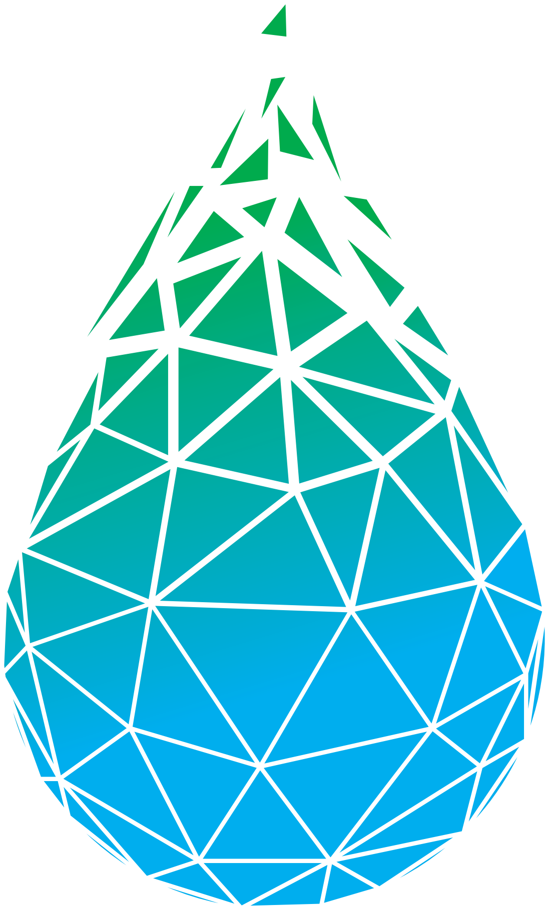
a2a LIFE COMPANY



2024

Separate Financial Statements

Separate financial statements

2024

these Financial Statements are available at the website
gruppoa2a.it

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Overview of performance, financial conditions and net debt

A2A S.p.A.

The Parent Company is responsible for strategic vision, planning, control, financial management and coordination of the A2A Group activities. It also provides services to support the business and operating activities of Group companies (administrative, legal, supply, and personnel management services, information technology and communications) in order to optimize the resources available and use existing expertise in the most efficient manner. These services are governed by intercompany service agreements.
Finally, A2A S.p.A. provides its subsidiaries with office space and operating areas, as well as related services.

A2A S.p.A. owns some hydroelectric plants in Valtellina, the hydroelectric unit in Calabria and the unit in Mese, as well as the hydroelectric plants of the unit in Udine.

Results

millions of euro	12 31 2024	12 31 2023	Change	Percentage change
Revenues				
Revenues from the sale of goods and services	8,700.0	11,046.0	(2,346.0)	(21.2%)
Other operating revenues	52.8	16.4	36.4	n.s.
Total revenues	**8,752.8**	**11,062.4**	**(2,309.6)**	**(20.9%)**
Operating costs				
Costs for raw materials and services	(7,304.3)	(9,790.8)	2,486.5	(25.4%)
Other operating costs	(576.5)	(657.7)	81.2	(12.3%)
Total operating costs	**(7,880.8)**	**(10,448.5)**	**2,567.7**	**(24.6%)**
Labor costs	(206.3)	(195.7)	(10.6)	5.4%
Gross operating margin	**665.7**	**418.2**	**247.5**	**59.2%**
Depreciation, amortization and write-downs	(164.3)	(133.5)	(30.8)	23.1%
Accruals	(28.8)	(48.7)	19.9	(40.9%)
Net operating result	**472.6**	**236.0**	**236.6**	**n.s.**
Result from non-recurring transactions	**-**	**1.8**	**(1.8)**	**(100.0%)**
Financial income	651.7	520.1	131.6	25.3%
Financial expenses	(172.2)	(182.5)	10.3	(5.6%)
Total financial balance	**479.5**	**337.6**	**141.9**	**42.0%**
Result before taxes	**952.1**	**575.4**	**376.7**	**65.5%**
Income tax expenses	(163.7)	(87.4)	(76.3)	87.3%
Profit from continuing operations after tax	**788.4**	**488.0**	**300.4**	**61.6%**
Net result from operating assets sold/held for sale	**-**	**0.2**	**(0.2)**	**(100.0%)**
Net result	**788.4**	**488.2**	**300.2**	**61.5%**

In the year in question A2A S.p.A. shows revenues for a total of 8,752.8 million euro (11,062.4 million euro in the previous year). Sales revenues (8,426.5 million euro) mainly refer to electricity sales to wholesalers, institutional operators, even on IPEX markets (Italian Power Exchange) and subsidiaries, sales of gas and fuels to third parties and subsidiaries and the sale of materials and environmental

certificates. Revenues from services (273.5 thousand euro) mainly relate to provisions to subsidiaries of administrative, fiscal, legal, managerial and technical services, and revenues from the Municipality of Milan for the video surveillance service.
The decrease in sales revenues is mainly due to the decrease in prices on the wholesale markets of both electricity and gas, as well as lower revenues from sales of CO_2 mainly due to the lower functioning of the thermoelectric plants managed by A2A S.p.A. through tolling contracts.

Other revenues (52.8 million euro) have increased compared to the previous year mainly due to the restoration of the feed-in tariff incentive mechanism (in 2023, these incentives amounted to zero because the PUN 2022 exceeded the 180 euro/MWh threshold set by the GRIN incentive calculation formula), as well as the consideration granted by EP Produzione as the designee for dispatching of the Scandale plant for the year 2024.

Operating costs amounted to 7,880.8 million euro (10,448.5 million euro at December 31, 2023) and refer to costs for raw materials (6,825.9 million euro) related primarily to purchases of energy and fuels, both for electricity production and for resale to customers and wholesalers, in addition to purchases of materials and environmental certificates; service costs (478.5 million euro), which refer to the logistics costs for the transport on the national network of natural gas, costs for maintenance and repairs related to both the plants and the information systems of the company, as well as costs for services from third parties and from subsidiaries and associates; to other operating costs (576.5 million euro), which refer to the contracting of the thermoelectric production plants tolling agreement of subsidiaries, the costs relating to the use of a portion of the electricity capacity of Ergosud S.p.A., as well as water derivation fees, damages and penalties.
The decrease in operating costs was mainly due to a decrease in raw material costs, attributable to lower unit procurement prices as a result of the decrease recorded in the reference scenario, a decrease in purchases of CO_2 to the lower volumes emitted related to the reduction in thermoelectric production, and a decrease in service costs mainly due to lower costs for natural gas transportation and storage and lower maintenance costs, partly offset by higher costs for IT services related to the development of new projects.

Labor costs equaled 206.3 million euro (195.7 million euro at December 31, 2023). The increase for the year includes both the effect of contractual renewals and remuneration policy actions.

Due to the dynamics mentioned above the Gross Operating Margin amounted to 665.7 million euro (418.2 million euro at December 31, 2023).

The Amortization and depreciation, provisions and write-downs of the year amounted to 193.1 million euro (182.2 million euro at December 31, 2023) and include amortization, depreciation and write-downs of the intangible and tangible assets for 164.3 million euro (133.5 million euro at December 31, 2023) and provisions for 28.8 million euro (48.7 million euro at December 31, 2023) mainly related provisions for risks.

“Net operating income” was positive for 472.6 million euro (236.0 million euro at December 31, 2023).

The “Result from non-recurring transactions” stands at zero, whereas it amounted to 1.8 million euro at December 31, 2023, attributed to the capital gain from the sale of a land parcel in the Bovisa area within the Municipality of Milan.

“Financial operations” reported a positive balance of 479.5 million euro (positive for 337.6 million euro at December 31, 2023). This item includes dividends from investees of 395.7 million euro (283.2 million euro at December 31, 2023), as well as net financial income of 83.8 million euro (net financial income of 54.4 million euro at December 31, 2023).

The Pre-tax result was positive for 952.1 million euro (positive for 575.4 million euro at December 31, 2023).

"Income tax expenses" amounted to 163.7 million euro (87.4 million euro as at December 31, 2023) and refer to current taxes calculated on taxable income IRES and IRAP, partly offset by deferred tax assets and liabilities.

The "Net result from operating assets sold/held for sale" was zero, while in the previous year it was positive for 0.2 million euro and referred to the collection from Retragas S.r.l. of the portion due to A2A S.p.A. relating to the price adjustment of the sale of the Val Staffora BU carried out by Retragas S.r.l. to ROMEO GAS S.p.A..

The "Result for the year" was positive for 788.4 million euro (488.2 million euro at December 31, 2023).

* * *

Net year capex amounted to 1,452.6 million euro and related to net investments in equity investments, in particular the acquisition of 90% of Duereti S.r.l. from E-distribuzione, as well as on the hydroelectric plants, computer network equipment and devices, buildings, fixed assets in progress, capex in the Group's information systems and software.

Balance sheet and financial position

millions of euro	12 31 2024	12 31 2023	Change	Percentage change
Capital employed				
Net fixed capital	**6,441.2**	**5,175.6**	**1,265.6**	**24.5%**
- Tangible assets	873.0	895.7	(22.7)	(2.5%)
- Intangible assets	190.2	204.3	(14.1)	(6.9%)
- Shareholdings and other non-current financial assets (*)	5,547.6	4,227.6	1,320.0	31.2%
- Other non-current assets/liabilities (*)	24.2	46.9	(22.7)	(48.4%)
- Deferred tax assets/liabilities	99.4	95.1	4.3	4.5%
- Provisions for risks, charges and liabilities for landfills	(183.6)	(170.9)	(12.7)	7.4%
- Employee benefits	(109.6)	(123.1)	13.5	(11.0%)
of which with counter-entry to equity	*(25.5)*	*(36.1)*	*10.6*	*(29.4%)*
Net Working Capital and Other Current Assets/Liabilities	**(139.6)**	**(398.7)**	**259.1**	**(65.0%)**
Net Working Capital:	**(275.5)**	**(625.6)**	**350.1**	**(56.0%)**
Inventories	183.3	173.0	10.3	6.0%
Trade receivables	1,956.7	2,179.9	(223.2)	(10.2%)
Trade payables	(2,415.5)	(2,978.5)	563.0	(18.9%)
Other current assets/liabilities:	**135.9**	**226.9**	**(91.0)**	**(40.1%)**
- Other current assets/liabilities (*)	208.2	262.2	(54.0)	(20.6%)
- Current tax assets/tax liabilities	(72.3)	(35.3)	(37.0)	n.s.
of which with counter-entry to equity	*(11.3)*	*(2.4)*	*(8.9)*	*n.s.*
Total capital employed	**6,301.6**	**4,776.9**	**1,524.7**	**31.9%**
Sources of funds				
Shareholders' equity	**5,016.5**	**3,788.7**	**1,227.8**	**32.4%**
Total financial position after one year	5,634.9	4,773.6	861.3	18.0%
Total financial debt within one year	(4,349.8)	(3,785.4)	(564.4)	14.9%
Total Net Financial Position	1,285.1	988.2	296.9	30.0%
of which with counter-entry to equity	*(5.4)*	*(2.3)*	*(3.1)*	*n.s.*
Total sources	**6,301.6**	**4,776.9**	**1,524.7**	**31.9%**

(*) Excluding balances included in the Net Financial Position.

"Capital employed" totaled 6,301.6 million euro at December 31, 2024, partly covered by "Equity" in the amount of 5,016.5 million euro and net debt of 1,285.1 million euro; provided below are the main items that make up the Capital Employed.

The **"Net fixed capital"** amounted to 6,441.2 million euro, up 1,265.6 million euro compared to December 31, 2023.
Changes are detailed below:

- Tangible assets decreased by 22.7 million euro due to:
  - decrease of 106.6 million euro for the depreciation charge for the year;
  - investments made during the year for a total of 68.8 million euro;
  - other increases in the amount of 15.1 million euro resulting mainly from changes in usage rights contracts;

- Intangible assets increased by 14.1 million euro on December 31, 2023, due to:
  - investments made during the year for a total of 72.8 million euro;
  - decrease of 57.2 million euro for the depreciation charge for the year;
  - other decreases amounting to 29.2 million euro;
  - decrease of 0.5 million euro for write-downs and divestments;
- Equity investments and Other non-current financial assets amounted to 5,547.6 million euro, up 1,320.0 million euro compared to December 31, 2023, attributable to:
  - the acquisition for 1,228.8 million euro of 90% of the company Duereti S.r.l. after the closing of the transaction with E-distribuzione took, enabling the company to undertake power distribution activities in several municipalities within the provinces of Milan and Brescia;
  - 50.0 million euro increase in the shareholding in A2A Rinnovabili S.p.A. following the conversion of the second tranche of part of the financial receivable from the company into equity of the same;
  - increase of 10.0 million euro relating to the capital contribution in the investee company A2A Services & Real Estate S.p.A.;
  - increase of 10.0 million euro relating to the capital contribution in the investee company A2A Energy Solution S.r.l.;
  - purchase for 8.8 million euro of the 4.40% stake in LD Reti S.r.l.;
  - incorporation of the company TEXELERA S.c.a r.l., 51% owned, and subsequent capital contribution of 2.0 million euro;
  - collection of 0.8 million euro related to the investment in Proaris S.r.l. in liquidation pending the conclusion of its liquidation process;
  - subscription of the capital increase of the shareholding in the LEAP Consortium for 0.2 million euro, bringing the ownership percentage to 17.5%;
  - increase of 11.0 million euro in other financial assets, in particular investments made in innovative start-ups through Corporate Venture Capital projects, measured at fair value at year-end;
- Other non-current assets and liabilities show a decrease of 22.7 million euro as a result of the lower non-current assets relating to both security deposits and credits towards the tax authorities for tax breaks provided for by building bonuses expiring beyond the following financial year;
- Deferred tax assets amounted to 99.4 million euro (95.1 million euro at December 31, 2023) and showed an increase of 4.3 million euro.
- Provisions for risks, charges and liabilities for landfills recorded an increase of 12.7 million euro. The following should be noted: an increase resulting from net provisions for the year of 30.9 million euro, mainly related to public water derivation fees and lawsuits pending with third parties; utilizations for the year of 31.1 million euro, while other positive changes amounted to 12.9 million euro;
- Employee benefits showed a decrease of 13.5 million euro, referring to actuarial valuations, disbursements for the year and payments to pension funds, partly offset by net provisions for the year.

Net Working Capital and Other Current Assets/Liabilities

The **“Net Working Capital”**, defined as the algebraic sum of trade receivables, closing inventories and trade payables, amounted to a negative 275.5 million euro, down by 350.1 million euro compared to December 31, 2023. Comments on the main items are given below:

- **“Inventories”** amounted to 183.3 million euro (173.0 million euro at December 31, 2023), net of the relative obsolescence provision for 0.8 million euro, unchanged compared to the previous financial year. The increase is mainly attributable to the increase in gas inventories compared to the end of the previous year, reflecting the higher volumes of gas in storage;
- **“Trade receivables”** amounted to 1,956.7 million euro (2,179.9 million euro at December 31, 2023), with a decrease of 223.2 million euro. The decrease in trade receivables is mainly attributable to the reduction in tariffs for the sale of electricity and gas observed during the year in the reference scenario.
  The “Bad debts provision”, calculated in compliance with IFRS 9, amounted to 0.8 million euro and showed a net increase of 9.3 million euro compared to December 31, 2023;
- **“Trade payables”** amounted to 2,415.5 million euro and decreased by 563.0 million euro as a result of the reduction in commodities trading transactions with bilateral counterparties.

“Other current assets/liabilities” showed a net decrease of 91.0 million euro, mainly attributable to:
- net increase in derivative assets for 126.5 million euro;
- decrease in security deposits for 254.9 million euro;
- net increase in current tax liabilities of 37.0 million euro;
- net increase in tax consolidation assets/liabilities of 56.3 million euro;
- decrease in payables related to advance receipts of electricity and gas futures contracts whose economic manifestation will be in the next financial year for 17.2 million euro;
- other increases in other current assets for 0.9 million euro.

Shareholders’ equity

Equity amounted to 5,016.5 million euro and showed a positive change for a total of 1,227.8 million euro.
The result for the year had a positive effect of 788.4 million euro, offset by the distribution of the dividend in the amount of 300.1 million euro, as well as the recognition of the reserve related to the first hybrid subordinated perpetual bond issue in Green - use of proceeds with a nominal value of 750 million euro, net of transaction costs and tax effect in the amount of 8.2 million euro and the payment of the first tranche of coupons in the amount of 9.4 million euro and the related tax effect of 2.2 million euro.
There was also a negative effect in the valuation of cash flow hedge derivatives and IAS 19 reserves for 1.4 million euro.

The **“Net Financial Position”** at December 31, 2024 amounted to 1,285.1 million euro (988.2 million euro at end 2023). The gross debt amounted to 7,185.4 million euro, up by 692.1 million euro compared to 31 December 2023. The liquidity and equivalents amounted to 1,323.2 million euro, down by 164.2 million euro. The other net financial assets/liabilities showed an active balance of 4,577.2 million euro with a net increase of 559.5 million euro as compared with December 31, 2023.

* * *

The company availed itself of the option provided for in Article 40, paragraph 2 of Legislative Decree no.127/1991 to present the Report on Operations of the Separate Financial Statements and the Consolidated Financial Statements in a single document.

1

Annual financial statements

1.1

Balance sheet [(1)]

Assets

amounts in euro	Note	12 31 2024	12 31 2023
Non-current assets			
Tangible assets	1	872,997,315	895,732,259
Intangible assets	2	190,218,348	204,289,861
Shareholdings	3	5,511,097,534	4,202,373,558
Other non-current financial assets	3	401,643,203	574,944,016
Deferred tax assets	4	99,326,563	95,046,576
Other non-current assets	5	28,701,910	50,293,343
Total non-current assets		**7,103,984,873**	**6,022,679,613**
Current assets			
Inventories	6	183,295,985	173,048,742
Trade receivables	7	1,956,695,628	2,179,878,054
Other current assets	8	1,117,181,111	1,981,555,526
Current financial assets	9	4,229,639,783	3,478,748,427
Current tax assets	10	16,542,579	17,034,418
Cash and cash equivalents	11	1,323,166,285	1,487,378,564
Total current assets		**8,826,521,371**	**9,317,643,731**
Non-current assets held for sale		-	-
Total assets		**15,930,506,244**	**15,340,323,344**

(1) As required by Consob Resolution no. 17221 of March 12, 2010, the effects of relations with related parties in the separate financial statements are highlighted in the accounting statements and commented on in Note 34.
Significant non-recurring events and transactions in the separate financial statements are provided in Note 35 pursuant to Consob Communication DEM/6064293 of July 28, 2006.

Equity and liabilities

amounts in euro	Note	12 31 2024	12 31 2023
Equity			
Share capital	12	1,629,110,744	1,629,110,744
(Treasury shares)		-	-
Reserves	13	2,599,010,980	1,671,334,819
Net result of the year	14	788,384,491	488,210,234
Total equity		**5,016,506,215**	**3,788,655,797**
Liabilities			
Non-current liabilities			
Non-current financial liabilities	15	5,982,457,503	5,312,613,362
Employee benefits	16	109,634,645	123,148,493
Provisions for risks, charges and liabilities for landfills	17	183,612,424	170,854,446
Other non-current liabilities	18	21,995,257	14,157,804
Total non-current liabilities		**6,297,699,829**	**5,620,774,105**
Current liabilities			
Trade payables	19	2,415,495,893	2,978,488,057
Other current liabilities	19	908,989,830	1,719,337,012
Current financial liabilities	20	1,202,973,435	1,180,741,454
Tax liabilities	21	88,841,042	52,326,919
Total current liabilities		**4,616,300,200**	**5,930,893,442**
Total liabilities		**10,914,000,029**	**11,551,667,547**
Liabilities associated with non-current assets held for sale		-	-
Total equity and liabilities		**15,930,506,244**	**15,340,323,344**

1.2

Income statement (1)

amounts in euro	Note	01 01 2024 12 31 2024	01 01 2023 12 31 2023
Revenues			
Revenues from the sale of goods and services		8,700,014,382	11,045,993,962
Other operating income		52,802,126	16,447,078
Total revenues	23	**8,752,816,508**	**11,062,441,040**
Operating expenses			
Expenses for raw materials and services		7,304,341,257	9,790,846,301
Other operating expenses		576,500,085	657,678,357
Total operating expenses	24	**7,880,841,342**	**10,448,524,658**
Labour costs	25	**206,233,576**	**195,726,649**
Gross operating income - EBITDA	26	**665,741,590**	**418,189,733**
Depreciation, amortization, provisions and write-downs	27	**193,120,462**	**182,244,787**
Net operating income - EBIT	28	**472,621,128**	**235,944,946**
Result from non-recurring transactions	29	**-**	**1,789,992**
Financial balance			
Financial income		651,696,159	520,117,596
Financial expenses		172,189,763	182,478,065
Total financial balance	30	**479,506,396**	**337,639,531**
Result before taxes		**952,127,524**	**575,374,469**
Income taxes	31	**163,743,033**	**87,353,525**
Result after taxes from operating activities		**788,384,491**	**488,020,944**
Net result from discontinued operations	32	**-**	**189,290**
Net result of the year	33	**788,384,491**	**488,210,234**

(1) As required by Consob Resolution no. 17221 of March 12, 2010, the effects of relations with related parties in the separate financial statements are highlighted in the accounting statements and commented on in Note 34.
Significant non-recurring events and transactions in the separate financial statements are provided in Note 35 pursuant to Consob Communication DEM/6064293 of July 28, 2006.

