A2A, ANNUAL REPORT 2021:

GROWTH OF ALL ECONOMIC AND FINANCIAL INDICATORS CONFIRMED

ECOLOGICAL TRANSITION EFFORT CONTINUES

- **Net profit of 504 million euro**, +38% compared to last year (364 million euro in 2020)
- **Dividend** proposed to the shareholders' meeting of **0.0904 euro** per share (of which 0.0824 as ordinary dividend and 0.0080 as extraordinary dividend)
- **Ebitda at 1,428 million euro** up 228 million euro, +19% compared to 2020 (1,200 million euro) thanks to significant organic growth and M&A operations
- **Revenues at 11,549 million euro**: +69% compared to the 2020 financial year
- **Capex and M&A amounted to 1,790 million euro**, roughly double the previous year's figure.
- **Net Financial Position of 4,113 million euro**, up 641 million euro compared to December 31, 2020. Net of changes in the scope of consolidation and the impact of the new ESMA guidelines (totalling 747 million euro), the NFP improved by 106 million euro to 3,366 million euro.
- **313 GWh production from new** photovoltaic and wind energy **renewables (129 GWh in 2020)**

Sustainability

- 10,732 million euro economic value distributed to stakeholders (+75% compared to 2020)
- +28% green energy sold (5TWh in 2021 compared to 3.9TWh in 2020)
- 44,000 students and teachers involved in environmental education and sustainability projects at national and local level (+78% compared to 2020)
- -5% compared to 2020 weighted accident index
- best sustainability report in the "Energy&Utilities" category, first place in the "ESG Reporting Awards 2021" by ESG Investing Global Markets Media Ltd and second place in the "Best Climate-Related Reporting" category for climate change reporting
- Entry into the MIB ESG Index

The Group's commitment to sustainable finance continues: A2A closed a record 2021 in terms of sustainable finance transactions (Sustainability-Linked Bond for 500 million euro, Green Bond for 500 million euro and RCF Sustainability-Linked for 500 million euro), bringing the percentage of sustainable debt over total debt to 44%, above expectations. In addition, in a complex macroeconomic context, A2A successfully issued its second Sustainability-Linked Bond for 500 million euro on 9 March, linked to the achievement of a 2024 sustainability target for installed capacity from renewable sources.

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Milan, 17 March 2022 - The Board of Directors of A2A S.p.A. met today and, under the chairmanship of Marco Patuano, examined and approved the drafts of the separate financial statements and the consolidated annual financial report as at 31 December 2021.

*"An unprecedented volatility in energy prices earmarked 2021 and it is still presently unsettling the market - comments **Renato Mazzoncini**, CEO - The A2A Group has confirmed its solidity in facing changes in the scenario, growing in all economic and financial indicators. We have achieved for the first time an ordinary profit of 400 million euro, not so much because of the higher profitability of renewables, but due to contingent factors such as the excellent performance of the ancillary services market.*
These conditions made it possible a proposal of total dividend of 0.0904 euro per share, equal to 283 million euro, adding, on top of the planned growth, an extraordinary dividend component of 0.008 euro per share (equal to 25 million euro)".

The results recorded in 2021 showed significant and solid economic and industrial growth thanks to the contribution of all the Group's Business Units and to the M&A transactions finalized.

In 2021 the A2A Group operated in a context characterised by an increase in energy consumption driven by the post-pandemic economic recovery and by strong turbulence on the commodities market, with the upward trend in energy prices becoming more pronounced, reaching record values, in the final months of the year.

In particular, Italy's net electricity demand in the year under review was 318,075 GWh, an increase of 5.6% compared to 2020.

Moreover, in 2021, the average PUN (Single National Price) for the year more than tripled (+221.3%) compared to the average value for 2020, standing at €125.0/MWh and peaking in December at 281.2 €/MWh. The increase in the PUN price reflects a similar *escalation* in gas prices at the PSV (Virtual Trading Point) and CO2. In fact, the average cost of gas at the PSV in the year under review was 45.8 €/MWh, up 342.8% compared to the same period last year. CO2 prices stood at an average price of €53.4/mt in 2021 (€24.7/mt in 2020, +116%). This price dynamic contributed significantly to the increase in turnover (+69%). As in 2020 and as early as 2019, A2A has adopted a prudent commodity price hedging policy, aimed at containing risk and volatility in the medium term with hedges of around 90% for fixed-price productions, considerably reducing the effects that a price surge could have had.

However, the Group ensured excellent results in terms of operating margins thanks to the excellent performance of all Business Units and the contribution of the newly acquired companies.

In 2021, A2A also recorded significant industrial growth, in line with the company's strategy based on energy transition and circular economy thanks to:

- **Record Capex (1,074 million euro), up 46%** on the previous year. In particular, a strong boost was given to development investments (+70% compared to 2020) aimed at recovering energy and materials, upgrading distribution networks, water and sewage networks, purification plants, measures to contribute to the adequacy and safety of the national electricity network and the digitalisation of the Group.

- **M&A transactions for a total of 716 million euro** (145 million euro in 2020) relating to the bioenergy field (acquisition of Agripower, a company managing and developing biogas power generation plants), industrial waste treatment (acquisition of TecnoA, a leading company in southern Italy in this sector) and the increase in installed power from renewable sources (acquisition of 17 photovoltaic plants from Octopus for a total installed capacity of 173MW).

The following are the main economic indicators:

Million euro	**12M 2021**	**12M 2020**	**Δ**	**Δ%**
Revenues	**11,549**	**6,848**	+4,701	+68.6%
Gross Operating Margin – EBITDA	**1,428**	**1,200**	+228	+19.0%
Net Operating Income – EBIT	**660**	**554**	+106	+19.1%
Group net profit	**504**	**364**	+140	+38.5%

In 2021, the **Revenues** of the A2A Group amounted to **11,549 million euro**, **up 69%** on the previous year. The increase is attributable to:

- more than 60% to the wholesale energy markets for electricity and gas, mainly due to price increases; to a lesser extent, growth in the volumes sold and brokered in the markets, particularly in electricity, also played a role;
- 25% to the retail markets thanks to the increased quantities sold to customers in the free market and in particular to higher electricity and gas unit prices;

Lastly, new companies acquired in the last quarter of 2020 (AEB Group, Flabrum and Fragea) and in 2021 (Octopus, Agripower) contributed over 6% to the positive change.

