Corporates
Electric-Corporate
Italy

A2A S.p.A.

Pre-Issuance Review – European Green Bond Assessment

Key Debt Details

Instrument:	Bond	**Type[a]:**	Green
Issue Date:	30 January 2025	**Maturity Date:**	30 January 2035
Currency:	EUR	**Amount:**	500 million
Coupon:	3.625%	**ISIN:**	XS2986639701
Issuer Legal Name:	A2A S.p.A.		
LEI:	81560076E3944316DB24		
Date of Publication of European Green Bond Factsheet:		29 January 2025	
Competent Authority that Approved the Bond Prospectus:		Commissione Nazionale per le Società e la Borsa	

[a]As defined by issuer.

Introductory and Alignment Statements – Summary
Sustainable Fitch has assessed the completed European green bond (EuGB) factsheet laid down in Annex I to Regulation (EU) 2023/2631 of the European Parliament and of the Council. This review represents an independent opinion of the external reviewer and is to be relied upon only to a limited degree. We consider the transaction under this sustainable finance instrument to be aligned with Regulation (EU) 2023/2631 and the uses of proceeds to be aligned with Regulation (EU) 2020/852.

Relevant UN Sustainable Development Goals

7 AFFORDABLE AND CLEAN ENERGY
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

European Green Bond Assessment

EU GREEN BOND

Date assigned	29 January 2025
Framework Type	Green
European Green Bond Assessment	✓ **Regulation (EU) 2023/2631** on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds ✓ **Regulation (EU) 2020/852** on the establishment of a framework to facilitate sustainable investment
Methodology	**European Green Bond Methodology**
Updates to original review	This report updates the Pre-Issuance Review published on 29 January 2025, to include confirmation of the transaction's alignment with both the EU GB Regulation and the ICMA Green Bond Principles (2021 version with the June 2022 appendix).

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European Green Bond Assessment Summary

Factsheet sections	Alignment	Key Drivers
General Information	✓	• A2A S.p.A. intends to issue an EuGB on 30 January 2025, aligned with Regulation (EU) 2023/2631, with the intention to finance fully taxonomy-aligned projects within four categories including renewable energy, energy efficiency, transmission and distribution networks, and pollution prevention and control. • We have conducted a pre-issuance external review of A2A's EuGB factsheet, with a focus on assessing the alignment of the eligible economic activities with the requirements of the aforementioned regulation and the EU taxonomy. • No conflicts of interest related to us providing the external review have been identified. We have completed ESG Entity, Framework and Instrument Ratings covering A2A and its outstanding green and sustainability-linked bonds on an unsolicited basis. No solicited ratings product has been provided by us to A2A.
Introductory Statement	✓	• We have assessed A2A's EuGB factsheet, in line with Annex I to Regulation (EU) 2023/2631 of the European Parliament and of the Council. • This review represents an independent opinion from us as an external reviewer, and is to be relied upon only to a limited degree.
Statement on the Alignment of Use of Proceeds (UoP) with Reg. (EU) 2020/852	✓	• We consider the uses of proceeds under this transaction to be aligned with Regulation (EU) 2020/852.
Sources, Assessment Methodologies and Key Assumptions	✓	• A2A EuGB factsheet of January 2025. • A2A sustainable finance framework (July 2024). • A2A integrated report 2023. • A2A strategic plan 2024–2035. • EU Taxonomy Compass. • Sustainable Fitch European Green Bond Assessment and EU Taxonomy – Methodology (13 December 2024).
Assessment and Opinion	✓	• We consider that the quality of information provided by the issuer is sufficient to perform the review. • The issuer demonstrates alignment with Article 4 of Regulation (EU) 2023/2631, as it discloses that the bond proceeds are intended to finance the group's taxonomy-aligned capex and opex, which falls under categories (b) and (c) of the gradual approach in this article. • The option to use flexibility permitting partial non-alignment with the technical screening criteria, as set forth in Article 5 of Regulation (EU) 2023/2631, has not been exercised in this issuance. • The provisions of Article 6 of Regulation (EU) 2023/2631 regarding the allocation of proceeds of financial assets are not applicable to this issuance. • The requirement to publish a capex plan, as referred to in Article 7 of Regulation (EU) 2023/2631, is not applicable to this issuance. • The issuer demonstrates alignment with Article 8 of Regulation (EU) 2023/2631, as it discloses that the bond proceeds are expected to finance capex and opex, which is aligned with the technical screening criteria applicable at the time of issuance.
Any Other Information		• Not applicable.