1.3
Statement of comprehensive income

amounts in euro	12 31 2024	12 31 2023
Net result of the year (A)	**788,384,491**	**488,210,234**
Actuarial gains/(losses) on Employee's Benefits booked in the Net equity	12,503,100	3,630,262
Tax effect of other actuarial gains/(losses) on employee benefits recognized in equity	(5,019,053)	(1,085,045)
Total actuarial gains/(losses) net of the tax effect (B)	**7,484,047**	**2,545,217**
Effective part of gains/(losses) on cash flow hedge	(12,068,264)	(42,493,663)
Tax effect of other gains/(losses)	3,190,002	11,573,258
Total gains/(losses) on cash flow hedge net of tax (C) (*)	**(8,878,262)**	**(30,920,405)**
Gains/(losses) on financial assets measured at Fair Value	9,007,576	-
Tax effect gains/(losses) on financial assets measured at Fair Value	(2,663,540)	-
Total gains/(losses) of financial assets measured at Fair Value net of tax (D)	**6,344,036**	**-**
Total comprehensive result (A) + (B) + (C) + (D)	**793,334,312**	**459,835,046**

(*) The effects of these items will be reclassified to the income statement in subsequent years.

1.4

Cash-flow statement

amounts in euro	12 31 2024	12 31 2023
Cash and cash equivalents at the beginning of the year	**1,487,378,564**	**2,338,464,796**
Operating activities		
Net Result	788,384,491	488,210,234
Net income taxes	163,743,033	87,353,525
Net financial interests	(83,816,888)	(48,448,085)
Capital gains/expenses	(13,975)	(8,650,785)
Tangible assets depreciation	106,606,137	87,476,554
Intangible assets amortization	57,173,221	45,954,585
Fixed assets write-downs/disposals	492,340	69,311
Shareholdings write-up/down	10,329	206,864
Net provisions	28,848,764	48,745,428
Net financial interests paid	105,229,115	22,346,788
Net taxes paid	(146,095,574)	(209,182,250)
Dividends paid	(300,132,326)	(283,214,637)
Change in trade receivables	225,199,003	1,470,038,404
Change in trade payable	(562,992,164)	(1,628,145,469)
Change in inventories	(10,247,243)	216,233,405
Other changes	83,390,094	(49,421,032)
Cash flow from operating activities	**455,778,357**	**239,572,840**
Investment activities		
Investments in tangible assets	(68,816,347)	(72,169,720)
Investments in intangible assets	(72,771,363)	(58,781,201)
Investments in shareholdings and securities (*)	(1,311,874,782)	(60,449,276)
Disposal of fixed assets and shareholdings	886,430	56,389,643
Issue of loans to other than financial institutions	(109,000,000)	(24,000,000)
Cash receipt/repayment from loans to other than financial institutions	790,002,972	69,530,665
Cash flow from investment activities	**(771,573,090)**	**(89,479,889)**
Free cash flow	**(315,794,733)**	**150,092,951**
Financing activities		
Changes in financial assets		
Change in intercompany currency accounts	(1,254,517,713)	(310,805,455)
Total changes in financial assets (*)	**(1,254,517,713)**	**(310,805,455)**
Changes in financial liabilities		
Change in intercompany currency accounts	(266,376,310)	(77,151,826)
Borrowings/bonds issued	1,810,000,000	800,000,000
Repayment of borrowings/bond	(849,509,881)	(1,379,049,398)
Lease payments	(20,399,783)	(18,138,600)
Other changes	-	(16,033,904)
Total changes in financial liabilities (*)	**673,714,026**	**(690,373,728)**
Capital instruments – perpetual hybrid bond		
Issue of perpetual hybrid bond	741,812,350	-
Coupon paid on perpetual hybrid bond	(9,426,209)	-
Capital instruments – perpetual hybrid bond	**732,386,141**	**-**
Cash flow from financing activities	**151,582,454**	**(1,001,179,183)**
Change in cash and cash equivalents	**(164,212,279)**	**(851,086,232)**
Cash and cash equivalents at the end of the year	**1,323,166,285**	**1,487,378,564**

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

1.5
Statement of changes in equity

Changes from January 1, 2023 to December 31, 2023 amounts in euro	Share capital Note 12	Treasury shares	Cash Flow Hedge Reserve Note 13	Reserve for equity instruments - perpetual hybrid bonds Note 13	Reserves Note 13	Net result of the year Note 14	Total Equity
Equity at December 31, 2022	**1,629,110,744**	**-**	**27,134,786**	**-**	**1,401,213,849**	**545,581,220**	**3,603,040,599**
Contribution from non-recurring transactions					8,994,789		8,994,789
Result allocation					545,581,220	(545,581,220)	-
Distribution of dividends					(283,214,637)		(283,214,637)
IAS 19 reserve (*)					2,545,217		2,545,217
Cash flow hedge reserves (*)			(30,920,405)				(30,920,405)
Other changes							-
Net result of the year (*)						488,210,234	488,210,234
Equity at December 31, 2023	**1,629,110,744**	**-**	**(3,785,619)**	**-**	**1,675,120,438**	**488,210,234**	**3,788,655,797**

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

Changes from January 1, 2024 to December 31, 2024 amounts in euro	Share capital Note 12	Treasury shares	Cash Flow Hedge Reserve Note 13	Reserve for equity instruments - perpetual hybrid bonds Note 13	Reserves Note 13	Net result of the year Note 14	Total Equity
Equity at December 31, 2023	**1,629,110,744**	**-**	**(3,785,619)**	**-**	**1,675,120,438**	**488,210,234**	**3,788,655,797**
Result allocation					488,210,234	(488,210,234)	-
Distribution of dividends					(300,132,326)		(300,132,326)
IAS 19 reserve (*)					7,484,047		7,484,047
Cash flow hedge reserves (*)			(8,878,262)				(8,878,262)
Financial assets measured at Fair Value (*)					6,344,036		6,344,036
Capital instruments - perpetual hybrid bond				741,812,350			741,812,350
Capital instruments - coupon paid on perpetual hybrid bond					(9,426,209)		(9,426,209)
Other changes					2,262,291		2,262,291
Net result of the year (*)						788,384,491	788,384,491
Equity at December 31, 2024	**1,629,110,744**	**-**	**(12,663,881)**	**741,812,350**	**1,869,862,511**	**788,384,491**	**5,016,506,215**
Availability of Equity Reserves			D	D	A-B-C		
A: For share capital increase							
B: To cover losses							
C: For distribution to Shareholders - available for 1,623,054,791 (**)							
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.

1.6

Balance sheet

pursuant to Consob Resolution no. 17221 of March 12, 2010

Assets

amounts in euro	12 31 2024	of which Related Parties (note 34)	12 31 2023	of which Related Parties (note 34)
Non-current assets				
Tangible assets	872,997,315	29,972,788	895,732,259	32,995,630
Intangible assets	190,218,348		204,289,861	
Shareholdings	5,511,097,534	5,511,097,534	4,202,373,558	4,202,373,558
Other non-current financial assets	401,643,203	365,009,059	574,944,016	549,607,930
Deferred tax assets	99,326,563		95,046,576	
Other non-current assets	28,701,910	27,031	50,293,343	24,054,346
Total non-current assets	**7,103,984,873**		**6,022,679,613**	
Current assets				
Inventories	183,295,985		173,048,742	
Trade receivables	1,956,695,628	987,650,961	2,179,878,054	1,356,290,379
Other current assets	1,117,181,111	157,608,984	1,981,555,526	126,138,049
Current financial assets	4,229,639,783	4,201,803,096	3,478,748,427	3,454,198,026
Current tax assets	16,542,579		17,034,418	
Cash and cash equivalents	1,323,166,285		1,487,378,564	
Total current assets	**8,826,521,371**		**9,317,643,731**	
Non-current assets held for sale	-		-	
Total assets	**15,930,506,244**		**15,340,323,344**	

Equity and liabilities

amounts in euro	12 31 2024	of which Related Parties (note 34)	12 31 2023	of which Related Parties (note 34)
Equity				
Share capital	1,629,110,744		1,629,110,744	
(Treasury shares)	-		-	
Reserves	2,599,010,980		1,671,334,819	
Net result of the year	788,384,491		488,210,234	
Total equity	**5,016,506,215**		**3,788,655,797**	
Liabilities				
Non-current liabilities				
Non-current financial liabilities	5,982,457,503	26,253,581	5,312,613,362	29,482,289
Employee benefits	109,634,645		123,148,493	
Provisions for risks, charges and liabilities for landfills	183,612,424	8,218,636	170,854,446	3,259,747
Other non-current liabilities	21,995,257		14,157,804	
Total non-current liabilities	**6,297,699,829**		**5,620,774,105**	
Current liabilities				
Trade payables	2,415,495,893	313,093,195	2,978,488,057	448,830,491
Other current liabilities	908,989,830	14,279,712	1,719,337,012	41,105,442
Current financial liabilities	1,202,973,435	322,408,212	1,180,741,454	589,155,649
Tax liabilities	88,841,042		52,326,919	
Total current liabilities	**4,616,300,200**		**5,930,893,442**	
Total liabilities	**10,914,000,029**		**11,551,667,547**	
Liabilities associated with non-current assets held for sale	-		-	
Total equity and liabilities	**15,930,506,244**		**15,340,323,344**	

1.7

Income statement

pursuant to Consob Resolution no. 17221 of March 12, 2010

amounts in euro	01 01 2024 12 31 2024	of which Related Parties (note 34)	01 01 2023 12 31 2023	of which Related Parties (note 34)
Revenues				
Revenues from the sale of goods and services	8,700,014,382	4,988,816,350	11,045,993,962	6,149,719,877
Other operating income	52,802,126	5,725,889	16,447,078	5,934,354
Total revenues	**8,752,816,508**		**11,062,441,040**	
Operating expenses				
Expenses for raw materials and services	7,304,341,257	493,935,833	9,790,846,301	503,943,564
Other operating expenses	576,500,085	375,594,552	657,678,357	517,152,724
Total operating expenses	**7,880,841,342**		**10,448,524,658**	
Labour costs	**206,233,576**	**1,760,162**	**195,726,649**	**1,240,389**
Gross operating income - EBITDA	**665,741,590**		**418,189,733**	
Depreciation, amortization, provisions and write-downs	**193,120,462**	**6,728,531**	**182,244,787**	**7,751,168**
Net operating income - EBIT	**472,621,128**		**235,944,946**	
Result from non-recurring transactions	**-**		**1,789,992**	**1,789,992**
Financial balance				
Financial income	651,696,159	600,234,186	520,117,596	463,338,314
Financial expenses	172,189,763	11,906,806	182,478,065	10,392,082
Total financial balance	**479,506,396**		**337,639,531**	
Result before taxes	**952,127,524**		**575,374,469**	
Income taxes	**163,743,033**		**87,353,525**	
Result after taxes from operating activities	**788,384,491**		**488,020,944**	
Net result from discontinued operations	**-**		**189,290**	
Net result of the year	**788,384,491**		**488,210,234**	

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Notes

2.1
General information on A2A S.p.A.

A2A S.p.A. is a company with legal personality organized under the laws of the Italian Republic which operates, also through its subsidiaries ("Group"), both in Italy and abroad.
In particular, as the "Parent Company", A2A S.p.A. is responsible for the guiding strategy, administration, planning and control, financial management and coordinating the activities of the A2A Group.
Therefore, Group companies benefit from administrative, tax, legal, personnel management, procurement and communication services, so as to optimize the resources that are available within the Group and to use the existing know how in a cost-effective way.

The A2A Group mainly operates in the following sectors:
- production, sale and distribution of electricity even from renewable resources;
- sale and distribution of gas;
- production, distribution and sale of heat through district heating networks;
- waste management (from collection and sweeping to disposal) and the construction and management of integrated waste disposal plants and systems, also making these available for other operators;
- integrated water cycle management;
- technical consultancy relating to energy efficiency certificates.

The separate financial statements for A2A S.p.A. are presented in euro, which is also the functional currency in the economies in which the company operates. In particular, the following notes are prepared in thousands of euro.

The separate financial statements of A2A S.p.A. at December 31, 2024, have been prepared on a going-concern basis and comprise the balance sheet, income statement, statement of comprehensive income, cash flow statement, statement of changes in equity and these notes.

The separate financial statements of A2A S.p.A. at December 31, 2024 have been prepared:
- in compliance with Legislative Decree 58/1998 (art. 154-ter) as amended and with the Issuers' Regulations published by Consob;
- in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) and approved by the European Union. IFRS means all the revised international accounting standards (IAS) and all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), formerly known as the Standing Interpretations Committee (SIC).

In preparing the separate financial statements, the same standards used for the financial statements at December 31, 2023 were applied, other than the principles and interpretations described in detail in the paragraph below "Changes in accounting principles" adopted for the first time on January 1, 2024.

These explanatory notes include the supplemental information required by the Italian civil code, by Consob Resolutions no. 15519 and 15520 of July 27, 2006, and Consob communication no. 6064293 of July 28, 2006.

In this file, use has been made of some Alternative Performance Measures (APM) that are different from the financial indicators expressly provided for by the IAS/IFRS international accounting standards adopted by the company; for details of these indicators, please see the specific paragraph Alternative Performance Measures (APM) in the Report on Operations.

These separate financial statements for the year ended December 31, 2024, were approved on March 20, 2025, by the Board of Directors, which authorized its publication, and has been audited by EY S.p.A. in accordance with their appointment by the shareholders' meeting of June 11, 2015, for the nine years from 2016 to 2024.

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2.2
Financial statements

For the balance sheet, the company A2A S.p.A. has adopted a format which separates current and non-current assets and liabilities, as required by par. 60 et seq. of IAS 1.

The income statement is presented by nature, a format which is considered more representative than a presentation by function. The selected format is in agreement with the presentation used by the Group's major competitors and in line with international practice.
The specific line items "Result from non-recurring transactions" and "Result from disposal of other shareholdings" are in the format of the income statement in order to provide clear and immediate identification of the results arising from non-recurring transactions forming part of continuing operations, separating these from the results from discontinued operations/held for sale. In particular, it should be noted that the item "Result from non-recurring transactions" is intended to include the results from the sale of investments in subsidiaries and associates and other non-operating expenses/income. This item is presented between net operating income and the financial balance. In this way, net operating income is not affected by non-recurring operations, making it easier to measure the effective performance of the Group's ordinary operating activities.

The Cash Flow Statement is prepared using the indirect method, as permitted by 'IAS 7', and incorporates the informational amendments to 'IAS 7' effective from January 1, 2024, as detailed in the relevant section 'Changes in International Accounting Standards', and the ESMA (European Securities and Markets Authority) recommendations updated as of October 29, 2024. The Company classifies cash flows for dividends paid and interest paid/collected as cash flows from operating activities.

The statement of changes in equity has been prepared in accordance with IAS 1.

The accounting schedules included in the annual report are in the same format as those used in the separate financial statements at December 31, 2023.

2.3
Basis of preparation

The separate financial statements as at December 31, 2024, have been prepared on a historical cost basis, with the exception of those items which under IFRS must be or can be measured at fair value, as discussed in further detail in the accounting policies.
The accounting standards, the accounting policies and the methods of measurement used in the preparation of the separate financial statements are consistent with those used to prepare the annual separate financial statements at December 31, 2023, except as specified below regarding newly enacted standards.
The company has not adopted in advance any new principles, interpretations, or amendments that have been issued but are not yet in force.

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2.4

Changes in international accounting standards

Pursuant to IAS 8, the subsequent paragraph "Accounting standards, amendments and interpretations applicable by the company as of the current year" indicates and briefly illustrates the amendments in force as of January 1, 2024.
The following paragraph, "Accounting standards, amendments and interpretations approved by the European Union" instead details the accounting standards and interpretations already issued, not yet approved by the European Union and therefore not applicable for the preparation of the financial statements at December 31, 2024, any impacts of which will then be transposed as of the financial statements of the following years.

Accounting standards, amendments and interpretations applicable as of the current year

From January 1, 2024, the following additions to specific paragraphs of the international accounting standards previously adopted in earlier financial years will be applicable to the company:

- On January 23, July 15, 2020, and October 31, 2022, the International Accounting Standards Board (IASB) issued three additions to IAS 1 "Presentation of Financial Statements": The classification of liabilities as either current or non-current, and non-current liabilities with covenants, aims to better define the concept of liabilities and their classification between short-term and medium- to long-term. The additions were approved on December 20, 2023.
  Specifically, emphasis is placed on the temporal concept of transferring money or other resources to the counterparty to settle the liability. The entity must have the right to defer the settlement of the liability for at least 12 months after the balance sheet date. The change includes:
  - the stipulation that the right to defer settlement must exist as of the date of the Financial Statements;
  - a clarification regarding the fact that the classification is not influenced by management's intentions or expectations about the possibility of using the deferral right;
  - a clarification on how the financing conditions influence the classification;
  - a clarification on the requirements for classifying liabilities that an entity intends to or might settle through the issuance of its own equity instruments.

  Furthermore, the latest amendment specifies that only covenants, that an entity must meet by the reporting date, will affect the classification of a liability as current or non-current.
  The amendments had no impact on the financial report.
- on September 22, 2022, the IASB issued a supplement to IFRS 16 "Liabilities in a sale and leaseback" clarifying how to account for a sale and leaseback transaction that provides for variable payments based on the performance or use of the asset subject to the transaction. The amendment aims to enhance the criteria for sale and leaseback transactions under IFRS 16, but it does not modify the accounting for leases unrelated to sale and leaseback transactions.
  The amendments had no impact on the financial report.
- On May 25, 2023, the IASB issued a supplement to IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures".
  The amendments clarify the characteristics of supplier financing arrangements (e.g. reverse factoring instruments) and define the information to be provided on the impact of these arrangements on the company's liabilities and cash flows (e.g. terms and conditions, book value and balance sheet item in which financial debts are recorded, with an indication of those for which the financial supplier has already settled the corresponding portion of trade debt, maturity bands of financial debts and comparable trade debts, but not included in arrangements).
  This financial report reflects the alterations to the disclosure mandated by the amendments.

Accounting standards, amendments and interpretations approved this year and applicable as of subsequent years

- On August 15, 2023, the IASB issued a supplement to IAS 21 "The effects of changes in foreign exchange rates" to regulate the procedures to be followed in the event of currency non-convertibility. The amendments introduce requirements to determine when a currency is convertible into another currency and when it is not and require an entity to estimate the spot exchange rate when it determines that a currency is not convertible into another currency. These additions will be applicable to financial statements closed on or after January 1, 2025. No material impacts are expected for the company with reference to this amendment.

Accounting standards, amendments and interpretations not yet approved by the European Union

- On April 9, 2024, the IASB published IFRS 18, which establishes requirements for the presentation of information in the financial statements in order to improve the uniformity of the information provided and promote comparability between financial statements. The standard focuses in particular on the presentation of the income statement for which a predefined structure is provided divided into categories (operating, investing, financial, tax and discontinued operations) and as many subtotals. However, it also sets rules for the aggregation and disaggregation of information on the basis of their common characteristics in order to identify the information to be provided directly in the financial statements rather than in the notes. The standard will be applicable to financial statements closed on or after January 1, 2027. The company is currently assessing the impacts of these amendments.
- On May 9, 2024, the IASB published the new IFRS 19 standard applicable for financial statements from January 1, 2027. The standard applies to non-publicly accountable subsidiaries belonging to a group that prepares consolidated financial statements according to IAS/IFRS and allows them to use IFRS accounting standards by adopting simplified financial reporting based on the provisions of the new standard instead of those of the other standards. The amendments will have no impact on the financial report.
- In 2024, the International Accounting Standards Board (IASB) issued two amendments to IFRS 9 and IFRS 7, one concerning "Changes to the Classification and Measurement of Financial Instruments" and the other related to "Renewable Energy Contracts".
  The effective date for both amendments is set for January 1, 2026.
- "Changes to the Classification and Valuation of Financial Instruments":
  - amendments to IFRS 9 clarify the circumstances under which a financial asset or liability is recognized and derecognized. According to the amendments, a company generally writes off its financial liability on the settlement date. Normally, this is the date when the payment is completed. The amendments also introduce an exception, permitting the company to write off its financial liability prior to the settlement date, which is the date when the payment is initiated and cannot be cancelled. The exception is available when the company uses an electronic payment system that satisfies all of the following criteria:
    - no practical way to retract, halt, or cancel the payment instruction;
    - no practical means to access the money needed for the settlement as a result of the payment instruction;
    - the settlement risk connected with the electronic payment system is insignificant.
  - The amendments also introduce an additional SPPI test (solely for payments of principal and interest) for financial assets with contractual terms that reference a potential event, including those related to ESG factors, that are not directly tied to changes in basic lending risks or costs. For instance, this applies when cash flows vary based on whether the borrower meets an ESG target specified in the loan contract.
    Under the former formulation, it was indeed unclear whether the contractual cash flows from certain financial assets with environmental, social, and governance (ESG) characteristics and similar contingent attributes qualified as "solely payments of principal and interest", which is necessary for recognition at amortized cost. This could have involved measuring such activities at fair value through the income statement. Under the amendments, certain financial assets,

  including those possessing ESG-related attributes, may satisfy the SPPI criterion, provided that their cash flows don't significantly differ from those of an identical financial asset without such characteristics.
  - The amendment to IFRS 7 mandates additional disclosure for financial assets and liabilities with contractual terms referencing a potential event, including those associated with ESG factors, as well as for equity instruments classified at fair value through other comprehensive income.
- "Contracts relating to renewable energy sources":
  - clarifies the requirements for applying the "own-use exemption";
  - establishes the rules for the use of these contracts as hedging instruments in a hedge accounting relationship;
  - introduces a new set of information designed to enable investors to grasp the influence of these contracts on the company's performance and its cash flows.