EBITDA equalled 1,428 million euro, a rise of 228 million euro compared to 2020 (+19%).
Excluding non-recurring items (+31 million euro in 2021, +13 million euro in 2020), Ordinary EBITDA increased by 210 million euro. Excluding the incremental contribution from the consolidation of AEB and the other companies acquired (around 55 million euro), growth amounted to 155 million euro (+13%).

EBIT amounted to 660 million euro increased by +106 million euro (+19%) compared to 2020 (554 million euro). This change is due to:

- increase in EBITDA, as described above (+228 million euro);
- increase in depreciation and amortisation (119 million euro) mainly related to the investments made by all Business Units in 2021 and the amortisation of the assets of the acquired companies described above;
- a decrease in provisions, net of reversals of provisions for risks and bad debt amounting 5 million euro.

Group Net Profit in 2021 was **504 million euro, an increase of 38%** compared to 2020.
This positive change of 140 million euro is due, in addition to the increase in the Net Operating Result, to:

- lower taxes recognised in 2021 compared with the previous year, for a total of 63 million euro, resulting from the following factors:

- a decrease of 145 million euro. As already reflected in the half-yearly report, in application of Decree Law 104/2020, A2A realigned, for certain Group companies, the differences between the higher carrying amount of tangible and intangible assets and their lower value for tax purposes: the net economic effects in 2021 of this transaction, amounting to a total of 145 million euro, are determined by the payment of a substitute tax of approximately 23 million euro and the simultaneous benefit arising from the one-off reversal of deferred tax liabilities recognised in the financial statements on the differences in carrying amount/tax basis, amounting to 168 million euro;
- an increase of 82 million euro related to higher taxable income and 51 million euro to extraordinary positive items recognised in 2020 (tax recoveries relating to previous years)

- a decrease of 9 million euro in net financial expense, due mainly to the improved conditions in the capital markets when refinancing maturing bonds;
- growth in the share of profit allocated to third parties by 42 million euro due to both the consolidation of the AEB group and the better results recorded during 2021 by the consolidated companies, including the positive effects of the statutory and tax realignment.

Excluding extraordinary items affecting 2021 (mainly reversal of deferred taxes net of the substitute tax on the realignment of assets and extraordinary provisions) and the previous year (tax recoveries relating to previous years and extraordinary provisions), the organic growth of the Group's Ordinary Net Profit is 65 million euro (+19%).

The **Consolidated Net Financial Position** at 31 December 2021 amounted to **4,113 million euro** (3,472 million euro as at 31 December 2020). Excluding perimeter changes in 2021 and the application of the new ESMA (European Securities and Markets Authority) guideline - totalling 747 million euro - the NFP stands at 3,366 million euro, recording cash generation of 106 million euro, after total investments of 1,074 million euro and dividends of 248 million euro.

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<u>A2A Group – Results by Business Unit</u>

The following table shows the composition of the Gross Operating Margin by Business Unit:
It should be noted that with effect from 1 January 2021, following a change in the organisation, the Public Lighting segment, previously included in the Market Business Unit, is represented in the Networks Business Unit; in order to ensure full comparability, the values relating to the Market Business Unit and the Networks Business Unit have therefore been restated.

Million euro	**12.31.2021**	**12.31.2020**	**Change**	**Change %**
Generation and Trading	368	269	99	36.8%
Market	214	202	12	5.9%
Waste	341	282	59	20.9%
Smart Infrastructures	538	471	67	14.2%
Corporate	-33	-24	-9	37.5%
Total	**1,428**	**1,200**	**228**	19.0%

Generation and Trading Business Unit

Revenues amounted to 8,095 million euro, an increase of 4,234 million euro (+109.7%) compared to the previous year. The change was due to the increase in electricity and gas prices and, to a lesser extent, to higher volumes sold and brokered, particularly on the electricity market.

EBITDA of the Business Unit amounted to 368 million euro, an increase of 99 million euro compared to the previous year. Net of the non-recurring items recorded in the two periods (+10 million euro in 2021 and +8 million euro in 2020), ordinary EBITDA increased by 97 million euro.

The positive change is mainly attributable to:

- extraordinary results achieved in the ancillary services market ("MSD"), thanks to the opportunities that emerged as a result of Terna's requests because of exceptionally critical grid conditions in the last few months of 2021;
- excellent performance of the trading portfolio;
- the contribution of newly acquired photovoltaic and wind power plants (+184 GWh of photovoltaic and wind power production compared to 2020).

The change in the wholesale price of electricity (PUN), which characterised both 2021, with an upward trend, and 2020, with a downward trend, did not produce significant results for the margins of the industrial electricity portfolio following the hedging policies adopted by the Group, which significantly mitigated the effects.

The positive impacts were partly offset by:

- lower hydroelectric production (-177GWh compared to 2020);
- negative effects of the energy scenario on the gas portfolio;
- higher charges for hydroelectric fees due to both the variable portion and free energy to be paid and the fixed component for some plants.

Capex in 2021 amounted to approximately 144 million euro and included extraordinary maintenance work of 87 million euro, of which 64 million euro at thermoelectric plants and 19 million euro at the Group's hydroelectric plants.
Furthermore, in 2021, development work totalling 54 million euro was carried out, mainly aimed at guaranteeing the coverage of peak demand and the balancing of fluctuating energy requirements in the electricity grid (gas turbines at the combined-cycle plants in Cassano and Chivasso and the start-up of projects for endothermic engines in Cassano) in order to contribute to the adequacy and safety of the national electricity system.

Market Business Unit

Revenues amounted to 3,885 million euro (2,515 million euro at 31 December 2020), up 54.5% following the consolidation of the AEB Group and the increase in unit prices and higher quantities sold of both electricity and gas.

EBITDA equalled 214 million euro (202 million euro at 31 December 2020). Net of the non-recurring items recorded in the two periods (+14 million euro in 2021 and +3 million euro in 2020), the ordinary EBITDA increased by 1 million euro.

The change of 1 million euro (+1%) is due to the increase in margins recorded in the retail segment for:

- the consolidation of the AEB Group;
- the increase in the number of mass-market electricity customers (183 thousand more than at the end of 2020);
- increased sales, particularly to large customers in the market.

This growth was curtailed by:

- a drop in unit margins on sales in the free electricity market due to particularly high imbalance charges as a result of the substantial increase in energy prices in the current year, against volumes that were not misaligned with previous years;
- higher operating costs than those incurred last year due to a slowdown in activities as a result of COVID-19.

