

Annex to the guarantee request from Sustainability Proofing Summary¹	
The summary ² is in line with the sustainability proofing guidance and should be presented only for direct financing.	
Identification of the project	
Overview	Project Name: Investment plan for interventions on hatcheries and breeding boxes, expansion of the photovoltaic system herein “the Project”, promoted by Fileni S.p.A. (also “Fileni” or “Gruppo Fileni”). Country: Italy Project Description: The Project includes the following interventions: • Conversion of broiler farms into breeding boxes at the plants of Ravenna (RA), Santa Maria Nuova (AN), Osimo (AN), Valtopina (PG), and Castelplanio (AN) • Implementation of a hatchery at the new plant of Fossato di Vico (PG) • Installation and enhancement of photovoltaic systems at the plants of Falconara (AN), Fossato di Vico (PG), Ravenna (RA), Santa Maria Nuova (AN), Osimo (AN), Castelplanio (AN)
Project total cost (exclusive of VAT):	☐ below EUR 10 million ☒ equal to or higher than EUR 10 million
Based on the threshold, the project is not exempted from screening/proofing.	
EIA Directive	
	2014 EIA Directive applicable ☐ Yes ☒ No ☐ Annex I projects (EIA required) ☐ Annex II projects (screening) ☐ EIA required (project screened in) ☐ EIA not required (project screened out)
	The Project does not fall under the scope of the EIA Directive (Directive 011(92/EU)) and is not part of any plan, program, or strategy at the local, regional, or national level.

¹ In line with Article 8 (5) of the Invest EU Regulation and the sustainability proofing guidance (C(201)2632 final).

² In line with section 3.2 of the Investment Guidelines, the sustainability proofing summary shall be made public after the Investment Committee has approved the use of the EU Guarantee for a specific operation (with due regard to rules and practices regarding confidential and commercially sensitive information).

	The planned interventions are primarily executable under AUA³, SCIA⁴ and CILA⁵, along with requests for Building Permits that are currently in progress. Additionally, there are no new constructions located within areas protected by the Habitats Directive (Natura 2000). Gruppo Fileni will obtain all the necessary authorizations for the execution and operability of the interventions—including the AUA and building permits—upon submission of the required documentation currently being finalized, which includes compliance with Directive 2010/75/EU (Application of Best Available Techniques - BAT).
Sustainability proofing process	☒ Climate ☒ Environmental ☒ Social
Climate Dimension	
<i>Legal framework</i>	"Sustainability proofing" ensures that projects and investments align with environmental, social, and governance (ESG) sustainability goals. The legal framework that supports and guides sustainability proofing is reported below. 1. EU Taxonomy Regulation (Regulation (EU) 2020/852): Criteria for determining whether an economic activity can be considered environmentally sustainable, with a particular focus on climate change mitigation. 2. EU Climate Benchmark Regulation (Regulation (EU) 2019/2089): Climate transition benchmarks and Paris-aligned benchmarks. 3. EU Green Bond Standard (under development): Criteria for the issuance of green bonds, Climate change mitigation and adaptation. 4. Task Force on Climate-related Financial Disclosures (TCFD) Guidelines: Recommendations for the disclosure of climate-related financial information. Voluntarily adopted by companies and financial institutions to improve transparency and the management of climate risks. 5. European Commission's Sustainable Finance Action Plan: Measures adopted by the European Commission to direct capital flows towards sustainable investments, manage financial risks stemming from climate change, and promote transparency and long-termism in economic and financial activities. The above legislation has been transferred in the Italian legislation through the following key legislative measures:

³ AUA stands for "Autorizzazione Unica Ambientale", which is an Italian environmental permit that consolidates multiple authorizations into a single procedure for small and medium-sized enterprises (D.P.R. 13 March 2013, n. 59, which implements Article 23 of Legislative Decree 152/2006).

⁴ SCIA stands for "Segnalazione Certificata di Inizio Attività", which is a certified notification to the local municipality in Italy, indicating the start of specific construction or renovation works that require certification by a qualified professional.

⁵ CILA stands for "Comunicazione Inizio Lavori Asseverata", which is a formal communication to the local municipality in Italy, indicating the start of certain types of construction or renovation works that do not require a building permit.

	1. Legislative Decree No. 254/2016: Implements the EU Non-Financial Reporting Directive (Directive 2014/95/EU); 2. National Integrated Energy and Climate Plan (PNIEC): Outlines the country's strategies and measures to meet its energy and climate targets for 2030; 3. Climate Decree (Decreto Clima): Measures to contrast climate change and promote environmental sustainability; 4. Decreto Rilancio (Relaunch Decree): Response to the COVID-19 pandemic that includes measures to support green investments and promote economic recovery through sustainable development; 5. National Recovery and Resilience Plan (PNRR): Renewable energy, energy efficiency, sustainable mobility, and biodiversity protection, aligning with the EU's Green Deal objectives
Climate dimension (screening)	Adaptation: Please refer to Section “Climate adaptation (proofing)” below. Mitigation: Is the project recommended to undergo Carbon footprint as per Chapter 2.2 of the sustainability proofing guidance? ☒ Yes ☐ No In line with the technical guidance on sustainability proofing for the InvestEU Fund (also the “Guidance”), a screening of the operation regarding greenhouse gases (GHG) emissions has been conducted to identify if the proposed Project has to undergo a carbon footprint assessment. The Project includes the following interventions: Conversion of broiler farms into breeder boxes in the plants of Ravenna (RA), Santa Maria Nuova (AN), Osimo (AN), Valtopina (PG) and Castelpiano (AN): this type of intervention are not explicitly mentioned among the categories for which a carbon footprint assessment is required. However, it is highlighted that such interventions are expected to reduce Scope 1 and Scope 2 emissions, since they involve a reduction in the number of animals per facility, which directly leads to lower energy consumption. Moreover, energy efficiency interventions will also be implemented alongside the conversion of broiler farms into breeder boxes. At the Mezzano (RA) plant— for which more detailed information are available and which serves as a reference for all other facilities included in the scope of conversion—the livestock capacity will be reduced <u>from 110,000 broilers to 39,540 breeders</u>. This change results in an approximate <u>9% decrease in electricity demand</u> (from 130,000 kWh to 118,000 kWh) and <u>eliminates the need for natural gas</u>. Based on this model, for the other breeder boxes facilities, a similar 9% reduction in electricity consumption is projected. Differently from Mezzano, with the improvement in efficiency of the other facilities will reduce natural gas consumption by 10%.

