant to Directive 2013/34/EU (*European Sustainability Reporting Standards*); (ii) the information contained in the paragraph "European Union Taxonomy Reporting" was not prepared in compliance with Article 8 of Regulation no. 852 of 18 June 2020.

Due to the new legal obligation in the year 2024, in its capacity as Internal Control and Audit Committee, the Board of Statutory Auditors also prepared its own reasoned recommendation, in accordance with the purposes of the law (Article 16 of European Regulation 537/2014 and Article 19 of Italian Legislative Decree 39/2010), in order to support the resolution of the Shareholders' Meeting to appoint the independent party in charge of the Sustainability Report Certification.

In conclusion, although the organisational, administrative and accounting structures are subject, by their nature, to constant implementation and modification, on the basis of the results of the checks carried out by the Board of Statutory Auditors, of the information acquired from the Company's representatives and from the other players in the internal control system, they appear to be adequate to the nature and size of the company, also in terms of the timely detection of company crises and the loss of going concern, as required by Article 2086, paragraph 2, of the Italian Civil Code.

Therefore, without prejudice to the above, the undersigned Board of Statutory Auditors can state that in the course of the supervisory activity carried out, no significant facts and/or elements emerged, such as to require notification in this report.

Consolidated financial statements

This section, dedicated to the Consolidated Financial Statements, assumes full reference to the activities and assessments of the Board of Statutory Auditors in the separate financial statements of TPER SpA contained in the previous pages.

The consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, based on the going concern assumption of the Parent Company and of the other consolidated companies and consist of the consolidated statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement) and the explanatory notes.

The consolidated financial statements has been prepared in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and approved by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as well as the previous International Accounting Standards (IAS) and previous interpretations of the Standard Interpretations Committee (SIC) still in force.

The Consolidated Financial Statements of the TPER Group were audited in accordance with the law by PwC, which today issued a specific report without observations or requests for specific disclosures.

The Board of Statutory Auditors reports that these Financial Statements fully illustrate the list of consolidated companies, using the line-by-line or proportional method, specifying that the scope of consolidation as at 31 December 2024 is unchanged compared to 31 December 2023.

The statement of financial position shows a consolidated net profit of Euro 18,675 thousand, of which the Group's share was Euro 18,345 thousand, compared to a profit in the previous financial year of Euro 8,480 thousand (Group share Euro 8,582 thousand, given a loss pertaining to minority interests of Euro 102 thousand).

The Board of Statutory Auditors observed that the Consolidated Financial Statements correspond to the facts and information of which it is aware following the participation in the meetings of the corporate bodies of TPER, in the exercise of its supervisory duties and its powers of inspection and control.

Integrated Report on Operations

The Board of Statutory Auditors examined the contents of the Integrated Report on Operations prepared by the Board of Directors in relation to the separate financial statements, highlighting how the independent auditors PwC, for the part of their pertinence, had carried out the procedures aimed at expressing their opinion, with positive results, on the consistency of the above mentioned report with the financial statements and its compliance with the law.

Furthermore, to the best of our knowledge, in preparing the financial statements in question, the Directors did not need to avail themselves of the possibility of derogation provided for by Article 2423, paragraph 5, of the Italian Civil Code and Article 5, paragraph 1, of Italian Legislative Decree no. 38/2005.

Report on Corporate Governance

Pursuant to Article 22.4 of the Articles of Association, the Directors prepared the Report on Corporate Governance for the financial year 2024.

The Board of Statutory Auditors monitored:

- the role of the Board of Directors in defining the strategies of the company and the group, also with regard to the pursuit of sustainable success, and in promoting dialogue with shareholders and other stakeholders relevant to the company;

- the effective and concrete implementation of the corporate crisis risk assessment programme.

Financial Statements

The financial statements for the year ended as at 31 December 2024, prepared on a going concern basis, were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, in compliance with the International Financial Reporting Standards (IFRS), which include the interpretations issued by the IFRIC.

Without prejudice to the fact that opinions on the financial statements are assigned on an exclusive basis, with regard to PwC in relation to the statutory audit, as well as with regard to RIA GT in relation to the consolidated sustainability report (on this point, please refer to what has been already explained above), it should be noted that the draft financial statements as at 31 December 2024 were approved by the Board of Directors and consist of the financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement) and the explanatory notes which include the accounting standards adopted for the individual financial statement items.

Furthermore:

- the management Body also prepared the report on operations pursuant to Article 2428 of the Italian Civil Code;
- the statutory audit of the separate financial statements is entrusted to PwC, which prepared today its own report to the separate financial statements pursuant to Article 14 of Italian Legislative Decree no. 39 of 27 January 2010 and pursuant to Article 10 of European Regulation no. 537/2014 which does not highlight findings of significant deviations, or negative opinion or the impossibility to express an opinion or requests for disclosure and, therefore, the opinion issued is positive;
- the Independent Auditors also prepared the Additional Report for the Internal Control and Audit Committee pursuant to Article 11 of European Regulation no. 537/2014 for the exclusive use of this Board and for the purposes of Article 19 of Italian Legislative Decree no. 39/2010;
- the measurement criteria adopted, with the exception of equity investments, are the same for both the separate financial statements and the consolidated financial statements and are compliant with those used in the previous year, with the exception of any amendments introduced with effect from 2024 to the IFRS in force.

The draft financial statements were also examined, and in relation to these the following additional information is provided:

- attention was paid to the layout of the document and of the accompanying documents, to their general compliance with the law as regards their format and structure, and in this regard there are no observations that need to be highlighted in this report;

- the compliance of the financial statements with the facts and information of which it became aware following the performance of the typical duties of the Board of Statutory Auditors was verified, and in this regard no further observations are highlighted;
- pursuant to Article 2426, paragraph 5, of the Italian Civil Code, the Board of Statutory Auditors attests that, for mere reporting purposes, "other intangible assets" do not refer to "start-up and expansion costs" nor to "development costs" with long-term useful lives yet to be amortised.

The net result ascertained by the Board of Directors relating to the financial statements of TPER for the year ended 31 December 2024, as also evident from the reading of the financial statements, was positive for Euro 9,745 thousand (against Euro 3,295 thousand in the previous year).

Today, the Board has received the report prepared by PwC on the separate financial statements as at 31 December 2024 and has acknowledged:

- the opinion on said financial statements, which show that they provide a true and fair view of the equity and financial position, the economic result and the cash flows for the year ended as at 31/12/2024, prepared in compliance with the IFRS adopted by the EU;
- the absence of requests for disclosure;
- the key aspects of the audit;
- the opinion of consistency and compliance with the law of the Report on Operations of the Board of Directors included in the financial statements;
- other opinions required by the current legislation and other information to be communicated on the basis of regulations (Italian Legislative Decree no. 39/2010 and EU Regulation 537/2014), as required.