In 2021, capex amounted to 73 million euro. These investments concerned:

- 59 million euro for the energy retail segment for capitalised charges for the acquisition of new customers and for evolutionary maintenance and development work on the hardware and software platforms, aimed at supporting billing and marketing activities (acquisition of a dynamic pricing platform) and the start-up of NEN (the A2A Group's full-digital start-up for electricity and gas sales);
- 14 million for the Energy Solution segment for energy efficiency projects.

Waste Business Unit

In 2021, the Waste Business Unit recorded revenue of 1,260 million euro, an increase of 13.4% compared with 2020 (1,111 million euro at 31 December 2020) mainly due to the contribution of the companies acquired in the previous year (Agritre contributing from March 2020, AEB consolidated from November 2020 and Fragea acquired in November 2020) and in 2021 (Agripower from March 2021), higher revenues from material recovery (particularly paper sales), electricity sales and waste disposal from industrial treatment plants.

The Waste Business Unit's EBITDA amounted to 341 million euro (282 million euro at 31 December 2020). Net of non-recurring items (+8 million euro in 2021, 1 million euro in 2020), the Business Unit's ordinary EBITDA was 333 million euro, an increase of 52 million euro compared to 2020.

All areas of the business unit made a positive contribution to the result for the year:

- incremental contribution of biomass and biogas power generation plants acquired in the previous year (Agritre and Fragea) and in 2021 (Agripower);
- positive dynamics of electricity and heat transfer prices;
- increase in the price of delivering waste similar to municipal waste;
- greater quantities of industrial waste disposed of;
- increase in paper prices due to high demand in the European market;
- incremental contribution from the consolidated AEB group as of November 2020.

Capex in 2021 amounted to 273 million euro and concerned:

- development work amounting to 203 million euro, of which 123 million euro relating to waste-to-energy plants (in particular 76 million euro for the construction of the new Parona plant and 24 million euro for the flue gas purification line of the Brescia waste-to-energy plant) and 77 million euro to treatment plants (38 million euro for FORSU plants);
- 70 million in maintenance work on waste-to-energy plants (29 million euro), treatment plants (21 million euro) and the collection sector (20 million euro).

Smart Infrastructures Business Unit

The Smart Infrastructures Business Unit's revenues for the period amounted to 1,280 million euro (1,136 million euro at 31 December 2020, +12.7%). The change is due to the incremental contribution deriving from the consolidation of AEB, higher revenues from district heating, the water cycle and increased services compared to the same period last year.

EBITDA of the Business Unit in 2021 was 538 million euro (471 million euro at 31 December 2020).
Net of non-recurring items (+7 million euro in 2021; +10 million euro in 2020), the Business Unit's ordinary EBITDA was 531 million euro, up 70 million euro (+15.2%) compared to 2020.

The change in margins is distributed as follows:

- electricity and gas distribution networks (+41 million euro): increase linked to the change in the consolidation scope, higher revenues admitted for regulatory purposes and lower operating costs;
- district heating (+23 million euro): margins increased due to higher quantities sold as a result of commercial development and cooler average temperatures compared to the previous year, as well as higher services related to the activity following the superbonus measures;
- water cycle (+10 million euro): higher revenues due to the tariff increases approved by the sector Authority;
- Smart City (-4 million euro): conclusion of activities started in previous years relating to the construction of infrastructures for laying fibre optic cables and lower margins due to the transfer of the telecommunications business unit to the corporate.

Capex in the period in question amounted to 516 million euro and regarded:

- in the electricity distribution segment, development and maintenance work on plants and in particular the connection of new users, maintenance work on secondary cabins, the extension and refurbishment of the medium and low voltage network, the maintenance and upgrading of primary plants and investments in the launch of the 2G smart meter project (183 million euro);
- in the gas distribution segment, development and maintenance work on plants relating to the connection of new users and the replacement of medium and low pressure pipes and gas smart meters (126 million euro);
- in the integrated water cycle sector, maintenance and development work carried out on the water transport and distribution network, as well as works and restoration works on the sewer networks and purification plants (95 million euro);
- district heating and heat management segment: development and maintenance of plants and networks for a total of 86 million euro.
- in the public lighting sector for new projects (15 million euro);

- in the Smart City segment, mainly laying fibre optics, radio frequencies and data centres (10 million euro);
- in the e-mobility sector for the installation of new electric energy recharging stations (1 million euro).

A2A Group – Balance Sheet and Financial Results

The "**Net fixed capital**" amounted to 8,026 million euro, up by 959 million euro compared to 31 December 2020.

The main changes were related to:

- total capex of 1,074 million euro, of which 714 million euro in tangible assets and 360 million euro in intangible assets;
- contribution from the first 2021 consolidations on tangible and intangible assets in the amount of 568 million euro;
- an increase in net deferred tax assets of 159 million euro, mainly as a result of the exercise of the realignment option under Article D.L. 104/2020 exercised by some Group companies;
- a net decrease in intangible assets of 114 million euro following the reclassification to assets held for sale of gas networks that are not considered strategic for the Group;
- increase in provisions for employee benefits by 16 million euro;
- increase in provisions for risks, charges and liabilities for landfills by 45 million euro;
- ordinary amortisation/depreciation for the year for 666 million euro;
- other decreases amounting to 1 million euro.

"Net Working Capital" amounted to 243 million euro, a decrease of 264 million euro compared to 31 December 2020.

The main changes were related to:

- a net increase in payables resulting from the advance collection of electricity and gas futures contracts, which will be recognised in the following year for 255 million euro;
- net increase in trade payables of 81 million euro;
- 40 million euro net increase in tax payables for VAT, excise duties and other indirect taxes;
- net decrease in current tax receivables of 24 million euro;
- a net increase of 13 million euro in payables due to the *Cassa per i Servizi Energetici e Ambientali*, including payables for energy tariff components previously collected by the GSE;
- net increase of 65 million euro in inventories, as a result of the valuation of fuel stocks (gas and oil) due to higher commodity prices;
- increase in receivables for security deposits for 35 million euro;
- an increase of 21 million euro in receivables for energy requalification and efficiency works at condominiums and third parties;
- increase in advances to suppliers by 15 million euro;
- net increase of 6 million euro in derivative assets, reflecting a change in fair value at the end of the period and in the quantities hedged;
- net decrease in payables to employees for 3 million euro;
- other increases in current assets of 4 million euro.

"**Assets/liabilities held for sale**" were positive and amounted to 147 million euro and relate for 102 million euro to the reclassification of certain assets and liabilities relating to gas distribution referring to ATEMs considered non-strategic for the Group and the reclassification of assets owned by the parent company A2A S.p.A. referring to three buildings located in Milan which were sold in February 2022 for 45 million euro.