Green Bond Principles

Alignment with ICMA Green Bond Principles	✓	• This EuGB-labelled bond was issued under A2A's latest sustainable finance framework from July 2024, which aligns with the four pillars of the ICMA Green Bond Principles (2021 version with the June 2022 appendix): use of proceeds, process for project evaluation and selection, management of proceeds, and reporting. This EuGB-labelled transaction from A2A is therefore also aligned with the ICMA Green Bond Principles.

Use of Proceeds Summary

Green	Description	ICMA category	EU Taxonomy activity	NACE code
UoP 1	Renewable energy	Renewable energy	4.1 Electricity generation using solar PV technology 4.3 Electricity generation from wind power 4.5 Electricity generation from hydropower 4.10 Storage of electricity	D35.11, F42.22
UoP 2	Energy efficiency	Energy efficiency	7.3 Installation, maintenance and repair of energy-efficiency equipment	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12
UoP 3	Transmission and distribution networks	Renewable energy	4.9 Transmission and distribution of electricity	D35.12, D35.13
UoP 4	Pollution prevention and control	Pollution prevention and control	5.5 Collection and transport of non-hazardous waste in source-segregated fractions	E38.11

Source: Sustainable Fitch, EU Taxonomy Compass, Eurostat

Instrument Highlights

Intended allocation approach:	Gradual approach
UoP intended for activities that are environmentally sustainable[a]:	100% of the bond proceeds

[a] Under Article 3 of Regulation (EU) 2020/852.

UoP	UoP project	Expected allocation of bond proceeds
Renewable energy	Capex and opex	43% of bond proceeds.
Energy efficiency	Capex and opex	5% of bond proceeds.
Transmission and distribution networks	Capex and opex	40% of bond proceeds.
Pollution prevention and control	Capex and opex	12% of bond proceeds.

Source: A2A EuGB Factsheet

A2A's sustainable finance strategy will be supported by the company's plans to increase its ESG-labelled debt to over 90% of overall debt by 2030 from 70% as of 31 December 2023, aiming to reach 100% by 2035. This strategy demonstrates A2A's commitment to fully aligning its funding policy with its sustainability goals.

This EuGB-labelled issuance from A2A was issued under A2A's most recent sustainable finance framework from July 2024. This framework aligns with the four pillars outlined in the ICMA Green Bond Principles (2021 version with the June 2022 appendix); the company obtained a second-party opinion confirming this in July 2024. This EuGB issuance is therefore aligned with the ICMA Green Bond Principles.

A2A's EuGB factsheet includes four UoP categories, selected from the six UoP categories that are included in its most recent sustainable finance framework from July 2024. A2A's sustainable finance framework maps all UoP categories in accordance with their contribution to the EU taxonomy's environmental objectives, particularly climate change mitigation and the transition to a circular economy.

The four UoP categories included in A2A's EuGB factsheet are renewable energy, energy efficiency, transmission and distribution networks, and pollution prevention and control. The renewable energy category includes projects in solar PV, wind power, hydropower and energy storage. The energy-efficiency category covers the installation, maintenance and repair of energy-efficiency equipment.

The transmission and distribution networks category focuses on projects upgrading and expanding electricity grids to support the integration of renewable energy sources. Lastly, the pollution prevention and control category encompasses waste collection initiatives.

A2A has a transition plan at the entity level, which involves achieving 5.7GW of renewable energy capacity by 2035. A2A also phased out coal in 2023. A2A's EuGB factsheet describes that the uses of proceeds of its EuGB will support the implementation of its transition plan, particularly through the increase of renewable energy capacity, the development of the electricity network managed by A2A, and the energy-efficiency enhancement and other decarbonisation measures.