The company is currently assessing the impacts of these amendments.

- On July 18, 2024, the International Accounting Standards Board (IASB) issued the eleventh volume of annual improvements aimed at enhancing the consistency and comprehensibility of the standards. The effective date for the amendments is set for January 1, 2026. The main changes concerned IFRS 9 Financial Instruments:
- the amendment specifies that when a lease is terminated, it falls under the jurisdiction of IFRS 9, replacing the typical application of IFRS 16. As a result, any disparity between the present value of the liability and the payment made must be recognized in the income statement;
- the amendment also addresses a conflict between IFRS 9 and IFRS 15 regarding the initial measurement of trade receivables by specifying that trade receivables without a significant financial component must initially be recognized according to the provisions of IFRS 15.

The company is currently assessing the impacts of these amendments.

2.5
Accounting standards and policies

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Translation of foreign currency items

The separate Financial Statements for A2A are presented in euro, which is also the functional currency in the economies in which the company operates.
Transactions in other currencies are initially recognized at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated into euro at the exchange rates at the balance sheet date.
Non-monetary items measured at historical cost in foreign currency are translated at the exchange rates at the date of the transaction. Non-monetary items measured at fair value are translated at the exchange rates at the date when the fair value was determined.

Tangible assets

Assets for business use are classified as tangible assets, while non-business assets are classified as investment property, if any.
Tangible assets are measured at cost, including any additional charges directly attributable to bringing the asset into an operating condition (e.g. transport, customs duty, installation and testing costs, notary and land registry fees and any non-deductible VAT), increased when material and where there are obligations by the present value of the estimated cost of restoring the location from an environmental point of view or dismantling the asset. Borrowing costs, where directly attributable to the purchase or construction of an asset, are capitalized as part of the cost of the asset if the type of asset so warrants.
If important components of tangible assets have different useful lives, they are accounted for separately using the "component approach", assigning to each component its own useful life for the purpose of calculating depreciation (the component approach).
Land, whether occupied by residential or industrial buildings or devoid of construction, is not depreciated as it has an unlimited useful life, except for land used in production activities that is subject to deterioration over time (e.g. landfills, quarries).
Ordinary maintenance costs are fully expensed to the income statement in the year they are incurred. Costs for maintenance carried out at regular intervals are attributed to the assets to which they refer and are depreciated over the specific residual possibility of use of such.
Tangible assets are stated net of accumulated depreciation and any write-downs. Depreciation is charged from the year in which the individual asset enters service on a straight-line basis over the estimated useful life of the asset for the business. The estimated realizable value which is deemed to be recoverable at the end of an asset's useful life is not depreciated. The useful life of each asset is reviewed annually and any changes, if needed, are made with a view to showing the correct value of the asset.

Landfills are depreciated on the basis of the percentage filled, which is calculated as the ratio between the volume occupied at the end of the period and the total volume authorized.
The main depreciation rates used, which are based on technical and economic considerations, are as follows:

- non-industrial buildings .... 1.67% - 34.29%
- industrial buildings .... 0.28% - 24.30%
- production plants .... 0.27% - 25.00%
- distribution networks 10.00%
- miscellaneous equipment .... 9.99% - 33.33%
- furniture and fittings .... 6.03% - 14.82%
- electrical and electronic office machines - data processing systems .... 10.00% - 25.00%
- means of transport 10.00%
- other miscellaneous .... 8.28% - 20.00%
- fiber optic network .... 4.99% - 10.08%
- improvements to third-party assets - buildings .... 5.24% - 46.93%

Tangible assets are subjected to impairment testing if there is any indication that an asset may be impaired in accordance with the paragraph below "Impairment of assets"; write-downs may be reversed in subsequent periods if the reasons for which they were recognized no longer apply.
When an asset is disposed of or if future economic benefits are no longer expected from using an asset, it is removed from the balance sheet and any gain or loss (being the difference between the disposal proceeds and the carrying amount) is recognized in the income statement in the year of the derecognition.

Leasing

Assets for rights of use are recognized on the start date of the lease, i.e. the date on which the underlying asset is available for use.

Rights to use assets are measured at cost, net of accumulated depreciation and impairment losses, and adjusted for any restatement of lease liabilities. The cost of assets for rights of use includes the amount of lease liabilities recognized and lease payments made on or before the commencement of the lease. Assets for right of use are depreciated on a straight-line basis from the effective date to the end of the useful life of the asset consisting of the right of use or at the end of the lease term, whichever is earlier.
If the lease transfers ownership of the underlying asset to the lessee at the end of the term of the contract or if the cost of the asset consisting of the right of use reflects the fact that the lessee will exercise the purchase option, the asset consisting of the right of use is depreciated from the effective date until the end of the useful life of the underlying asset.

Lease liabilities are recognized at the present value of lease payments not yet paid at the reporting date. Lease payments also include the exercise price of a purchase option if it is reasonably certain that the option will be exercised.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance which are controlled by the enterprise and able to produce future economic benefits, and include goodwill when acquired for consideration.
The fact of being identifiable distinguishes an intangible asset that has been acquired from goodwill; this requirement is normally met when: (i) the intangible asset is attributable to a legal or contractual right, or (ii) the asset is separable, in other words it can be sold, transferred, rented or exchanged individually or as an integral part of other assets.
Control by the enterprise consists of the right to enjoy the future economic benefits flowing from the asset and to restrict the access of others to those benefits.
Intangible assets are stated at purchase or production cost, including ancillary charges, determined

in the same way as for tangible assets. Intangible fixed assets produced internally are not capitalized but recognized in the income statement in the year in which the costs are incurred.

Intangible assets with a definite useful life are reported in the financial statements net of the related accumulated amortization and impairments in the same way as for tangible assets. Changes in the expected useful life or in the ways in which the future economic benefits of an intangible asset are achieved by the Company are accounted for by suitably adjusting the period or method of amortization, treating them as changes in accounting estimates. The amortization of intangible fixed assets with a definite useful life is charged to income statement in the cost category that reflects the function of the intangible asset concerned.

Intangible assets are subjected to impairment testing if there are specific indications that they may be impaired, in accordance with the paragraph below "Impairment of assets"; impairment losses may be reversed in subsequent periods if the reasons for which they were recognized no longer apply. Intangible assets with an indefinite useful life and those that are not yet available for use are subjected to impairment testing on an annual basis, whether or not there are any specific indications that they may be impaired, in accordance with the paragraph below "Impairment of assets". Impairment losses recognized for goodwill are not reversed.

Gains or losses on the disposal of an intangible asset are calculated as the difference between the disposal proceeds and the carrying amount of the asset and recognized in the Income Statement at the time of the disposal.

The following amortization rates are applied to intangible assets with a definite useful life:
- industrial patents and intellectual property rights........20.00% - 33.34%
- concessions, licenses, trademarks and similar rights........10.00% - 33.34%
- other tangible assets........2.13% - 33.33%

Impairment/Reversal of tangible assets, intangible assets and equity investments

Tangible assets, intangible assets and investments are subjected to impairment testing if there is any specific indication that there may be an impairment loss.
Goodwill, other intangible assets with an indefinite useful life and assets not available for use are tested for impairment at least annually or more frequently if there is any specific indication that they may be impaired.
Impairment testing consists of comparing the carrying amount of an asset or impairment with an estimate of the related recoverable amount.
The recoverable amount of an asset or investment is the higher of its fair value less costs to sell and its value in use. To determine the value in use of an asset or investment, the entity calculates the present value of the estimated future cash flows on the basis of business plans prepared by management, before tax, applying a pre-tax discount rate which reflects current market assessments of the time value of money and the risks specific to the asset or investment. If the recoverable amount of an asset or investment is lower than its carrying amount, a loss is recognized in the Income Statement. If a loss recognized for an asset other than goodwill no longer exists or is reduced, the carrying amount of the asset or cash-generating unit is increased to the new estimate of recoverable value, which may not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset. Reversals of impairment losses are immediately recognized in the income statement.
When the recoverable amount of the individual asset cannot be estimated, it is based on the cash generating unit (CGU) or group of CGUs that the asset belongs to and/or to which it may be reasonably allocated.
CGUs are identified on the basis of the company's organizational and business structure as homogeneous aggregations that generate independent cash inflows deriving from the continuous use of the assets allocated to them.

Environmental certificates: emission quotas and White Certificates

Different accounting policies are applied to quotas or certificates held for own use in the "Industrial Portfolio" and those held for trading purposes in the "Trading Portfolio".
Surplus quotas or certificates held for own use in the "Industrial Portfolio" which are in excess of the Group's requirements in relation to the obligations accruing at year end are recognized as other intangible assets at the actual cost incurred. Quotas or certificates assigned free of charge are recognized at a zero carrying amount. Given that they are assets for instant use, they are not amortized but subjected to impairment testing. The recoverable amount is the higher of value in use and market value. If, on the other hand, there is a deficit because the requirement exceeds the quotas or certificates in portfolio at the balance sheet date, a provision is recognized for the amount needed to meet the residual obligation, estimated on the basis of any purchase contracts, spot or forward, already signed at the balance sheet date; otherwise on the basis of market prices.
Quotas or certificates held for trading in the "Trading Portfolio" are recognized in inventories and measured at the lower of purchase cost and estimated realizable value based on market trends. Quotas or certificates assigned free of charge are recognized at a zero carrying amount. Market value is established on the basis of any sales contracts, spot or forward, already signed at the balance sheet date, otherwise, on the basis of market prices.

Shareholdings in subsidiaries, associates and joint ventures

Subsidiaries are companies in which the parent company "is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee", as defined by IFRS 10. Control is generally assumed to exist when a company holds either directly or indirectly more than half of the exercisable voting rights at an ordinary shareholders' meeting, also considering potential voting rights, meaning voting rights deriving from convertible financial instruments.

Associates are companies in which the parent has a significant influence over strategic decisions, despite not having control, also considering potential voting rights, meaning voting rights deriving from convertible financial instruments; significant influence is assumed to exist when A2A S.p.A. holds, either directly or indirectly, more than 20% of voting rights exercisable at an ordinary shareholders' meeting.
In order to determine the existence of significant influence, management's judgement is required to evaluate all facts and circumstances.
The company reviews the existence of significant influence when facts and circumstances indicate that there has been a change in one or more of the elements considered for the test of the existence of significant influence.

A joint venture is a contractual agreement whereby two or more parties undertake an income generating activity subject to joint control.

These investments are recorded at cost. The Company performs annual impairment tests on investments with quantitative and qualitative impairment loss indicators.

Long term construction contracts in progress

Construction contracts with durations exceeding one year in progress are valued in accordance with IFRS 15. In particular, over-the-time revenues are recognized if it can be demonstrated that: a) the customer simultaneously receives and consumes the benefits of the contract in force at the same time as the service is provided; b) the service provided improves.

Construction contracts currently in progress are measured on the basis of the contractual fees that have accrued with reasonable certainty on the basis of the stage of completion, using the "cost to cost" method, so as to allocate the revenues and net result of the contract to the individual periods to which they belong in proportion to the progress being made on the project. Any difference, positive

or negative, between the value of the contracts and advances received is recognized as an asset or a liability respectively.
In addition to the contractual fees, contract revenues include variants, price revisions and incentive awards to the extent that it is probable that they represent actual revenues that can be reliably determined. Ascertained losses are recognized independently of the stage of completion of contracts.

Inventories

Inventories of materials and fuel are measured at the lower of weighted average cost and market value at the balance sheet date. Weighted average cost is determined for the period of reference for each inventory code. Weighted average cost includes any additional costs (such as sea freight, customers charges, insurance and lay or demurrage days in the purchase of fuel). Inventories are constantly monitored and, where necessary, obsolete stocks are written down with a charge to the Income Statement.
Inventories of gas held for trading purposes, in storage at separate facilities as opposed to gas used for industrial purposes, are measured at fair value at the reporting date as required by IAS 2 par. 3 letter b.

Power Purchase Agreement

Power Purchase Agreements (PPA) that provide for the physical delivery of energy and that do not meet the requirements of IFRS 10 for the existence of control or joint control over a company or asset and IFRS 16 for the recognition of a lease, but that meet the definition of a derivative in IFRS 9, are accounted for under the rules of the own use exemption when the relevant conditions are met.

Financial instruments

Financial instruments include shareholdings (excluding shareholdings in subsidiaries, joint ventures and associates) held for trading (so-called trading shareholdings) or available for sale, non-current receivables and loans and other non-current financial assets, trade and other receivables deriving from company operations and other current financial assets such as cash and cash equivalents. The latter consist of bank and postal deposits, readily negotiable securities used as temporary investments of surplus cash and financial receivables due within three months. Financial instruments also include financial payables (bank loans and bonds), trade payables, other payables and other financial liabilities and derivatives.

Financial assets and liabilities are recognized at the time that the contractual rights and obligations forming part of the instrument arise.

Financial assets and liabilities are accounted for in accordance with IFRS 9 “Financial Instruments”.

Financial assets

Initial recognition

Financial assets are classified into two categories alone: “at fair value” or “at amortized cost”. Classification within the two categories is carried out on the basis of an entity’s business model and the contractual cash flow characteristics of the financial asset. A financial asset is measured at amortized cost if both of the following requirements are met: the objective of the entity’s business model is to hold assets to collect contractual cash flows (and therefore in substance not to earn trading profits) and the characteristics of the cash flows of the asset are solely payments of principal and interest. A financial asset is measured at fair value if it is not measured at amortized cost.
Debt instruments may be recorded at fair value through profit or loss upon initial recognition if this results in the elimination or significant reduction of an accounting mismatch.

All equity instruments - both listed and unlisted - are measured at fair value.

The entity does not refer to the option of presenting changes in the fair value of equity instruments that are not held for trading in equity; that option is not permitted for equity instruments that are held for trading. This designation is permitted on initial recognition, may be adopted for each individual instrument and is irrevocable.

Subsequent valuation

Measurement subsequent to initial recognition depends on which of the following categories the financial instrument falls into:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value in the Income Statement with reclassification of cumulative gains and losses (debt instruments);
- Financial assets at fair value in the Income Statement without reversal of cumulative gains and losses at the time of derecognition (equity instruments);
- Financial assets at fair value in the Income Statement.

Financial assets at amortized cost

Financial assets at amortized cost are valued using the effective interest method and are subject to impairment.
Gains and losses are recognized in the income statement when the asset is derecognized, modified or revalued.

Investments in equity instruments

Gains and losses on these financial assets are never reclassified to the income statement. Dividends are recognized as other income in the Income statement when the right to payment has been approved, except when the company benefits from such income as a recovery of part of the cost of the financial asset, in which case such profits are recognized in OCI. Equity instruments recognized at fair value through OCI are not subject to impairment testing.

Financial assets measured at fair value through the income statement

This category includes assets held for trading, assets designated at the time of initial recognition as financial assets at fair value with changes recognized in the Income Statement, or financial assets that must be measured at fair value. Assets held for trading are all those assets acquired for sale or repurchase in the short term. Derivatives, including those separated, are classified as financial instruments held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not represented solely by principal and interest payments are classified and measured at fair value in the Income Statement, regardless of the business model.
Financial instruments at fair value with changes recognized in the Income Statement are recognized in the statement of financial position at fair value and net changes in fair value are recognized in profit/(loss) for the year.
Dividends on listed equity investments are also recognized as other income in the statement of profit/(loss) for the year when the right to payment is established.
The embedded derivative contained in a non-derivative hybrid contract, in a financial liability or in a principal non-financial contract, is separated from the principal contract and accounted for as a separate derivative, if: its economic characteristics and the risks associated with it are not closely correlated with those of the principal contract; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value in the Income Statement. Embedded derivatives are measured at fair value, with changes in fair value recognized in the Income Statement. A restatement occurs only when there is a change in the terms of the contract that significantly changes the cash flows otherwise expected or a reclassification of a financial asset to a category other than fair value in the Income Statement.
An embedded derivative included in a hybrid contract that contains a financial asset is not separated from the host contract. The financial asset together with the embedded derivative is classified entirely as a financial asset at fair value in the Income Statement.

Derecognition

A financial asset is derecognized when:

- the rights to receive cash flows from the asset no longer apply;
- the company has transferred to a third party the right to receive cash flows from the asset or has assumed a contractual obligation to transfer them. In substance, the transfer is completed when: the company has transferred all the risks and rewards of ownership of the asset or has transferred control of the asset while maintaining the related risks and rewards.

In cases where the company has transferred the rights to receive cash flows from an asset or signed an agreement under which it retains the contractual rights to receive the cash flows from the financial asset but assumes a contractual obligation to pay the cash flows to one or more beneficiaries (pass-through), it assesses whether and to what extent it has retained the risks and rewards of ownership. In the cases in which it has neither transferred nor retained substantially all of the risks and rewards or has not lost control of the asset, it continues to be recognized in the financial statements of the company to the extent of its continuing involvement in the asset. In this case, the company also recognizes an associated liability. The transferred asset and the associated liability are valued to reflect the rights and obligations that remain with the company.
When the entity's continuing involvement is a guarantee of the transferred asset, involvement is measured on the basis of the lower of the amount of the asset and the maximum amount of consideration received that the entity might have to repay.

Financial liabilities

Financial liabilities are classified, at the time of initial recognition, at fair value in the Income Statement, as mortgages and loans or as derivatives designated as hedges.
Directly attributable transaction costs are added to the valuation.

The company's financial liabilities include trade payables and other payables, mortgages and loans, including current account overdrafts and derivative financial instruments.

The subsequent evaluation depends on the classification of the main instrument:

- financial liabilities at fair value in the Income Statement, typically of a trading nature (settlement and transfer in the short term). This category includes financial derivatives held for trading (speculative);
- loans and receivables: valued at amortized cost using the effective interest method. Gains and losses are recognized in the Income Statement when the liability is settled, as well as through amortization.

A financial liability is derecognized when the obligation underlying the liability is settled or cancelled.

Derivative financial instruments and hedge accounting

These are initially recognized at fair value on the date the contract is signed and the subsequent measurement is also at fair value.
To classify a derivative as a hedge, the company formally designates and documents the hedging relationship, its risk management objectives and the strategy pursued.

From January 1, 2018, the following must be identified: a) the hedging instrument b) the nature of the risk being hedged c) the way in which the company will assess the effectiveness of the hedge.
The hedging relationship is effective if:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of the credit risk does not prevail over the changes in value resulting from the aforementioned economic relationship;
- the hedging ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the company actually hedges and the quantity of the hedging instrument that the company actually uses to hedge this quantity of hedged item.

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Transactions that meet the above criteria are accounted for as follows:

Fair value hedging

If a derivative financial instrument is designated as a hedge against exposure to changes in the fair value of an asset or liability attributable to a specific risk, the gain or loss resulting from subsequent changes in fair value of the hedging instrument is recognized in the Income Statement. The profit or loss deriving from the adjustment to fair value of the item hedged, for the part attributable to the hedged risk, changes the book value of this item and is recognized in the Income Statement. Cash flow hedge - If a derivative financial instrument is designated to hedge the exposure to the variability of the cash flows of an asset or a liability recognized in the Financial Statements or of a highly probable transaction, the effective portion of the resulting profits or losses deriving from the fair value adjustment of the derivative instrument is recognized in a specific equity reserve. The cumulative profit or loss is reversed from the equity reserve and recorded in the Income Statement in the same years in which the effects of the hedged transaction are recognized in the Income Statement. The gain or loss associated with that part of the ineffective hedge is recognized in the Income Statement immediately. If the hedged transaction is no longer considered probable, the unrealized gains or losses recognized in the equity reserve are immediately recognized in the Income Statement.