The **consolidated "Capital Employed"** as at 31 December 2021 amounted to 8,416 million euro and was financed by Equity of 4,303 million euro and Net Financial Position of 4,113 million euro.

At 4,303 million euro, "**Equity**" shows a positive movement of 187 million euro.
The positive change was partly due to 2021 result for 550 million euro (504 million euro pertaining to the Group and 46 million euro to minorities), offset by the distribution of dividends for 248 million euro. There was also a positive valuation of cash flow hedge derivatives and IAS 19 reserves for a total of 7 million euro. Other negative changes in Group Equity, amounting to 107 million euro, mainly arose from the acquisition of 49% of LGH S.p.A..

The "**Consolidated Net Financial Position**" at 31 December 2021 was 4,113 million euro (3,472 million euro at the end of 2020). Excluding changes in the consolidation scope in 2021 and the application of the new ESMA Guidelines, the Net Financial Position stood at 3,366 million euro, showing, after investments of 1,074 million euro and dividends of 248 million euro, a cash generation of 106 million euro.

The fixed rate and hedged portion of the gross debt amounted to 79%. The duration is 6.2 years.

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Economic results of the Parent Company A2A S.p.A.

In 2021 A2A S.p.A. shows revenues for a total of 8,256 million euro (3,989 million euro in the previous year). Sales revenues (7,952 million euro) refer mainly to the sale of electricity to wholesalers, institutional operators, including on the IPEX (Italian Power Exchange) markets, and to subsidiaries, the sale of gas and fuels to third parties and to subsidiaries, as well as the sale of materials and plants and the sale of environmental certificates. Service revenues (244 million euro) mainly refer to services to subsidiaries of an administrative, fiscal, legal, managerial and technical nature and to revenues from the Municipality of Milan for the video surveillance service. Other revenues (60 million euro) mainly refer to incentives on net production from renewable sources.

Operating expenses amounted to 7,904 million euro (3,736 million euro at 31 December 2020) and relate to raw material costs (6,973 million euro) mainly relating to purchases of energy and fuels, both for electricity production and for resale to customers and wholesalers, as well as purchases of materials and environmental certificates; costs for services (349 million euro) relating to logistics costs for transporting natural gas on the national network, maintenance and repair costs associated with both the company's plants and information systems, as well as costs for services from third parties and subsidiaries and associates; other operating costs (582 million euro), which refer to the contracting of thermoelectric production plants "tolling agreements" by subsidiaries and associates, as well as water diversion fees, damages and penalties.
Labour costs amounted to 160 million euro (151 million euro at 31 December 2020).

Due to the dynamics mentioned above, **EBITDA** amounted to 192 million euro (102 million euro at 31 December 2020). The increase compared to the previous year is due to the upward trend in prices on the wholesale electricity and gas markets, as well as the growth in volumes traded.

Period "**amortisation and depreciation, provisions and impairment**" amounted to 123 million euro (107 million euro at 31 December 2020) and included amortisation, depreciation and impairment of tangible and intangible assets for 111 million euro (99 million euro at 31 December 2020) and provisions for 12 million euro (8 million euro at 31 December 2020).

"**EBIT**" was a positive 69 million euro (negative 5 million euro at 31 December 2020).

Financial operations reported a positive balance of 376 million euro (positive for 500 million euro at 31 December 2020). This item includes dividends from investee companies of 415 million euro (414 million euro at 31 December 2020), gains on the disposal of financial assets of 1 million euro, write-downs of investments of 2 million euro, and net financial expenses of 39 million euro (54 million euro at 31 December 2020).
In the previous year, this item included 140 million euro relating to the exchange valuation of A2A S.p.A.'s shareholding in AEB S.p.A., which led to the recognition of a higher value than the book value.

The **result before taxes** was positive for 445 million euro (positive for 495 million euro at 31 December 2020).

"**Income taxes**" amounted to 41 million euro (income taxes of 55 million euro at 31 December 2020). Taxation essentially derives from the recognition of: i) the release of deferred tax liabilities and the recognition of a substitute tax following the exercise of the option to realign the differences between the statutory and tax values of tangible fixed assets pursuant to Italian Legislative Decree no. 104/2020; ii) current taxes calculated on taxable income IRES and IRAP.

The "**Net result from discontinued operations**" is negative and less than a million euro (negative 4 million euro as at 31 December 2020) and mainly relates to the depreciation of buildings that were reclassified under "Assets held for sale" as at 31 December 2021 and the capital gain realised on the sale of the investment in Ge.S.I. S.r.l.

The **net result of the year** was positive and amounted to a profit of 486 million euro (546 million euro at 31 December 2020).

Net capex in the year amounted to 271 million euro and were mainly related to work on hydroelectric power plants, IT equipment in the "New Data Centre", buildings, assets under construction, investments in the Group's IT systems and software, net investments in participations and the purchase of treasury shares.

Balance sheet and financial position of the Parent Company A2A S.p.A.

The "**Net financial position**" stood at 1,780 million euro (1,840 million euro at 31 December 2020) and improved by 60 million euro. During the year, operations, including dividends paid to shareholders for 248 million euro, generated resources for 544 million euro, partially offset by resources absorbed by net investment in tangible and intangible assets and equity investments for 270 million euro. The effect of the application of IFRS 16 was negative and amounted to 9 million euro due to new contracts for rights of use signed during the year, while the effect of extraordinary transactions during the year resulted in a negative change of 229 million euro.

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Dividends distribution proposal

The Board of Directors resolved to propose to the Ordinary Shareholders' Meeting, the approval of a dividend equal to 0.0904 euro per share, of which:

- ordinary dividend equal to 0.0824 euro for each of the outstanding ordinary shares (corresponding to approximately € 258 million of total dividends);
- extraordinary dividend equal to 0.0080 euro for each of the outstanding ordinary shares (corresponding to approximately € 25 million of total dividends).

The dividend will be paid starting from May 25, 2022 (ex-coupon date May 23, 2022 - record date May 24, 2022).

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Sustainability

A2A distributed an economic value of 10,732 million euro in 2021. The Group has distributed wealth also through the 2.3 billion euro spent on orders, 96% of which for the benefit of Italian companies. Around 80% of the industrial investments in 2021, amounting to 1,074 million euro, are aligned with the UN Sustainable Development Goals. Improved the weighted accident index, defined as the product of the accident frequency and severity index (-5% compared to 2020 and -22% compared to 2019).