Observations and proposals regarding the approval of the financial statements; conclusions

On the basis of the above and to the extent to which the Board of Statutory Auditors is aware and was confirmed by the periodic checks carried out, it is unanimously believed that there are no impediments, also in light of the reports prepared by the Independent Auditors and of the related opinion on the financial statements, for the approval on your part of the separate financial statements for the year ended as at 31 December 2024 as prepared and presented by the Board of Directors, as well as the proposal formulated by your Board of Directors to allocate the profit for the year equal to Euro 9,744,684 to the legal reserve for Euro 4,744,684 and for distribution to shareholders for Euro 5,000,000.

Finally, at the conclusion of the work done, we would like to thank the Board of Directors, the Employees and all the staff, as well as Associates for their active participation and the effective support received, wishing the Company a successful future.

Bologna, 12.06.2025

The Board of Statutory Auditors

Fabio Ceroni, Chairperson

Isabella Boselli, Standing Auditor

Alberto Camellini, Standing Auditor

Independent Auditors' Reports

TPER S.p.A.
Registered office in Bologna - via di Saliceto no. 3
Share capital Euro 68,492,702.00 fully paid-up
Registered in the Register of Companies and Tax Code 03182161202
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Report of the Board of Statutory Auditors on the separate and consolidated Financial Statements of TPER as at 31 December 2024 prepared pursuant to Article 2429, paragraph 2, of the Italian Civil Code.
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Dear Shareholders,
the Board of Statutory Auditors, pursuant to Article 2429, paragraph 2 of the Italian Civil Code, is called upon to report to the Shareholders' Meeting of TPER S.P.A. ("*TPER*" or "*the Company*"), called to approve the financial statements, on the results of the financial year and on the activities carried out during the year in the fulfilment of its duties, as well as on the omissions and on any questionable facts identified.
The Board of Statutory Auditors also has the right to make observations and proposals regarding the financial statements and their approval as well as matters within its competence.
In its current composition, the undersigned Board was appointed by the resolution adopted by the Shareholders' Meeting held on 1 July 2024, for a duration of three financial years and until the approval of the financial statements as at 31 December 2026.

During the financial year ended 31 December 2024, the Board of Statutory Auditors performed the supervisory functions provided for in Articles 2403 of the Italian Civil Code, and therefore monitored compliance with the law and the Articles of Association, compliance with the principles of proper administration and the adequacy of the organisational structure, the financial reporting process, the internal control and risk management system, the Company's administrative and accounting system – including the latter's reliability in correctly represent operating events – the adequacy of the instructions issued by the Company to its Subsidiaries and the manner in which the corporate governance rules are actually implemented, as well as monitoring - in its capacity as the internal control and audit committee pursuant to Article 19 of Italian Legislative Decree no. 39 of 27 January 2010 - both the statutory audit of the annual and consolidated accounts, and the separate and consolidated sustainability report, verifying the selection process and the independence of the Independent Auditors.

The activities and functions assigned to the Board of Statutory Auditors were carried out in accordance with the provisions of the law and the Rules of Conduct for the Board of Statutory Auditors of Listed Companies, insofar as compatible, issued by the National Council of Certified Public Accountants and Accounting Experts.
TPER has drawn up the Integrated Report that combines the statutory Annual Report and the Sustainability Report. In particular, the Integrated Report include both the TPR Separate Financial Statements and the Consolidated Financial Statements of the same Group for the year ended as at 31.12.2024, as well as the Report on Operations, including the Consolidated Non-Financial Statement.
This report was approved collectively and in time for its filing at the registered office of the Company, 15 days prior to the date of the Shareholders' Meeting for the approval of the financial statements of 2024, together with the other mandatory attachments that accompany them and the Report on Operations, as outlined above. The Board of Directors made available the related documents approved on 23 May 2025 and relating to the separate financial statements as at 31 December 20234, in compliance with the terms set out in Article 2429 of the Italian Civil Code.

This report does not concern some of the audit activities and in this sense the undersigned Board, in its capacity as Internal Control and Audit Committee pursuant to Article 19 of Italian Legislative Decree 39/2010, reports that from the year in question the Company has put in place a double control model, having appointed PricewaterhouseCoopers S.p.A. (hereinafter also PwC) for the statutory audit, for a period of nine financial years expiring with the approval of the financial statements as at 31 December 2026, on the one hand, as well as RIA Grant Thornton S.p.A. (hereinafter "RIA GT"), on the other hand, appointed by the Shareholders' Meeting of 13 January 2025 to certify the compliance of the Sustainability Report pursuant to Italian Legislative Decree no. 125 of 06/09/2024, for the duration of three financial years and precisely those ending as at 31 December 2024, 2025 and 2026.
The functions of the Supervisory Body pursuant to Italian Legislative Decree no. 231/2001 are assigned to another collegiate body within TPER.

General introduction
TPER is one of the main sustainable mobility groups in Italy and is the largest company in Emilia-Romagna in the public transport sector, carrying out its activities mainly in the Bologna and Ferrara areas through road transport and trolley bus transport. The company also manages regional rail passenger transport, in partnership with Trenitalia through its associate Trenitalia Tper (TT), on the basis of specific service contracts.
It is a publicly held non-controlling company listed pursuant to Article 26, paragraph 5 of the Italian Legislative Decree no. 175/2016 and, therefore, is excluded from the scope of application of this Decree, as well as, partially, from the scope of application of the transparency obligations provided for by Italian Legislative Decree no. 33/2013.
With regard to the nature and legal qualification of TPER, it is believed that the indicators of public control required by the combined provisions of the aforementioned Italian Legislative Decree no. 175/2016 and the relevant Italian Civil Code are not met.
In particular, the Shareholders do not hold controlling shares pursuant to Article 2 lett. b) of Italian Legislative Decree no. 175/2016 and Article 2359 of the Italian Civil Code and there are no bylaws or shareholders' agreements among the public shareholders that require the unanimous consent of the same shareholders for the company's strategic financial and management decisions (there is no formalised coordination among the participating public administrations).
The financial statements were prepared in compliance with the provisions of the applicable law and the IAS/IFRS international accounting standards issued by the IASB and adopted by the EU, as well as according to the relevant interpretations of the IFRIC, integrated with the approved amendments and currently applicable, in addition to the verified compliance with the provisions of Italian Legislative Decree 38/2005, due to the obligation imposed by current legislation and consequent to having assumed, from the 2017 financial year, the qualification of Public Interest Entity (PIE) as defined by Article 16 of Italian Legislative Decree 39/2010 with the issue of the first Bond Loan, repaid in the current financial year with the seamless issue at the same time of a second Bond Loan, both listed on the Irish Stock Exchange.
With reference to the main facts and events that characterised operations in 2024, as well as the first months of 2025, the Directors have provided related accurate and full disclosures in the Financial Statements, to which reference is made.