	Furthermore, the planned installation of additional photovoltaic capacity at these facilities will cover their entire electricity demand (excluding the Valtopina facility where no new photovoltaic plants will be built). Considering the 2024 emissions of approximately 600 tonCO_{2e}⁶ from all the facilities object of the conversion, the interventions will generate a reduction in the annual emission. Consequently, <u>the emissions related to the breeder boxes measures, either in absolute or relative terms, will not exceed the threshold of 20,000 tonCO_{2e}/year.</u> As a result, a detailed carbon footprint assessment is not required for these interventions. A monitoring phase is anyway recommended to ensure that any increase in production, such as a rise in livestock numbers, will not lead to additional emissions. <u>The development of a new hatchery in Fossato di Vico (PG)</u> is not explicitly listed among the categories for which a carbon footprint assessment is mandatory. The hatchery is an energy consumer. The expected energy consumption, based on the current layout , is 43.9 Wh per egg for electricity and 10.3 Wh per egg for natural gas. Considering a maximum weekly production of 1,548,288 eggs, equivalent to approximately 80.7 million eggs per year, the hatchery consumption results in an estimated natural gas demand of about 3 TJ per year and electricity demand of about <u>3.55 GWh per year</u>. The installation of a photovoltaic system is expected to cover approximately 22%⁷ of the electricity demand. Since the hatchery is a new activity introduced by Gruppo Fileni and it will lead to an increase in emissions, a carbon footprint assessment (climate mitigation proofing) has been carried out as a precautionary measure. <u>Installation of photovoltaic plants</u> in Falconara (AN), Fossato di Vico (PG), Ravenna (RA), Santa Maria Nuova (AN), Osimo (AN), Castelplanio (AN), which fall into the categories for which a carbon footprint assessment is required (“renewable sources of energy” category, as reported in the Guidance). The <u>planned peak powers</u> for each plant are: - Hatchery - Fossato di Vico (PG): 650 kWp - Mezzano - Ravenna (RA): 64 kWp - Copparoni - Castelplanio (AN): 100 kWp - Falconara BIO - Falconara (AN): 507 kWp - Falconara CONV - Falconara (AN): 730 kWp - Valletta/Collina/Pradellona - Osimo (AN) and Santa Maria Nuova (AN): 650 kWp In conclusion:
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⁶ The value, which includes Scope 1 and Scope 2, has been provided by Fileni.

⁷ The 22% coverage value results from a refined calculation based on the PV system’s installed capacity (650 kWp) with more realistic production hours, replacing the initial projection of approximately 30% coverage that was based on information provided by Fileni..

	- The <u>conversion of broiler farms into breeder boxes</u> do not require climate mitigation proofing. These activities are not included among those subjected to carbon footprint assessment, and their emissions are expected to remain below the established threshold. - For the development of the <u>new hatchery</u> and the <u>photovoltaic systems</u> installation, the climate proofing process has been carried out. According to the Guidance, the second phase of the climate proofing process includes: 1. The quantification of annual operational emissions and comparison with defined thresholds for absolute and relative emissions; 2. The monetisation of emissions and an assessment of alignment with a credible pathway toward 2030 and 2050 climate targets, if the thresholds are exceeded.
<i>Climate adaptation (proofing), as applicable</i>	A Climate Change Vulnerability and Risk Assessment (CCVRA) of the project has been carried out by Risk Management, in collaboration with an independent auditor, to meet the requirements for Fileni S.p.A.'s financing request from Cassa Depositi e Prestiti (CDP), backed by an EU InvestEU guarantee. The funds from this financing will be directed towards supporting a portion of Fileni's financial needs for upcoming investments in Italy, scheduled between 2024 and 2027, as detailed in their company's Economic and Financial Plan. These investments aim to strengthen Fileni's innovation and development efforts, ensuring continued growth and sustainability in the years to come. The assessment was conducted in compliance with the European Commission's "Technical Guidance on Climate-Proofing of Infrastructure Projects for the Period 2021-2027," ensuring the project's resilience to climate change impacts. In line with these guidelines, the assessment has been divided into two phases: • Screening (Phase 1): This phase evaluates the project's vulnerability to climate change. • Risk assessment (Phase 2): For any risks identified as significant (i.e., medium-high and extreme risks), further evaluation and consideration of relevant adaptation measures were undertaken. The key projects include:

	• Project I, Solar Photovoltaic Systems: Installation of 7 new photovoltaic plants for electricity production, to satisfy the energetic requirements of different production sites (livestock farms) associated to the Group. • Project II, Hatcheries: Construction of a highly automated poultry incubator, with innovative technologies to reduce waste and environmental impact both in terms of electric and water consumption • Project III, Breeding Houses: Creation of new livestock farms to strengthen the production of laying hens, including strategies to reduce the environmental impacts of the farms. This includes the demolition and reconstruction of conventional poultry farms and conversion into breeder housing with upgrading of all service installations. Each project has specific realization objectives and a well-defined location. Overall, the three projects subject to the funding request will take place at the following Fileni facilities: • Falconara (AN) – Bio and Conventional site • Fossato di Vico (PG) • Ravenna (RA) – Mezzano site • Santa Maria Nuova (AN) – Pradellona site • Osimo (AN) – Valletta site • Osimo (AN) – Collina site • Valtopina (PG) • Castelpiano (AN) – Copparoni site As part of the risk assessment process, the project sites were classified into three macro-areas based on their geographical contiguity and corresponding provincial jurisdiction, as follows: • Area 1 – Marche Region (Province of Ancona): Includes the sites located in Falconara Marittima, Osimo, Pradellona, Castelplanio, and Santa Maria Nuova; • Area 2 – Emilia-Romagna Region (Province of Ravenna): Comprises the site situated in Mezzano; • Area 3 – Umbria Region (Province of Perugia): Encompasses the sites located in Fossato di Vico and Valtopina. As part of the climate risk screening process, Phase 1 of the assessment focused on identifying climate-related hazards that may affect the long-term viability and resilience of the proposed construction and operation of poultry breeding boxes across the Fileni sites. The screening was conducted in accordance with the Delegated Regulation (EU) 2021/2139,
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	Annex 1, Appendix A, which outlines material climate hazards under the EU Taxonomy framework. To support the assessment, climate data were sourced following the methodological framework provided by the Intergovernmental Panel on Climate Change (IPCC). Current and future climate trends were analysed using the World Bank's Climate Change Knowledge Portal (CCKP). Additional datasets included the NASA Sea Level Projection Tool (to evaluate potential flood exposure) and the World Resources Institute's Aqueduct platform, which provided spatially explicit projections of Water Stress indices. Phase 2 (Risk Assessment) further developed the findings of Phase 1 by assigning both a likelihood score and an impact score to each identified hazard. Impacts were considered across multiple dimensions, including physical damage to assets, disruption of operations, environmental degradation, social and labour implications, financial exposure, and reputational risk. The combination of these factors allowed for the classification of each hazard in terms of overall risk level (e.g., Low, Medium, High, or Extreme), thereby informing the prioritisation of adaptation and resilience measures for the different sites involved in the project. The analyses have highlighted the following high/extreme-level exposures associated with the Projects: • Project I: heat wave (high), flood (extreme), heat stress (high), heavy precipitation (high), storm (high) • Project II: heat wave (extreme), wildfire (high), drought (extreme), flood (extreme), heat stress (extreme), heavy precipitation (high), water stress (high) • Project III: heat wave (high), drought (extreme), flood (extreme), landslide (high), water stress (high) Considering the results of the risk assessment, a thorough analysis of the technical documents provided by the project client was conducted. Additionally, questionnaires were distributed to the client's technical team to gather insights into the adaptation measures incorporated into the project. The key takeaways are summarized below: Project I: Solar Photovoltaic Systems • To address temperature-related risks such as heat waves, heat stress, photovoltaic systems installed at Fileni sites, such as Falconara and rooftops across breeding sites, are inherently resilient to temperature fluctuations due to their elevated placement and passive operation. While they do not require active thermal regulation, site selection and
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	panel mounting are designed to avoid heat accumulation and ensure operational efficiency during heat waves or high external temperatures. • Regarding wildfire risk, all Fileni sites report low exposure due to the absence of significant forested areas or dense vegetation nearby. Planned vegetation management includes the planting of hedges along site perimeters, which does not increase fire risk and may provide additional natural barriers. The Falconara site and other photovoltaic installations are located in areas with minimal forest cover or dense vegetation, minimizing wildfire exposure. Perimeter vegetation management, including planned hedge planting, is designed with fire safety in mind and does not increase combustion risk. • Photovoltaic systems are predominantly rooftop-mounted, significantly reducing their exposure to flood-related hazards. The Falconara site, dedicated solely to solar generation, has no reported critical issues related to stormwater drainage. Where necessary, supplementary drainage features such as ditches will be introduced to further enhance runoff management. • As photovoltaic installations have minimal water usage, there is no significant water stress concern associated with these systems. • Although the risks associated with wind-related events have been assessed as low, it is important to note that storms and high wind speeds, along with other wind-related hazards, pose significant natural risks to Fileni's type intervention. Photovoltaic systems are engineered to withstand high wind loads in accordance with national and EU structural standards. Their mounting systems are subject to periodic inspections and maintenance to ensure stability during adverse wind events. Project II: Hatcheries • At the Fossato di Vico hatchery, the internal environment is tightly controlled to maintain an average temperature of 20°C. Since animals remain in this space only briefly, the impact of external heatwaves is minimized. The facility's climate control systems mitigate risks of thermal stress and ensure efficient incubation. • The hatchery is in a low-risk fire zone with minimal surrounding vegetation. As with other sites, the adoption of perimeter hedging does not contribute to fire hazards. Nonetheless, fire preparedness protocols are part of operational planning. • Fossato di Vico is situated at an elevation above the surrounding terrain, providing natural protection against potential inundation. Though no new drainage basins are planned, current topography and site design