Cash flow hedges

The portion of gain or loss on the hedged instrument relating to the effective portion of the hedge is recognized in other comprehensive income in the cash flow hedge reserve, while the ineffective portion is recognized directly in the Income Statement. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

Amounts accumulated under other components of the comprehensive income statement are recorded, depending on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial component, the accumulated amount in equity is removed from the separate component of equity and included in the cost or other carrying amount of the asset or liability hedged. This is not considered a reclassification of the items recognized in OCI for the period. This also applies in the case of a hedged forecast transaction of a non-financial asset or a non-financial liability that subsequently becomes an irrevocable commitment to which fair value hedge accounting is applied.
For any other cash flow hedge, the amount accumulated in OCI is reclassified in the Income Statement as a reclassification adjustment in the same period or periods during which the hedged cash flows impact profit or loss.
If the cash flow hedge accounting is discontinued, the accumulated amount in OCI must remain so if the hedged future cash flows are expected to occur. Otherwise, the amount shall be immediately reclassified to profit or loss for the period as a reclassification adjustment. After suspension, once the hedged cash flow occurs, any accumulated amount remaining in OCI must be accounted for depending on the nature of the underlying transaction as described above.

Non-current assets held for sale, disposal groups and discontinued operations – IFRS 5

Non-current assets held for sale, disposal groups and discontinued operations whose carrying amount will be recovered principally through sale rather than continuous use are measured at the lower of their carrying amount and fair value less costs to sell. A disposal group is a group of assets to be disposed of together as a group in a single transaction together with the liabilities directly associated with those assets that will be transferred in that transaction. Discontinued operations on the other hand consist of a significant component of the Group such as a separate major line of business or a geographical area of operations or a subsidiary acquired exclusively with a view to resale.
In accordance with IFRSs, the figures for non-current assets held for sale, disposal groups and discontinued operations are shown on two specific lines in the balance sheet: non-current assets held for sale and liabilities directly associated with non-current assets held for sale.
Non-current assets held for sale are not depreciated or amortized and are measured at the lower of

carrying amount and fair value less costs to sell; any difference between carrying amount and fair value less costs to sell is recognized in the income statement as a write-down.

The net economic results arising from discontinued operations, and only discontinued operations, pending the disposal process, any gains or losses on disposal and the corresponding comparative figures for the previous year or period are recognized in a specific line of the Income Statement: "Net result from discontinued operations". On the other hand any gains or losses recognized as the result of measuring non-current assets (or disposal groups), classified as held for sale within the meaning of IFRS 5, at fair value less costs to sell are presented in a specific line item of the income statement "Result from non-recurring transactions", as discussed further in the previous section "Format of financial statements".

Employee benefits

The employees' leaving entitlement (TFR) and pension provisions are determined using actuarial methods; the rights accrued by employees during the year are recognized in the Income Statement as "labor costs", whereas the figurative financial cost that the company would have to bear if it were to ask the market for a loan of the same amount as the TFR is recognized as part of the "financial balance". Actuarial gains and losses arising from changes in actuarial assumptions are recognized in income statement taking into account the residual average working life of the employees.
Following the introduction of Finance Law no. 296 of December 27, 2006, only the portion of accrued employees' leaving entitlement that remained in the company has been measured in accordance with IAS 19, as amounts are now paid over to a separate entity as they accrue (either to a supplementary pension scheme or to funds held by INPS). As a result of these payments the company no longer has any obligations in connection with the services employees may render in the future.
Guaranteed employee benefits paid on or after the termination of employment through defined benefit plans (energy discount, health care or other benefits) or long-term benefits (loyalty bonuses) are recognized in the period when the right vests.
The liability for defined benefit plans, net of any plan assets, is determined by independent actuaries on the basis of actuarial assumptions and recognized on an accrual basis in line with the work performed to obtain the benefits.
Gains and losses arising from actuarial calculations are recognized in a specific equity reserve.

Provisions for risks, charges and liabilities for landfills

Provisions for risks and charges regard costs of a determinate nature and of certain or probable existence which at year-end are uncertain in terms of timing or amount. Provisions are recognized when there is a legal or constructive present obligation arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits, and it is possible to make a reasonable estimate of the obligation.
Provisions are recognized at the best estimate of the amount that the company would have to pay to settle the liability or to transfer it to third parties at the balance sheet date. If the effect of discounting is significant, provisions are calculated by discounting expected future cash flows at a pre-tax discount rate that reflects the current market assessment of the time value of money. If discounting is used the increase in the provision due to the passage of time is recognized as financial expense.
If the liability relates to tangible assets (such as the dismantling and reclamation of industrial sites), the initial provision is recognized as a counter-entry to the assets to which it refers; expense is then charged to income statement as the asset in question is depreciated.

Treasury shares

Treasury shares are accounted for as a deduction from equity. In particular, treasury shares are recognized as a negative equity reserve.

Grants

Grants, both from public entities and from third party private entities, are measured at fair value when there is the reasonable certainty that they will be received and that the Group will be able to comply with the terms and conditions for obtaining them.

Grants received to provide support for the cost of specific assets are recognized as a direct deduction from the assets concerned and credited to the income statement over the life of the depreciable asset to which they refer.
Revenue grants (given to provide the company with immediate financial support or as compensation for expenses or losses incurred in a previous accounting period) are recognized in their entirety in the income statement as soon as the conditions for recognizing the grants are met.

Revenues and costs

The recognition of revenues is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the stand-alone sale price of each good or service; (v) recognition of the revenue when the relative performance obligation is satisfied, i.e. when the promised good or service is transferred to the customer; the transfer is considered completed when the customer obtains control of the good or service, which can occur continuously over time diluted and extended or at a point in time.

Revenues are stated net of returns, discounts, allowances and rebates, as well as directly related taxes.
Expenses relate to goods or services sold or consumed during the year or as a result of systematic allocation; if no future use is envisaged they are recognized directly in the income statement.

Result from non-recurring transactions

The item "Result from non-recurring transactions" is intended to include the results from the sale of investments in subsidiaries and associates and other non-operating expenses/income.

Financial income and expenses

Financial income is recognized when interest income arises using the effective interest method, i.e. at the rate that exactly discounts expected future cash flows over the expected life of the financial instrument.
Financial expense is recognized in the Income Statement on an accrual basis and are recorded in the amount of effective interest.

Dividends

Dividend income is recognized when it is established that the shareholders have a right to receive payment, and is recognized as financial income in the Income Statement.

Income taxes

Current taxes

Current income taxes are based on an estimate of taxable income in compliance with tax regulations in force or substantially approved at the balance sheet date, bearing in mind any exemptions or tax credits due. Account is also taken of the fact that the Group now files for tax on a consolidated basis.

Deferred tax assets and liabilities

Deferred tax assets and liabilities are calculated on the temporary differences between the carrying amount of assets and liabilities in the balance sheet and their tax bases, with the exception of goodwill which is not deductible for tax purposes and any differences resulting from investments in subsidiaries which are not expected to reverse in the foreseeable future. The tax rates used are those expected to apply to the period when the temporary differences reverse. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the tax benefit will be realized. The measurement of deferred tax assets takes account of the period for which business plans are available.
When transactions are recognized directly in equity, any related current or deferred tax effects are

also recognized directly in equity. Deferred taxes on the undistributed profits of Group companies are only provided for if there is the real intention to distribute such profits and, in any case, if the taxation is not offset as the result of filing a Group tax return.
Deferred tax assets and liabilities are classified as non-current assets and liabilities.
Taxes are only offset when they are levied by the same tax authority, when there is the legal right of set-off and when settlement of the net balance is expected.

Use of estimates

Preparing the financial statements and notes requires the use of estimates and assumptions in determining certain assets and liabilities and measuring contingent assets and liabilities. The actual results after the event could differ from such estimates.
Estimates have been used in assessing the recoverability of assets, to determine certain sales revenues, in provisions for risks and charges, in provisions for receivables and other write-downs, amortization and depreciation, the valuation of derivatives, employee benefits and taxes. The underlying estimates and assumptions are regularly reviewed and the effect of any change is immediately recognized in the income statement.

With reference to climate change risks, the company believes that they are an implicit element in the application of the methodologies and models used to make estimates, evaluations and measurements of certain items in the financial statements. Management believes that the main areas of the financial statements at December 31, 2024, the valuation of which is subject to the use of estimates and judgement by management, also with reference to climate change risks, are those subject to impairment tests (tangible and intangible assets, including goodwill) and the provisions for risks, with specific reference to decommissioning provisions, and contingent liabilities. For further details, reference is made to the specific section "Climate change" in the Report on operations.

The following are the key assumptions made by management as part of the process of making these accounting estimates. The inherently critical element of such estimates comes from using assumptions or professional opinions on matters that are by their very nature uncertain. Changes in the conditions underlying the assumptions and opinions used could have a material impact on subsequent results.

Impairment Test

The carrying amount of non-current assets (including goodwill and other intangible assets) is reviewed periodically and whenever circumstances or events require a more frequent assessment.
If it is considered that the book value of a group of fixed assets or an equity investment has had an impairment loss, it is subject to the application of professional judgement by management and is based on assumptions that include: the identification of the Cash Generating Units, the estimate of the future operating cash flows associated with these CGUs during the reference period of the 2024-2035 business plan, the estimate of the cash flows subsequent to this time horizon, the cash flow deriving from the disposal at the end of useful life of the assets, discount rates used ("Wacc"). These assumptions are complex due to their nature and imply recourse to the opinion of the directors, who are also sensitive to future trends in energy markets, macroeconomic scenarios, and the resolutions of ARERA (Regulatory Authority for Energy Networks and Environment).
For the purpose of preparing the impairment test, the company avails itself of the support of an independent expert, external to the A2A Group.
In the hypothesis in which the recoverable value is lower than the carrying amount, the latter is written down to the extent applicable. Management is of the opinion that the estimates of such recoverable amounts are reasonable, albeit subject to changes in the factors underlying the estimates on which these recoverable amounts have been calculated could produce different measurements. For further details on the way in which impairment testing was carried out and the results of such testing, reference is made to the specific paragraph.

Revenue recognition

Revenues for the year include income from the sale of electricity and gas, including through sales on the IPEX markets, from the sale of environmental certificates and from the provision of administrative, fiscal, legal, management and technical services, as well as incentives on net production from renewable sources and rental income. It should be noted that the processes and methods for evaluating and determining these types of revenue do not require the use of complex assumptions.

Provisions for risks and charges

In certain circumstances it is not easy to identify whether a legal or constructive present obligation exists. The directors assess these situations case by case, together with an estimate of the economic resources required to settle the obligation. Estimating such provisions is the result of a complex process that involves subjective judgements on the part of company management. When the directors are of the opinion that it is only possible that a liability could arise, the risks are disclosed in the section on commitments and contingent liabilities without making any provision.

Decommissioning provisions

Decommissioning provisions include charges for costs of dismantling and recovery of production sites related to hydroelectric plants.

Bad debts provision

The entry into force of IFRS 9 on January 1, 2018 has led to a change in the recognition of credit losses for the company. The approach adopted is a forward-looking one, focusing on the probability of future losses on receivables, even in the absence of events that would suggest the need to write-down a credit position (Expected Losses).
The company applies the IFRS 9 approach for assessing the provision for credit risks, adopting different criteria depending on the features of the receivables being analyzed. In particular, receivables that are individually significant are expected to undergo a specific analysis to assess their recoverability. Conversely, the write-down of receivables not under specific assessment is determined by applying the business's specific unpaid ratio.

Amortization

Depreciation and amortization charges are a significant cost for the company. Non-current assets are depreciated or amortized on a straight-line basis over the useful lives of the assets. The useful lives of the company's non-current assets are established by the directors, with the assistance of expert appraisers, when they are purchased. The company periodically reviews technological and sector changes, dismantling/closure charges and the recovery amount of assets to update their residual useful lives. This periodic update could lead to a change in the period of depreciation or amortization and hence also in the depreciation or amortization charge in future years.

Measurement of derivative instruments

The derivatives used are measured at fair value based on the forward market curve at the balance sheet date, if the underlying of the derivative is traded on markets that provide official, liquid forward prices. If the market does not provide forward prices, forecast price curves are used based on simulation models developed by Group companies internally. However, the actual results of derivatives could differ from the measurements made.
Serious turbulence on markets for the energy commodities traded by the company, as well fluctuations in exchange and interest rates, could lead to greater volatility in cash flows and in expected results.

Employee benefits

The calculations of expenses and the related liabilities, estimated by independent experts, are based on actuarial assumptions. The full effects of any changes in these actuarial assumptions are recognized in a specific equity reserve.

Business combinations

Accounting for business combinations entails allocating the difference between purchase cost and net carrying amount to the assets and liabilities of the acquired business. For the majority of assets and liabilities this difference is allocated by recognizing the assets and liabilities at fair value. If positive, the unallocated portion is recognized as goodwill. If negative, it is recognized in the income statement. A2A S.p.A. bases its allocations on available information and, for the more significant business combinations, on external appraisals.

Current taxes and future recovery of deferred tax assets

The uncertainties that exist regarding the way of applying certain tax regulations have led the company to taking an interpretative stance when providing for current taxes in the financial statements; such interpretations could be overturned by official clarifications on the part of the tax authorities.
Deferred tax assets are accounted for on the basis of the taxable profit expected to be available in future years. Assessing the expected taxable profit for the purpose of accounting for deferred taxation depends on factors that can vary over time, and may lead to significant effects on the measurement of deferred tax assets.

2.6
Notes to the balance sheet

Assets

Non-current assets

1) Tangible assets

thousands of euro	Balance at 12 31 2023	Changes					Balance at 12 31 2024
		Capex	Other changes	Disposals net of prov.	Amort.	Total Changes	
Land	26,745	52	-	(24)	-	28	26,773
Buildings	143,403	2,371	9,416	-	(8,071)	3,716	147,119
Plant and machinery	537,559	3,686	9,682	-	(76,369)	(63,001)	474,558
Industrial and commercial equipment	4,687	480	1	-	(874)	(393)	4,294
Other assets	19,479	4,012	(27)	-	(4,150)	(165)	19,314
Construction in progress and advances	105,256	57,443	(21,125)	-	-	36,318	141,574
Leasehold improvements	538	772	1,645	-	(538)	1,879	2,417
Assets for rights of use	58,065	-	15,487	-	(16,604)	(1,117)	56,948
Total tangible assets	**895,732**	**68,816**	**15,079**	**(24)**	**(106,606)**	**(22,735)**	**872,997**
Historical Cost	2,979,183	68,816	10,662	(92)	-	79,386	3,058,569
Accumulated depreciation	(1,731,168)	-	4,417	68	(106,606)	(102,121)	(1,833,289)
Write-downs	(352,283)	-	-	-	-	-	(352,283)

At December 31, 2024, “Tangible assets” amounted to 872,997 thousand euro (895,732 thousand euro in the previous year) and show a decrease of 22,735 thousand euro resulting from the following transactions:
- amortization for the period for 106,606 thousand euro;
- capex for 68,816 thousand euro;
- additional positive variations amounting to 15,079 thousand euro primarily arose from an increase of 15,487 thousand euro following the application of the IFRS16 accounting standard, offset by reductions of 177 thousand euro due to the establishment of the decommissioning provision, primarily concerning the Valtellina area; reductions of 140 thousand euro for reclassification from tangible to intangible assets; and 91 thousand euro for reclassification under other balance sheet items;
- disposal of assets, net of accumulated depreciation, for 24 thousand euro;

Capex during the period refer to:
- “Land” for 52 thousand euro;
- “Buildings” for a total amount of 2,371 thousand euro.
  In detail, they refer to: 1,330 thousand euro to investments in the headquarters at Via Lamarmora in Brescia, Codignole, and Vobarno; 371 thousand euro for various projects on properties in Via della Signora, Piazza Trento, Caracciolo, Piazza Po, Canavese, and the Olgettina Department in Milan; 272 thousand euro for other property projects; 249 thousand euro for various projects on the Somplago power plant structure; and 149 thousand euro for various projects on the Grosio property;
- “Plant and machinery” for 3,686 thousand euro.

In particular, they refer to interventions for 1,987 thousand euro on the power plants of the Calabria Unit; for 931 thousand euro on the power plants of the Valtellina Unit; for 768 thousand euro on the power plants of the Mese and Udine Unit;
- "Industrial and commercial equipment" for 480 thousand euro;
- "Other assets" for 4,012 thousand euro; in detail, 2,785 thousand euro refer to LAN and WAN network equipment and fixed and mobile telephone equipment, 607 thousand euro to furniture and furnishings, particularly for the corporate, 295 thousand euro to vehicles and generators, 124 thousand euro to other miscellaneous assets, 110 thousand euro to goods worth less than 516 euro, and 91 thousand euro to computer equipment in the "New Data Center";
- "Construction in progress and advances" for an amount of 57,443 thousand euro;
- "Improvements on third-party goods" for 772 thousand euro mainly for the "Smart Bin" project.

"Tangible assets" include "Construction in progress and advances" for 141,574 thousand euro (105,256 thousand euro at December 31, 2023), presenting an increase of 36,318 thousand euro resulting from the counter effects of the following items:
- the increase of 57,443 thousand euro is attributable to: for 36,823 thousand euro to works on buildings (mainly on the area of Piazza Trento in Milan, on the headquarters in via Lamarmora in Brescia, on the building of Premadio 2 and Grosio); for 19,642 thousand euro to interventions on plant and machinery (mainly on the hydroelectric plants of the Calabria Unit for 7,886 thousand euro, on the hydroelectric plants of the Mese and Udine Unit for 6,342 thousand euro, on the plants of the Valtellina Unit for 5,016 thousand euro) and other asset for 978 thousand euro;
- the decrease due to the start-up of operations amounted to 20,973 thousand euro and was attributable for 9,859 thousand euro to works on production plants (mainly on the hydroelectric plants of the Mese and Udine Unit for 5,036 thousand euro, on the hydroelectric plants of the Calabria Unit for 3,800 thousand euro, on the plants of the Valtellina Unit for 916 thousand euro), for 9,464 thousand euro to works on buildings at Via Lamarmora in Brescia, for 1,585 thousand euro mainly to works on buildings at the S. Silvestro headquarters in Rome and other assets for 65 thousand euro;
- a decrease of 140 thousand euro due to a reclassification from "Tangible assets" to "Intangible assets";
- the decrease of 12 thousand euro due to other changes in the accounts.

"Tangible assets" include "Assets for rights of use" totaling 56,948 thousand euro (58,065 thousand euro at December 31, 2023), recognized in accordance with IFRS16 and for which the outstanding payable to lessors at December 31, 2024 amounted to 72,126 thousand euro (76,343 thousand euro at December 31, 2023). Below is a breakdown of "Assets for rights of use" deriving from operating and financial leases at December 31, 2024.

thousands of euro	Balance at 12 31 2023	Changes				Balance at 12 31 2024
		Increases	Other changes	Amort.	Total Changes	
Land	35	1,240	(1)	(7)	1,232	1,267
Buildings	19,597	4,675	4,167	(7,751)	1,091	20,688
Plant and machinery	30,921	-	1,920	(6,255)	(4,335)	26,586
Industrial and commercial equipment	16	-	-	(9)	(9)	7
Other assets	(1)	-	1	-	1	-
Vehicles	7,497	3,868	(383)	(2,582)	903	8,400
Total	**58,065**	**9,783**	**5,704**	**(16,604)**	**(1,117)**	**56,948**

It is specified that the Company has made use of the option provided for in paragraph 6 of the standard not to apply the provisions of paragraphs 22 to 49 of the standard to the following categories:
a) Short-term leases;
b) Leases whose underlying assets are of low value.

2) Intangible assets

thousands of euro	Balance at 12 31 2023	Changes					Balance at 12 31 2024
		Capex	Other changes	Write-downs / Reversal	Amort.	Total Changes	
Industrial patents and intellectual property rights	19,165	5,788	2,802	-	(12,532)	(3,942)	15,223
Concessions, licenses, trademarks and similar rights	74,983	51,336	1,163	(492)	(44,120)	7,887	82,870
Goodwill	66,659	-	-	-	-	-	66,659
Assets in progress	11,514	15,214	(4,516)	-	-	10,698	22,212
Other intangible assets	31,969	433	(28,627)	-	(521)	(28,715)	3,254
Total intangible assets	**204,290**	**72,771**	**(29,178)**	**(492)**	**(57,173)**	**(14,072)**	**190,218**

“Intangible assets” amounted to 190,218 thousand euro (204,290 thousand euro at December 31, 2023), representing a net decrease of 14,072 thousand euro as a result of the following transactions:
- capex for 72,771 thousand euro;
- amortization for 57,173 thousand euro accounted for in the period;
- other negative variations of 29,178 thousand euro mainly due to the decrease in environmental certificates of the industrial portfolio;
- write-downs for 492 thousand euro.

More specifically, capex during the period refer to the following:
- 51,336 thousand euro for “Concessions, licenses, trademarks and similar rights” related to the purchase of software;
- 15,214 thousand euro for “Intangible assets under construction”;
- 5,788 thousand euro for “Industrial patents and intellectual property rights” mainly concerning the implementation of information technology and computer systems;
- 433 thousand euro for “Other intangible assets”.

In the total value of “Intangible assets”, there are “Intangible assets under construction” amounting to 22,212 thousand euro (11,514 thousand euro as of December 31, 2023), showing an increase of 10,698 thousand euro resulting from the opposing effects of the following items:
- the increase of 15,214 thousand euro mainly relating to the development of new IT projects;
- the decrease of 4,500 thousand euro due to the transition to use of software and computer applications;
- the decrease of 16 thousand euro due to other changes.