Verification of the independence requirements by the Board of Statutory Auditors
On 8 October 2024, the Board of Statutory Auditors carried out its annual self-assessment, with positive results, with regard to all members meeting the independence requirements in compliance and consistent with the requirements set forth in Standard Q.1.7. (Rules of conduct for the Board of Statutory Auditors of listed companies issued by the CNDCEC) and positively assessed the multifaceted skills of the standing members of the Board of Statutory Auditors, of which the Chairperson and one standing auditor are enrolled in the Order of Chartered Accountants and

Accounting Experts of Bologna and in the register of statutory auditors, while the other is enrolled in the Bar Association of Bologna.

Meetings of the Board of Statutory Auditors

In the period between the start of the 2024 financial year and 31/12/2024, the Board of Statutory Auditors participated in Shareholders' Meetings and the meetings of the Board of Directors; the Board also met periodically to carry out its own pertinent activities, acquiring the necessary information, including through the collection of documents, data and information during periodic meetings scheduled with the Company's management, whose attendance and relevance is certified by the related duly signed minutes.

In this context, the Board acknowledges that during the period of its mandate, there were no violations of the law or of the Articles of Association, nor any transactions that were manifestly imprudent, risky, and in potential conflict of interest or such as to compromise the integrity of the corporate assets.

The Board also held periodic meetings with the independent auditor PwC, with RIA GT who is entrusted with the compliance certification pertaining to the Sustainability Report, with the Supervisory Body as well as with the Internal Auditor, from which no significant data or information emerged that needs to be highlighted in this report.

In addition, the undersigned Board met with the subsidiaries' statutory auditors for a fruitful exchange of information.

Knowledge of the company, risk assessment and report on assigned tasks

Having acknowledged this, the undersigned Board declares to have ascertained with regard to the Company, also due to the fact that the current Chairperson was a standing auditor in the previous Board of Statutory Auditors, specifically with regard to:

(i) the type of activity carried out;

(ii) the administrative, organisational and accounting structure;

also taking into account the size and problems of the company, it is reiterated that the "planning" phase of the supervisory activity, in which it is necessary to assess the intrinsic risks and critical issues with respect to the two parameters mentioned above, was carried out by means of positive feedback with regard to what is already known on the basis of information acquired over time, also by examining the minutes of the checks and controls carried out by the Board of Statutory Auditors in office until 1 July 2024.

It was therefore possible to confirm that:

- the typical activity carried out by the Company (automotive and railway LPT services carried out both directly and through subsidiaries and investee companies) did not change during the year in question and is consistent with the corporate purpose;
- the organisational structure is suitable to allow the preparation of the financial statements on the basis of the IAS/IFRS international accounting standards and in the logic of business development, for an appropriate and effective functional reorganisation, therefore, not only from an accounting and administrative point of view;
- the human resources dedicated to the business activities of TPER (consolidated average figure) increased from 2,346 to 2,406 from 2023 to 2024;
- it should also be noted that the Company operated in 2024, taking into account the above, in terms substantially comparable with the previous year and, consequently, checks were carried out on these assumptions, having the elements to be able to verify, in its method and merit, the substantial comparability of values and results with those of the previous year.

This report therefore summarises the activity concerning the disclosure required by Article 2429, paragraph 2, of the Italian Civil Code and more precisely:

- on the activity carried out in fulfilling the duties envisaged by the law;
- on the results of the financial year;
- on the observations and proposals regarding the financial statements, with particular reference to the possible use by the Board of Directors of the exemption pursuant to Article 2423, paragraph 5, of the Italian Civil Code and pursuant to Article 5 of Italian Legislative Decree no. 38/2005;
- on the possible receipt of complaints from Shareholders pursuant to Article 2408 of the Italian Civil Code.

Significant events during the year
With regard to the significant events that occurred in the year ended as at 31 December 2024, please refer to the Report of the Board of Directors on Operations accompanying the Financial Statements which, to the best of the knowledge of the Board of Statutory Auditors, fully summarises the most significant events that concerned the TPER Company and the Group as a whole.
The Board of Statutory Auditors continuously monitored the progress of interventions both from the EU and state and regional ones in the transport sector, the Company's corresponding initiatives, and the status of the Covid-19 refund receivables relating to previous financial years and fully collected in 2024.

Macro-organisational structure of TPER
From previous financial years, TPER started a process of reorganisation to support the evolution of the business based on the changes taking place in the mobility sector, and to develop all the new projects that will enable the company to evolve in the light of the new objectives and role of the LPT and the new technological scenario (digital transformation, green transition, new technologies) that require a very large amount of investments.
In this perspective, in the company key sectors, also from a Group perspective, also in 2024 the Company recruited professional young people to offset retirements to support main functions with a view to strengthening and developing skills as well as to manage the many related and changed activities.

Intercompany transactions or transactions with related parties
To the best of our knowledge, the Company has not carried out atypical and/or unusual transactions with Group companies, related parties or third parties; the transactions carried out with subsidiaries and/or associates of the TPER Group are, to the knowledge of the Board of Statutory Auditors, essentially the provision of services and transactions of a commercial or financial nature, carried out in compliance with the procedures adopted by the Board of Directors, which assessed their adequacy and correspondence with an effective corporate interest.

Significant events subsequent to the close of the financial year and foreseeable management evolution
With regard to the significant events of the first few months of 2025, as already specified, the Directors have provided the related full disclosure in the Financial Statements, to which reference is made, on which the Board has nothing to report.