The largest share (50%–55%) of the proceeds from the company's issuance is expected to finance new projects, while the remaining share (45%–50%) is expected to cover the refinancing of existing eligible projects. A2A discloses its commitment to fully allocate an amount equal to the net proceeds within two years following this bond's issuance. The issuer also discloses that it will deduct the underwriting and placement costs of EUR1.3 million from the bond proceeds.

We deployed our methodology for assessing alignment to the EuGB and EU taxonomy's requirements on 13 December 2024 and we have applied it for this review. A significant part of the assessment involves evaluating the alignment of the bond's UoP categories with the requirements of the EU taxonomy, as described in the EuGB factsheet prepared by the issuer.

We have verified the UoP categories' alignment with the EU taxonomy technical screening criteria including the substantial contribution criteria (SCC), the do no significant harm (DNSH) criteria and the minimum safeguards (MSs). To verify alignment with the SCC, we used company-provided information and relevant external information (such as from relevant authorities) to assess alignment across the various criteria.

To verify alignment with the DNSH criteria, we used company provided information and considered the following: availability of clear metrics on performance for the DNSH thresholds specified in the EU taxonomy to confirm alignment; any processes and proposed measures in place to limit harm to environmental objectives, such as impact assessments and policies; and compliance with key international standards as well as national and regional legislation that would affect the financed project. We also confirmed the absence of controversies related to the activity.

We have also verified compliance with the MSs set out by the EU taxonomy. To confirm alignment, we reviewed company-wide policies and practices on labour rights and governance, as well as the adoption of the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, the International Bill of Human Rights, and the eight fundamental conventions of the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

We do not rely on assumptions to confirm alignment with the SCC, DNSH criteria or MSs, but on company-provided disclosure or other public information.

We consider that the economic activities disclosed in the factsheet are fully aligned with the EU taxonomy, ie with the SCC, DNSH criteria and MSs.

Source: Sustainable Fitch, A2A sustainable finance framework (July 2024), A2A integrated report 2023, A2A EuGB factsheet, A2A 1Q23 results presentation

Entity Highlights

Turnover	Capex	Opex
EUR1.8 billion (12%)	EUR649 million (46%)	EUR246 million (51%)
Turnover and proportion of turnover derived from taxonomy-aligned economic activities.	Capex and proportion of capex associated with taxonomy-aligned economic activities.	Opex and proportion of opex associated with taxonomy-aligned economic activities.

Source: EuGB factsheet, Non-Financial Reporting Directive taxonomy disclosure, A2A integrated report 2023

A2A is a prominent Italian multi-utility company operating in four primary business units: generation and trading, market, waste, and smart infrastructure. The company's operations encompass a wide range of services, including power generation, sale and distribution of electricity and gas, district heating, waste collection, material and energy recovery from waste, e-mobility, smart cities, integrated water services, public lighting and energy efficiency. A2A also develops and manages technological infrastructure for integrated digital services, positioning itself as a comprehensive utility provider.

In 2023, A2A's total net electricity production reached 13,700GWh, with renewable energy generation accounting for 33% of this total, a significant increase from 18% in 2022. The company has set ambitious targets for renewable energy capacity, aiming to achieve 3.8GW by 2030 and 5.7GW by 2035. These targets reflect A2A's commitment to expanding its renewable energy portfolio, which includes solar, wind and hydroelectric power sources.

A2A has committed to achieving net zero for its Scopes 1 and 2 GHG emissions by 2040. It will pursue this goal through strategic investments in renewables; bioenergy; carbon capture, utilisation and storage; and other decarbonisation measures. Additionally, the company targets a 65% reduction in upstream emissions from energy carriers, a 26% reduction in emissions from sold gas, and a 30% reduction in supply chain emissions, demonstrating a broader approach to emissions reduction.

The company phased out coal in 2023, in line with Italy's national objectives to eliminate coal by 2035. This achievement showcases the company's ability to adapt to changing energy landscapes while maintaining its commitment to sustainability.