Goodwill

Goodwill equal to 66,659 thousand euro, as of December 31, 2024, was formed as a result of non-recurring transactions with third parties.
Said goodwill has been allocated to the following CGUs, which for A2A S.p.A. correspond to investments in subsidiaries:”A2A Reti Gas” for 5,215 thousand euro, “A2A Gas” for 6,800 thousand euro, “A2A Calore” for 18,000 thousand euro and “A2A Ambiente” for 36,644 thousand euro.

Under IAS 36 goodwill, as an intangible asset with an indefinite useful life, is not amortized systematically but tested at least once a year (“Impairment Test”).As goodwill neither generates independent cash flow nor can it be sold separately, IAS 36 calls for a secondary audit of its recoverable amount, determining cash flows generated by a set of assets that constitute the business to which it belongs, i.e. the Cash Generating Unit (CGU).
The recoverable value of the CGUs was determined based on the future cash flows of the investees to which the goodwill refers, and it is compared with the Net Invested Capital represented by

the value of the investment and the goodwill itself. The parameters used for the purpose of the impairment test are as follows:

CGU	Value in thousands of euro 12 31 2024	Recoverable Value	WACC 2024 post-tax (1)	Growth rate g 2024	Balance scenario (2)	
					WACC of reference (3)	Growth rate g
A2A Ambiente	36,644	Use value	6.8%	0.0%	14.6%	0.0%
A2A Reti Gas	5,215	Use value	n.a.	0.0%	n.a.	n.a.
A2A Gas	6,800	Use value	6.7%	0.0%	n.s	0.0%
A2A Calore	18,000	Use value	5.6%	0.0%	5.9%	0.0%
Total	**66,659**					

The verification of the recoverability of the recorded value confirmed its recoverability.

3) Shareholdings and other non-current financial assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Shareholdings in subsidiaries	4,197,002	1,308,730	5,505,732		
Shareholdings in affiliates	5,371	(5)	5,366		
Other non-current financial assets	574,944	(173,301)	401,643	549,704	365,105
Total shareholdings and other non-current financial assets	**4,777,317**	**1,135,424**	**5,912,741**	**549,704**	**365,105**

Shareholdings in subsidiaries

"Shareholdings in subsidiaries" amounted to 5,505,732 thousand euro (4,197,002 thousand euro at December 31, 2023).

The following table shows the changes in the item:

Shareholdings in subsidiaries thousands of euro	Total
Balance at 12 31 2023	**4,197,002**
Changes:	
- acquisitions and capital increases	1,309,585
- reclassifications	(5)
- other changes	(850)
Total changes	**1,308,730**
Balance at 12 31 2024	**5,505,732**

The value of shareholdings in subsidiary companies shows an overall increase of 1,308,730 thousand euro compared to the close of the previous fiscal year due to:

- the acquisition of 90% of the company Duereti S.r.l. for 1,228,780 thousand euro after the closing of the transaction with E-distribuzione, enabling the company to undertake power distribution activities in several municipalities within the provinces of Milan and Brescia. The transfer of the shareholding to A2A took effect from December 31, 2024;

- 50,000 thousand euro increase in the shareholding in A2A Rinnovabili S.p.A. following the conversion of the second tranche of part of the financial receivable from the company into equity of the same;
- increase of 10,000 thousand euro relating to the capital contribution subscribed in the investee company A2A Services & Real Estate S.p.A.;
- increase of 10,000 thousand euro relating to the capital contribution subscribed in the investee company A2A Energy Solution S.r.l.;
- increase of 8,800 thousand euro relating to the acquisition of a 4.40% minority interest in the subsidiary LD Reti S.r.l. from A.S. Mortara;
- incorporation of the company TEXELERA S.c.a r.l., 51% owned, for 5 thousand euro and subsequent capital contribution of 2,000 thousand euro;
- collection of 850 thousand euro relating to the closure of the liquidation process of the company Proaris S.r.l.;
- reclassification under "Shares in affiliates and joint ventures" of the investment in ES Energy S.r.l. for 5 thousand euro.

Further information regarding movements involving shareholdings in subsidiary companies and comparison between their book value and corresponding portions of net assets may be found in annexes 1/a and 2/a, respectively.

Shareholdings in affiliates and joint ventures

"Shareholdings in affiliates and joint ventures" amounted to 5,366 thousand euro (5,371 thousand euro as at December 31, 2023).

The following table shows the changes in the item:

Shareholdings in affiliates thousands of euro	**Total**
Balance at 12 31 2023	**5,371**
Changes:	
- write-downs	(10)
- reclassifications	5
Total changes	**(5)**
Balance at 12 31 2024	**5,366**

The value of shareholdings in affiliates has decreased by 5 thousand euro. This reduction is attributed to the write-down of the investment in Visano Società Trattamento Reflui S.c.a.r.l, which is undergoing a liquidation process amounting to 10 thousand euro, partially offset by the reclassification of the investment in ES Energy S.r.l. for 5 thousand euro.

Further details regarding shareholdings in affiliates may be found in annexes 1/b and 2/b.

Impairment of shareholdings in subsidiaries, associates and joint ventures

The recoverable value of shareholdings has been measured based on the present value of the corresponding expected net cash flows attributable to the shareholdings of A2A S.p.A. The cash flows used are in line with those used for the Impairment Test of the CGU for the consolidated financial statements. The same applies to the methodological approach and discount rates adopted further detailed in the Consolidated Annual Financial Report (note 2).
It shall be recalled that the Impairment Test is carried out for all shareholdings which have a carrying value higher than the corresponding fraction of shareholders' equity of competence and/or in the presence of specific impairment indicators.

In the year under review, the results of the Impairment Test performed did not lead to any impairment/revaluation at December 31, 2024.

Other non-current financial assets

"Other non-current financial assets" amounted to 401,643 thousand euro (574,944 thousand euro as at December 31, 2023), of which:

- 357,952 thousand euro (542,131 thousand euro as at December 31, 2023) relating to financial assets with related parties concerning interest-bearing intragroup loans. The decrease is mainly due to the reclassification of the short-term portion of the aforementioned loans to "Current financial assets", repayments made during the year, net of new disbursements;
- other securities for 96 thousand euro, unchanged compared to the previous year, relating to other government securities;
- financial assets measured at fair value through profit or loss (FVTPL) of 1,065 thousand euro (888 thousand euro as at December 31, 2023), relating to minority shareholdings, the increase of which, in the amount of 177 thousand euro, derives from the subscription for 167 thousand euro of the capital increase of the investee L.E.A.P. S.c.a.r.l., now 17.05% owned, alongside the acquisition of a 0.28% equity stake in AQM S.r.l. from its subsidiary A2A Energia S.r.l. for 10 thousand euro;
- financial receivables related to rights of use in accordance with IFRS16 (subleases) from subsidiaries for 7,057 thousand euro (7,477 thousand euro at December 31, 2023);
- other financial assets of 35,473 thousand euro (24,352 thousand euro at December 31, 2023) relating to shareholdings in innovative start-ups through corporate venture capital projects, measured at fair value at year-end.

4) Deferred tax assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Deferred tax assets	*95,047*	*4,280*	*99,327*

The item, equal to 99,327 thousand euro, includes the net effect, as detailed in the table below to which reference is made, of deferred tax liabilities and deferred tax assets as per corporate income tax (IRES) and regional tax (IRAP) as well as provisions made solely for tax purposes.
For IRES purposes, the recoverability of "Deferred tax assets" recorded in the financial statements is considered likely, as the future Business Plans of the A2A Group envisage taxable income sufficient to use the deferred tax assets on a consolidated basis in accordance with articles 117-129 of Presidential Decree 917/1986, in which the Company acts as consolidating company.
For IRAP purposes, the recoverability of "Deferred tax assets" recorded in the financial statements was assessed on the basis of the Company's future Business Plan: for the years of the plan between 2025 and 2029, IRAP taxable income is not expected to be sufficient to absorb the IRAP temporary differences, therefore the amount of IRAP deferred tax assets for which there is no allowance in future taxable income (5,010 thousand euro) was reversed.

Deferred tax assets are calculated using the tax rate applicable at the time of repayment.

At December 31, 2024, the amounts relative to deferred tax assets/deferred tax liabilities have been expressed as net (so called ("offsetting") as per IAS 12 standards.
This item is detailed within the table below:

thousands of euro	Balance at 12 31 2024	Balance at 12 31 2023
Value differences of tangible assets	40,432	53,819
Value differences of intangible assets	531	3,040
Other deferred tax liabilities	8,147	3,858
Deferred tax liabilities (A)	**49,110**	**60,717**
Taxed risk provisions	59,639	64,301
Amortization, depreciation and write-downs	37,784	38,947
Bad debts provision	1,144	2,029
Provisions and employee benefits	16,473	17,825
Goodwill	25,388	31,124
Other deferred tax assets	8,009	1,538
Deferred tax assets (B)	**148,437**	**155,764**
Net effect deferred tax assets (B-A)	**99,327**	**95,047**

For further details and information, please refer to the item "Income/expenses for income tax" on the income statement.

5) Other non-current assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Non-current derivatives	-	1,041	1,041	-	1,041
Other non-current assets	50,293	(22,632)	27,661	-	-
Total other non-current assets	**50,293**	**(21,591)**	**28,702**	**-**	**1,041**

"Other non-current assets" amounted to 28,702 thousand euro (50,293 thousand euro at December 31, 2023) with a negative variation in relation to the previous financial year of 21,591 thousand euro, reflecting:

- "Non-current derivates" in the amount of 1,041 thousand euro, contrasting with no valuation in the previous year, and relate to the fair value assessment of derivatives used for hedging against interest rate variations;
- "Other non-current assets" for 27,661 thousand euro (50,293 thousand euro at December 31, 2023) mainly related to security deposits (18,998 thousand euro) from third parties, as well as receivables from the tax authorities for tax benefits under building bonuses due beyond the next financial year (8,538 thousand euro).

Current assets

6) Inventories

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
- Materials and spare parts	1,297	2,722	4,019
- Material obsolescence provision	(734)	(36)	(770)
Total materials	**563**	**2,686**	**3,249**
- Fuel	170,274	9,633	179,907
- Others	-	140	140
Total raw and ancillary materials and consumables	**170,837**	**12,459**	**183,296**
Fuel at third parties	**2,212**	**(2,212)**	**-**
Total inventories	**173,049**	**10,247**	**183,296**

At December 31, 2024, inventories amounted to 183,296 thousand euro (173,049 thousand euro at December 31, 2023); changes for the period are positive for 10,247 thousand euro, and refer to the increase in gas and coal inventories compared to the end of the previous year, which primarily reflects the higher volumes of gas in storage.
Raw and ancillary materials and consumables consist of inventories of:

- materials for 3,249 thousand euro, net of the relative provision for obsolescence for 770 thousand euro;
- fuels, amounting to 179,907 thousand euro, which include gas inventories arising from the sale and storage of gas, as well as inventories of fuels for the production of electricity;
- others for 140 thousand euro concerning to the remaining environmental certificates relating to the trading portfolio.

As of December 31, 2023, this item included 2,212 thousand euro relating to coal stored in Koper, which was fully sold over the course of the year in question.
The gas inventory of the industrial portfolio is deemed recoverable based on the forward curves for the fiscal year in which its provision is planned.

7) Trade receivables

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Trade receivables – invoices issued	199,679	85,749	285,428
Trade receivables – invoices to be issued	1,990,313	(318,277)	1,672,036
Bad debts provision	(10,114)	9,346	(768)
Total trade receivables	**2,179,878**	**(223,182)**	**1,956,696**

At December 31, 2024, trade receivables amounted to 1,956,696 thousand euro (2,179,878 thousand euro at December 31, 2023) and decreased by 223,182 thousand euro. These receivables include:
- for 969,048 thousand euro receivables from customers (823,591 thousand euro at December 31, 2023);
- for 987,648 thousand euro receivables from subsidiaries, controlling entities and associates (1,356,287 thousand euro at December 31, 2023).

The change in trade receivables is mainly attributable to the reduction in tariffs for the sale of electricity and gas observed during the year in the reference scenario.
It should be noted that the Company occasionally assigns receivables without recourse and has no revolving factoring programs in place.

At December 31, 2024, the bad debt provision calculated in accordance with IFRS 9 amounted to 768 thousand euro, a decrease of 9,346 thousand euro. This provision is considered adequate to cover the risks to which it relates.

The detailed changes in the provisions to adjust the values of receivables are outlined in the following table:

thousands of euro	Balance at 12 31 2023	Provisions	Uses	Other changes	Balance at 12 31 2024
Bad debts provision	**10,114**	**(2,016)**	**(7,330)**	**-**	**768**

The following is the aging of trade receivables:

thousands of euro	12 31 2023	12 31 2024
Trade receivables of which:	**2,179,878**	**1,956,696**
Current	**170,144**	**280,497**
Past due of which:	**29,535**	**4,931**
Past due up to 30 days	897	2,062
Past due from 31 to 180 days	16,167	202
Past due from 181 to 365 days	9,325	143
Past due over 365 days	3,146	2,524
Invoices to be issued	**1,990,313**	**1,672,036**
Bad debts provision	**(10,114)**	**(768)**

8) Other current assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Current derivatives	1,525,283	(660,134)	865,149	-	-
Other current assets of which:	456,272	(204,240)	252,032		
- advances to suppliers	1,067	(680)	387		
- receivables from employees	164	(66)	98		
- tax receivables	12,140	(2,767)	9,373		
- receivables from subsidiaries for tax consolidation	126,133	29,343	155,476		
- receivables related to future years	13,746	8,531	22,277		
- receivables from social security entities	708	(35)	673		
- receivables from stamp office	123	-	123		
- receivables for damage compensation	1	-	1		
- receivables for security deposits	296,731	(254,905)	41,826		
- other sundry receivables	5,459	16,339	21,798		
Total other current assets	**1,981,555**	**(864,374)**	**1,117,181**	-	-

"Other current assets" show a balance of 1,117,181 thousand euro (1,981,555 thousand euro at December 31, 2023), a decrease of 864,374 thousand euro compared to the previous financial year.
"Current derivative instruments" amounting to 865,149 thousand euro (1,525,283 thousand euro at December 31, 2023) refer to the fair value valuation of commodity derivatives at the end of the year under review. The decrease is mainly attributable to a decrease in fair value valuation due to a lower average difference between subscription prices and market prices.
"Advances to suppliers" of 387 thousand euro (1,067 thousand euro at December 31, 2023) refer to prepayments on professional services.
"Tax receivables", which amounted to 9,373 thousand euro (12,140 thousand euro at December 31, 2023), refer to receivables from the tax authorities for tax benefits under building bonuses due within one year (4,442 thousand euro), receivables from the tax authorities for excise duties (3,001 thousand euro), tax credits from the tax authorities for investments in new capital goods as provided for by Art. 1, par. 1051 - 1063 of L. 178/2020, as amended by Art. 1, paragraph 44 of Law 234/2021 (1,127 thousand euro), to a tax credit towards the Treasury for research and development activities recognized for the purposes provided for in Article 1, paragraphs 198 to 206, of Law no. 160 of December 27, 2019, as amended, and by the Decree of May 26, 2020 issued by the Ministry of Economic Development (410 thousand euro), to VAT credits (284 thousand euro), to a tax credit towards the Treasury for sanitization and the purchase of protective devices pursuant to Art. 125 of LD 34/2020 - Decreto Rilancio (Relaunch Decree) (26 thousand euro), as well as other receivables for 83 thousand euro.
"Receivables from subsidiaries for tax consolidation" and Group VAT amounted to 155,476 thousand euro (126,133 thousand euro at December 31, 2023).
"Receivables for guarantee deposits" of 41,826 thousand euro (296,731 thousand euro at December 31, 2023) mainly refer to the deposit with the Electricity Market Operator (GSE) for operations on the electricity market.
Other sundry receivables include receivables related to job orders in progress, as well as receivables related to the sale of the shareholding in Ge.S.I. S.r.l.

9) Current financial assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Other financial assets	24,550	3,286	27,836	24,550	27,836
Other financial assets from related parties	3,454,198	747,605	4,201,803	3,454,198	4,201,803
Total current financial assets	**3,478,748**	**750,891**	**4,229,639**	**3,478,748**	**4,229,639**

"Current financial assets" amounted to 4,229,639 thousand euro (3,478,748 thousand euro at December 31, 2023), with an increase of 750,891 thousand euro referring:

- for 4,228,580 thousand euro to "Loans and receivables originated by HTC (Hold to Collect)" (3,477,839 thousand euro at December 31, 2023) of which:
  - from subsidiaries 4,200,744 thousand euro (3,453,289 thousand euro at December 31, 2023) for both the balance of intra-group current accounts on which interest rates are applied, at market conditions, with a variable Euribor basis with specific spreads for companies and for the current portion of loans granted to subsidiaries;
  - to third parties 27,836 thousand euro (24,550 thousand euro at December 31, 2023) related to financial receivables with third parties, in particular to credits for interest income accrued on bank deposits;
- for 1,059 thousand euro "IFRS 16 financial receivables (subleases)" from subsidiaries (909 thousand euro at December 31, 2023).

10) Current tax assets

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Attività per imposte correnti	**17,034**	**(492)**	**16,542**

At December 31, 2024, this item amounted to 16,542 thousand euro (17,034 thousand euro at December 31, 2023) and refers to IRAP receivables (9,681 thousand euro), as well as to IRES receivables (5,562 thousand euro), for amounts requested for reimbursement, as well as the remaining credit for Robin Tax (1,299 thousand euro) paid in previous years and that will be recovered in subsequent years.

11) Cash and cash equivalents

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Cash and cash equivalents	1,487,378	(164,212)	1,323,166	1,487,378	1,323,166

"Cash and cash equivalents" at December 31, 2024 amounted to 1,323,166 thousand euro (1,487,378 thousand euro at December 31, 2023), with a negative variation of 164,212 thousand euro compared with the end of the previous year. This variation remained contained despite acquiring Enel's electricity distribution assets in the Milan and Brescia provinces, confirming a strong overall liquidity position.

This item includes term current accounts, in the amount of 338,365 thousand euro, related to trading on commodity derivative platforms.

Bank deposits include accrued interest not yet credited by the end of the period.

Equity and liabilities

Equity

Equity, which at December 31, 2024 amounted to 5,016,506 thousand euro (3,788,656 thousand euro at December 31, 2023), is detailed in the following table:

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Shareholders' equity			
Share capital	1,629,111	-	1,629,111
(Treasury shares)	-	-	-
Reserves	1,671,335	927,676	2,599,011
Result of the year	488,210	300,174	788,384
Total shareholders' equity	**3,788,656**	**1,227,850**	**5,016,506**

12) Share capital

At December 31, 2024, the "Share capital" amounted to 1,629,111 thousand euro and is comprised of 3,132,905,277 ordinary shares with a unitary value of 0.52 euro each.

13) Reserves

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Reserves	**1,671,335**	**927,676**	**2,599,011**
Change in the fair value of cash flow hedge derivatives and Bond fair value	(4,529)	(12,068)	(16,597)
Tax effect	743	3,190	3,933
Reserves of cash flow hedges and fair value bonds	**(3,786)**	**(8,878)**	**(12,664)**
Change in the IAS 19 Revised reserve - Employee Benefits	(58,584)	12,503	(46,081)
Tax effect	17,366	(5,019)	12,347
IAS 19 Revised reserve - Employee Benefits	**(41,218)**	**7,484**	**(33,734)**
Change in fair value of financial assets	-	9,008	9,008
Tax effect	-	(2,664)	(2,664)
Fair value reserves of financial assets	**-**	**6,344**	**6,344**

The variations in the "Reserves", which at December 31, 2024, show a balance of 2,599,011 thousand euro (1,671,335 thousand euro at December 31, 2023), resulted in a positive change of 927,676 thousand euro due to the allocation of the 2023 profit, net of the dividends distributed, as well as the recognition of the reserve related to the first issuance of a perpetual subordinated hybrid bond in Green format – use of proceeds.

The reserve related to the first hybrid subordinated perpetual bond issuance in Green use of proceeds format, with a nominal value of 750 million euro, amounts to 741,812 thousand euro, net of issuance expenses and the tax effect on them. The bond, placed at an issue price of 99.460% and characterized by a non-call period of 5.25 years, will have a perpetual maturity and will pay a fixed annual coupon of 5.000% until the first reset date on September 11, 2029.

From that date, unless early redemption has taken place, the security will accrue interest per annum equal to the five-year Euro Mid Swap reference rate increased by an initial margin of 225.8 basis points, increased by a further margin of 25 basis points from September 11, 2034 and by a subsequent increase of a further 75 basis points from September 11, 2049.
The reserves also include the reserve related to the payment of the first tranche of coupons for 9,426 thousand euro, along with a related tax impact of minus 2,262 thousand euro.