Supervisory activities
During the financial year ended as at 31 December 2024, the Board of Statutory Auditors, as far as possible, was able to ascertain that:
- the decisions made by the Shareholders and the Board of Directors were compliant with the law and the Articles of Association and were not clearly imprudent or such as to compromise the integrity of the company assets;

- sufficient information was acquired on the general operating performance and on its outlook, as well as on the most significant transactions, in terms of size or characteristics, carried out by the company and its subsidiaries; in accordance with the management organisational chart, the information required by Article 2381, paragraph 5, of the Italian Civil Code, were provided and acquired by the Chief Executive Officer and by the Director, both during scheduled meetings and at the time of any individual meeting with the members of the Board of Statutory Auditors at the Company's registered office; and also through telephone and computer contacts/information flows with the members of the Board of Directors: it follows from all of the foregoing, and on the basis of our understanding , that the directors have complied, in substance and form, with the requirements imposed on them by the aforementioned provision;
- the transactions realised were also compliant with the law and the articles of association and not in potential conflict with the resolutions adopted by the Shareholders' Meeting or such as to compromise the integrity of the company assets, and were adequately assessed by the Board of Directors;
- no specific observations are made regarding the adequacy of the Company's organisational structure during the year, nor regarding the adequacy of the administrative, accounting and control systems, as well as the reliability of the latter in correctly representing the operating events, to the extent of our knowledge, also for the purposes and effects of the disclosure due pursuant to the law, also with regard to matters strictly of a non-financial nature;
- knowledge was acquired and monitored, to the extent applicable, on the adequacy and functioning of the organisational, administrative and accounting system, as well as on the reliability of the latter to correctly represent management events, also in relation to the timely detection of a business crisis and the loss of business continuity, by obtaining, in this regard, specific information from the heads of functions of PwC, appointed as independent auditor, of RIA GT, entrusted with the certification of the "non-financial" report, also by examining company documents and, in this regard, there are no particular observations to report;
- during the periodic checks pursuant to Article 2403, paragraph 1, of the Italian Civil Code, the Board has taken note of the development of the business carried out by the Company. There were also recurring discussions, in addition to the two independent auditors, with the Internal Audit function and with the Supervisory Body, as well as with the management and the professionals assisting the Company: the results provided positive results, with a fruitful exchange of information. Following the Board's explorations, it has become clear that relations with the people working in the aforementioned structure were inspired by reciprocal collaboration in respect of the roles assigned to each one, having clarified those pertaining and attributable to the Board of Statutory Auditors;
- no critical issues have arisen with regard to the proper implementation of the organisational model that need to be highlighted in this report;
- we have not made any reports to the administrative Body pursuant to and for the purposes of Article 25-*octies* of Italian Legislative Decree no. 14 of 12 January 2019;
- we have not received any reports from public creditors pursuant to Article 25-*novies* of Italian Legislative Decree no. 14 of 12 January 2019;
- we have acknowledged that, within the terms of the law, the company has appointed a Data Protection Officer (DPO), as required by European Regulation no. 2016/679 on privacy;
- the consultants and external professionals appointed to provide accounting, tax, corporate and employment law assistance have not substantially changed, except for those relating to any extraordinary or non-recurring transactions, and therefore they have historical knowledge of the activities carried out and of any management issues, including extraordinary ones, that have impacted on the results of the financial statements;
- no interventions were necessary due to omissions of the management Body pursuant to

Article 2406 of the Italian Civil Code;
- no complaints were received pursuant to Article 2408 of the Italian Civil Code;
- no complaints were made pursuant to Article 2409, paragraph 7, of the Italian Civil Code;
- during the year, the Board of Statutory Auditors, also in its capacity as Internal Control and Audit Committee, was requested to issue opinions pursuant to Article 19, letter e), of Italian Legislative Decree no. 39 of 27 January 2010, details of which are provided in the rest of this report.

In this regard, in its capacity as the Internal Control and Audit Committee, the Board of Statutory Auditors carried out the activities envisaged by Article 19 of Italian Legislative Decree no. 39/2010, due to its qualification as a Public Interest Entity (PIE), being required to:
i) inform the Management Body of the Company of the outcome of the statutory audit, sending the same the additional Report addressed to this Board in its capacity of Internal Control and Audit Committee, pursuant to Article 11 of European Regulation no. 537/2014 prepared by the independent auditors, accompanied by any observations;
ii) monitor the financial reporting process and submit recommendations or proposals aimed at ensuring its integrity;
iii) monitor the effectiveness of the Company's internal quality control and risk management systems and, if applicable, of the internal audit, with regard to financial reporting of the audited entity, without violating its independence;
iv) monitor the statutory audit of the financial statements and of the consolidated financial statements, also taking into account any results and conclusions of the quality controls carried out pursuant to Article 26, paragraph 6, of the European Regulation, where available;
v) verify and monitor the independence of the statutory auditors or independent auditors pursuant to Articles 10, 10-*bis*, 10-*ter*, 10-*quater* and 17 of Italian Legislative Decree no. 39/2010 and Article 6 of the European Regulation, in particular with regard to the adequacy of the provision of services other than auditing to the audited entity, in accordance with Article 5 of said Regulation;
vi) respond to the procedure for the selection of statutory auditors or independent auditors and recommend the statutory auditors or audit firms to be appointed pursuant to Article 16 of the European Regulation.

The following findings emerge from the supervisory activities carried out by the Board of Statutory Auditors for this purpose:
(i) Comments on the Additional Report pursuant to Article 11 of the European Regulation
The Board of Statutory Auditors has read the report by the independent auditors PwC today, issued pursuant to Article 11 of European Regulation (EU) 537/2014. The document adequately illustrates the results of the statutory audit as well as the mandatory information pursuant to the second paragraph of the aforementioned Article 11 of Regulation (EU) 537/2014.

ii) Monitoring of the financial reporting process
As part of the audits carried out during the year, the Board of Statutory Auditors obtained feedback on the existence of adequate rules and processes to oversee the process of formulation and disclosure of financial information, obtaining evidence of the financial disclosure process and of the administrative and accounting procedures, which are adequate with respect to the activities currently carried out by TPER;
The same control Body has verified TPER's ability to fulfil its obligations taking into account the state measures in support of the LPT and the availability of liquidity reserves or other forms of access to credit.
The Board also checked compliance in the financial year with the financial covenants pertaining to the bond loan issued for Euro 100.0 million in the current year and listed on the Irish Stock Exchange, whose terms and conditions are illustrated in detail in the Financial Statements.

iii) Supervision of the effectiveness of the internal control, internal audit and risk management systems

The Board of Statutory Auditors periodically met with the Heads of the control functions and in particular with the Internal Audit function of TPER to exchange information on the activities carried out, obtaining updates on the execution of the audit plan and, in this context, on the audit interventions carried out and the related results, also on a programmatic and prospective basis.