A2A aligns its business activities with the UN Sustainable Development Goals. The company integrates these goals into its strategic planning and operational decisions, ensuring that its business activities contribute positively to sustainable development. A2A reports its progress in accordance with international standards, including those of the Global Reporting Initiative and the Task Force on Climate-related Financial Disclosures, providing transparency and accountability in its sustainability efforts.

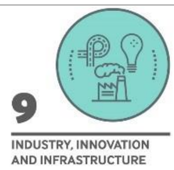
The company maintains a robust enterprise risk management framework, which is integral to its operations and decision-making processes. A2A integrates risk management within its quality, environment, health and safety management systems, supporting certifications in line with ISO standards for quality management (ISO 9001:2015), environmental management (ISO 14001:2015), and occupational health and safety (ISO 45001:2018). Furthermore, the company adheres to the SA8000 standard on social responsibility and ISO 39001:2021 on road safety management, demonstrating a comprehensive approach to risk mitigation across various aspects of its operations.

Source: Sustainable Fitch, A2A integrated report 2023, A2A strategic plan 2024—2035

Relevant UN Sustainable Development Goals

- **7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix.
- **7.3**: By 2030, double the global rate of improvement in energy efficiency.

- **9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



- **11.6**: By 2030, reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management.

- **12.5**: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Source: Sustainable Fitch, UN

European Green Bond Assessment – Pre-Issuance Review

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Alignment Statement

Sustainable Fitch considers transaction(s) under this instrument to be aligned with Regulation (EU) 2023/2631 and the uses of proceeds are aligned with Regulation (EU) 2020/852.

Summary Table

Alignment with EU Taxonomy – Summary of Criteria Applied within the EU

UoP	Alloc %	G/E/T	Technical Screening Criteria												MS	Full Alignment
			SCC						DNSH							
			EO1	EO2	EO3	EO4	EO5	EO6	EO1	EO2	EO3	EO4	EO5	EO6		
Renewable energy	43%	G, E	√	—	—	—	—	—	—	√	√	√	—	√	√	√
Energy efficiency	5%	E	√	—	—	—	—	—	—	√	—	—	√	—	√	√
Transmission and distribution	40%	E	√	—	—	—	—	—	—	√	—	√	√	√	√	√
Pollution prevention and control	12%	G	√	—	—	—	—	—	—	√	—	√	—	—	√	√

Overall Instrument Alignment	√
EU Taxonomy Aligned Amount (%)	100%

Key

√ Fully aligned with the requirements
X Not aligned with the requirements
— Not applicable

UoP Use of Proceeds
Alloc Allocation
G Green
E Enabling, as per EU Taxonomy
T Transitional, as per EU Taxonomy
SCC Substantial Contribution Criteria
DNSH Do No Significant Harm Criteria
MS Minimum Safeguards

Source: Sustainable Fitch, A2A's EuGB factsheet – appendix 1, A2A integrated report 2023, EU Taxonomy Compass

EU Taxonomy Assessment

EU Environmental Objectives: climate change mitigation (EO1); climate change adaptation (EO2); sustainable use and protection of water and marine resources (EO3); transition to a circular economy, waste prevention and recycling (EO4); pollution prevention and control (EO 5); protection of healthy ecosystems (EO6)