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	mitigate flood risk. Emergency response plans, including animal evacuation procedures, will be implemented prior to operational start. • Water for the hatchery is supplied by the local aqueduct. Although no rainwater harvesting systems are planned, a monitoring system will be installed to track water consumption and ensure efficient use. The on-site treatment plant further supports water conservation and responsible discharge. • As with breeding sites, Fossato di Vico includes compliant containment systems for any biological fluids, minimizing environmental risks in case of structural damage from high winds. Project III: Breeding Houses • Breeding houses across sites such as Collina, Valletta, Mezzano, Pradellona, Copparoni, and Valtopina are equipped with pad cooling. These sites, except Valtopina, are equipped with mechanical ventilation systems. These ensure stable internal conditions even during extreme heat events, maintaining animal welfare and productivity. Systems are designed to manage temperature peaks up to 33°C. Nevertheless, the project must prepare for prolonged periods of water scarcity that could affect animal hydration, hygiene protocols, and the function of ventilation and cooling systems. Drought conditions can also complicate construction logistics by limiting water availability for equipment cleaning and on-site processes. The design includes water drawn from wells and aqueducts, reuse of washing water, and installation of monitoring systems • Breeding houses are located away from forested zones. However, it is necessary to account for both operational and construction vulnerabilities. Wildfires could pose safety threats to livestock and personnel and may damage infrastructure or exposed materials during building activities. While the surrounding area is not heavily vegetated, indicating a low baseline risk, preventive strategies are essential. • It is important to consider that floods can cause significant structural damage, introduce pathogens, and disrupt both construction and operational activities. During construction, floods may damage materials, delay timelines, and weaken foundations. After commissioning, flood events may compromise infrastructure and animal health. Although no critical runoff issues have been identified on-site, new drainage ditches will be added where needed, and emergency plans with staff training will be implemented. • Water supply for breeding houses relies on wells and the local aqueduct system. It is essential to ensure consistent access to clean water, as scarcity can compromise sanitation procedures, cooling systems, and
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	animal welfare during operation. In the construction phase, limited water availability may also hinder activities such as concrete curing and dust suppression. The project includes the use of wells and aqueducts, anti-drip drinkers to reduce waste, and water reuse systems for irrigation. Moreover, interventions aim to reduce annual water consumption, supported by the reuse of washing water for irrigation and installation of drip-free drinkers to prevent waste. Although rainwater harvesting systems are not planned, all sites will be equipped with monitoring systems for water optimization. • To minimize risks associated with windstorms, breeding sites adopt compliant containment systems for liquid storage. These tanks are installed according to legal standards and include protective basins to avoid leaks in the event of structural compromise. This helps ensure environmental safety and operational continuity during extreme wind events. The implemented measures are deemed sufficient and residual climate-related risks are considered acceptable. The adaptation measures in the project can therefore be considered adequate and in line with the climate risk identified.
<i>Climate mitigation (proofing), as applicable</i>	Carbon footprint assessment - Methodology The calculation carried out to assess the carbon footprint was set up in accordance with the “Technical Guide on the Climate-proofing of Infrastructure in the period 2021-2027” published in the Official Journal of the EU on 16/09/2021, which serves as the main reference for the assessment of greenhouse gas emissions. The methodology for calculating the carbon footprint of the Project was defined by the European Investment Bank. In line with standard methodology, the emission factor assigned to electricity generated by photovoltaic systems is 0 gCO₂e/kWh, as it is fully renewable. Electricity supplied by the grid is associated with an emission factor of 224 gCO₂e/kWh, while for natural gas the emission factor is 55,874 kgCO₂e/TJ. This approach ensures that greenhouse gas (GHG) emission estimates are consistent with internationally recognized standards and fully aligned with the Guidance. The outcome of the screening determined the need to conduct climate proofing for two specific interventions: the <u>installation of photovoltaic systems</u> and the construction of the <u>new hatchery</u>. The analysis compares two scenarios: - <u>“With project”</u>: the photovoltaic capacity fully covers the electricity needs of the breeder boxes and 22% of the new hatchery’s demand. For the new hatchery, the energy consumption values, for both electricity and natural gas, are those identified during the screening phase (<i>please see “Climate dimension (screening)” paragraph</i>)