The undersigned Body has received today from PwC, pursuant to Article 11 of Regulation (EU) 537/2014, the Report to the Internal Control and Audit Committee ("additional report") which did not reveal any significant shortcomings relating to the Internal Control System (ICS), such as to be brought to the attention of the same Board.

iv) Supervision of the statutory audit of the annual financial statements

The Board of Statutory Auditors met with the representatives of PwC with whom the planned exchange of information was established.

In the reports pursuant to Article 11 of the European Regulation (EU) 537/2014, as well as Article 14 of Italian Legislative Decree no. 39/2010, issued by the above mentioned independent auditors today, it is certified that, on the basis of the checks carried out, as mentioned above, no significant shortcomings emerged in the internal control system in relation to the process of financial reporting, "key aspects" of the statutory audit were highlighted, with the relative description of the separate and consolidated financial statements.

v) Supervision of the independence of the independent auditors, in particular with regard to the provision of non-audit services.

The Board of Statutory Auditors supervised the independence of the independent auditors PwC and obtained the annual confirmation of independence pursuant to Article 6, paragraph 2) letter a) of European Regulation 537/2014.

In particular, PwC confirmed today, with specific certification, that it had complied with the ethical principles set out in Articles 9 and 9-*bis* of Italian Legislative Decree no. 39/2010 and that no situations were found that compromised their independence pursuant to Articles 10 and 17 of Italian Legislative Decree no. 39/2010 and Articles 4 and 5 of European Regulation 537/2014, also confirming the fulfilment of the requirements of Article 6, paragraph 2, letter b) of Regulation (EU) 537/2014.

Pursuant to Article 19 of Italian Legislative Decree no. 39/2020 and European Regulation no. 537/2014, in the 2024 financial year the Board expressed a favourable opinion on the assignment to PwC of additional services other than the ongoing statutory audit relating to (i) control of the prospectus aimed at calculating sickness benefits for LPT workers; (ii) issue of the aforementioned bond loan placed on the Irish Stock Exchange.

In addition, also during the year 2024, the undersigned Body expressed a favourable opinion with reference to an assignment conferred to another entity of the PwC network concerning support in the benchmark analysis of the parking management sector in view of the tender that will be called for the LPT service.

vi) Supervisory activities on the consolidated sustainability report pursuant to Article 14 of Italian Legislative Decree 39/2010

The Board of Statutory Auditors has also met with representatives of RIA GT and established with them an exchange of information in relation to, among other things, environmental, social and personnel-related issues, respect for human rights and the fight against corruption and bribery, useful for guaranteeing an understanding of the activities carried out by the TPER Group, their progress, results and impacts.

The control Body verified the fulfilment of the obligations imposed by the regulations on the preparation and publication of non-financial information, noting that in the report pursuant to Article 14 of Italian Legislative Decree no. 39 of 27 January 2020, issued by the aforementioned auditing

firm today, it is certified that there are no elements to believe that (i) the aforementioned consolidated sustainability report was not prepared in compliance with the standards adopted by the European Commission pursuant to Directive 2013/34/EU (*European Sustainability Reporting Standards*); (ii) the information contained in the paragraph "European Union Taxonomy Reporting" was not prepared in compliance with Article 8 of Regulation no. 852 of 18 June 2020.
Due to the new legal obligation in the year 2024, in its capacity as Internal Control and Audit Committee, the Board of Statutory Auditors also prepared its own reasoned recommendation, in accordance with the purposes of the law (Article 16 of European Regulation 537/2014 and Article 19 of Italian Legislative Decree 39/2010), in order to support the resolution of the Shareholders' Meeting to appoint the independent party in charge of the Sustainability Report Certification.

In conclusion, although the organisational, administrative and accounting structures are subject, by their nature, to constant implementation and modification, on the basis of the results of the checks carried out by the Board of Statutory Auditors, of the information acquired from the Company's representatives and from the other players in the internal control system, they appear to be adequate to the nature and size of the company, also in terms of the timely detection of company crises and the loss of going concern, as required by Article 2086, paragraph 2, of the Italian Civil Code.

Therefore, without prejudice to the above, the undersigned Board of Statutory Auditors can state that in the course of the supervisory activity carried out, no significant facts and/or elements emerged, such as to require notification in this report.

Consolidated financial statements
This section, dedicated to the Consolidated Financial Statements, assumes full reference to the activities and assessments of the Board of Statutory Auditors in the separate financial statements of TPER SpA contained in the previous pages.
The consolidated financial statements for the year ended 31 December 2024 were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, based on the going concern assumption of the Parent Company and of the other consolidated companies and consist of the consolidated statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement) and the explanatory notes.

The consolidated financial statements has been prepared in compliance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board and approved by the European Commission, which include the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) as well as the previous International Accounting Standards (IAS) and previous interpretations of the Standard Interpretations Committee (SIC) still in force.

The Consolidated Financial Statements of the TPER Group were audited in accordance with the law by PwC, which today issued a specific report without observations or requests for specific disclosures.
The Board of Statutory Auditors reports that these Financial Statements fully illustrate the list of consolidated companies, using the line-by-line or proportional method, specifying that the scope of consolidation as at 31 December 2024 is unchanged compared to 31 December 2023.
The statement of financial position shows a consolidated net profit of Euro 18,675 thousand, of which the Group's share was Euro 18,345 thousand, compared to a profit in the previous financial year of Euro 8,480 thousand (Group share Euro 8,582 thousand, given a loss pertaining to minority interests of Euro 102 thousand).

The Board of Statutory Auditors observed that the Consolidated Financial Statements correspond to the facts and information of which it is aware following the participation in the meetings of the corporate bodies of TPER, in the exercise of its supervisory duties and its powers of inspection and control.

Integrated Report on Operations

The Board of Statutory Auditors examined the contents of the Integrated Report on Operations prepared by the Board of Directors in relation to the separate financial statements, highlighting how the independent auditors PwC, for the part of their pertinence, had carried out the procedures aimed at expressing their opinion, with positive results, on the consistency of the above mentioned report with the financial statements and its compliance with the law.
Furthermore, to the best of our knowledge, in preparing the financial statements in question, the Directors did not need to avail themselves of the possibility of derogation provided for by Article 2423, paragraph 5, of the Italian Civil Code and Article 5, paragraph 1, of Italian Legislative Decree no. 38/2005.

Report on Corporate Governance

Pursuant to Article 22.4 of the Articles of Association, the Directors prepared the Report on Corporate Governance for the financial year 2024.
The Board of Statutory Auditors monitored:
- the role of the Board of Directors in defining the strategies of the company and the group, also with regard to the pursuit of sustainable success, and in promoting dialogue with shareholders and other stakeholders relevant to the company;
- the effective and concrete implementation of the corporate crisis risk assessment programme.