Use of Proceeds		**Renewable energy**
Contribution to EU Environmental Objectives (EOs)		**EO1**
Applicable Economic Activity		• 4.1 Electricity generation using solar PV technology • 4.3 Electricity generation from wind power • 4.5 Electricity generation from hydropower • 4.10 Storage of electricity
Substantial Contribution Criteria (SCC)		Yes. Overall, A2A's renewable energy UoP category demonstrates alignment with the EU taxonomy SCC for EO1 across multiple project types. Solar PV projects are eligible under the economic activity of electricity generation using solar PV technology (4.1) and are considered to substantially contribute to climate change mitigation without additional thresholds. We therefore consider A2A's solar PV power projects to be aligned with the SCC for EO1. Wind power projects are eligible under the economic activity of electricity generation from wind power (4.3) and are considered to substantially contribute to climate change mitigation without additional thresholds. We therefore consider A2A's wind power projects to be aligned with the SCC for EO1. Hydropower projects are eligible under the economic activity of electricity generation from hydropower (4.5) and are considered to substantially contribute to climate change mitigation if they comply with one of the following criteria: the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; the power density of the electricity generation facility is above 5 W/m^2; or the life-cycle GHG emissions from the generation of electricity from hydropower are lower than $100gCO_2e/kWh$. A2A confirms that any hydropower activities to be financed will be aligned with the SCC, specifically detailing that any financed hydropower plants with an artificial reservoir will have a power density above $5W/m^2$, which meets one of the three possible criteria for alignment. We therefore consider A2A's hydropower projects to be aligned with the SCC for EO1. Electricity battery storage system projects are eligible under the economic activity of storage of electricity (4.10) where electricity storage, excluding chemical energy or hydroelectric energy storage, is considered to substantially contribute to climate change mitigation without additional thresholds. A2A confirms that any financed activities specifically include battery storage and will not include the storage of chemical energy or hydroelectric energy. We therefore consider A2A's electricity storage projects to be aligned with the SCC for EO1.
Do No Significant Harm (DNSH)	**EO1**	n.a.
	EO2	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO2. The DNSH criteria under the economic activities of electricity generation using solar PV technology (4.1), electricity generation from wind power (4.3), electricity generation from hydropower (4.5) and storage of electricity (4.10) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks. A2A has conducted a taxonomy-aligned climate risk assessment and implemented mitigation measures and safeguards. The company systematically assesses exposure to climate hazards across its assets and incorporates climate risks into its enterprise risk management processes. Furthermore, it has designed its adaptation measures to avoid adverse impacts on other stakeholders or assets. We therefore consider the projects eligible under the aforementioned economic activities to be aligned with the DNSH criteria for EO2.
	EO3	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO3.

		There are no DNSH criteria for EO3 under the activity of electricity generation using solar PV technology (4.1). The DNSH criteria specific to offshore wind installations under the economic activity of electricity generation from wind power (4.3) are not applicable in this case, as the company's operations do not include any offshore wind farms in its eligible projects. The DNSH criteria specific to hydropower plants under the economic activity of electricity generation from hydropower (4.5) encompass impact assessments, fish migration considerations, ecological flow maintenance, and habitat preservation for both existing and new facilities. A2A discloses that its hydroelectric operations adhere to minimum vital flow requirements, ensuring river habitat protection. Water withdrawn for energy production and plant operations is returned to the source with its quality characteristics maintained, demonstrating A2A's commitment to responsible water resource management in its hydropower activities. We therefore consider the projects involving hydropower plants to be aligned with the DNSH criteria for EO3. The DNSH criteria specific to pumped hydropower storage installations under the economic activity of storage of electricity (4.10) are not applicable, as the company's operations do not include any pumped hydropower storage facilities in its eligible projects.
	EO4	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO4. The DSNH criteria specific to the economic activities of electricity generation using solar PV technology (4.1) and electricity generation from wind power (4.3) require activities to assess availability of and, where feasible, use equipment and components of high durability and recyclability and that are easy to dismantle and refurbish. A2A's solar and wind power plants are designed with high-durability, recyclable components, facilitating easy decommissioning and renovation, as per issuer's disclosure. The group has committed to a "from waste to resource" approach in waste management, emphasising circularity throughout all phases. This includes waste production, sorting, collection, preparation for recycling, and material and energy recovery. We therefore consider the projects involving solar and wind power plants to be aligned with the DNSH criteria for EO4. The DSNH criteria under the economic activity of storage of electricity (4.10) require a waste management plan to be in place and to ensure maximal reuse or recycling at end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners, reflection in financial projections or official project documentation. A2A has a waste management plan in place at the group level and disclosed that it set aside a reserve during the business plan preparation phase to manage the end of life of the batteries, which we consider as aligned with the requirement of ensuring maximal reuse or recycling at end of life in accordance with the waste hierarchy through reflection in financial projections. We consider the projects involving electricity storage batteries to be aligned with the DNSH criteria for EO4.
	EO5	n.a.
	EO6	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO6. The DNSH criteria under the economic activities of electricity generation using solar PV technology (4.1), electricity generation from wind power (4.3), electricity generation from hydropower (4.5) and storage of electricity (4.10) require that the company carries out an environmental impact assessment (EIA) in accordance with Directive 2011/92/EU, and then implements required mitigation and compensation measures. The company prioritises EIAs for its solar, wind, hydropower and anaerobic digestion plants, and conducts verification for ground installations that are exempt from EIA and geographic information system (GIS) to evaluate potential impacts on protected areas, which is aligned with the DNSH criteria for the relevant categories. Following the implementation of its 2022 biodiversity policy, A2A is continuing its analysis of potential interactions between its operations and protected areas, with plans to expand this analysis to include new sites. This methodology is intended to identify and implement measures to mitigate environmental impacts, reflecting the group's efforts towards biodiversity protection and ecosystem conservation. We consider the projects eligible under the economic activities of electricity generation using solar PV technology (4.1), electricity generation from wind power (4.3) and electricity generation from hydropower (4.5) to be aligned with the DNSH criteria for EO6. The company's disclosures indicate that battery electricity storage is exempt from the EIA requirements, instead following a specific approval process. This aligns with Italian law, which exempts certain "standalone" electrochemical storage systems and their grid connections from EIAs unless specific connection works require them. The DNSH criteria generally require an EIA or screening; however, the nature of electricity storage batteries and the specific approval process suggest compliance with local regulations. This approach can be considered aligned with the EU taxonomy's environmental safeguards, as the company's practices balance regulatory compliance with environmental considerations within the context of electricity