- “Without project – baseline”: the existing photovoltaic systems cover partially the electricity needs of the breeder boxes, and any additional demand is covered by electricity from the national grid. The hatchery, being a new facility, currently has no associated energy consumption.

Carbon footprint assessment - Results

As part of the assessment, annual GHG emissions (Scope 1 and Scope 2) of the Project have been calculated for a typical year of operation. The consumption of the interventions (based on the current layout) and their respective emissions are shown below:

	“without project – baseline”			“with project”		
Breeder box	Electricity energy needs [kWh]	PV coverage ⁸ [%]	Emissions [tonCO ₂ e]	Electricity energy needs [kWh]	PV coverage [%]	Emissions [tonCO ₂ e]
Mezzano - Ravenna	130,000	22%	21	118,000	100%	-
Copparoni - Castelplanio	100,000	100%	-	91,000	100%	-
Falconara BIO - Falconara	160,000	80%	7	145,600	100%	-
Falconara CONV - Falconara	190,000	79%	9	172,900	100%	-
Valletta, Collina, Pradellona – Osimo e Santa Maria Nuova	160,000	-	36	145,600	100%	-
Valtopina	Electricity energy needs are unknown, no PV plant will be installed in the “with project” scenario					
Total	740,000 kWh	-	73 tonCO₂e	673,100 kWh	-	0 tonCO₂e

	“without project – baseline”				“with project”			
Hatchery	Electricity energy needs [kWh]	PV coverage [%]	Natural gas consumption [TJ]	Emissions [tonCO ₂ e]	Electricity energy needs [kWh]	PV coverage [%]	Natural gas consumption [TJ]	Emissions [tonCO ₂ e]
Fossato di Vico	-	-	-	-	3,547,371	22%	3	787

⁸ The PV coverage is an estimate based on the PV system's installed capacity and the location's specific production hours.

	In the “<u>without project - baseline</u>” scenario, total emissions are 73 tonCO₂e/year⁹. These are entirely attributable to the current energy consumption of the broiler farms, whose demand is not fully covered by the existing photovoltaic system. Since the hatchery is a new construction, its consumption and emissions are zero in this scenario. In the “<u>with project scenario</u>”, total emissions amount to 787 tonCO₂e/year. This value is primarily driven by the electricity and natural gas consumption of the new hatchery, partially offset by a new photovoltaic system. In this scenario, the breeder boxes have zero emissions, as their energy demand is fully met by photovoltaic systems. Based on these values, the absolute and relative emissions have been calculated: - <u>Absolute emissions</u>, which by definition are equal to the emissions of the “with project” scenario, amount to 787 tonCO₂e/year. - <u>Relative emissions</u>, calculated as the difference between the “with project” and the “without project – baseline” scenarios, are 714 tonCO₂e/year (787 - 73 = 714). Even if the Project entails an increase in greenhouse gas (GHG) emissions, primarily due to the development of the new hatchery, it also compensates for this impact through two key measures: the expansion of photovoltaic systems, which replace electricity from the national grid with renewable energy, and the conversion of broiler farms into breeder boxes, which results in lower overall energy consumption. As a result, it is not necessary to proceed to the second phase of the climate proofing process, which involves the preparation of a mitigation plan, including the emission monetisation using the shadow cost of carbon and the Project’s alignment with a credible pathway toward achieving the 2030 and 2050 GHG emission reduction targets. The estimated impact in terms of both absolute and relative emissions does not exceed the threshold of 20,000 tonCO₂e/year, consequently, a mitigation plan is not necessary.
<i>Voluntary measures (Positive agenda checklist)</i>	Although a formal positive agenda has not been established, the Project is expected to generate positive impacts by reducing greenhouse gas (GHG) emissions from the breeder boxes through the installation of photovoltaic systems and the implementation of energy efficiency measures.
Environmental Dimension	
<i>Legal framework</i>	European Legal Framework for the Environmental Dimension:

⁹ For the specific purpose of estimating the impact of the photovoltaic system, this value includes only the emissions related to electricity demand from the grid. It excludes the contribution from natural gas used in all breeder boxes, as well as emissions from the Valtopina facility, where no photovoltaic installation is planned.