Separate collection reached an average of 71% (in line with 2020) and 99.5% of the municipal waste collected was sent for material recovery (70.4%) or energy (29.1%). More than 21 million kilometres were covered thanks to the recharging of electric vehicles at A2A recharging stations (e-moving network). Green energy sold to end customers on the free market increased by 28% compared to 2020, reaching 5.0 TWh sold.

In order to guarantee the safety of colleagues during the period of the pandemic and at the same time ensure the continuation of activities, last year A2A strengthened the process of digital transformation by managing to leverage smart working, which involved more than 5 thousand people, and strengthened the activities of listening to colleagues through surveys designed to give guidance on specific topics such as: flexible working, the services offered to employees, people's engagement with work, relationships, the company and its values. Over 3 thousand employees also took part in the first Corporate Intrapreneurship initiative, created with the aim of accelerating the process of devising projects to support the Group's strategic objectives.

During 2021, A2A involved around 44,000 students and teachers (+78% compared to 2020) in environmental education and sustainability initiatives at a national and territorial level. The Group's commitment to the local area also took the form of more than 5.8 million in donations, sponsorships and support for Group foundations. *Banco dell'energia Onlus* has also promoted a new project linked to energy poverty, with the aim of supporting people in difficulty and raising awareness about energy consumption, through the involvement of the operators of the TED network (*Tutor per l'energia domestica*). *Banco* *dell'energia* has also intensified its activities with the promotion of the Manifesto, which has seen the involvement of partners from the world of business, associations, research bodies and the third sector.

A2A was recognised as the company with the best sustainability report in the "Energy&Utilities" category, in first place in the "ESG Reporting Awards 2021" classification by ESG Investing Global Markets Media Ltd (a UK-based financial media company) and came in second place in the "Best Climate -Related Reporting" category for reporting on climate change.

The Group also entered the new MIB ESG index of Borsa Italiana, dedicated to listed blue-chips boasting best practices at ESG level, in line with the principles of the UN Global Compact.

Sustainable finance

During 2021 the A2A Group gave a strong boost to the development of its portfolio of financial instruments linked to sustainability objectives, which at the end of 2021 represent 44% of the Group's total gross debt. In May, the Group's new Sustainable Finance Framework was published, which represents the set of guidelines that strengthen the link between the financial strategy and the sustainable strategy. A2A is one of the first industry issuers and the first Italian issuer to adopt a Framework that combines two approaches: the Green Use of Proceeds, which allows maximum transparency about the use of proceeds for specific projects, and the new Sustainability-Linked component, which allows a comprehensive reading of the Group's strategy. Three Key Performance Indicators have been included in the Framework which reflect the two pillars of A2A's strategic plan, energy transition and circular economy:

- CO2 emission factor of Scope 1;
- increased installed capacity from renewable sources:
- treated waste intended for material recovery;

that contribute to the achievement of UN SDGs 7, 11, 12 and 13.

In the context of the new Sustainable Finance Framework, three important funding transactions were concluded for the Group: the subscription of a Sustainability-Linked credit line and two sustainable bond issues:

- a Sustainability-Linked credit line linked to the achievement of two sustainable targets (installed capacity and material recovery) and with a mechanism for donating the savings (or higher cost) to the non-profit organisation *Banco dell'Energia Onlus*,
- the first Sustainability-Linked Bond, linked to the achievement of the 2025 Scope 1 CO_2 emission factor target, consistent with the Science Base Target commitment approved in March 2020; and
- a new Green Bond whose net proceeds will be used to finance strategic circular economy and energy transition projects aligned with the European Taxonomy (in particular the "climate change mitigation" objective).

Finally, the share buyback program that started on May 13 and ended on June 24, 2021 also featured ESG aspects. A2A has in fact decided to allocate the implicit economic benefit (the better price obtained from the purchase of the shares compared to the target price envisaged in the mandate given to the appointed financial intermediary) deriving from the purchase program to .

Building on the achievements of 2021, 2022 opened with the publication of the updated Sustainable Finance Framework incorporating the more ambitious sustainability targets of the 2021-2030 plan and the issuance of the second Sustainability-Linked Bond linked to the achievement of the 2024 target for installed capacity from renewable sources.

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Impacts of the Russia-Ukraine conflict

The ongoing conflict between Russia and Ukraine is further increasing the volatility of energy commodity prices, which were already at record levels before the outbreak of the war. In addition to the direct impacts on the production and sale of electricity and gas, such a price increase could lead to a general increase in inflation with particular reference to the prices of oil derivatives and foodstuffs, as well as tensions on financial markets, technological impacts and a possible increase in cyber-attacks.

The A2A Group, as part of its industrial activity of generating energy carriers and marketing them on a wholesale basis, is managing the growing volatility of the price of gas both by monitoring the limits of exposure to commodity risk and by optimising its buying and selling strategies. It should also be noted that the Group, in its procurement activities, mainly operates on platforms.
Should the supply situation become critical and in line with national energy policy choices, the reactivation of the Monfalcone coal-fired thermoelectric power plant and the possibility of interrupting, requested by the network operator, the supply of energy to specific industrial entities cannot be ruled out. It is also noted that recently the Law Decree 17/22 followed by the DM MITE Gas storage 2022-2023 and the Resolution ARERA 110/2022/R/GAS, required operators to bring the filling of storage to at least 90% of the available capacity.

With reference to the activity of retail marketing of electricity and gas, the increase in the price of commodities causes an increase in credit exposures to customers (even in the event of constant volumes). This greater exposure naturally generates a greater risk of default by individual counterparties and a greater financial commitment in the event of late payment. The extent of these tensions, which have been modest so far, will depend on how the crisis develops and how long it lasts.

The other business units (Waste and Smart Infrastructures) are less exposed to commodity risk. The impacts of the Russia-Ukraine conflict are therefore estimated to be indirect and, essentially, related to the potential reduction in GDP and the rise in inflation.

In order to face possible scenarios of liquidity tension, it should be noted that the Group's solid liquidity position, also supported by committed and uncommitted back-up lines (€1.7Bn as at March 14, 2022), is enabling it to manage margining calls relating to the exposure on the commodities market as well as any temporary increases in working capital due to price increases. A2A has recently successfully issued a 500 million euro bond in a very complex market context in addition to subscribing to medium-term bilateral credit lines, demonstrating the Group's ability to access capital and credit markets.

Finally, in the presence of high alert for cyber-attacks, the Group has activated a channel with the National Security leadership to exchange information, accelerating the programme to secure endpoints with advanced malware protection tools.