	storage technology and local legislative requirements. We consider the projects involving electricity storage batteries to be aligned with the DNSH criteria for EO6. The DNSH criteria specific to offshore wind installations under the economic activity of electricity generation from wind power (4.3) are not applicable in this case, as the company's operations do not include any offshore wind farms in its eligible projects.
Minimum Safeguards (MSs)	Yes. We consider A2A to be compliant with the MSs for the eligible activities of electricity generation using solar PV technology (4.1), electricity generation from wind power (4.3), electricity generation from hydropower (4.5) and storage of electricity (4.10). A2A operates under EU legislation and adheres to Article 18 of the EU Taxonomy Regulation, which includes the OECD guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO conventions, and the International Bill of Human Rights. The company is a member of the UN Global Compact and has implemented a code of ethics referencing these international standards. A2A has also adopted organisation, management and control models across its subsidiaries, and issued a human rights policy in 2021, further demonstrating its commitment to these principles.
Full Alignment	Aligned.

Use of Proceeds		**Energy efficiency**
Contribution to EU Environmental Objectives (EOs)		EO1
Applicable Economic Activity		• 7.3 Installation, maintenance and repair of energy efficiency equipment
Substantial Contribution Criteria (SCC)		Yes. Overall, A2A's energy efficiency UoP category demonstrates alignment with the EU taxonomy SCC for EO1 across multiple project types. Projects to improve the energy efficiency of public lighting by switching from traditional lighting to LED technology are eligible under the economic activity of installation, maintenance and repair of energy-efficiency equipment (7.3) and substantially contribute to climate change mitigation without additional thresholds provided that they comply with minimum requirements set for individual components and systems in the applicable national measures implementing Directive 2010/31/EU and, where applicable, are rated in the highest two populated classes of energy efficiency in accordance with Regulation (EU) 2017/1369 and delegated acts adopted under that regulation. We consider A2A's services to improve the energy efficiency of public lighting to be aligned with the SCC for EO1, as the company discloses that it only includes public lighting assets aligned with the EU taxonomy.
Do No Significant Harm (DNSH)	**EO1**	n.a.
	EO2	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO2. The DNSH criteria under the economic activity of installation, maintenance and repair of energy efficiency equipment (7.3) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets. A2A has conducted a taxonomy-aligned climate risk assessment and implemented mitigation measures and safeguards. The company systematically assesses exposure to climate hazards across its assets and incorporates climate risks into its enterprise risk management processes. Furthermore, it designs its adaptation measures to avoid adverse impacts on other stakeholders or assets. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	n.a.
	EO4	n.a.
	EO5	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO5.

