

## THE GROUP'S ENVIRONMENTAL STRATEGY

At the heart of Fiera Milano's strategy, environmental sustainability is a fundamental pillar, not only as an ethical commitment to the planet, but also as a distinctive element of corporate identity. The growing **awareness of the environmental impact generated by events** and exhibition activities stimulates a continuous review of the operational practices in force, with a strong emphasis on innovation and efficiency to minimise the ecological footprint. This chapter outlines the path taken towards a sustainable future, highlighting how a focus on the environment is key to ensuring resilience and long-term success for Fiera Milano.

Fiera Milano's **environmental strategy** is structured around **three fundamental pillars**:

### GOVERNANCE AND PROCEDURAL SYSTEM

- › Robust **organisational structure** that coordinates the integrated management of HSE (Health, Safety & Environment) topics at Group level and for individual exhibitions, including the figure of Group Energy manager
- › Adoption of an Integrated **Policy** for Quality, Sustainability, Environment and Safety
- › Obtaining **ISO 14001 Certification** (Environmental Management System) by 2024
- › Inclusion of **climate risks** within the integrated risk management system by 2024

### REPORTING AND ALIGNMENT WITH INTERNATIONAL BEST PRACTICES

- › **Integrated reporting system (GRI compliant)** at Group and exhibition level on all the environmental KPIs
- › Alignment with **Net Zero Carbon Events** recommendations on measurement and reporting
- › Participation in **international working tables** on environmental reporting in the exhibition industry organised by UFI (the Global Association of the Exhibition Industry)

### MEDIUM- AND LONG-TERM TARGETS

- › Definition of the **Decarbonisation Plan**, with a target to reduce Scope 1+2 (market based) GHG emissions by at least 60% by 2027 and 80% by 2030
- › **Sustainable waste management**, with a target by 2027 to increase the separate collection rate to 75%
- › Start of Scope 3 GHG emission measurement in 2025
- › Adoption of SBTI (**Science Based Targets Initiative**) by 2027
- › Development of **energy-saving protocols**, including optimisation of pavilion lighting and conditioning system operation

As part of its journey towards sustainable development, Fiera Milano has consolidated its commitment to implementing an **environmental management system**, a key goal that will be realised when it obtains ISO 14001 certification in 2024. This system will be the tool through which the Group can not only structure and optimise its environmental policies, but also accurately monitor the company's environmental performance, ensuring continuous improvement.

In parallel, Fiera Milano is dedicated to systematically **monitoring** its operations to assess their environmental impact, with the goal of reducing its ecological footprint. **Transparency** is another key pillar; there is a commitment to communicate regularly and openly on environmental issues, providing detailed reports on performances and on the initiatives undertaken, so that they are traceable and verifiable by all stakeholders.

Within Fiera Milano, **roles and responsibilities** are precisely assigned and accompanied by training and awareness programmes for employees to ensure that environmental awareness permeates all levels of the company. **Internal and external communication** on environmental management issues is a pillar that supports transparency and stakeholder engagement, while monitoring and measuring environmental performance provides the data required to assess the effectiveness of the actions taken.

The environmental performance documentation, together with external and internal audits, allows an objective and constant assessment of the impact of Fiera Milano's operations. In response to the results of these audits, corrective actions are taken to stimulate continuous improvement. This synergy of actions demonstrates Fiera Milano's proactive and systematic approach to environmental management, a commitment that translates into tangible progress towards an ecologically responsible and increasingly green business.

Fiera Milano's strategy also includes a strong **interaction with stakeholders** to discuss environmental topics. This ongoing consultation allows for the alignment of the company practices with community and investor expectations, ensuring that its environmental policies are not only effective but also in harmony with the needs of the local area and the market. In summary, Fiera Milano's commitment is manifested in a dynamic and inclusive process, which sees the environment at the centre of a careful and proactive corporate strategy.

Within the **governance of Fiera Milano**, the environmental strategy acquired a prominent position following the **double materiality**<sup>1</sup> analysis, which highlighted the relevance of ecological issues not only for the internal management, but also for its interaction with the external context. As a result, the **Sustainability Committee**, a governance committee within the Board of Directors, has taken on a **central role in endorsing environmental sustainability initiatives**, acting as a promoter of the company's ecological transition. It is the task of the Sustainability Committee, for example, to approve the new Decarbonisation Plan and the related CO<sub>2</sub> emission reduction goals.



<sup>1</sup> As specified in the Methodological Note paragraph, the analysis relating to financial materiality within the Double Materiality was not subjected to limited assurance.

## CO<sub>2</sub> EMISSIONS

The CO<sub>2</sub> emissions of the Fiera Milano Group that are mapped and reported are divided into:

- **Scope 1:** derived mainly from the use of fossil fuels, such as methane, diesel and gasoline, used for internal operations and company's means of transport. These account for a minority portion of the total emissions (less than 10% of the total emissions generated), reflecting an effective management and containment in the use of these non-renewable energy resources.
- **Scope 2:** these are attributable to the **purchase of electricity and district heating services**, which are necessary for the operation of the facilities and to ensure the operation of the many exhibition activities. This category of emissions constitutes the predominant share, amounting to more than 90% of the Group's total emissions.