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Alternative *Performance* Indicators (AIP)

Certain alternative performance indicators (AIP) not envisaged by the International Financial Reporting Standards endorsed by the European Union (IFRS-EU) are presented in the press release to give a better view of the A2A Group's performance. In accordance with the recommendations of the new ESMA Guidelines published in July 2020 and applicable from 5 May 2021, the meaning, content and calculation basis of these indicators are set out below:

- **EBITDA (Gross Operating Margin)**: an alternative indicator of operating *performance*, calculated as the sum of "Net operating income" plus "Depreciation, amortisation, provisions and impairment".
- **Ordinary EBITDA**: an alternative indicator of operating *performance*, calculated as the gross operating margin described above net of items, both positive and negative, arising from transactions or operations that have characteristics of non-repeatability in future years (e.g. adjustments relating to past years; costs for extraordinary mobility plans, etc.);
- **"Ordinary" Net Result (Ordinary EBIT)**: an alternative measure of operating performance, calculated by excluding from the Group's net result the items deriving from non- recurring transactions (net of related items) and the write-down of assets, goodwill and equity investments, as well as impairment reversals (net of the relative tax effects);
- **Net financial position** is an indicator of one's financial structure. This indicator is determined as the result of current and non-current financial payables, the non-current portion of trade payables and other non-interest-bearing payables that have a significant implicit financing component (payables due over 12 months); net of cash and cash equivalents and current and non-current financial assets (financial receivables and securities other than equity investments);
- **Capex:** alternative indicator of performance used by the A2A Group as a financial target within the scope of intra-Group presentations (business plans) and external documents (presentations to financial analysts and investors). It is a useful measure of the resources employed to maintain and develop the A2A Group's investments.
- **M&A:** alternative indicator of performance used by the A2A Group to represent the overall impact at capital level of growth operations by external line.

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The executive responsible for drawing up A2A S.p.A.'s corporate accounting documents, Andrea Crenna, states – in accordance with article 154-bis, sub-section 2 of the Financial Act (Legislative Decree 58/1998) – that the accounting information contained in this document corresponds to the documentary evidence, books and accounting records.

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The following are attached the accounting financial schedules of the A2A Group at 31 December 2021.

The Consolidated annual financial Report and the Separate Financial Statements together with the report on operations are subject to auditing and are under completion

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Press release available at www.a2a.eu

CONSOLIDATED BALANCE SHEET (millions of euro)	12.31.2021	12.31.2020
ASSETS		
NON-CURRENT ASSETS		
Tangible assets	5,588	5,162
Intangible assets	3,125	2,737
Shareholdings carried according to equity method	33	17
Other non-current financial assets	64	36
Deferred tax assets	424	265
Other non-current assets	25	28
TOTAL NON-CURRENT ASSETS	**9,259**	**8,245**
CURRENT ASSETS		
Inventories	204	139
Trade receivables	3,291	2,030
Other current assets	4,051	685
Current financial assets	9	11
Current tax assets	68	76
Cash and cash equivalents	964	1,012
TOTAL CURRENT ASSETS	**8,587**	**3,953**
NON-CURRENT ASSETS HELD FOR SALE	**162**	**28**
TOTAL ASSETS	**18,008**	**12,226**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,629	1,629
(Treasury shares)	-	(54)
Reserves	1,627	1,598
Result of the year	504	364
Equity pertaining to the Group	**3,760**	**3,537**
Minority interests	543	579
Total equity	**4,303**	**4,116**
LIABILITIES		
NON-CURRENT LIABILITIES		
Non-current financial liabilities	4,322	3,909
Employee benefits	294	278
Provisions for risks, charges and liabilities for landfills	797	752
Other non-current liabilities	129	146
Total non-current liabilities	**5,542**	**5,085**
CURRENT LIABILITIES		
Trade payables	2,894	1,552
Other current liabilities	4,487	866
Current financial liabilities	746	588
Tax liabilities	21	5
Total current liabilities	**8,148**	**3,011**
Total liabilities	**13,690**	**8,096**
LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	**15**	**14**
TOTAL EQUITY AND LIABILITIES	**18,008**	**12,226**

CONSOLIDATED INCOME STATEMENT (millions of euro)	01.01.2021 31.12.2021	01.01.2020 12.31.2020 Restated (*)
Revenues		
Revenues from the sale of goods and services	11,352	6,655
Other operating income	197	193
Total Revenues	**11,549**	**6,848**
Operating expenses		
Expenses for raw materials and services	9,088	4,687
Other operating expenses	312	258
Total Operating expenses	**9,400**	**4,945**
Labour costs	**721**	**703**
Gross operating income - EBITDA	**1,428**	**1,200**
Depreciation, amortization, provisions and write-downs	**768**	**646**
Net operating income - EBIT	**660**	**554**
Result from non-recurring transactions	**-**	**-**
Financial balance		
Financial income	17	12
Financial expenses	89	93
Affiliates	2	-
Result from disposal of other shareholdings	-	-
Total financial balance	**(70)**	**(81)**
Result before taxes	**590**	**473**
Income taxes	**36**	**99**
Result after taxes from operating activities	**554**	**374**
Net result from discontinued operations	(4)	(6)
Net result	**550**	**368**
Minorities	**(46)**	**(4)**
Group result of the year	**504**	**364**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (millions of euro)	12.31.2021	12.31.2020
Net result of the year (A)	**550**	**368**
Actuarial gains/(losses) on Employee's Benefits booked in the Net equity	(38)	11
Tax effect of other actuarial gains/(losses)	11	(3)
Total actuarial gains/(losses) net of the tax effect (B)	**(27)**	**8**
Effective part of gains/(losses) on cash flow hedge	47	34
Tax effect of other gains/(losses)	(13)	(10)
Total other gains/(losses) net of the tax effect of companies consolidated on a line-by-line basis (C)	**34**	**24**
Other gains/(losses) of companies valued at equity net of the tax effect (D)	**-**	**-**
Total comprehensive result (A)+(B)+(C)+(D)	**557**	**400**
Total comprehensive result attributable to:		
Shareholders of the parent company	**511**	**396**
Minority interests	**(46)**	**(4)**

With the exception of the actuarial effects on employee benefits recognized in equity, the other effects stated above will be reclassified to the Income Statement in subsequent years.

(*) The values as at 31 December 2020 have been restated to make them consistent with the values as at 31 December 2021 by reclassifying under the item "Net result from discontinued operations " revenues, operating costs and depreciation related to gas distribution assets and depreciation related to buildings subject to sale .