		The DNSH criteria under the economic activity of installation, maintenance and repair of energy efficiency equipment (7.3) require avoiding the manufacture, use or market placement of hazardous substances as defined by various EU regulations. For thermal insulation additions, a competent specialist must conduct an asbestos survey. Any asbestos-related work must be performed by trained personnel with proper health monitoring, in compliance with national laws. A2A has confirmed that it is aligned with the criteria related to hazardous substances, and discloses that thermal insulation activities are not applicable to A2A's operations, therefore the specific requirements for asbestos surveys and handling are not applicable to this case.
	EO6	n.a.
Minimum Safeguards (MSs)		Yes. We consider A2A to be compliant with the MSs for the eligible activity of installation, maintenance and repair of energy-efficiency equipment (7.3), based on the company's statement. A2A operates under EU legislation and adheres to Article 18 of the EU Taxonomy Regulation, which includes the OECD guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO conventions, and the International Bill of Human Rights. The company is a member of the UN Global Compact and has implemented a code of ethics referencing these international standards. A2A has also adopted organisation, management and control models across its subsidiaries and issued a human rights policy in 2021, further demonstrating its commitment to these principles.
Full Alignment		Aligned.

Use of Proceeds		**Transmission and distribution networks**
Contribution to EU Environmental Objectives (EOs)		EO1
Applicable Economic Activity		• 4.9 Transmission and distribution of electricity
Substantial Contribution Criteria (SCC)		Yes. Overall, A2A's transmission and distribution of electricity UoP category demonstrates alignment with the EU taxonomy SCC for EO1 across multiple project types. Projects of construction of distribution networks are eligible under the economic activity of transmission and distribution of electricity (4.9), and are considered to substantially contribute to climate change mitigation if the distribution infrastructure or equipment is in an electricity system that complies with at least one of the following criteria: • the system is the interconnected European system, ie the interconnected control areas of member states, Norway, Switzerland and the UK, and its subordinated systems; • more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100gCO_2e/kWh measured on a life-cycle basis in accordance with electricity generation criteria, over a rolling five-year period; and • the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system, divided by the total annual net electricity production in that system, is below the threshold value of 100gCO_2e/kWh measured on a life-cycle basis in accordance with electricity generation criteria, over a rolling five-year period. The company confirms that its distribution network is part of the interconnected European system, which meets one of the criteria. A2A's projects involving construction of distribution networks are therefore aligned with the SCC for EO1.
Do No Significant Harm (DNSH)	**EO1**	n.a.
	EO2	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO2. The DNSH criteria under the economic activity of transmission and distribution of electricity (4.9) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets. The company has conducted a taxonomy-aligned assessment, implemented mitigation measures, and integrated climate risks into its enterprise risk management. This is shown by specific examples such as fire prevention systems for high-temperature risks and embankments with waterproof components for underground machinery to address flood risks. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	n.a.

	EO4	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO4. The DSNH criteria under the economic activity of transmission and distribution of electricity (4.9) require a waste management plan to be in place and to ensure maximal reuse or recycling at end of life in accordance with the waste hierarchy, including through contractual agreements with waste management partners, reflected in financial projections or official project documentation. A2A has a waste management plan in place, including a smart meter replacement activity. We therefore consider the projects involving distribution networks to be aligned with the DNSH criteria for EO4.
	EO5	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO5. The DSNH criteria under the economic activity of transmission and distribution of electricity (4.9) require that overground high-voltage lines adhere to International Finance Corporation's General Environmental, Health, and Safety Guidelines for construction site activities. They must comply with applicable norms to limit electromagnetic radiation impact on human health, following EU Council recommendations or International Commission of Non-Ionizing Radiation Protection guidelines in third countries. Additionally, these activities must not use polychlorinated biphenyls (PCBs). The company discloses that it respects these norms and does not use PCBs. We therefore consider the projects involving distribution networks to be aligned with the DNSH criteria for EO5.
	EO6	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO6. The DNSH criteria under the economic activity of transmission and distribution of electricity (4.9) require that the company carries out an EIA in accordance with Directive 2011/92/EU, and then implements required mitigation and compensation measures. The company conducted a GIS verification to identify potential interference with protected areas, demonstrating alignment with EU taxonomy requirements. It excluded the Salò network from eligible green projects due to non-compliance, showing commitment to environmental standards. We therefore consider the projects involving distribution networks to be aligned with the DNSH criteria for EO6.
Minimum Safeguards (MSs)		Yes. We consider A2A to be compliant with the MSs for the eligible activity of transmission and distribution of electricity (4.9), based on the company's statement. A2A operates under EU legislation and adheres to Article 18 of the EU Taxonomy Regulation, which includes the OECD guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO conventions, and the International Bill of Human Rights. The company is a member of the UN Global Compact and has implemented a code of ethics referencing these international standards. A2A has also adopted organisation, management and control models across its subsidiaries and issued a human rights policy in 2021, further demonstrating its commitment to these principles.
Full Alignment		Aligned.

