

Responsible Procurement Policy





For the A2A Group, sustainability means adopting a long-term vision that respects social, environmental, and economic values, inspired by the principles of the Sustainable Development Goals and the United Nations Global Compact.

Our Business Model aims to create sustainable and shared value over time for the company and its community. As a Life Company, the Group is focused on improving the quality of life for citizens and businesses living and working in its territories, through the provision of essential services delivered with the highest standards of quality and efficiency.

The A2A Group, including all its subsidiaries (hereinafter referred to as the "Group"), considers it essential to select its suppliers¹ also through sustainability criteria that support the spread of positive impacts along the supply chain and on the communities involved. This objective is achieved through the adoption of supplier and business partner selection policies, as well as through the use of fair and transparent processes that integrate sustainability criteria. Furthermore, the Group promotes social and environmental responsibility practices among suppliers, encouraging the improvement of ESG performance throughout the supply chain, regardless of their geographical location.

This Responsible Procurement Policy (hereinafter also referred to as the "Policy") is adopted by the Board of Directors of A2A S.p.A., in addition to and complementing the Group's Code of Ethics, to reaffirm the commitment of all Group companies in promoting and supporting all values and principles affirmed by International Institutions and Conventions on sustainability along the supply chain. It is also published and available to all interested stakeholders on the company's website.

¹ Supply chain and suppliers are those suppliers listed in the A2A Group's supplier register and their related purchases, excluding those directly managed by the Trading (gas) functions and internal and/or administrative purchases

GOVERNANCE AND RISK MITIGATION PROCESS IN THE SUPPLY CHAIN

The Group, through the **mandatory signing of the *Integrity Agreement* by all suppliers** (see note 1), has adopted a specific system to check the integrity of companies, to ensure the existence of technical, reputational, environmental, social, and financial sustainability capacities that meet the requirements set by law, international standards (e.g., UNGC, ILO, GRI, ISO, and others), and the Group's Code of Ethics (*in compliance with the organizational model pursuant to Legislative Decree 231/2001*).

The Integrity Agreement binds the supplier to provide evidence of any case/event in which the company does not comply with the guiding principles set forth therein.

Sustainability in the supply chain **is monitored from the supplier qualification phase**. This involves a careful selection of companies intending to participate in procurement procedures, through the evaluation of aspects related to health and safety, environment, human rights, and business ethics, as well as technical, economic-financial, legal, and reputational aspects.

30% of a supplier's evaluation consists of the ESG rating, which is a rewarding factor in the choice of the supplier to whom new assignments are awarded. Additionally, the Group has implemented processes and structures to manage specific risk areas, such as **financial, cybersecurity, HSE performance, and reputational risks**.

These risk areas are constantly monitored, and their governance drives the creation of specific action plans. The risk management processes require that a supplier with a high-risk profile may incur actions that could also result in temporary exclusion from the tenders.

The supplier selection process for awarding new supplies also includes environmental and/or social criteria in the evaluation of quotes.



Sustainability issues are also monitored during the contract execution through random field audits. In case of serious non-compliance, the critical areas are examined in detail to identify any corrective actions.

Company personnel dedicated to the procurement process are constantly trained and sensitized to better assess the risks and opportunities that may arise from the commercial relationship with the entire supply chain.

GROUP COMMITMENT TO ENVIRONMENTAL AND SOCIAL MATTERS

For the A2A Group, sustainable procurement also means paying attention to the use of **renewable resources** through, for example, the promotion of the use of **recycled materials**. The Group aims to purchase materials, products, and services by evaluating the impacts of their entire life cycle, focusing on the principles of reduction, reuse, and recovery, and particularly on the "*zero waste to landfill*" philosophy.

With specific reference to the fight against climate change, in the process of selecting purchase materials, the Group is committed to setting up a process for the assessment of the **carbon and environmental footprint of what is procured**. A2A also aims to reduce "Scope 3 emissions," therefore **the Group will encourage the reporting and definition of reduction targets for the direct emissions of its suppliers**.

Regarding compliance with social and human rights issues, in line with its Code of Ethics and Human Rights Policy, the A2A Group is committed to ensuring that its policies related to workers in the value chain are aligned with internationally recognized instruments, such as the United Nations Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the OECD Guidelines for Multinational Enterprises. Furthermore, A2A reiterates, promotes, and commits to:

- Overseeing all HSE impact activities to minimize the risk of injuries and accidents at work.
- Not using or supporting the use of any form of child labor, slavery, servitude, forced/compulsory labor, or human trafficking, or any other form of exploitation.
- Ensuring equal opportunities, freedom of association, and the promotion of individual development.
- Opposing the use of corporal punishment, mental or physical coercion, or verbal abuse.
- Respecting applicable laws and industry standards regarding working hours and wages, ensuring that wages are sufficient to meet the basic needs of personnel.
- Establishing and maintaining adequate procedures to evaluate and select suppliers and subcontractors based on their commitments to social, human, and labor rights and environmental responsibility.
- Not tolerating corruption in any way or form in any jurisdiction, even if such activities are permitted, tolerated, or not prosecuted.

To this end, A2A foresees **an increasing involvement of all its strategic suppliers, encouraging the implementation of a monitoring and continuous improvement plan and rewarding those who set challenging goals in line with this Policy.**

This Policy is published on the Group's website.

REPORTING AND CONTACTS

All stakeholders can report, even anonymously, through the current reporting channels in place, any violation or suspected violation of this Policy.