CONSOLIDATED CASH-FLOW STATEMENT (millions of euro)	12.31.2021	12.31.2020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**1,012**	**434**
Operating activities		
Net Result	550	368
Net income taxes	36	99
Net financial interests	72	81
Capital gains/expenses	-	4
Tangible assets depreciation	465	413
Intangible assets amortization	201	142
Fixed assets write-downs/disposals	19	16
Net provisions	89	94
Result from affiliates	(2)	-
Net financial interests paid	(80)	(80)
Net taxes paid	(165)	(123)
Dividends paid	(263)	(256)
Change in trade receivables	(1,285)	(123)
Change in trade payable	1,329	25
Change in inventories	(56)	53
Other changes in net working capital	225	(116)
Cash flow from operating activities	**1,135**	**597**
Investment activities		
Investments in tangible assets	(714)	(451)
Investments in intangible assets and goodwill	(360)	(287)
Investments in shareholdings and securities (*)	(444)	(139)
Cash and cash equivalents from first consolidations asset	27	36
Disposal of fixed assets and shareholdings	5	38
Dividends paid by equity investments and other investments	-	1
Purchase of Treasury shares	(109)	-
Cash flow from investment activities	**(1,595)**	**(802)**
FREE CASH FLOW	**(460)**	**(205)**
Financing activities		
Changes in financial assets		
Issuance of loans	(6)	-
Proceeds from loans	5	1
Other changes	2	(1)
Total changes in financial assets (*)	**1**	**-**
Changes in financial liabilities		
Borrowings/bonds issued	1,147	1,079
Repayment of borrowings/bond	(725)	(228)
Lease payments	(2)	(34)
Other changes	(9)	(34)
Total changes in financial liabilities (*)	**411**	**783**
Cash flow from financing activities	**412**	**783**
CHANGE IN CASH AND CASH EQUIVALENTS	**(48)**	**578**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**964**	**1,012**

(*) Cleared of balances in return of shareholders' equity and other balance sheet items.

Statement of changes in Group equity
(millions of euro)

Description	Share capital	Treasury shares	*Cash Flow Hedge*	Other Reserves and retained earnings	Result of the year	Total Equity pertaining to the Group	Minority interests	Total Net shareholders equity
Net equity at December 31, 2019	**1,629**	**(54)**	**(30)**	**1,355**	**389**	**3,289**	**362**	**3,651**
2019 result allocation				389	(389)			
Distribution of dividends				(241)		(241)	(15)	(256)
IAS 19 reserves (*)				8		8		8
Cash flow hedge reserves (*)			24			24		24
Other changes				93		93	228	321
Group and minorities result of the year					364	364	4	368
Net equity at December 31, 2020	**1,629**	**(54)**	**(6)**	**1,604**	**364**	**3,537**	**579**	**4,116**
2020 result allocation				364	(364)			
Distribution of dividends				(248)		(248)	(15)	(263)
IAS 19 reserves (*)				(27)		(27)		(27)
Cash flow hedge reserves (*)			34			34		34
Other changes		54		(94)		(40)	(67)	(107)
Group and minorities result of the year					504	504	46	550
Net equity at December 31, 2021	**1,629**	**-**	**28**	**1,599**	**504**	**3,760**	**543**	**4,303**

(*) These form part of the statement of comprehensive income.

A2A S.p.A. BALANCE SHEET *(amounts in euro)*	12.31.2021	12.31.2020
ASSETS		
NON-CURRENT ASSETS		
Tangible assets	934,218,394	1,000,419,014
Intangible assets	146,383,435	100,819,490
Shareholdings	4,204,055,422	3,954,036,431
Other non-current financial assets	1,334,677,747	1,476,271,851
Deferred tax assets	102,884,864	41,585,738
Other non-current assets	13,053,755	11,917,684
TOTAL NON-CURRENT ASSETS	**6,735,273,617**	**6,585,050,208**
CURRENT ASSETS		
Inventories	103,867,362	64,301,009
Trade receivables	2,155,509,072	872,115,857
Other current assets	3,912,370,491	505,533,864
Current financial assets	1,204,973,806	412,777,069
Current tax assets	60,592,132	62,592,398
Cash and cash equivalents	886,354,322	947,294,052
TOTAL CURRENT ASSETS	**8,323,667,185**	**2,864,614,249**
NON-CURRENT ASSETS HELD FOR SALE	**46,788,054**	**465,623**
TOTAL ASSETS	**15,105,728,856**	**9,450,130,080**
EQUITY AND LIABILITIES		
EQUITY		
Share capital	1,629,110,744	1,629,110,744
(Treasury shares)	-	(53,660,996)
Reserves	1,217,791,460	1,055,432,573
Net result of the year	485,477,683	545,729,183
Total equity	**3,332,379,887**	**3,176,611,504**
LIABILITIES		
NON-CURRENT LIABILITIES		
Non-current financial liabilities	4,191,240,086	3,771,288,070
Employee benefits	149,174,579	122,952,128
Provisions for risks, charges and liabilities for landfills	101,431,443	104,592,610
Other non-current liabilities	14,056,580	23,815,726
Total non-current liabilities	**4,455,902,688**	**4,022,648,534**
CURRENT LIABILITIES		
Trade payables	2,172,866,259	850,137,382
Other current liabilities	4,156,909,244	520,846,017
Current financial liabilities	981,736,220	879,886,643
Tax liabilities	5,934,558	
Total current liabilities	**7,317,446,281**	**2,250,870,042**
Total liabilities	**11,773,348,969**	**6,273,518,576**
LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	**-**	**-**
TOTAL EQUITY AND LIABILITIES	**15,105,728,856**	**9,450,130,080**

A2A S.p.A. INCOME STATEMENT (amounts in euro)	01.01.2021 12.31.2021	01.01.2020 12.31.2020 Restated (*)
Revenues		
Revenues from the sale of goods and services	8,196,015,067	3,943,350,650
Other operating income	59,968,651	45,421,093
Total Revenues	**8,255,983,718**	**3,988,771,743**
Operating expenses		
Expenses for raw materials and services	7,322,231,042	3,313,234,320
Other operating expenses	581,477,745	422,866,446
Total Operating expenses	**7,903,708,787**	**3,736,100,766**
Labour costs	**160,014,697**	**150,968,919**
Gross operating income - EBITDA	**192,260,234**	**101,702,058**
Depreciation, amortization, provisions and write-downs	**123,140,593**	**107,121,310**
Net operating income - EBIT	**69,119,641**	**(5,419,252)**
Result from non-recurring transactions	**-**	**-**
Financial balance		
Financial income	448,739,269	581,056,815
Financial expenses	72,965,521	81,482,396
Result from disposal of other shareholdings	-	-
Total financial balance	**375,773,748**	**499,574,419**
Result before taxes	**444,893,389**	**494,155,167**
Income taxes	**(40,888,556)**	**(55,371,601)**
Result after taxes from operating activities	**485,781,945**	**549,526,768**
Net result from discontinued operations	(304,262)	(3,797,585)
Net result of the year	**485,477,683**	**545,729,183**