Use of Proceeds		**Pollution prevention and control**
Contribution to EU Environmental Objectives (EOs)		EO1
Applicable Economic Activity		• 5.5 Collection and transport of non-hazardous waste in source-segregated fractions
Substantial Contribution Criteria (SCC)		Yes. Overall, A2A's pollution prevention and control UoP category demonstrates alignment with the EU taxonomy SCC for EO1 across multiple project types. Projects involving waste collection and transport services for municipalities are eligible under the economic activity of collection and transport of non-hazardous waste in source-segregated fractions (5.5) and substantially contribute to climate change mitigation if all separately collected and transported non-hazardous waste that is segregated at source is intended for preparation for reuse or recycling operations. The issuer confirms that it is aligned with these criteria. We therefore consider A2A's waste collection projects to be aligned with the SCC for EO1.
Do No Significant Harm (DNSH)	**EO1**	n.a.
	EO2	Yes.

		Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO2. The DNSH criteria under the economic activity of collection and transport of non-hazardous waste in source-segregated fractions (5.5) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets. A2A has conducted a taxonomy-aligned climate risk assessment and implemented mitigation measures and safeguards. The company systematically assesses exposure to climate hazards across its assets and incorporates climate risks into its enterprise risk management processes. Furthermore, it designs its adaptation measures to avoid adverse impacts on other stakeholders or assets. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	n.a.
	EO4	Yes. Overall, we consider the projects under this UoP category to be aligned with the DNSH criteria for EO4. The DNSH criteria under the economic activity of collection and transport of non-hazardous waste in source-segregated fractions (5.5) require that separately collected waste fractions must not be mixed in waste storage and transfer facilities with other waste or materials with different properties. The issuer confirms that it is aligned with these criteria. We therefore consider A2A's projects involving waste collection and transport services for municipalities to be aligned with the DNSH criteria for EO4.
	EO5	n.a.
	EO6	n.a.
Minimum Safeguards (MSs)		Yes. We consider A2A to be compliant with the MSs for the eligible activity of collection and transport of non-hazardous waste in source-segregated fractions (5.5), based on the company's statement. A2A operates under EU legislation and adheres to Article 18 of the EU Taxonomy Regulation, which includes the OECD guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights, ILO conventions, and the International Bill of Human Rights. The company is a member of the UN Global Compact and has implemented a code of ethics referencing these international standards. A2A has also adopted organisation, management and control models across its subsidiaries and issued a human rights policy in 2021, further demonstrating its commitment to these principles.
Full Alignment		Aligned.

Source: Sustainable Fitch, A2A's EuGB factsheet – appendix 1, A2A integrated report 2023, EU Taxonomy Compass

Appendix A: Other Services Sustainable Fitch has Provided to the Assessed Entity

European Green Bond Assessment

With this report, Sustainable Fitch is providing a European Green Bond Assessment to the assessed entity, as identified on page 1.

Sustainable Fitch has also provided the following services or products to the same entity:

- ESG Rating dated 24 July 2024. Unsolicited.

Sustainable Fitch has not provided any other service or product.

SOLICITATION STATUS

The European Green Bond Assessment was solicited and assigned or maintained by Sustainable Fitch at the request of the entity.