During 2023, the total emissions of the Fiera Milano Group, calculated according to the Location Based methodology, will amount to 15,544 tonnes of CO<sub>2</sub>. Considering the Market Based approach, however, the total comes to 16,618 tonnes of CO<sub>2</sub>. These figures, compared to the previous year and the 2019 pre-pandemic benchmark, indicate a substantial reduction in emissions:

- With regard to the emissions calculated using the Location Based criterion, there is a decrease of **5% compared to 2022** and a more significant decrease of 26% when compared to 2019.
- In the case of Market Based emissions, the reduction is even more pronounced: **-7% compared to 2022** and -33% compared to 2019.

These results underline the effectiveness of the measures taken by the Group to reduce its carbon footprint and confirm its commitment to progressively achieving environmental sustainability.

For Fiera Milano, the **use of renewable energy sources** is mainly realised through two modes of operation: the use of **photovoltaic panels** and the purchase of **renewable certificates**, as well as the adoption of **district heating**.

The installed **photovoltaic panels** (see section 'Europe's largest rooftop photovoltaic system') are a key component of the energy strategy, converting solar energy into electricity and contributing significantly to the reduction of the CO<sub>2</sub> emissions. In terms of consumption, by 2023 the purchase of electricity through the use of installed photovoltaics will account for about **20% of the total electricity purchased**. At the same time, the Group uses **renewable certificates**, ensuring that an equivalent share of the energy consumption comes from sustainable sources, thus guaranteeing a minimal environmental impact. The purchase of energy via certificates of origin accounts for about **20% of the total electricity purchased**. In addition, district heating, a system that enables the distribution of heat generated in centralised systems, further contributes to energy sustainability, as it optimises heating efficiency and reduces the need for traditional energy sources. The total heating consumption of the two sites (Rho and Allianz MiCo) was 98% covered by the use of heat from the Silla 2 waste-to-energy plant.

Of the total Scope 1 + Scope 2 CO<sub>2</sub> emissions for 2023, the **share of renewables is 38% at Group level**. For the **Allianz MiCo Congress Centre** alone, the share of renewable energy sources rises to 100%, allowing the facility to be regarded as one of the most sustainable conference centres in Europe.

Finally, Fiera Milano stands out for having achieved **LEED Silver certification for its Service Centre**, recognising the high standards of energy and environmental sustainability implemented. In addition, the **Allianz MiCo Congress Centre, managed by Fiera Milano Congressi, not only boasts the prestigious LEED certification but has also achieved the Gold level of Healthy Venue certification**, highlighting its commitment to creating healthy environments that promote well-being. In addition, procedures were started to extend the LEED certification to pavilions 3 and 4, demonstrating a continuous path towards sustainability and innovation.

The Group has set itself the goal of obtaining **ISO 14001 certification** (Environmental Management System Certification) by 2024 with the aim of concretely demonstrating its commitment to environmental protection, continuously improving its environmental performances, and ensuring effective and sustainable resource management. This milestone will also strengthen corporate responsibility, increase the trust of customers and stakeholders, and meet increasingly stringent legal requirements on environmental issues, positioning the Group as a responsible leader in its sector.

### The Fiera Milano Group's CO<sub>2</sub> emissions (tCO<sub>2</sub>)\*

	2019	2020	2021	2022	2023
Direct emissions (Scope 1)	1,052	257	260	783	1,296
Location based indirect emissions (Scope 2)	19,869	10,563	13,836	15,605	14,248
Market based indirect emissions (Scope 2)	23,899	11,788	14,226	17,055	15,322
<b>Total Location based emissions</b>	<b>20,921</b>	<b>10,820</b>	<b>14,092</b>	<b>16,388</b>	<b>15,544</b>
<b>Total Market based emissions</b>	<b>24,951</b>	<b>12,045</b>	<b>14,486</b>	<b>17,838</b>	<b>16,618</b>
<b>% RENEWABLE SOURCES</b>	11.8%	20.7%	29.8%	36.7%	37.7%
<b>% NON-RENEWABLE SOURCES</b>	88.2%	79.3%	70.2%	63.3%	62.3%



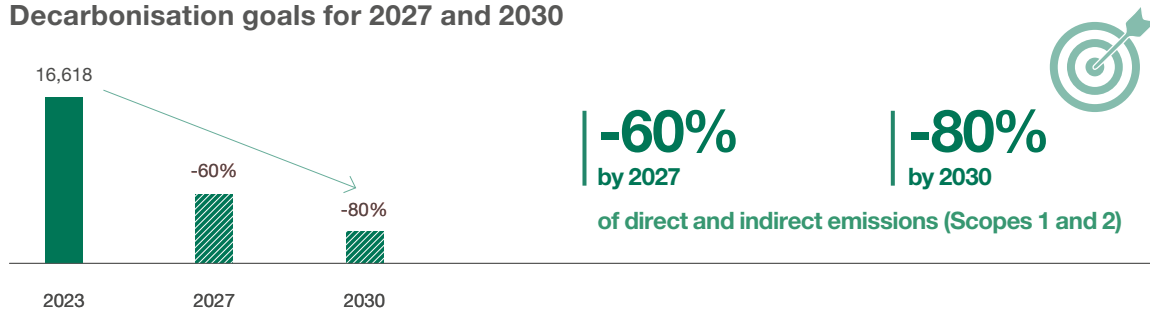
\* The 'Location-based' approach reports quantified emissions with respect to the grid from which the energy is drawn for well-defined geographical boundaries, the 'Market-based' approach takes into account emissions generated by the suppliers from which the electricity is purchased.