Financial Statements

The financial statements for the year ended as at 31 December 2024, prepared on a going concern basis, were prepared in accordance with Articles 2 and 3 of Italian Legislative Decree no. 38/2005, in compliance with the International Financial Reporting Standards (IFRS), which include the interpretations issued by the IFRIC.

Without prejudice to the fact that opinions on the financial statements are assigned on an exclusive basis, with regard to PwC in relation to the statutory audit, as well as with regard to RIA GT in relation to the consolidated sustainability report (on this point, please refer to what has been already explained above), it should be noted that the draft financial statements as at 31 December 2024 were approved by the Board of Directors and consist of the financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement) and the explanatory notes which include the accounting standards adopted for the individual financial statement items.

Furthermore:

- the management Body also prepared the report on operations pursuant to Article 2428 of the Italian Civil Code;
- the statutory audit of the separate financial statements is entrusted to PwC, which prepared today its own report to the separate financial statements pursuant to Article 14 of Italian Legislative Decree no. 39 of 27 January 2010 and pursuant to Article 10 of European Regulation no. 537/2014 which does not highlight findings of significant deviations, or negative opinion or the impossibility to express an opinion or requests for disclosure and, therefore, the opinion issued is positive;

- the Independent Auditors also prepared the Additional Report for the Internal Control and Audit Committee pursuant to Article 11 of European Regulation no. 537/2014 for the exclusive use of this Board and for the purposes of Article 19 of Italian Legislative Decree no. 39/2010;
- the measurement criteria adopted, with the exception of equity investments, are the same for both the separate financial statements and the consolidated financial statements and are compliant with those used in the previous year, with the exception of any amendments introduced with effect from 2024 to the IFRS in force.

The draft financial statements were also examined, and in relation to these the following additional information is provided:

- attention was paid to the layout of the document and of the accompanying documents, to their general compliance with the law as regards their format and structure, and in this regard there are no observations that need to be highlighted in this report;
- the compliance of the financial statements with the facts and information of which it became aware following the performance of the typical duties of the Board of Statutory Auditors was verified, and in this regard no further observations are highlighted;
- pursuant to Article 2426, paragraph 5, of the Italian Civil Code, the Board of Statutory Auditors attests that, for mere reporting purposes, "other intangible assets" do not refer to "start-up and expansion costs" nor to "development costs" with long-term useful lives yet to be amortised.

The net result ascertained by the Board of Directors relating to the financial statements of TPER for the year ended 31 December 2024, as also evident from the reading of the financial statements, was positive for Euro 9,745 thousand (against Euro 3,295 thousand in the previous year).
Today, the Board has received the report prepared by PwC on the separate financial statements as at 31 December 2024 and has acknowledged:

- the opinion on said financial statements, which show that they provide a true and fair view of the equity and financial position, the economic result and the cash flows for the year ended as at 31/12/2024, prepared in compliance with the IFRS adopted by the EU;
- the absence of requests for disclosure;
- the key aspects of the audit;
- the opinion of consistency and compliance with the law of the Report on Operations of the Board of Directors included in the financial statements;
- other opinions required by the current legislation and other information to be communicated on the basis of regulations (Italian Legislative Decree no. 39/2010 and EU Regulation 537/2014), as required.

Observations and proposals regarding the approval of the financial statements; conclusions
On the basis of the above and to the extent to which the Board of Statutory Auditors is aware and was confirmed by the periodic checks carried out, it is unanimously believed that there are no impediments, also in light of the reports prepared by the Independent Auditors and of the related opinion on the financial statements, for the approval on your part of the separate financial statements for the year ended as at 31 December 2024 as prepared and presented by the Board of Directors, as well as the proposal formulated by your Board of Directors to allocate the profit for the year equal to Euro 9,744,684 to the legal reserve for Euro 4,744,684 and for distribution to shareholders for Euro 5,000,000.
Finally, at the conclusion of the work done, we would like to thank the Board of Directors, the Employees and all the staff, as well as Associates for their active participation and the effective support received, wishing the Company a successful future.

Bologna, 12.06.2025

The Board of Statutory Auditors

Fabio Ceroni, Chairperson

Isabella Boselli, Standing Auditor

Alberto Camellini, Standing Auditor

Independent auditor's report

in accordance with article 14 of Legislative Decree 39 of 27 January 2010 and article 10 of Regulation (EU) 537/2014

To the shareholders of
Tper SpA

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Tper SpA (the "Company") and its subsidiaries (hereinafter, "Tper Group" or the "Group"), which comprise the consolidated statement of financial position as of 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated cash flow statement for the year then ended and the explanatory notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2024 and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International AccountingStandards Board and adopted by the European Union, as well as with the regulations issued toimplement article 9 of Legislative Decree No. 38/05.

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 this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. 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.

PricewaterhouseCoopers SpA

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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Government grants covid 19 *The assessments made by the Company related to the valuation of government grants due to the Covid 19 pandemic are described in the Notes to the Financial Statements as of 31 December 2024 Note 19 "Other revenues"."*	
The local public transport sector has been severely impacted by the Covid-19 pandemic, an emergency that has led to a significant contraction in passengers' traffic, resulting in reduced revenues and marginality in fiscal years 2020, 2021 and partly in 2022. In order to manage this situation the Italian state has allocated and committed funds to compensate the Italian companies involved in this public service. Company's Management has carried out an examination of what is reported within the national and regional regulations and has accounted for the government grants under the assumption of reasonable certainty of receiving them, based on the provisions of International Accounting Standard IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance." We have identified an area of attention in this context in consideration of the exceptional nature of the impact of the health emergency on the Company and of the fact that Management's evaluation process is complex and based on certain assumptions (distribution of government grants determined on a national and regional basis among the different local public transport companies, the presence of over- or under-compensation, and the availability of funds allocated by the Italian state).	We have carried out an understanding of the approach adopted by Management in identifying the main risks and critical issues inherent to the recognition of government grants and the assumptions underlying in the assessment process. We have obtained details of the estimates made by Management, verifying their reasonableness, with reference to the valuation of the amounts recognized as "Other revenues", based on current regulations and on the practice followed by the industry. We reperformed the analysis carried out by Management, taking into account industry practices, in order to identify the presence of any overcompensation. We conducted audit procedures on subsequent events to identify whether there were any new elements arising from new regulations that might impact what was already recorded in the consolidated financial statements as of 31 December 2024. Finally, we have verified the accuracy and completeness of the information presented in the notes "Other revenuea" included in the Notes to the Consolidated Financial Statements as of 31 December 2024.

Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Valuation of provisions for risks and charges *Evaluation of provision for risk and charges as described in the Note 13 "Funds for Provisions" of the explanatory notes to the Consolidated Financial Statements as of 31 December 2024* The value of provisions for risks and charges recorded in the consolidated financial statements as of 31 December 2024 amounted to approximately 47 million Euros and represented some 15 percent of the Company's liabilities. Due to the significance of the amounts in question and to the use of estimates utilized by Management in order to comply with the requirements of the international accounting standard "IAS 37 - Provisions, Contingent Liabilities and Contingent Assets", we paid specific attention to the verification of the liabilities in question. The main analyses carried out by Management involved checking ongoing legal or constructive obligations, estimating the probability of having to fulfil them, and estimating the amount involved.	We have carried out an understanding and evaluation of the procedure adopted by the Company for the purpose of determining the provisions for risks and charges regarding the adequacy of the liabilities recognized in the statement of financial position as of 31 December 2024. In particular, we performed an understanding and validation of the relevant controls underlying the determination of these provisions and the assessment of the appropriateness of the liabilities recognized. In this regard, it should be noted that the Group for the most significant issues uses the support of independent external advisors who update Management on the status of disputes and potential impacts on the financial statements. We also obtained the breakdown of the amounts set aside, analyzing, on a sample basis, the reasonableness of the assumptions adopted by Management in quantifying the liability to be recognized in the annual financial statements. With reference to the external advisors who support the Company in the evaluation of provisions for risks and charges, we also proceeded to send letters requesting information from them and analyzed the responses received. In addition, in order to understand the characteristics of current disputes, we conducted interviews with Management, the internal legal department, managerial reporting managers, internal technical managers and external professionals.

Finally, our audits included an analysis of the notes to the annual consolidated financial statements to assess the accuracy and completeness of the disclosures related to the item "Funds for Provisions."

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 InternationalAccounting Standards Board and adopted by the European Union, as well as with the regulationsissued to implement article 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, forsuch internal control as they determine is necessary to enable the preparation of consolidatedfinancial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the Directors use the going concern basis of accounting unless they either intend to liquidate Tper SpA or to cease operations, or have no realistic alternative but to do so.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed 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 the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;

- we obtained 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;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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;
- we evaluated 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.
- we obtained 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 on the consolidated financial statements.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determined 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 described these matters in our auditor's report.

Additional Disclosures required by Article 10 of Regulation (EU) 537/2014

On 29 May 2018, the shareholders of Tper SpA in general meeting engaged us to perform thestatutory audit of the Company's and the consolidated financial statements for the years ending 31 December 2018 through 31 December 2026.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Company in conducting the statutory audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), e-bis) and e-ter) of Legislative Decree 39/2010

The Directors of Tper SpA are responsible for preparing a report on operations of Tper Group as of 31 December 2024, including its consistency with the relevant consolidated financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operations with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability reporting;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations mentioned above is consistent with the consolidated financial statements of Tper Group as of 31 December 2024 and is prepared in compliance with the law.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability reporting, is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability reporting. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 2020/852 are expressed by another auditor in the report prepared in accordance with article 14-bis of Legislative Decree No. 39/2010.

Bologna, 12 June 2025

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

Independent auditor's report

in accordance with article 14 of Legislative Decree 39 of 27 January 2010 and article 10 of Regulation (EU) 537/2014

To the shareholders of
Tper SpA

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Tper SpA (the "Company"), which comprise the statement of financial position as of 31 December 2024, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the cash flow statement for the year then ended and the explanatory notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2024 and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International AccountingStandards Board and adopted by the European Union, as well as with the regulations issued toimplement article 9 of Legislative Decree No. 38/05.

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 Financial Statements* section of this report. We are independent of the Company pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements under Italian law. 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 financial statements of the current period. These matters were addressed in the context of our audit of the 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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Key Audit Matters	*Auditing procedures performed in response to key audit matters*
Government grants Covid 19	
The assessments made by the Company related to the recoverability of government grants due to the Covid 19 pandemic are described in the Notes to the Financial Statements as of 31 December 2024 Note 19 "Other revenues".	
The local public transport sector has been severely impacted by the Covid-19 pandemic, an emergency that has led to a significant contraction in passengers' traffic, resulting in reduced revenues and marginality in fiscal years 2020, 2021 and partly in 2022. In order to manage this situation the Italian state has allocated and committed funds to compensate the Italian companies involved in this public service. Company's Management has carried out an examination of what is reported within the national and regional regulations and has accounted for the government grants under the assumption of reasonable certainty of receiving them, based on the provisions of International Accounting Standard IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance." We have identified an area of attention in this context in consideration of the exceptional nature of the impact of the health emergency on the Company and of the fact that Management's evaluation process is complex and based on certain assumptions (distribution of government grants determined on a national and regional basis among the different local public transport companies, the presence of over- or under-compensation, and the availability of funds allocated by the Italian state).	We have carried out an understanding of the approach adopted by Management in identifying the main risks and critical issues inherent to the recognition of government grants and the assumptions underlying in the assessment process. We have obtained details of the estimates made by Management, verifying their reasonableness, with reference to the valuation of the amounts recognized as "Other revenues", based on current regulations and on the practice followed by the industry. We reperformed the analysis carried out by Management, taking into account industry practices, in order to identify the presence of any overcompensation. We conducted audit procedures on subsequent events to identify whether there were any new elements arising from new regulations that might impact what was already recorded in the financial statements as of 31 December 2024. Finally, we have verified the accuracy and completeness of the information presented in the notes "Other revenues" included in the Notes to the Financial Statements as of 31 December 2024.