	1. Regulation (EU) 2020/852 on the Taxonomy of Sustainable Activities: Criteria for determining which economic activities can be considered environmentally sustainable. 2. Regulation (EU) 2019/2088 on Disclosure (SFDR): How financial markets integrate sustainability risks, including environmental risks, into decision-making processes. 3. Regulation (EU) 2021/241 on the Recovery and Resilience Facility (RRF): Projects funded by the Recovery and Resilience Facility adhere to the principle of "do no significant harm" (DNSH) to the environmental objectives defined in the Taxonomy Regulation. 4. Directive 2014/52/EU on Environmental Impact Assessment (EIA): Amends Directive 2011/92/EU. Assessment of the effects of certain public and private projects on the environment. 5. Directive 2008/98/EC on Waste (Waste Framework Directive): This directive measures to protect the environment and human health by preventing and reducing the negative impacts of waste production and management. 6. Directive 2000/60/EC on Water (Water Framework Directive): Framework for protecting and improving the quality of water in the EU, ensuring the sustainable use of water resources. 7. Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action: Requires Member States to develop Integrated National Energy and Climate Plans (NECPs). Includes measures to achieve the EU's climate and energy objectives. 8. Paris Agreement: It strongly influences EU environmental policies. Reduction of greenhouse gas emissions to limit global temperature increases to well below 2°C above pre-industrial levels. Italian Legal Framework for the Environmental Dimension: 1. Decreto Legislativo 152/2006 (Codice dell'Ambiente): Principles and rules for environmental protection in Italy. Includes regulations on environmental impact assessment (VIA), strategic environmental assessment (VAS), and integrated pollution prevention and control (IPPC). 2. Decreto Legislativo 49/2010 (Attuazione della Direttiva 2008/98/CE sui Rifiuti): Implements the EU Waste Framework Directive. Set measures for the prevention and reduction of waste impacts on the environment and human health. 3. Decreto Legislativo 152/2006, Parte Terza (Tutela delle Acque dall'Inquinamento): Focuses specifically on water protection in accordance with the EU Water Framework Directive. 4. Decreto Legislativo 49/2014 (Attuazione della Direttiva 2012/19/UE sui Rifiuti di Apparecchiature Elettriche ed Elettroniche - RAEE): Transposes the EU Directive on Waste Electrical and Electronic Equipment (WEEE), promoting the collection, recycling, and recovery of such waste to minimize its environmental impact.
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	5. Decreto Legislativo 46/2014 (Attuazione della Direttiva 2010/75/UE sulle Emissioni Industriali): Implements the EU Industrial Emissions Directive (IED), aiming to reduce harmful industrial emissions into the air, water, and land. Sets out the requirements for integrated pollution prevention and control (IPPC) to ensure high levels of environmental protection. 6. Decreto Legislativo 102/2014 (Efficienza Energetica): This decree implements EU Directive 2012/27/EU on energy efficiency, setting out measures to promote energy efficiency and reduce energy consumption. 7. Decreto del Presidente della Repubblica 357/1997 (Attuazione della Direttiva 92/43/CEE - Habitat): Implements the EU Habitats Directive, aimed at conserving natural habitats and wild flora and fauna. 8. Legge 221/2015 (Collegato Ambientale alla Legge di Stabilità 2016): Introduces various measures to promote green economy and sustainable development. 9. Piano Nazionale Integrato per l'Energia e il Clima (PNIEC): Outlines Italy's strategy to achieve its climate and energy targets by 2030.
<i>Environment dimension (screening)</i>	According to the Sustainability Proofing guidelines (Annex 3 of the “Technical guidance on sustainability proofing for the InvestEU Fund – 2021/C 280/01”) an analysis was carried out to evaluate the risk level of impacts on the environmental dimensions (air, water, land and soil, biodiversity, noise and odor). The screening analysis was carried out based on, available documentation, interviews with Gruppo Fileni, Q&A process, professional judgment and expertise. The available documentation to date is the following: • Taxonomic Analysis: Summary of investments and assessment of energy, environmental, and management impacts; • Energy analysis of the Fossato di Vico hatchery; • Application for Single Environmental Authorization (AUA) for the Fossato di Vico hatchery; • Technical report for preliminary environmental assessment of the Mezzano breeder box; • Response from the Emilia-Romagna Region on the Preliminary Environmental Assessment of Mezzano breeder box; • Technical report on air emissions from the Mezzano breeder box. The evaluation was carried out with a view to a subsequent monitoring phase, considering that some of the planned interventions are still under design. The intervention involving the <u>conversion of broiler farms into breeder facilities</u> will affect five production sites; however, at this stage, detailed technical information is available only for the Mezzano (RA) facility. The proposed intervention at the <u>Mezzano</u> facility involves the restructuring and environmental upgrading of an existing intensive livestock operation. The project entails a shift in production from 110,000 broiler chickens (across 5–6 cycles per year) to 39,540 heavy breeders

	(single 10-month cycle), with the aim of producing hatching eggs. The intervention includes structural modifications, improved biosafety measures, and the installation of a new photovoltaic system. The project is expected to significantly reduce atmospheric emissions. Ammonia (NH₃) emissions will decrease by approximately 8,2%; odorous emissions will be halved, from 51,700 OU/s to 25,701 OU/s, due to the lower emission factor of breeder hens and improved litter management; and particulate matter (PM10) emissions will also decrease. Moreover, the installation of a 3-meter-high shading barrier will contain dust and odor dispersion. The installation of a 100 kWp¹⁰ photovoltaic system will fully cover the facility's energy needs, eliminating the use of methane and reducing indirect emissions of CO₂, SO₂, NO_x, and dust. The acoustic impact of the facility will be reduced. The number of ventilation fans will be reduced from 42 to 36, lowering the total airflow from 1,592,000 m³/h to 1,368,000 m³/h. A predictive acoustic assessment confirmed compliance with regulatory limits and the absence of significant noise impacts. The change in livestock type and improved management of litter and ventilation will result in a 50% reduction in odor emissions. The site is not located within or near protected areas, Natura 2000 sites, or other environmentally sensitive zones. A new vegetative buffer will be planted along the eastern boundary to enhance ecological integration and mitigate visual and olfactory impacts. The intervention is not expected to generate significant negative impacts on soil. Although the project includes the construction of new infrastructure and an increase in impermeable surfaces (approximately +826 m²), this is balanced by a 26.8% increase in green areas. Moreover, it includes a comprehensive water management system that minimizes environmental risks. Wastewater from sanitary services is treated through a grease trap, Imhoff tank, and anaerobic filter before being discharged into drainage ditches, while wash water from poultry houses is collected, treated, and reused for fertigation of on-site vegetation. As stated by Fileni, a similar environmental impact is expected across the other breeder sites involved in the conversion process, as the activities are consistent with those that will be carried out in Mezzano; however, the technical documentation specific for the other sites is not available at this stage and ongoing monitoring is recommended to ensure consistent performance across all locations. Regarding the <u>development of the new hatchery</u> in Fossato di Vico (PG), the facility includes over 40 emission points, primarily releasing dust and water vapor from various production phases such as incubation, hatching, and cleaning, and it operates two medium-sized natural gas combustion
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¹⁰ A photovoltaic system with a capacity of 36 kWp is currently installed, and a new system of 64 kWp will be added, bringing the total installed capacity to 100 kWp.