STATEMENT OF COMPREHENSIVE INCOME (amounts in euro)	12.31.2021	12.31.2020
NET RESULT OF THE YEAR (A)	**485,477,683**	**545,729,183**
Actuarial gains/(losses) on Employee's Benefits booked in the Net equity	(31,066,216)	10,045,828
Tax effect of other actuarial gains/(losses)	9,128,469	(2,499,086)
Total actuarial gains/(losses) net of the tax effect (B)	**(21,937,747)**	**7,546,742**
Effective part of gains/(losses) on cash flow hedge	47,083,512	30,498,860
Tax effect of other gains/(losses)	(13,498,212)	(9,852,041)
Total other gains/(losses) net of the tax effect (C)	**33,585,300**	**20,646,819**
Total comprehensive result (A)+(B)+(C)+(D)	**497,125,236**	**573,922,744**

With the exception of the actuarial effects on employee benefits recognized in equity, the other effects stated above wil reclassified to the Income Statement in subsequent years.

(*) The values as at 31 December 2020 have been restated to make them consistent with the values as at 31 December 2021 by reclassifying the depreciation related to buildings subject to future sale under the item "Net result from discontinued operations".

A2A S.p.A. CASH-FLOW STATEMENT (amounts in euro)	12.31.2021	12.31.2020
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**947,294,052**	**360,077,895**
Operating activities		
Net Result	485,477,683	545,729,183
Net income taxes	(40,888,556)	(55,371,601)
Net financial interests	38,633,485	53,729,668
Capital gains/expenses	(7,269,512)	1,199,034
Tangible assets depreciation	80,667,473	79,980,239
Intangible assets amortization	29,141,818	20,810,652
Fixed assets write-downs/disposals	1,124,343	5,420
Net provisions	12,218,210	8,285,532
Shareholdings write-up/down	1,800,000	-
Shares exchange ratio	-	(139,588,612)
Net financial interests paid	(52,201,144)	(50,574,561)
Net taxes paid	(3,520,245)	52,152,837
Dividends paid	(247,698,115)	(240,961,749)
Change in trade receivables	(1,263,371,650)	(216,368,867)
Change in trade payable	1,314,701,908	77,370,818
Change in inventories	(39,446,157)	42,611,129
Other changes in net working capital	234,309,984	1,663,509
Cash flow from operating activities	**543,679,525**	**180,672,631**
Investment activities		
Investments in tangible assets	(45,998,963)	(21,120,302)
Investments in intangible assets and goodwill	(46,415,671)	(38,154,919)
Investments in shareholdings and securities (*)	(80,194,303)	(67,837,415)
Contribution of non-recurring transactions on cash and cash	968,869	-
Disposal of fixed assets and shareholdings	10,232,579	42,880,567
Purchase of treasury shares	(108,745,705)	-
Cash flow from investment activities	**(270,153,194)**	**(84,232,069)**
FREE CASH FLOW	**273,526,331**	**96,440,562**
Financing activities		
Changes in financial assets		
Change in intercompany currency accounts	(738,248,552)	(30,264,694)
Issuance of loans	(130,470,335)	(384,671,970)
Proceeds from loans	51,293,009	61,128,595
Other changes	(9,154,039)	6,135,914
Total changes in financial assets (*)	**(826,579,917)**	**(347,672,155)**
Changes in financial liabilities		
Change in intercompany currency accounts	(59,776,819)	(39,752,331)
Borrowings/bonds issued	1,100,000,000	1,000,000,000
Repayment of borrowings/bond	(530,506,398)	(107,685,761)
Other changes	(17,602,927)	(14,114,158)
Total changes in financial liabilities (*)	**492,113,856**	**838,447,750**
Cash flow from financing activities	**(334,466,061)**	**490,775,595**
CHANGE IN CASH AND CASH EQUIVALENTS	**(60,939,730)**	**587,216,157**
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**886,354,322**	**947,294,052**

(*) Cleared of balances in return of shareholders' equity and other balance sheet items.

A2A S.p.A.
Statement of changes in equity
(amounts in euro)

Description	Share capital	Treasury shares	Cash flow hedge *Reserve*	Reserves	Net result of the year	Total equity
Equity at December 31, 2019	**1,629,110,744**	**(53,660,996)**	**(26,555,942)**	**844,133,794**	**450,622,909**	**2,843,650,509**
Allocation of 2019 net result				450,622,909	(450,622,909)	
Dividend distribution				(240,961,749)		(240,961,749)
IAS 19 reserve "Employee Benefits" (*)				7,546,742		7,546,742
Cash flow hedge reserves (*)			20,646,819			20,646,819
Other changes						
Net result of the year (*)					545,729,183	545,729,183
Equity at December 31, 2020	**1,629,110,744**	**(53,660,996)**	**(5,909,123)**	**1,061,341,696**	**545,729,183**	**3,176,611,504**
Contribution from non-recurring transactions		162,406,701	(367)	(136,387,467)		26,018,867
Allocation of 2020 net result				545,729,183	(545,729,183)	
Dividend distribution				(247,698,115)		(247,698,115)
IAS 19 reserve "Employee Benefits" (*)				(21,937,747)		(21,937,747)
Cash flow hedge reserves (*)			33,585,300			33,585,300
Other changes		(108,745,705)		(10,931,900)		(119,677,605)
Net result of the year (*)					485,477,683	485,477,683
Equity at December 31, 2021	**1,629,110,744**	**-**	**27,675,810**	**1,190,115,650**	**485,477,683**	**3,332,379,887**
Availability of Equity Reserves			**D**	**A-B-C**		
A: For share capital increase B: To cover losses C: For distribution to Shareholders - available for 1,020,135,773 euro (**) D: Reserves not avaliable						

(*) These form part of the statement of comprehensive income.
(**) of which subject to tax moderate suspension equal to 124,783,022 euro, and subject to tax suspension following the realignment of Legislative Decree 104/20 for 227,529,561 euro