This item includes the following unavailable reserves:

- for 55,430 thousand euro the reserve arising from the corporate separation occurred in 1999. Such reserve will be available for distribution in portions in the following years based on the amortization carried out by the receiving company on the higher values determining capital gains from contribution;
- 12,664 thousand euro for the negative cash flow hedge reserve including the fair value of hedging derivatives and bonds in foreign currency, net of tax;
- for 33,734 thousand euro, the negative reserve arising from the adoption of IAS 19 Revised - Employee Benefits which requires actuarial profits and losses to be recognized directly in an equity reserve, net of the tax effect;
- 6,344 thousand euro for the Fair Value measurement reserve of financial assets, net of the related tax effect;
- for 462 thousand euro, the negative available-for-sale reserve including the fair value of certain available-for-sale shareholdings net of the tax effect;
- for 358,029 thousand euro, the legal reserve, whose increase of 24,411 thousand euro compared with the previous year derives from the allocation of profit for the previous year.

It shall be noted that in 2021, the company opted, pursuant to L.D. 104/2020, for the realignment of differences between the higher statutory value and the lower tax value of tangible assets via payment of a substitute tax equal to 3% of the realigned value in three annual installments. The company's reserves are therefore subject to a tax suspension restriction amounting to 227,530 thousand euro, calculated as the difference between the realigned value and the substitute tax due. The distribution of these reserves or their allocation to uses other than loss coverage will result in taxation of the same.
The additional reserves and the profits that in case of distribution must be considered as IRES tax suspension amounted to 6,385 thousand euro.

It should be noted that during 2024, dividends amounting to 300,132 thousand euro corresponding to 0.0958 euro per share were distributed, as approved by the shareholders' meeting on April 24, 2024.

14) Net result of the year

Positive result for 788,384 thousand euro.

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Liabilities

Non-current liabilities

15) Non-current financial liabilities

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Non-convertible bonds	4,799,729	(296,970)	4,502,759	4,799,729	4,502,759
Payables to banks	456,575	823,292	1,279,867	456,575	1,279,867
Payables to other lenders	-	149,875	149,875	-	149,875
Non-current financial payables for rights of use to third parties	26,827	(3,123)	23,704	26,827	23,704
Non-current financial payables for rights of use to related parties	29,482	(3,229)	26,253	29,482	26,253
Total non-current financial liabilities	**5,312,613**	**669,845**	**5,982,458**	**5,312,613**	**5,982,458**

"Non-current financial liabilities", which amounted to 5,982,458 thousand euro (5,312,613 thousand euro at December 31, 2023), increased by 669,845 thousand euro.

"Non-convertible bonds" amounting to 4,502,759 thousand euro (4,799,729 thousand euro at December 31, 2023) relate to the following bonds, which are accounted for at amortized cost:
- 298,436 thousand euro, maturing in October 2027 and coupon of 1.625%, the nominal value of which is equal to 300,000 thousand euro;
- 85,561 thousand euro, Private Placement in yen maturing in August 2036 and fixed rate of 5.405%, the nominal value of which is equal to 14 billion yen;
- 396,818 thousand euro, maturing in July 2029 and coupon of 1.00%, the nominal value of which is equal to 400,000 thousand euro;
- 496,958 thousand euro, maturing in July 2031 and coupon of 0.625%, the nominal value of which is equal to 500,000 thousand euro;
- 494,989 thousand euro, maturing in October 2032 and coupon of 0.625%, the nominal value of which is equal to 500,000 thousand euro;
- 495,558 thousand euro, maturing in November 2033 and coupon of 1%, the nominal value of which is equal to 500,000 thousand euro;
- 497,017 thousand euro, maturing in March 2028 and coupon of 1.5%, the nominal value of which is equal to 500,000 thousand euro;
- 598,142 thousand euro, maturing in June 2026 and coupon of 2.5%, the nominal value of which is equal to 600,000 thousand euro;
- 646,452 thousand euro, maturing in September 2030 and coupon of 4.5%, the nominal value of which is equal to 650,000 thousand euro;
- 492,828 thousand euro, maturing in September 2034 and coupon of 4.375%, the nominal value of which is equal to 500,000 thousand euro.

The decrease in the non-current component of "Non-convertible bonds", amounting to 296,970 thousand euro compared with December 31, 2023, is essentially due to the reclassification under "Current financial liabilities" of the bond maturing in 2025 (300 million euro), and the decrease in the ECB exchange rate applied to the Private Placement in yen.

Non-current "Payables to banks" amounted to 1,279,867 thousand euro (456,575 thousand euro at December 31, 2023). This item includes the book value of loans granted by the European Investment Bank in the amount of 381,134 thousand euro and by various credit institutions in the amount of 898,733 thousand euro. The net increase of 823,292 thousand euro at the end of the reporting

period is attributed to the issuance of three loans with a total nominal value of 900,000 thousand euro and the reclassification of capital amounts due within the next twelve months under current liabilities.
"Payables to other lenders" amounted to 149,875 thousand euro (no value at December 31, 2023) and refer to a loan granted by the Cassa Depositi e Prestiti, for a nominal value of 150,000 thousand euro.

"Financial payables for non-current rights of use", in application of IFRS 16 for leases previously classified as operating, both to third parties and related parties, amounted to 49,957 thousand euro, with a decrease of 6,352 thousand euro compared to the end of the previous year.

For an analysis of the maturity dates of each item of these payables, please refer to the special detailed table in the "Other information" section in chapter 6) Financial Risk Management in paragraph d. Liquidity risk, while for further analysis of the division between fixed-rate and variable-rate payables, please refer to the special detailed table in paragraph b. Interest rate risk.

The following table shows the comparison, for each long-term debt category, between the book value and the fair value, including the portion falling due in the next 12 months. For listed debt instruments, the fair value is determined using stock prices, while for unlisted securities the fair value is determined using valuation models for each category of financial instrument and using market data relating to the closing date of the financial year, including the credit spreads of A2A S.p.A.

thousands of euro	Nominal value	Book value	Current portion	Non-current portion	Fair Value
Bonds	4,848,000	4,857,049	354,290	4,502,759	4,606,252
Loans from banks and other lenders	1,937,209	1,941,738	511,996	1,429,742	1,077,942
Total	**6,785,209**	**6,798,787**	**866,286**	**5,932,501**	**5,684,194**

16) Employee benefits

"Employee Benefits" amounted to 109,635 thousand euro (123,148 thousand euro as of December 31, 2023) with changes as follows during the period:

thousands of euro	Balance at 12 31 2023	Accruals	Uses	Other changes	Balance at 12 31 2024
Employee leaving entitlement (TFR)	15,093	8,113	(1,476)	(7,605)	14,125
Employee benefits	108,055	-	(4,393)	(8,152)	95,510
Total employee benefits	**123,148**	**8,113**	**(5,869)**	**(15,757)**	**109,635**

The change in the item is attributable to 8,113 thousand euro in provisions for the year, 5,869 thousand euro in the decrease due to disbursements during the year, and 15,757 thousand euro in the net decrease due to actuarial valuations, resulting from the combined effect of the increase for interest cost of 3,900 thousand euro, the decrease for actuarial gains/losses of 12,503 thousand euro, and other negative changes for 7,154 thousand euro.

Technical valuations were carried out on the basis of the following assumptions:

thousands of euro	2023	2024
Discount rate	from +2.95% to +3.17%	from +2.69% to +3.38%
Annual inflation rate	2.0%	2.0%
Annual seniority bonus increase rate	2.0%	2.0%
Annual additional months increase rate	0.0%	0.0%
Annual cost of electricity increase rate	2.0%	2.0%
Annual cost of gas increase rate	0.0%	0.0%
Annual salary increase rate	1.0%	1.0%
Annual TFR increase rate	3.0%	3.0%
Average annual increase rate of supplementary pensions	1.125%	1.125%
Annual turnover frequencies	5.0%	5.0%
Annual TFR advance frequencies	2.0%	2.0%

It is noted that:

- the annual discount rate used to determine the present value of the bond has been derived, in line with paragraph 83 of IAS 19, from the Iboxx Corporate AA index, with duration 7-10, recognized at the measurement date. For this purpose, the yield with duration comparable to the duration of the work group evaluated was chosen;
- the annual rate of salary increase applied exclusively to companies with fewer than 50 employees on average in 2006 was determined on the basis of the reference data communicated by Group companies;
- the annual rate of TFR increase, according to art. 2120 of the Civil Code, is equal to 75% of inflation plus 1.5 percentage points;
- the annual advance and turnover frequencies are derived from historical experiences of the Group and the frequencies arising from the experience of the Actuary on a significant number of similar companies;
- for the demographic technical bases, it is noted that:
  - for the “death”, the tables TG62 (Premungas), AS62 (Electricity and Gas Discount), and ISTAT Tables 2022 (TFR) were used;
  - for “inability”, the INPS tables divided by age and gender were used;
  - for “retirement”, the 100% parameter was used upon reaching the requirements of AGO (Obligatory General Insurance) in accordance with LD no. 04/2019;
  - for the “probability of leaving the family”, the table in the INPS model was used for projections to 2010 updated;
  - for the “frequency of the various structures of surviving nuclei and average age of members”, the table in the INPS model was used for projections to 2010.

As required by IAS 19, the sensitivity for post-employment employee benefit obligations is outlined below:

thousands of euro	Turnover rate +1%	Turnover rate -1%	Inflation rate +0.25%	Inflation rate -0.25%	Discount rate +0.25%	Discount rate -0.25%
TFR	14,111	14,033	14,196	13,952	13,883	14,268

thousands of euro	Discount rate +0.25%	Discount rate -0.25%	Mortality table increased by 10%	Mortality table decreased by 10%
Premungas	8,647	8,877	8,316	9,256
Electricity and gas discount	81,759	86,530	86,705	81,747
Additional months	1,383	1,435	-	-

17) Provisions for risks, charges and liabilities for landfills

thousands of euro	Balance at 12 31 2023	Provisions	Releases	Uses	Other changes	Balance at 12 31 2024
Decommissioning provisions	4,545	-	-	-	(39)	4,506
Tax provisions	2,030	1	(596)	-	-	1,435
Personnel lawsuits and disputes provisions	5,949	-	(524)	(134)	495	5,786
Other risk provisions	158,331	32,777	(793)	(30,939)	12,509	171,885
Provisions for risks, charges and liabilities for landfills	**170,855**	**32,778**	**(1,913)**	**(31,073)**	**12,965**	**183,612**

“Decommissioning provisions”, which amounted to 4,506 thousand euro, include charges for costs of dismantling and recovery of production sites related to hydroelectric plants of Valtellina and Calabria. The changes in the item are negative for 39 thousand euro and refer both to the updating of the appraisals and to the revision of the discount rates used for estimation of future charges.

“Tax Provisions”, which amounted to 1,435 thousand euro, refer to provisions for pending or potential litigation with the tax authorities or territorial entities for levies and direct and indirect taxes. The changes mainly involved releases of 596 thousand euro and provisions of 1 thousand euro.

The “Personnel lawsuits and disputes provisions” amounted to 5,786 thousand euro and refer to lawsuits pending with social security institutions, for contributions not paid for 998 thousand euro, to lawsuits with third parties for 4,083 thousand euro and with employees for 705 thousand euro, to cover the liabilities that could arise from litigations in progress. The changes during the period concern releases of 524 thousand euro, uses of 134 thousand euro, and other increases of 495 thousand euro.

“Other risk provisions” of 171,885 thousand euro refer to provisions relating to public water derivation fees for 131,408 thousand euro, provisions for contractual expenses for 15,596 thousand euro, to the mobility provision for the costs arising from the corporate restructuring plan for 7,206 thousand euro, as well as other provisions for risks for 17,675 thousand euro. Changes during the period regard provisions of 32,777 thousand euro, uses of 30,939 thousand euro, releases of 793 thousand euro and other increases of 12,509 thousand euro.

The risk of climate change did not give rise to the need to recognize additional contingent liabilities as the company, as required by the standard, reviews risks annually, estimating the present value of the amounts required to meet future contingent obligations (e.g. decommissioning provisions on hydroelectric plants).This estimate is the result of the methodology used by the company in previous years, which takes into account the macroeconomic scenario.

18) Other non-current liabilities

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Other non-current liabilities	3,455	-	3,455	-	-
Non-current derivatives	10,703	7,837	18,540	10,703	18,540
Total other non-current liabilities	**14,158**	**7,837**	**21,995**	**10,703**	**18,540**

"Other non-current liabilities" amounted to 21,995 thousand euro and refer to:

- "Non-current derivative instruments" equal to 18,540 thousand euro (10,703 thousand euro at December 31, 2023), which refer to the fair value measurement of the hedging derivative relating to the bond in yen maturing in 2036;
- "Other non-current liabilities to third parties" amount to 3,455 thousand euro, unchanged compared to the end of the previous year, of which:
    - "Other non-current payables" totaling 3,354 thousand euro, which refer to payables linked to Long Term Service Agreements relating to plant maintenance;
    - "Security deposits" of 101 thousand euro.

Current liabilities

19) Trade payables and other current liabilities

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Advances and payables to customers	12	(5)	7		
Payables to suppliers	2,529,681	(427,277)	2,102,404		
Trade payables to related parties of which:	448,795	(135,710)	313,085		
- subsidiaries	384,310	(90,328)	293,982		
- joint ventures	64,357	(45,353)	19,004		
- Municipalities of Milan and Brescia	128	(29)	99		
Total trade payables	**2,978,488**	**(562,992)**	**2,415,496**	-	-
Payables to pension and social security institutions	15,267	1,188	16,455		
Current derivatives	1,553,311	(786,614)	766,697		
Other current liabilities of which:	150,759	(24,921)	125,838		
- payables to employees	27,135	11,047	38,182		
- tax payables	58,143	3,327	61,470		
- to subsidiaries for tax consolidation	35,864	(23,403)	12,461		
- payables for tax transparency	5,368	(3,598)	1,770		
- payables for liabilities of competence of the following year	33	(12)	21		
- payables for collections to be allocated	224	5,577	5,801		
- sundry payables	23,992	(17,859)	6,133		
Total other current liabilities	**1,719,337**	**(810,347)**	**908,990**	-	-
Total trade payables and other current liabilities	**4,697,825**	**(1,373,339)**	**3,324,486**	-	-

"Trade receivables and other current liabilities" amounted to 3,324,486 thousand euro (4,697,825 thousand euro at December 31, 2023), representing an overall decrease of 1,373,339 thousand euro.
"Trade payables" amounted to 2,415,496 thousand euro and include advances for 7 thousand euro, debt exposure to third-party suppliers (2,102,404 thousand euro) and trade payables to related parties (313,085 thousand euro). The decrease in payables to third-party suppliers is mainly attributable to the decrease in commodity trading transactions with bilateral counterparties.

"Payables to social security institutions" amounted to 16,455 thousand euro and relate to the company's debt position with social security and pension institutions, related to contributions of the month of December not yet paid.
"Current derivative instruments" amounted to 766,697 thousand euro (1,553,311 thousand euro at December 31, 2023) and refer to the fair value valuation of derivatives. The decrease is mainly attributable to a decrease in fair value valuation due to a lower average difference between subscription prices and market prices.
"Other current liabilities" amounting to 125,838 thousand euro (150,759 thousand euro at December 31, 2023) mainly refer to:

- Group "payables to subsidiaries for tax consolidation" amounting to 12,461 thousand euro (35,864 thousand euro at December 31, 2023);
- "payables to employees" for 38,182 thousand euro (27,135 thousand euro at December 31, 2023), relating to payables to employees for the productivity bonus accrued during the year, as well as the expense for holidays accrued but not taken at December 31, 2024;

- “tax payables” amounting to 61,470 thousand euro (58,143 thousand euro at December 31, 2023) essentially regarding VAT payables, payables for water diversion fees, as well as payables to the tax authorities for withholding tax;
- “payables for fiscal transparency” for 1,770 thousand euro (5,368 thousand euro at December 31, 2023) to the associate Ergosud S.p.A.;
- “other sundry payables” which include the advance collections of electricity and gas futures contracts the economic manifestation of which will be in the following year (1,713 thousand euro) as well as payables for insurance policies (1,724 thousand euro).

20) Current financial liabilities

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024	of which included in the NFP	
				12 31 2023	12 31 2024
Non-convertible bonds	357,213	(2,923)	354,290	357,213	354,290
Payables to banks	221,645	286,871	508,516	221,645	508,516
Payables to other lenders	-	3,480	3,480	-	3,480
Financial payables to related parties	581,849	(267,331)	314,518	581,849	314,518
Current financial payables for rights of use to third parties	12,727	1,552	14,279	12,727	14,279
Current payables for rights of use to related parties	7,307	583	7,890	7,307	7,890
Total current financial liabilities	**1,180,741**	**22,232**	**1,202,973**	**1,180,741**	**1,202,973**

“Current financial liabilities” amounted to 1,202,973 thousand euro, an overall increase of 22,232 thousand euro.

“Non-convertible bonds” amounted to 354,290 thousand euro and show a net decrease of 2,923 thousand euro. During the year, a bond with a nominal value of 300,000 thousand euro, which expired in March 2024, was repaid, offset by the reclassification from “Non-current financial liabilities” of a bond expiring in February 2025 of the same nominal value. At December 31, 2024, the calculation of interest coupons amounted to 54,358 thousand euro (57,245 thousand euro at December 31, 2023).

Current “Payables to banks”, which amounted to 508,516 thousand euro, mainly comprises the book value of loans granted by the European Investment Bank, in the amount of 76,022 thousand euro, the value of amortized costs of loans disbursed by different credit institutions for -1,209 thousand euro, the utilization of “Hot money” lines, in the amount of 430,000 thousand euro, and accrued interest, in the amount of 3,703 thousand euro. The year-on-year increase of 286,871 thousand euro was mainly related to the reclassification from “Non-current financial liabilities” of residual loans due within the next twelve months.
“Payables to other lenders” amounted to 3,480 thousand euro, with no value as of December 31, 2023, and refer to interest accrued net of amortized costs relating to a loan granted by Cassa Depositi e Prestiti, for a nominal value of 150,000 thousand euro.

“Financial payables to related parties” amounted to 314,518 thousand euro with a decrease of 267,331 thousand euro and relate to intra-group current accounts on which rates are applied at market conditions, with variable Euribor base with specific spreads for companies.

“Financial payables for current rights of use”, in application of IFRS 16 for leases previously classified as operating, both to third parties and related parties, amounted to 22,169 thousand euro, with an increase of 2,135 thousand euro compared to the end of the previous year.

21) Tax liabilities

thousands of euro	Balance at 12 31 2023	Changes	Balance at 12 31 2024
Tax liabilities	**52,327**	**36,514**	**88,841**

At December 31, 2024, Tax liabilities amounted to 88,841 thousand euro (52,327 thousand euro at December 31, 2023) and related to the recognition of current IRES and IRAP payables for the year 2024, net of advances paid.

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Net debt
(pursuant to Communication ESMA/32-382-1138)

22) Net debt
(pursuant to Communication ESMA/32-382-1138)

The following table provides details of net debt:

thousands of euro	12 31 2023	Changes	12 31 2024
Bonds - non-current portion	4,799,729	(296,970)	4,502,759
Bank loans - non-current portion	456,575	823,292	1,279,867
Non-current payables to other lenders	-	149,875	149,875
Non-current financial payables for rights of use	56,309	(6,352)	49,957
Other non-current liabilities	10,703	7,837	18,540
Total medium/long-term debt	**5,323,316**	**677,682**	**6,000,998**
Non-current financial assets - related parties	(549,608)	184,599	(365,009)
Non-current financial assets	(96)	-	(96)
Other non-current assets	-	(1,041)	(1,041)
Total medium/long-term financial receivables	**(549,704)**	**183,558**	**(366,146)**
Total non-current net debt	**4,773,612**	**861,240**	**5,634,852**
Bonds - current portion	357,213	(2,923)	354,290
Bank loans - current portion	221,645	286,871	508,516
Current amounts due to other providers of finance	-	3,480	3,480
Current financial payables for rights of use	20,034	2,135	22,169
Current financial payables to related parties	581,849	(267,331)	314,518
Total short-term debt	**1,180,741**	**22,232**	**1,202,973**
Other current financial assets	(24,550)	(3,286)	(27,836)
Current financial assets - related parties	(3,454,198)	(747,605)	(4,201,803)
Total short-term financial receivables	**(3,478,748)**	**(750,891)**	**(4,229,639)**
Cash and cash equivalents	(1,487,378)	164,212	(1,323,166)
Total current net debt	**(3,785,385)**	**(564,447)**	**(4,349,832)**
Net financial debt	**988,227**	**296,793**	**1,285,020**

Pursuant to IAS 7 "Cash Flow Statement", the following are the changes in financial assets and liabilities:

thousands of euro	12 31 2023	Cash flow	Change in fair value	Other changes	12 31 2024
Bonds	5,156,942	(408,055)	(3,696)	111,858	4,857,049
Financial payables	1,336,412	1,140,704	-	(148,734)	2,328,382
Other liabilities	10,703	-	7,837	-	18,540
Financial assets	(4,028,452)	(531,921)	-	(34,371)	(4,594,744)
Other activities	-	-	(1,041)	-	(1,041)
Net liabilities deriving from financing activities	**2,475,605**	**200,728**	**3,100**	**(71,247)**	**2,608,186**
Cash and cash equivalents	(1,487,378)	164,212	-	-	(1,323,166)
Net financial debt	**988,227**	**364,940**	**3,100**	**(71,247)**	**1,285,020**

2.8
Notes to the income statement

23) Revenues

Revenues at December 31, 2024 amounted to 8,752,816 thousand euro (11,062,441 thousand euro at December 31, 2023).