	units. Additional sources of emissions include the use of detergents and disinfectants, waste handling, and energy consumption. The project does not involve the creation of new impermeable surfaces, as the hatchery will be installed within an existing industrial facility. Wastewater management is addressed through a biological treatment plant using activated sludge (SBR), capable of effectively treating both industrial and domestic effluents. The treated water is discharged into the public sewer system, and no hazardous substances are present. There are no discharges to soil or infiltration systems, and uncontaminated stormwater is managed separately. Sludge produced by the treatment process is stored in big-bags and fully disposed of. The production cycle does not generate significant odorous emissions, and emissions are primarily composed of water vapor and dust. The facility is not classified as a continuous production cycle and complies with acoustic limits, as confirmed by a submitted self-certification. The entire intervention is subject to regulation under the <u>Single Environmental Authorization (AUA)</u>, for which a formal application has been submitted to the competent authorities. This ensures that environmental aspects—including air, water, noise, odors—will be assessed and monitored in accordance with national and regional standards. Since the AUA has not yet been formally approved, this remains a key aspect to be closely followed. The installation of roof-mounted <u>photovoltaic (PV) systems</u> represents a highly effective solution for reducing air emissions by lowering the demand for electricity from the national grid, which is still predominantly powered by thermoelectric sources. This reduction enhances Fileni's energy autonomy and indirectly decreases emissions of sulfur dioxide (SO₂), nitrogen oxides (NO_x), and particulate matter, thereby significantly improving air quality. For every kilowatt-hour (kWh) of photovoltaic energy produced, substantial amounts of these pollutants are avoided. Moreover, the project involves installing PV systems on existing structures, which eliminates the need for additional construction activities that could increase atmospheric emissions. Overall, the installation of PV systems does not impact the soil, as it does not involve excavation or disturbance, nor does it affect water bodies, since no significant alterations to the soil are required. Furthermore, due to the nature of the intervention, the PV systems do not generate odorous emissions, and therefore no impact on nearby residential or vulnerable populations is expected. During the installation phase, some temporary noise may occur due to equipment use, but it will be limited in duration. If necessary, exemptions from the noise threshold values established by the municipal acoustic plan can be requested. Lastly, no impact on biodiversity is expected. Considering the available documentation to date and the iter to be conducted in next months for obtaining the permits in compliance with the national and local applicable regulations, no significant negative
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	impacts to the environmental dimension are expected and consequently no environmental sustainability proofing is not required. However, it is recommended to implement a future monitoring phase in relation to the following aspects: • The status and content of obtained permits (e.g., AUA, building permits, etc.); • Any additional technical studies conducted on environmental matters (e.g., noise impact assessments, odor studies, etc.); • The proper implementation of the proposed design measures; • Compliance with applicable environmental regulations (e.g. implementation of specific requests of the permits).
<i>Environment dimension (proofing), as applicable</i>	Based on the screening process, environmental sustainability proofing is not required, as no significant negative impacts on environmental dimension are expected. A monitoring phase is proposed as described in the previous section of the screening process.
<i>Voluntary measures (Positive agenda checklist)</i>	Although a positive agenda has not been drawn up, the implementation of PV plants generates positive environmental impacts. Indeed, as identified in the screening phase, such interventions could lead to improvements mainly in air quality, allowing for the use of more sustainable energy sources. The conversion of broiler farms into breeder facilities is expected to deliver an environmental benefit, primarily due to the significant reduction in the number of animals raised and the introduction of energy efficiency measures.
Social Dimension	
<i>Legal framework</i>	European Legal Framework for the Social Dimension 10. Regulation (EU) 2019/2088 on Sustainability-Related Disclosures (SFDR): Requires financial market participants and advisers to disclose how they consider principal adverse impacts on sustainability factors, including social aspects such as labor rights, equality, and community impacts. 11. Directive 2014/95/EU on Non-Financial Reporting (NFRD): Mandates large companies to report on non-financial information, including social matters like employee conditions, respect for human rights, and anti-corruption measures. 12. European Social Charter: Treaty that guarantees social and economic human rights (housing, health, education, employment, and social protection). 13. Directive (EU) 2019/1152 on Transparent and Predictable Working Conditions: Aims to improve working conditions by promoting more transparent and predictable employment while ensuring labor rights.

	14. Directive 2000/78/EC on Equal Treatment in Employment and Occupation: Establishes a general framework for equal treatment in employment and occupation. 15. European Pillar of Social Rights: Principles and rights to support fair and well-functioning labor markets and welfare systems. Italian Legal Framework for the Social Dimension: 1. Legislative Decree 254/2016 on Non-Financial Reporting: Transposes the EU Non-Financial Reporting Directive (NFRD) into Italian law, requiring large companies to disclose information on social and environmental matters, human rights, and anti-corruption measures. 2. Law 68/1999 on Employment of People with Disabilities: Promotes the integration and employment of people with disabilities through job quotas and other support measures. 3. Legislative Decree 81/2008 on Health and Safety at Work: This decree sets out comprehensive measures to ensure health and safety in the workplace, protecting workers from accidents and occupational illnesses. 4. Law 300/1970 (Statuto dei Lavoratori): Provides fundamental rights for workers, including freedom of association, protection against unfair dismissal, and the right to information and consultation. 5. Legislative Decree 198/2006 (Code of Equal Opportunities): Consolidates various laws on gender equality, promoting equal treatment and opportunities for men and women in work and employment. 6. Law 38/2009 on Palliative Care and Pain Therapy: Guarantees the right to access palliative care and pain management, ensuring dignity and quality of life for people with serious illnesses. 7. National Plan for Social Inclusion: Outlines strategies and measures to combat poverty and social exclusion, promoting social integration and equal opportunities for all citizens.
<i>Social dimension (screening)</i>	Fileni meets the obligations arising from the regulations in force regarding the criteria and procedures for recruiting personnel in compliance with the provisions that establish prohibitions or limitations on the hiring of personnel, containment of contractual charges and of salary or compensation nature. Fileni contributes to the pursuit of the strategic sustainability goals defined in accordance with the SDGs of the 2030 Agenda, aimed at ensuring equal and inclusive labor rights for workers (SDGs no. 8). The Project includes the installation of hatcheries and breeder boxes: these works will pose positive impacts i) on the community public health, safety, and security (i.e., injection of prebiotics or symbiotic in ovo, which can determine an increase in the load of bifidobacteria and lactobacilli at the time of hatching, a development of immune defences and a reduction in intestinal diseases), while ii) gradually reducing the use of antibiotics for