Key Audit Matters	Auditing procedures performed in response to key audit matters
Valuation of provisions for risks and charges *Evaluation of provision for risk and charges as described in the Note 12 "Funds for Provisions" of the explanatory notes to the Financial Statements as of 31 December 2024*	
The value of provisions for risks and charges recorded in the consolidated financial statements as of 31 December 2024 amounted to approximately 46 million Euros and represented some 16 percent of the Company's liabilities. Due to the significance of the amounts in question and to the use of estimates utilized by Management in order to comply with the requirements of the international accounting standard "IAS 37 - Provisions, Contingent Liabilities and Contingent Assets", we paid specific attention to the verification of the liabilities in question. The main analyses carried out by Management involved checking ongoing legal or constructive obligations, estimating the probability of having to fulfil them, and estimating the amount involved.	We have carried out an understanding and evaluation of the procedure adopted by the Company for the purpose of determining the provisions for risks and charges regarding the adequacy of the liabilities recognized in the statement of financial position as of 31 December 2024. In particular, we performed an understanding and validation of the relevant controls underlying the determination of these provisions and the assessment of the appropriateness of the liabilities recognized. In this regard, it should be noted that the Company for the most significant issues uses the support of independent external advisors who update Management on the status of disputes and potential impacts on the financial statements. We also obtained the breakdown of the amounts set aside, analyzing, on a sample basis, the reasonableness of the assumptions adopted by Management in quantifying the liability to be recognized in the annual financial statements. With reference to the external advisors who support the Company in the evaluation of provisions for risks and charges, we also proceeded to send letters requesting information from them and analyzed the responses received. In addition, in order to understand the characteristics of current disputes, we conducted interviews with Management, the internal legal department, managerial reporting managers, internal technical managers and external professionals.

Finally, our audits included an analysis of the notes to the annual financial statements to assess the accuracy and completeness of the disclosures related to the item "Funds for Provisions."

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting StandardsBoard and adopted by the European Union, as well as with the regulations issued to implementarticle 9 of Legislative Decree No. 38/05 and, in the terms prescribed by law, for such internal controlas they determine is necessary to enable the preparation of financial statements that are free frommaterial misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the Directors use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- we identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained 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;

- we obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we concluded on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern;
- we evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated 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 identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Report on Compliance with other Laws and Regulations

Opinion in accordance with Article 14, paragraph 2, letter e), e-bis) and e-ter) of Legislative Decree 39/2010

The Directors of Tper SpA are responsible for preparing a report on operations of the Company's as of 31 December 2024, including its consistency with the relevant financial statements and its compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) No. 720B in order to:

- express an opinion on the consistency of the report on operationswith the financial statements;
- express an opinion on the compliance with the law of the report on operations;
- issue a statement on material misstatements, if any, in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of Tper SpA as of 31 December 2024.

Moreover, in our opinion, the report on is prepared in compliance with the law.

With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Bologna, 12 June 2025

PricewaterhouseCoopers SpA

Signed by
Roberto Sollevanti
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

Ria
Grant Thornton

Independent auditor's report
on the consolidated sustainability statement
pursuant to article 14-bis of Legislative Decree
no. 39 of January 27, 2010

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To the Shareholders of
TPER S.p.A.

Conclusion

Pursuant to articles 8 and 18, paragraph 1, of Legislative Decree no. 125 of 6 September 2024 (hereinafter also the "Decree"), we have undertaken performed a limited review on the consolidated sustainability report of the TPER Group (hereinafter also the "Group") for the year ended 31 December 2024 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability report of the TPER Group for the year ended 31 December 2024 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/UE (European Sustainability Reporting Standards, hereinafter also the "ESRS");
- the information set out in paragraph "*European Union Taxonomy Reporting*" of the consolidated sustainability report is not prepared, in all material respects, in accordance with article 8 of Regulation (UE) no. 852 of 18 June 2020 (hereinafter also the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited review in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited review vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under the Standard are further described in the "*Auditor's responsibilities for the limited assurance on the consolidated sustainability report*" section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability reporting under Italian law.

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 we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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Other matters

The comparative information presented in the consolidated sustainability report in relation to the year ended 31 December 2022 and in relation to the year ended 31 December 2023 was not subjected to any assurance procedures.

Responsibilities of the Directors and the Board of Statutory Auditors of TPER S.p.A. for the consolidated sustainability report

The Directors are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability report in accordance with the provisions of the ESRS (hereinafter the "materiality assessment process") and for describing those included in the paragraph "*The process to identify and assess material impacts, risks and opportunities*" of the consolidated sustainability reporting.

The Directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph "*European Union Taxonomy Reporting*".

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms set forth by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability report

For the purpose of reporting forward-looking information in accordance with ESRS, the Directors are required to prepare such information on the basis of assumptions, described in the consolidated Sustainability Report, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

Furthermore, please refer to the paragraph "*Disclosure relating to specific aspects*" with regards to the limitations of processing of some metrics provided by the ESRS. These limitations are due to some estimates made by the Directors.

Auditor's responsibilities for the limited assurance on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the Consolidated Sustainability Report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. 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 the Consolidated Sustainability Report.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism 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 the disclosures where a material misstatement is likely to arise. 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;
- the directing, supervising and performing a limited assurance engagement on the consolidated sustainability report and assuming full responsibility for the conclusion on the consolidated sustainability report.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed on consolidated sustainability report were based on our professional judgement and included inquiries, primarily of personnel of TPER S.p.A. responsible for the preparation of the information presented in the Consolidated Sustainability Report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- pursuant to art. 9-bis, paragraph 8-ter, of Legislative Decree 39/10, we exchanged with the legal auditor responsible for the legal audit of the consolidated financial statements of the TPER Group all information pertaining to the verification of the connecting elements of the consolidated sustainability reporting with the consolidated financial statements, necessary for carrying out our assignment;
- we understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues;
- understanding of the Group's process for identifying and assessing relevant impacts, risks and opportunities ("IRO"), based on the principle of double relevance, in relation to sustainability issues and based on the information acquired therein, consideration of any contradictory elements that may indicate the existence of sustainability issues not considered by the Group in the materiality assessment process. In particular, mainly through investigations, observations and inspections, we have understood how the Group:
  - has taken into account the interests and views of the stakeholders involved;
  - identified the IRO related to sustainability issues, and we found that they are consistent with our knowledge of the Group and the context in which it operates;
- understanding of the processes underlying the generation, collection and management of qualitative and quantitative information included in the consolidated sustainability report, including the analysis of the reporting perimeter through interviews with personnel of TPER S.p.A. and limited documentary checks;
- we identified the disclosures where a material misstatement is likely to arise;
- we defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified, including;
  - surveys and limited audits with regard to qualitative information and, in particular, policies, actions and objectives relevant to sustainability issues;
  - inspection, observation and recalculation procedures on a sample basis with reference to quantitative information;

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- we understood the process implemented by the Group to identify the eligible economic activities and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability report;
- we reconciled the information reported in the consolidated sustainability report with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information;
- we verified the structure and presentation of disclosures included in the consolidated sustainability report in accordance with the ESRS;
- we obtained management's representation letter.

Bologna, June 12, 2025

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Signed by
Sandro Gherardini
Parter

This independent auditor's report has been translated into the English language solely for the convenience of international readers. According, only the original text in Italian language is authoritative.