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Revenues from the sale of goods	8,426,529	10,779,163	(2,352,634)	(21.8%)
Revenues from services	273,485	266,831	6,654	2.5%
Total revenues from the sale of goods and services	**8,700,014**	**11,045,994**	**(2,345,980)**	**(21.2%)**
Other operating income	**52,802**	**16,447**	**36,355**	**n.s.**
Total revenues	**8,752,816**	**11,062,441**	**(2,309,625)**	**(20.9%)**

Details of the more significant items are as follows:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Sales of electricity of which:	**5,340,841**	**6,612,718**	**(1,271,877)**	**(19.2%)**
- third-party customers	2,505,054	3,347,485	(842,431)	(25.2%)
- subsidiaries	2,835,758	3,259,222	(423,464)	(13.0%)
- associates	29	6,011	(5,982)	(99.5%)
Sales of gas and fuels of which:	**2,825,618**	**3,688,445**	**(862,827)**	**(23.4%)**
- third-party customers	1,180,293	1,520,816	(340,523)	(22.4%)
- subsidiaries	1,635,798	2,152,350	(516,552)	(24.0%)
- associates	9,527	15,279	(5,752)	(37.6%)
Sales of heat of which:	**1,099**	**1,226**	**(127)**	**(10.4%)**
- subsidiaries	1,099	1,226	(127)	(10.4%)
Sales of materials and equipment of which:	**9,106**	**9,740**	**(634)**	**(6.5%)**
- third-party customers	1	21	(20)	(95.2%)
- subsidiaries	9,105	9,719	(614)	(6.3%)
Sales of emission certificates and allowances of which:	**249,865**	**467,034**	**(217,169)**	**(46.5%)**
- third-party customers and inventory change	8,213	26,262	(18,049)	(68.7%)
- subsidiaries	241,650	399,175	(157,525)	(39.5%)
- associates	2	41,597	(41,595)	(100.0%)
Total revenues from the sale of goods	**8,426,529**	**10,779,163**	**(2,352,634)**	**(21.8%)**
- Services to third parties	17,647	1,704	15,943	n.s.
- Services to subsidiaries	253,533	261,274	(7,741)	(3.0%)
- Services to associates	38	219	(181)	(82.6%)
- Services to parent companies	2,267	3,634	(1,367)	(37.6%)
Total revenues from services	**273,485**	**266,831**	**6,654**	**2.5%**
Total revenues from the sale of goods and services	**8,700,014**	**11,045,994**	**(2,345,980)**	**(21.2%)**
Other operating income	**52,802**	**16,447**	**36,355**	**n.s.**
Total revenues	**8,752,816**	**11,062,441**	**(2,309,625)**	**(20.9%)**

"Sales revenues", which amounted to 8,426,529 thousand euro and show a decrease of 2,352,634 thousand euro compared to the previous year, mainly refer to the sale of electricity (5,340,841 thousand euro) to wholesalers and institutional operators (Gestore Mercato Elettrico S.p.A. and Terna S.p.A.), also through sales on the IPEX markets (Italian Power Exchange), as well as to subsidiaries and associates for a total of 23,564 million kWh (+8% compared to December 31, 2023); to the sale of gas and fuel to third parties and subsidiaries (2,825,618 thousand euro) from the commercialization of 4,824 million cubic meters of gas (-3% compared to the previous year); to the sale of heat (1,099 thousand euro), materials and plants to both third parties and subsidiaries (9,106 thousand euro); and to the sale of environmental certificates to third parties and subsidiaries (249,865 thousand euro). The decrease in sales revenues is mainly due to the decrease in prices in the wholesale markets for both electricity and gas, as well as lower revenues from the sales of CO_2, due both to the price effect and the reduced operation of the thermoelectric plants managed by A2A S.p.A. through tolling contracts.

"Revenues from services" amount to 273,485 thousand euro and mainly relate to revenues from provisions to subsidiaries of administrative, fiscal, legal, managerial and technical services, and revenues from the Municipality of Milan for the video surveillance service.

“Other operating income”, standing at 52,802 thousand euro (16,447 thousand euro as of December 31, 2023), have increased compared to the previous year mainly due to the restoration of the feed-in tariff incentive mechanism. In 2023, these incentives amounted to zero because the PUN 2022 exceeded the 180 euro/MWh threshold set by the GRIN incentive calculation formula, as well as the consideration granted by EP Produzione as the designee for dispatching of the Scandale plant for the year 2024.

24) Operating expenses

“Operating expenses” totaled 7,880,842 thousand euro (10,448,524 thousand euro at December 31, 2023).
The main components of this item are as follows:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Costs for raw materials and consumables	6,825,884	9,218,057	(2,392,173)	(26.0%)
Costs for services	478,458	572,789	(94,331)	(16.5%)
Total expenses for raw materials and services	**7,304,342**	**9,790,846**	**(2,486,504)**	**(25.4%)**
Other operating expenses	**576,500**	**657,678**	**(81,178)**	**(12.3%)**
Total operating expenses	**7,880,842**	**10,448,524**	**(2,567,682)**	**(24.6%)**

The following table sets out details of the more significant components:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Purchases of electricity of which:	**3,578,199**	**4,173,294**	**(595,095)**	**(14.3%)**
- third-party suppliers	3,152,453	3,745,617	(593,164)	(15.8%)
- subsidiaries	416,948	427,592	(10,644)	(2.5%)
- associates	8,798	85	8,713	n.s.
Purchases of gas of which:	**3,035,160**	**4,316,978**	**(1,281,818)**	**(29.7%)**
- third-party suppliers	3,030,505	4,302,414	(1,271,909)	(29.6%)
- subsidiaries	4,655	14,564	(9,909)	(68.0%)
Purchases of fuel of which:	**5,243**	**36,251**	**(31,008)**	**(85.5%)**
- third-party suppliers	5,236	36,239	(31,003)	(85.6%)
- subsidiaries	7	12	(5)	(41.7%)
Change in inventories of fuel	**(12,678)**	**206,633**	**(219,311)**	**n.s.**
Purchases of heat of which:	**549**	**660**	**(111)**	**(16.8%)**
- subsidiaries	549	660	(111)	(16.8%)
Purchases of water of which:	**129**	**126**	**3**	**2.4%**
- third-party suppliers	54	48	6	12.5%
- subsidiaries	75	78	(3)	(3.8%)
Purchases of materials of which:	**13,597**	**12,296**	**1,301**	**10.6%**
- third-party suppliers	13,590	12,291	1,299	10.6%
- subsidiaries	7	5	2	40.0%
Change in inventories of materials	**(2,686)**	**24**	**(2,710)**	**n.s.**
Hedging losses on operating derivatives	**1,148**	**7,291**	**(6,143)**	**(84.3%)**
Hedging gains on operating derivatives	**(4,889)**	**(4,708)**	**(181)**	**3.8%**
Purchases of emission certificates and allowances of which:	**212,112**	**469,212**	**(257,100)**	**(54.8%)**
- third-party suppliers	205,443	460,811	(255,368)	(55.4%)
- subsidiaries	6,669	8,401	(1,732)	(20.6%)
Total costs for raw materials and consumables	**6,825,884**	**9,218,057**	**(2,392,173)**	**(26.0%)**
Delivery and transmission costs of which:	**254,855**	**356,433**	**(101,578)**	**(28.5%)**
- third-party suppliers	230,168	330,929	(100,761)	(30.4%)
- subsidiaries	24,687	25,504	(817)	(3.2%)
Maintenance and repairs	**28,411**	**58,271**	**(29,860)**	**(51.2%)**
Services of which:	**195,192**	**158,085**	**37,107**	**23.5%**
- third-party suppliers	164,270	131,568	32,702	24.9%
- subsidiaries	30,922	26,517	4,405	16.6%
Total costs for services	**478,458**	**572,789**	**(94,331)**	**(16.5%)**
Total costs for raw materials and services	**7,304,342**	**9,790,846**	**(2,486,504)**	**(25.4%)**
Leaseholds of which:	**394,028**	**554,652**	**(160,624)**	**(29.0%)**
- third-party suppliers	21,070	39,115	(18,045)	(46.1%)
- subsidiaries	347,666	449,531	(101,865)	(22.7%)
- associates	25,292	66,006	(40,714)	(61.7%)
Other operating expenses	**182,472**	**103,026**	**79,446**	**77.1%**
Total other operating expenses	**576,500**	**657,678**	**(81,178)**	**(12.3%)**
Total operating expenses	**7,880,842**	**10,448,524**	**(2,567,682)**	**(24.6%)**

"Costs for raw materials and services" amounted to 7,304,342 thousand euro (9,790,846 thousand euro at December 31, 2023).
"Costs for raw materials and consumables" amounted to 6,825,884 thousand euro and refer to the costs for the purchase of energy, fuel, and heat (6,619,151 thousand euro) from third parties and subsidiaries, both for electricity production and for resale to customers and wholesalers, the reduction of which derives mainly from the decrease in unit procurement prices due to the reduction in the reference scenario; the change in fuel inventories (-12,678 thousand euro), which is affected by the scenario effect that had significantly impacted the reopening of initial inventories in January 2023; expenses/income from hedging on derivatives (-3,741 thousand euro); the purchase of materials and water (11,040 thousand euro including the change in inventories); as well as the purchase of environmental certificates (212,112 thousand euro), whose reduction is affected by the lower unit cost of supply and by the lower purchases of CO_2 due to the lower volumes emitted, correlated to the lower thermoelectric production.

"Service costs" amounted to 478,458 thousand euro and relate to the logistics costs for transport on the natural gas network (254,855 thousand euro), costs for maintenance and repairs (28,411 thousand euro) related to both the plants and information systems of the company, as well as costs for services from third parties and subsidiaries and associates (195,192 thousand euro) that include costs for administrative and technical professional services, costs for certification activities, gas storage costs, expenses for insurance, monitoring, banking and other services. The decrease compared to the previous year is mainly due to lower costs for the transportation and storage of natural gas and maintenance costs, partly offset by higher costs for IT services related to the development of new projects.

"Other operating expenses" amounted to 576,500 thousand euro (657,678 thousand euro at December 31, 2023). This item includes the use of third-party assets for 394,028 thousand euro mainly relating to the contracting of thermoelectric production plants "tolling agreement" owned by the subsidiaries A2A Energiefuture S.p.A. and A2A gencogas S.p.A. and costs related to the use of part of a portion of the electricity capacity of Ergosud S.p.A.. Other costs amounted to 182,472 thousand euro and refer to public water derivation fees, damages and penalties and contingent liabilities.

During the year, the Company paid 3,000 thousand euro in donations to the AEM and ASM and LGH Foundations.

Trading margin

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Revenues	**5,811,050**	**8,599,585**	**(2,788,535)**	**(32.4%)**
Operating expenses	(5,763,359)	(8,538,343)	2,774,984	(32.5%)
Total trading margin	**47,691**	**61,242**	**(13,551)**	**(22.1%)**

The trading margin was positive for 47,691 thousand euro, a decrease of 13,551 thousand euro compared to December 31, 2023.
Throughout 2024, the market demonstrated a continuation of the trend of price stabilization already observed in 2023, with less volatility than in previous years. This dynamic was influenced by several factors, including a consistent supply of Liquefied Natural Gas and a moderate energy demand, following climatic conditions that limited consumption peaks.
Therefore, the reduced market volatility decreased the absolute value of profits captured from trading activities, despite the continued flow intermediation, price quoting, and market making.

25) Labor costs

At December 31, 2024, personnel costs, net of capitalized charges, totaled 206,233 thousand euro (195,727 thousand euro at December 31, 2023); the increase for the year includes the effect linked to contractual renewals, as well as to remuneration policy actions.

"Labor costs" may be analyzed as follows:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Wages and salaries	133,422	127,733	5,689	4.5%
Social security charges	42,130	40,213	1,917	4.8%
Employee leaving entitlement (TFR)	8,113	7,899	214	2.7%
Other costs	29,193	25,550	3,643	14.3%
Total labor costs before capitalizations	**212,858**	**201,395**	**11,463**	**5.7%**
Capitalized labor costs	(6,625)	(5,668)	(957)	16.9%
Total labor costs	**206,233**	**195,727**	**10,506**	**5.4%**

The table below shows the average number of employees during the period, broken down by category:

thousands of euro	12 31 2024	12 31 2023	Change
Managers	113	107	6
Middle Managers	430	411	19
White-collar workers	1,311	1,378	(67)
Blue-collar workers	143	149	(6)
Total	**1,997**	**2,045**	**(48)**

At December 31, 2024, A2A S.p.A. employees totaled 2,079, while at December 31, 2023, they were equal to 1,893.

The item also includes the remuneration paid by A2A S.p.A. to the members of the Board of Directors in the period for a total of 1,760 thousand euro; for further details, reference is made to the specific file "Remuneration Report - 2025".

"Other personnel costs" amounting to 29,193 thousand euro (25,550 thousand euro at December 31, 2023) include costs relating to the overall expense relating to the company restructuring plan related to future employee leaving for mobility for 4,742 thousand euro.

26) Gross operating income

In light of the dynamics explained above, the "Gross operating income" was positive for 665,741 thousand euro (positive for 418,190 thousand euro at December 31, 2023).

27) Depreciation, amortization, provisions and write-downs

"Depreciation, amortization, provisions and write-downs" equaled 193,120 thousand euro (182,245 thousand euro at December 31, 2023).
The following table provides details of the individual items:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Amortization of intangible assets	57,173	45,955	11,218	24.4%
Depreciation of tangible assets	106,606	87,477	19,129	21.9%
Net write-downs of fixed assets	492	68	424	n.s.
Total depreciation, amortization, provisions and write-downs	**164,271**	**133,500**	**30,771**	**23.0%**
Provisions for risks	30,865	43,684	(12,819)	(29.3%)
Bad debt provision on receivables recognized as current assets	(2,016)	5,061	(7,077)	n.s.
Total depreciation, amortization, provisions and write-downs	**193,120**	**182,245**	**10,875**	**6.0%**

In particular, "Depreciation and Amortization" totaled 163,779 thousand euro (133,432 thousand euro at December 31, 2023). The increase compared to December 31, 2023 results from the combined effect of higher depreciation and amortization for capital expenditures, net of the decrease associated with disposals during the period and fixed assets that completed their depreciation and amortization process in the prior year. Depreciation is calculated on the basis of technical and economic rates considered representative of the remaining useful life of the related tangible assets.

At December 31, 2024, write-downs of fixed assets amounted to 492 thousand euro (68 thousand euro at December 31, 2023) and mainly refer to assets no longer functional to the company's activity.

The item "Provisions for risks" shows a net effect of 30,865 thousand euro (43,684 thousand euro at December 31, 2023) due to allocations of 32,778 thousand euro, offset by the 1,913 thousand euro of risk provisions made in previous years and released in the current year since the original disputes have ceased to exist. The provisions, after accounting for the releases for the year, pertained to "Other provisions for risks" primarily related to public water derivation fees. For further details, reference is made to note 17) Provisions for risks, charges and liabilities for landfills.

The "Bad debt provision" showed a positive balance of 2,016 thousand euro (negative for 5,061 thousand euro at December 31, 2023) and is related to the surpluses identified during the year under review.

28) Net operating income

The "Net operating income" is positive by 472,621 thousand euro (235,945 thousand euro at December 31, 2023).

29) Result from non-recurring transactions

The "Result from non-recurring transactions" stands at zero, whereas it amounted to 1,790 thousand euro in the previous year, attributed to the capital gain from the sale of a land parcel in the Bovisa area within the Municipality of Milan.

30) Financial balance

"Financial balance" reported a positive balance of 479,506 thousand euro (positive for 337,639 thousand euro at December 31, 2023) as follows:

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Financial income	651,696	520,117	131,579	25.3%
Financial expenses	172,190	182,478	(10,288)	(5.6%)
Total financial balance	**479,506**	**337,639**	**141,867**	**42.0%**

Financial income

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Income on derivatives:	**4,701**	**-**	**4,701**	**n.s.**
- realized on financial derivatives	4,701	-	4,701	n.s.
Gains on disposals of financial assets	**6**	**6,190**	**(6,184)**	**99.9%**
Income from financial assets:	**646,989**	**513,927**	**133,062**	**25.9%**
Income from dividends:	395,694	283,208	112,486	39.7%
- subsidiaries	395,398	283,208	112,190	39.6%
- associates	296	-	296	n.s.
Income on receivables/securities recorded as current assets:	251,236	229,659	21,577	9.4%
- subsidiaries	204,371	173,847	30,524	17.6%
- associates	170	92	78	84.8%
- third parties of which:	46,695	55,720	(9,025)	(16.2%)
- on bank accounts	45,667	55,588	(9,921)	(17.8%)
- discounting income	-	63	(63)	(100.0%)
- on other receivables	1,028	69	959	n.s.
Foreign exchange gains	59	1,060	(1,001)	(94.4%)
Total financial income	**651,696**	**520,117**	**131,579**	**25.3%**

"Financial income" totaled 651,696 thousand euro (520,117 thousand euro at December 31, 2023) and is composed as follows:

- income from financial derivatives amounting to 4,701 thousand euro (no value as of December 31, 2023) reflects the positive "realized" results for the year;
- gains on the disposal of financial assets amounting to 6 thousand euro (6,190 thousand euro at December 31, 2023); which in the previous year, related to the gain realized on the sale of the shareholding in Yada Energia S.r.l. to the subsidiary A2A Energia S.p.A.;
- income from dividends in the amount of 395,694 thousand euro (283,208 thousand euro at December 31, 2023) related to dividends distributed by subsidiaries for 395,398 thousand euro, and associates for 296 thousand euro;
- income from receivables/securities recognized under current assets for 251,236 thousand euro (229,659 thousand euro at December 31, 2023). This primarily regards interest to subsidiaries accrued on current accounts and intra-group loans totaling 204,371 thousand euro, financial income from associates of 170 thousand euro, interest on bank deposits and interest on sundry receivables of 46,695 thousand euro;
- foreign exchange gains for 59 thousand euro (1,060 thousand euro at December 31, 2023).

Financial expenses

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Expenses on derivatives:	**-**	**59**	**(59)**	**(100.0%)**
- realized on financial derivatives	-	59	(59)	(100.0%)
Write-downs/losses of financial assets:	**10**	**207**	**(197)**	**(95.2%)**
- third parties	10	207	(197)	(95.2%)
Expenses on financial assets:	**172,180**	**182,212**	**(10,032)**	**(5.5%)**
- subsidiaries	11,905	10,384	1,521	14.6%
- associates	2	8	(6)	(75.0%)
- third parties of which:	160,273	171,820	(11,547)	(6.7%)
- interest on bond loans	111,850	123,675	(11,825)	(9.6%)
- interest charged by banks	39,020	35,974	3,046	8.5%
- decommissioning charges	138	135	3	2.2%
- discounting charges	3,996	4,902	(906)	(18.5%)
- financial expenses IFRS16	588	530	58	10.9%
- other expenses	4,555	5,755	(1,200)	(20.9%)
- foreign exchange losses	126	849	(723)	(85.2%)
Total financial expenses before capitalizations	**172,190**	**182,478**	**(10,288)**	**(5.6%)**
Total financial expenses	**172,190**	**182,478**	**(10,288)**	**(5.6%)**

"Financial expenses" amounted to 172,190 thousand euro (182,478 thousand euro in 2023) and referred to:

- to charges on financial derivatives that did not have any value, while at the end of the previous year, they amounted to 59 thousand euro and referred to the "realized" negatives of the year;
- write-downs of financial fixed assets for 10 thousand euro (207 thousand euro at December 31, 2023), which refer to the write-down of the shareholding in Visano Società Trattamento Reflui S.c.a.r.l. in liquidation;
- other expenses from financial liabilities amounting to 172,180 thousand euro (182,212 thousand euro at December 31, 2023), broken down as follows:
  - interest charged by subsidiaries in the amount of 11,905 thousand euro (10,384 thousand euro at December 31, 2023) for financial expenses accrued on intra-group accounts;
  - interest charged by associates for 2 thousand euro (8 thousand euro at December 31, 2023);
  - other financial expenses for 160,273 thousand euro (171,820 thousand euro at December 31, 2023), which essentially relate to interest on bonds, interest on loans and on the revolving credit lines used with various banks and other financial expenses.

The nature and content of derivatives are described in the section "Other information".