	therapeutic purposes to the point of non-use and improving the state of health and welfare of the animal, thus reducing the risks to public health. For instance, to ensure the security of products, Fileni has adopted the following certifications: International Food Standard (IFS Food), Product Certification in Agri-food Chains (22005), and DTP 126 Standard Certification for Controlled Agricultural Chain. Moreover, the Project does not present any risks of child labor, forced labor, discrimination or restrictions on freedom of association, or other risks of violation of fundamental labor rights, considering that Fileni operates in Italy, a European Union Country where laws on forced and child labor, freedom of association and other fundamental labor rights are regulated. The Project is not likely to have adverse impacts on vulnerable people and/or specific groups/minorities. In addition, through the B-Corp certification, Fileni underlines its commitment to ensuring equal opportunities with no discriminations, aiming to guarantee the development of equal opportunities to all personnel indiscriminately. With reference to Health & Safety, the Project does not entail any major risks because of the application of the prescription within the Italian Legislative Decree 81/08 “Testo Unico sulla Sicurezza” as well as because of the implementation of a Health and Safety Management System compliant with the above-mentioned legislative decree. This system includes regular training, risk assessments, and the implementation of preventive measures to ensure a safe working environment which guarantees constant alignment with best practices reference standards and legal requirements, in the identification of prevention and protection measures aimed at both its own employees and those of the companies operating in the supply chain. Since these interventions will take place on already existing Fileni’s assets, no Cultural Heritage sites will be in place therefore any impacts on the protection of Cultural Heritage can be excluded. In order to ensure that the Company's conduct is sound, fair, and consistent with the business objectives defined by the Board of Directors, and aware of the risks that may affect the achievement of these objectives and the value and reputation of the Company, Fileni has implemented a public whistleblowing system, in accordance to Italian Law 190/2012, as well as the Organization, Management and Control Model pursuant to Legislative Decree No. 231/2001 in order to contribute to the prevention of offenses and irregularities. Furthermore, engaging stakeholders is crucial for guiding the Company's sustainability efforts by implementing active and systematic involvement of all those directly or indirectly affected during the different stages of the entire life cycle of the Project. Key stakeholders include industry associations, trade unions, research centers, suppliers, and consumers. This connection has shifted the focus from shareholder value to stakeholder value, benefiting communities. To this end, Fileni is committed to solve any local communities/NGOs complaints about its
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	business. In fact, the sustainability report mentions that in the second half of 2023 the Company was at the center of a media debate regarding practices related to animal welfare, organic production, farm authorizations, emission limits, and feed types. These issues were thoroughly addressed by Fileni, demonstrating their commitment to transparency and constructive improvement. As an example of responding to key stakeholders, the odor control system at Ripa Bianca was improved in 2023 at the request of the Marche Region. Based on the information currently available, no significant negative social impacts are expected and consequently no social sustainability proofing is not required. However, it is recommended to implement a future monitoring phase in relation to the following aspects in order to confirm that all the Invest EU points of the checklist are met: - evidence of H&S procedures related to "POS/PSC/DVR¹¹" (e.g., with reference to projects' interventions and working sites); - Information regarding the ongoing status for the certification of the H&S management system in accordance with ISO 45001 international standard; - evidence of the media analysis conducted regarding potential reputational risks or legal issues.
<i>Social dimension (proofing), as applicable</i>	Based on the screening process, social sustainability proofing is not required, as no significant negative impacts on social dimension are expected. A monitoring phase is proposed as described in the previous section of the screening process.
<i>Voluntary measures (Positive agenda checklist)</i>	Although a positive agenda has not been drawn up, the implementation of the Project can generate several positive social and security impacts (e.g., final consumers), by increasing the quality and security of products and the fair conditions of poultry breeding farms.
Other sustainability aspects (as applicable)	
	Fileni S.p.A. has demonstrated sound practices with respect to environmental, health and safety and social management. In addition to procedures to meet regulatory requirements (Italian laws "Decreto Legislativo 152/06 (Testo Unico Ambientale" and "Decreto Legislativo 81/08 (Testo Unico sulla Sicurezza)"), Fileni has: • adopted a certified environmental management system (in accordance with ISO 14001 standard); • appointed a diversity manager to ensure gender balance, particularly in leadership roles, and to foster an inclusive work environment.

¹¹ POS: Italian "Piano Operativo Sicurezza" (Operational Safety Plan);

PSC: Italian "Piano di Sicurezza e Coordinamento" (Safety and Coordination Plan);

DVR: Italian "Documento di Valutazione dei Rischi" (Risk Assessment Document).