## THE NEW DECARBONISATION PLAN

The Fiera Milano Group has included in its strategic guidelines a **commitment to the constant containment of atmospheric emissions**, defining targets for the reduction of direct and indirect CO<sub>2</sub> emissions that have been formalised in the **medium- and long-term Decarbonisation Plan** of Fiera Milano.

With the definition of the new **Decarbonisation Plan**, the **Fiera Milano Group** wants to set itself the goal of **reducing its Scope 1+ Scope 2 (market based) GHG emissions by at least 60% by 2027 and 80% by 2030** compared to the 2023 baseline, anticipating the targets set by the Paris Agreement and the **Net Zero Carbon Events** initiative.

### Decarbonisation goals for 2027 and 2030

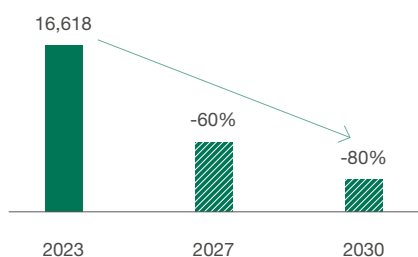


The decarbonisation goals described above will be achieved mainly through the following **areas of intervention**:

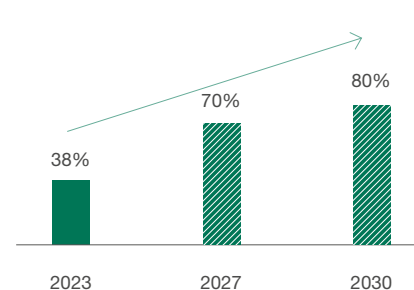
### The areas of intervention of the decarbonisation plan

- 1 Improvement of environmental management systems and processes by obtaining **ISO 14001 environmental certification** by 31/12/2024;
- 2 Progressive increase in the **share of energy from renewable sources**, 70% in 2027 and 80% in 2030, achievable through:
  - a. **Expansion of the photovoltaic system** by Fair Renew, installed on the roofs of the Rho exhibition site (26,000 photovoltaic panels - the largest rooftop photovoltaic system in Europe) with the goal of **reaching a capacity of 17 MWp** by 2024, so as to contribute to the **25% of Fiera Milano's energy needs** on a constant basis;
  - b. Increased use of electricity purchases via **Guarantee of Origin (GO)**, from approx. 20% of green purchases certified at origin at Group level in 2023 to 60% in 2027.
- 3 **Energy efficiency** measures through the construction of a **single refrigeration plant** by 2027;
- 4 Measurement of the **carbon footprint** of Fiera Milano's main exhibitions using the **LCA (Life Cycle Assessment)** methodology in order to start mapping – at individual exhibition level – the Scope 1, Scope 2 and Scope 3 emission sources and implement specific efficiency-enhancing actions.
- 5 During 2024, the Fiera Milano Group will start measuring **Scope 3** GHG emissions at Group level.

### Scope 1 + Scope 2 (market based) CO<sub>2</sub> emission reductions



### Increase in % of renewables



## EUROPE'S LARGEST ROOFTOP PHOTOVOLTAIC SYSTEM

Thanks to the collaboration between **Fondazione Fiera Milano** and **A2A** through the creation of **Fair-Renew**, Fiera Milano was able to raise its environmental commitment by transforming the roofs of the Rho exhibition site into a clean energy plant. Between 2021 and 2022, Fair-Renew inaugurated a vast **photovoltaic system** with a capacity of 8.2 MWp, outfitted with roughly 26,000 solar panels. This initiative now fulfils approximately **20% of Fiera Milano's energy requirements**, positioning itself as an emblem of environmentally sustainable progress.

In response to the challenge posed by escalating energy prices, an ambitious **expansion of the photovoltaic system** was undertaken in the first half of 2023. This extension project made use of every available space, from the roofs of the exhibition pavilions to the new Cargo 2 warehouse and the multi-storey car parks. The year 2023 signalled the start of the second phase in our journey towards sustainability, with an additional 3.9 MWp of power capacity. This expansion has enabled us to extend green energy provision to pavilions 2-4, the roof of the Cargo 2 warehouse, and the PM1 and PM2 car parks.

Looking ahead with resolve, the **third phase of expansion** will come to fruition in 2024, courtesy of the ongoing support from Fondazione Fiera Milano and A2A, adding an additional 3.9 MWp. This expansion will increase the total capacity to around 17 MWp, reinforcing Fiera Milano's position as the guardian of one of the **largest rooftop photovoltaic systems in Europe**.

The project is part of the Group's broader 2030 **Decarbonisation Plan**.