31) Income taxes

thousands of euro	12 31 2024	12 31 2023	Change	Percentage change
Current IRES	143,271	86,541	56,730	65.6%
Current IRAP	30,981	18,416	12,565	68.2%
Effect of differences - taxes of previous years	(1,777)	1,280	(3,057)	n.s.
Total current taxes	**172,475**	**106,237**	**66,238**	**62.3%**
Deferred tax assets IRES	4,847	507	4,340	n.s.
Deferred tax assets IRAP	4,317	(2,573)	6,890	n.s.
Deferred tax assets	**9,164**	**(2,066)**	**11,230**	**n.s.**
Deferred tax liabilities IRES	(17,875)	(16,797)	(1,078)	6.4%
Deferred tax liabilities IRAP	(21)	(21)	-	0.0%
Deferred tax liabilities	**(17,896)**	**(16,818)**	**(1,078)**	**6.4%**
Total income taxes	**163,743**	**87,353**	**76,390**	**87.4%**

It is noted that for IRES purposes, the company filed for tax on a consolidated basis, together with its main subsidiaries, in accordance with articles 117-129 of DPR 917/86.
To this end, a contract has been entered into with each of the subsidiaries to regulate the tax benefits and burdens transferred, with specific reference to current items.
The deferred tax assets and liabilities calculated when determining the subsidiaries' taxable income, again only for IRES purposes, are not transferred to the parent company, A2A S.p.A., but are recognized in the income statement of the individual subsidiary each time there is an effective divergence between net income calculated for tax reporting purposes and net income calculated for financial reporting purposes due to any temporary differences. The deferred tax assets and liabilities shown in the income statement of A2A are therefore calculated exclusively on the divergences between its income for taxable purposes and income for financial reporting purposes.
Current income tax (IRES) of A2A S.p.A. is calculated on its own taxable income net of the adjustments relating to the national tax consolidation filing, in accordance with appendix E of accounting standard OIC 25 of August 2014.
In compliance with accounting standard OIC 25, the "income/expense related to consolidation", which constitute the remuneration/counter-entry for the transfer to the parent company A2A of a tax loss or taxable income, are recognized in the balance sheet.
The total amount of IRAP was determined based on the net value of production, suitably adjusted by the increases and decreases required by tax legislation. In compliance with Article 4(2) of Legislative Decree No. 446, IRAP was calculated on the basis of the territorial distribution of the taxable base according to the region of production: Lombardy, Calabria, Lazio, Piedmont, Abruzzo, Apulia and Sardinia (rate 5.57%), Campania (rate 5.72%), Friuli-Venezia Giulia, Emilia-Romagna, Sicily and the Autonomous Province of Trento (rate 4.65%).
The deferred tax assets and liabilities for IRAP purposes are booked to the income statement so as to show the total tax charge for the year, taking into account the tax effects of temporary differences. The recoverability of the "IRES deferred tax assets" recorded in the financial statements is considered probable, as the future plans provide for IRES taxable income sufficient for the absorption of the temporary differences that will be reversed; on the other hand, deferred tax assets and liabilities recorded for IRAP purposes are those considered adequate with respect to the best forecast of absorption from future taxable income.
No items have been excluded from the calculation of deferred taxation for IRES or IRAP purposes, with the exceptions highlighted above, and deferred tax liabilities and assets are recognized according to the balance sheet method.

At December 31, 2024, income taxes for the year (IRES and IRAP), amounted to 163,743 thousand euro (87,353 thousand euro at the end of the previous year) and were made up as follows:

- 147,178 thousand euro in current IRES of the period;
- -6,703 thousand euro for remuneration for the transfer of interest payable to the tax consolidation system;
- 3,628 thousand euro for transfer to Equity reserve of part of the IRES taxes for the year;
- -832 thousand euro for the recognition of tax receivables on “art bonus” disbursements;
- 30,668 thousand euro in current IRAP of the period;
- 313 thousand euro for transfer to Equity reserve of part of the IRAP taxes for the year;
- -1,777 thousand euro related to taxes of previous years;
- -17,875 thousand euro for deferred tax liabilities for IRES purposes;
- -21 thousand euro for deferred tax liabilities for IRAP purposes;
- 4,847 thousand euro in deferred tax assets for IRES purposes;
- 4,317 thousand euro in deferred tax assets for IRAP purposes.

The main temporary increases for IRES purposes include:

- reversals for non-deductible amortization for 39,609 thousand euro;
- reversals for non-deductible provisions for risks for 50,012 thousand euro;
- the recovery equal to 1/5 of the amount of the tax capital gain realized on the sale of the properties located in Milan in Corso di Porta Vittoria (Signora), in Via Gonin and in Via Balduccio da Pisa (Orobia), which were sold in the month of February 2022, for 34,470 thousand euro.

The main permanent increases for IRES purposes include the reversals for expenses for cars, telephone costs and fines non-deductible for 3,672 thousand euro.

Among the main decreases are:

- the change for the non-taxable portion (95%) of dividends received during the year in the amount of 375,909 thousand euro;
- the decreases relating to the depreciation of assets for tax purposes, related to symmetrical increases in previous years due to the allocation in the financial statements of statutory depreciation rates higher than those allowed for tax purposes in application of the limits set forth in Art. 102, paragraph 2 of the TUIR, for 23,166 thousand euro.

Reconciliation between the statutory tax rate and the effective tax rate for IRES and IRAP purposes are presented in the statements below.

IRES - RECONCILIATION BETWEEN STATUTORY AND EFFECTIVE TAXATION

Pre-tax result	952,127,525	
Theoretical tax expense 24.00 %		228,510,606
Permanent differences	(382,144,032)	
Income before taxes adjusted for permanent differences	569,983,493	
Current gains/losses on income for the year		136,796,038
Temporary differences deductible in subsequent years	68,932,461	
Temporary differences taxable in subsequent years	204,209	
Reversal of temporary differences	(25,877,156)	
Taxable amount	613,243,007	
Current gains/losses on income for the year		147,178,322

IRAP - RECONCILIATION BETWEEN STATUTORY AND EFFECTIVE TAXATION

Difference between production value and costs	777,608,088	
Costs not relevant for IRAP purposes	(237,615,589)	
Total	539,992,499	
Theoretical tax expense 5.55 % (*)		29,988,175
Temporary differences deductible in subsequent years	50,646,460	
Temporary differences taxable in subsequent years	-	
Reversal of prior year temporary differences	(38,403,150)	
Taxable income for IRAP purposes	552,235,809	
Current IRAP on income for the year		30,668,100

(*) average IRAP rate

Overview of performance, financial conditions and net debt

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5 Report of the Board of Auditors

Details are provided below on the analytic situation of the deferred tax assets and liabilities which, as required by international accounting standards, also shows the changes in equity reserves.

IRES - Deferred tax assets and liabilities for the year

Taxable temporary differences

Case description amounts in euro	Previous year	Non-recurring transactions	Deferred taxes previous year			Adjustments (+/-)			Uses in current year			Sub-total		
			Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
Value differences of tangible assets	224,135,110	-	224,135,110	24%	53,792,427	199	24%	48	55,778,387	24%	13,386,813	168,356,922	24%	40,405,661
Value differences of intangible assets	12,232,329	-	12,232,329	24%	2,935,759	(10,198,395)	24%	(2,447,615)	371,875	24%	89,250	1,662,059	24%	398,894
Other deferred tax liabilities	16,073,171	-	16,073,171	24%	3,857,561	(667,408)	24%	(160,178)	7,668,535	24%	1,840,448	7,737,228	24%	1,856,935
Total	**252,440,610**	**-**	**252,440,610**		**60,585,747**	**(10,865,604)**		**(2,607,745)**	**63,818,797**		**15,316,511**	**177,756,209**		**42,661,490**

Deductible temporary differences

Case description amounts in euro	Previous year	Non-recurring transactions	Deferred taxes previous year			Adjustments (+/-)			Uses in current year			Sub-total		
			Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
Taxed risk provisions	274,071,378	-	274,071,378	24%	65,777,131	786,854	24%	188,845	38,158,650	24%	9,158,076	236,699,582	24%	56,807,900
Amortization, depreciation and write-downs	161,817,309	-	161,817,309	24%	38,836,154	0	24%	0	23,165,936	24%	5,559,825	138,651,373	24%	33,276,329
Application of the financial instrument standard (IAS 39)	10,702,871	-	10,702,871	24%	2,568,689	0	24%	0	0	24%	0	10,702,871	24%	2,568,689
Bad debt provision	8,453,028	-	8,453,028	24%	2,028,727	0	24%	0	3,684,712	24%	884,331	4,768,316	24%	1,144,396
Goodwill	125,345,257	-	125,345,257	24%	30,082,862	(1)	24%	0	23,899,894	24%	5,735,975	101,445,362	24%	24,346,887
Other deferred tax assets	2,645,931	-	2,645,931	24%	635,023	(214,071)	24%	(51,377)	793,761	24%	190,503	1,638,099	24%	393,144
Total	**583,035,774**	**-**	**583,035,774**		**139,928,586**	**572,782**		**137,468**	**89,702,953**		**21,528,710**	**493,905,603**		**118,537,345**

	Changes in tax rate			Increases for the year			Shareholders' equity			Total deferred tax liabilities		
	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
	168,356,922	24%	40,405,661	0	24%	0	0	24%	0	168,356,922	24%	40,405,661
	1,662,059	24%	398,894	204,209	24%	49,010	0	24%	0	1,866,268	24%	447,904
	7,737,228	24%	1,856,935	0	24%	0	21,254,546	24%	5,101,091	28,991,774	24%	6,958,026
	177,756,209		**42,661,490**	**204,209**		**49,010**	**21,254,546**		**5,101,091**	**199,214,964**		**47,811,591**

	Changes in tax rate			Increases for the year			Shareholders' equity			Total deferred tax assets		
	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
	236,699,582	24%	56,807,900	38,458,458	24%	9,230,030	0	24%	0	275,158,040	24%	66,037,930
	138,651,373	24%	33,276,329	18,401,367	24%	4,416,328	0	24%	0	157,052,740	24%	37,692,658
	10,702,871	24%	2,568,689	0	24%	0	6,796,837	24%	1,631,241	17,499,708	24%	4,199,930
	4,768,316	24%	1,144,396	0	24%	0	0	24%	0	4,768,316	24%	1,144,396
	101,445,362	24%	24,346,887	0	24%	0	0	24%	0	101,445,362	24%	24,346,887
	1,638,099	24%	393,144	12,072,636	24%	2,897,433	(362,805)	24%	(87,073)	13,347,930	24%	3,203,503
	493,905,603		**118,537,345**	**68,932,461**		**16,543,791**	**6,434,032**		**1,544,168**	**569,272,096**		**136,625,304**

IRAP - Deferred tax assets and liabilities for the year

Taxable temporary differences

Case description amounts in euro	Previous year	Non-recurring transactions	Deferred taxes previous year			Adjustments (+/-)			Uses in current year			Sub-total		
			Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
Value differences of tangible assets	479,223	-	479,223	5.57%	26,692	(172)	5.57%	(10)	0	5.57%	0	479,051	5.57%	26,683
Value differences of intangible assets	1,863,905	-	1,863,905	5.57%	103,820	0	5.57%	0	372,093	5.57%	20,726	1,491,813	5.57%	83,094
Other deferred tax liabilities	0	-	0	5.57%	0	0	5.57%	0	0	5.57%	0	0	5.57%	0
Total	2,343,128	-	2,343,128		130,512	(172)		(10)	372,093		20,726	1,970,864		109,777

Deductible temporary differences

Case description amounts in euro	Previous year	Non-recurring transactions	Deferred taxes previous year			Adjustments (+/-)			Uses in current year			Sub-total		
			Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
Taxed risk provisions	269,176,720	-	269,176,720	5.57%	14,993,143	(89,152,761)	5.57%	(4,965,809)	37,679,650	5.57%	2,098,756	142,344,310	5.57%	7,928,578
Amortization, depreciation and write-downs	1,989,952	-	1,989,952	5.57%	110,840	0	5.57%	0	1,024,237	5.57%	57,050	965,715	5.57%	53,790
Goodwill	18,688,104	-	18,688,104	5.57%	1,040,927	0	5.57%	0	0	5.57%	0	18,688,104	5.57%	1,040,927
Other deferred tax assets	(5,577,482)	-	(5,577,482)	5.57%	(310,666)	(214,071)	5.57%	(11,924)	71,357	5.57%	3,975	(5,862,910)	5.57%	(326,564)
Total	284,277,294	-	284,277,294		15,834,245	(89,366,832)		(4,977,733)	38,775,243		2,159,781	156,135,219		8,696,732

Changes in tax rate			Increases for the year			Shareholders' equity			Total deferred tax liabilities		
Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
479,051	5.57%	26,683	0	5.57%	0	0	5.57%	0	479,051	5.57%	26,683
1,491,813	5.57%	83,094	0	5.57%	0	0	5.57%	0	1,491,813	5.57%	83,094
0	5.57%	0	0	5.57%	0	21,341,702	5.57%	1,188,733	21,341,702	5.57%	1,188,733
1,970,864		**109,777**	**0**		**0**	**21,341,702**		**1,188,733**	**23,312,566**		**1,298,510**

Changes in tax rate			Increases for the year			Shareholders' equity			Total deferred tax assets		
Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax	Taxable amount	Rate	Tax
142,344,310	5.57%	7,928,578	38,458,458	5.57%	2,142,136	0	5.57%	0	180,802,767	5.57%	10,070,714
965,715	5.57%	53,790	669,367	5.57%	37,284	0	5.57%	0	1,635,081	5.57%	91,074
18,688,104	5.57%	1,040,927	0	5.57%	0	0	5.57%	0	18,688,104	5.57%	1,040,927
(5,862,910)	5.57%	(326,564)	11,518,636	5.57%	641,588	5,271,426	5.57%	293,618	10,927,153	5.57%	608,642
156,135,219		**8,696,732**	**50,646,460**		**2,821,008**	**5,271,426**		**293,618**	**212,053,106**		**11,811,358**

32) Net result from operating assets sold/held for sale

The “Net result from operating assets sold/held for sale” was zero, while in the previous year it amounted to 189 thousand euro and referred to the collection from Retragas S.r.l. of the portion due to A2A S.p.A. relating to the price adjustment of the sale of the Val Staffora BU carried out by Retragas to ROMEO GAS S.p.A..

33) Net result of the year

Profit, net of taxes for the year, amounted to 788,384 thousand euro (488,210 thousand euro at December 31, 2023).

2.9
Note on related party transactions

34) Note on related party transactions

The definition of "related parties" is included in the international accounting standard describing the disclosures, which must be made for related party transactions in financial statements (revised IAS 24).

Relationships with parent companies and their subsidiaries

On October 5, 2007, the Municipalities of Milan and Brescia signed a Shareholders' Agreement to regulate the ownership structure of A2A S.p.A.; this gave the Municipalities joint control over the company.
Specifically, the merger effective January 1, 2008, regardless of the legal structure established, was considered a joint venture, whose joint control was exercised by the Municipalities of Milan and Brescia, each of which owned a share equal to 27.5%.
On June 13, 2014, the Shareholders' Meeting modified the company's governance system, passing from the original two-tier system, adopted in 2007, to a "traditional" system of management and control through the appointment of the Board of Directors.
In December 2014, the Municipalities of Milan and Brescia sold a total shareholding of 0.51% of A2A S.p.A., while in the first two months of 2015, the Municipalities of Milan and Brescia sold an additional shareholding of 4.5% of A2A S.p.A..
On October 4, 2016, the Municipalities of Milan and Brescia renewed for another three years, with effect from January 1, 2017, the Shareholders' Agreement signed on December 30, 2013, concerning 1,566,452,642 ordinary shares representing 50% plus two shares of the share capital of A2A S.p.A..
On May 20, 2016, the two Municipalities had proceeded to sign an appendix to the Agreement, which envisaged reducing from six months to three months the term of the agreement, during which it is possible to terminate the same.
On October 26, 2016, the Municipality of Milan received from the Municipality of Brescia the proposal, approved by the Council of said Municipality on October 25, 2016, to partially amend the shareholders' agreement relating to A2A S.p.A. existing between the two Municipalities. In particular, said proposal requires the commitment of the two Municipalities to maintain syndicated and bound, in the new agreement, a number of shares held by them in equal measure, equal to 42% of the share capital of A2A S.p.A.. On November 4, 2016, the Council of the Municipality of Milan, after having favorably examined the proposal of the Municipality of Brescia of a partial amendment to the shareholders' agreement, submitted to the Municipal Council the proposal of the new shareholders' agreement for the final determinations of competence.
On January 23, 2017, the Milan City Council approved the new Shareholders' Agreement between the Municipality of Milan and the Municipality of Brescia regarding the shareholding in A2A S.p.A. and has undertaken the commitment not to proceed with the disposal of any shares owned by the Municipality of Milan.
On August 2, 2019, the Municipality of Milan, also on behalf of the Municipality of Brescia, announced that the aforementioned Shareholders' Agreement was not subject to termination. Consequently, the agreement is to be considered renewed with effect from February 1, 2020 to January 31, 2023.
On August 2, 2022, the Municipality of Milan, also on behalf of the Municipality of Brescia, announced that the aforementioned Shareholders' Agreement was not subject to termination. Consequently, the agreement is to be considered renewed with effect from February 1, 2023 to January 31, 2026.
At the date of approval of these Separate Financial Statements at December 31, 2024, each of the two shareholders hold 25% of the share capital plus one share (overall equal to 50% plus two shares), which allows the two municipalities to maintain control over the Company.

The A2A Group companies and the Municipalities of Milan and Brescia routinely entertain commercial relationships related to the supply of electricity, gas, heat, and potable water, management of public lighting systems and street lights, management of water purification and sewers, garbage collection and street sweeping and video surveillance.
Similarly, the A2A Group companies entertain commercial relationships with the companies controlled directly and indirectly by the Municipalities of Milan and Brescia, for example, Metropolitana Milanese S.p.A., ATM S.p.A., Brescia Mobilità S.p.A., Brescia Trasporti S.p.A. and Centrale del Latte di Brescia S.p.A., supplying them with electrical energy, gas, heat, water purification and sewer service at market rates appropriate to the supply conditions and providing the services required. Note that these companies are considered related parties in the preparation of the financial statement schedules pursuant to Consob Resolution 17221 of March 12, 2010.
The relationships between the Municipalities of Milan and Brescia and the A2A Group, in relation to granting the services associated with public lighting, street lights, management and supply of electricity, gas, heat, and water purification and sewer service are regulated by special conventions and specific contracts.

The relationships between the companies controlled by the Municipalities of Milan and Brescia, which refer to the supply of electricity, are at arm's length conditions.

In particular, on April 12, 2017, Amsa S.p.A., a subsidiary of A2A S.p.A., in execution of the original assignment ordered in 2001, signed a contract with the Municipality of Milan for the management of services aimed at environmental protection for the period from January 1, 2017 to February 8, 2021; then extended until 27 September 2024 due to the progress of the new tender procedure for the reallocation of the service and the litigation developed on it.
This procedure, published on December 30, 2021 and concerning the assignment of the urban waste management service with reduced environmental impact from a life-cycle perspective, pursuant to the action plan for the environmental sustainability of consumption in the public administration sector (PAN GPP) and the Decree of the Ministry of the Environment and Protection of Land and Sea of February 13, 2014, was awarded to Amsa S.p.A. on March 29, 2024.
The competitor, who placed second in the rankings, lodged an appeal with the Regional Administrative Court of Lombardy, Milan. Following a hearing on November 6, 2024, judgment no. 3681, dated December 16, 2024, dismissed the appeal, ordering the exclusion of this competitor from the tender and affirming the complete legitimacy of the award to Amsa S.p.A..
The first-instance applicant failed to submit an appeal against the sentence of the Regional Administrative Court by the deadline of January 16, 2025.

Relationships with subsidiaries and associates

The parent company A2A S.p.A., operates like a centralized treasury for the majority of the subsidiaries.
Relations between the companies are regulated through current accounts between the parent company and the subsidiaries, on which rates are applied, at market conditions, based on variable Euribor, with specific spreads for companies. For the financial year 2024, A2A S.p.A. and its subsidiaries have adopted the VAT procedure of the Group.
Note that for IRES purposes, A2A S.p.A. files for tax on a consolidated basis, together with its main subsidiaries, in accordance with arts. 117-129 of DPR 917/86. To this end, with each of the subsidiaries joining, a special contract was drawn up to regulate the tax advantages/disadvantages transferred, with specific reference to the current entries. These contracts also govern the transfer of any excess of ROL as set forth by prevailing legislation.

The parent company provides the subsidiaries and associates with administrative, fiscal, legal, management and technical services in order to optimize the resources available in the company and to use the existing expertise in terms of economic convenience. These services are governed by specific service contracts stipulated annually. A2A S.p.A. also makes office space and operating areas at its own premises available to subsidiaries and associates, as well as associated services. These are provided at market conditions.
The companies A2A gencogas S.p.A. and A2A Energiefuture S.p.A., for a monthly fee related to the

actual availability of the thermoelectric plants, provide to the Parent Company the power generation service.

As of July 1, 2018, the Acinque Group's related-party transactions with related parties of the A2A Group are shown as related parties.

As of November 1, 2020, the AEB Group's related-party transactions with related parties of the A2A Group are shown as related parties.

* * *

The information on corporate governance and ownership structures required by article 123-bis of Legislative Decree no. 58/1998, as amended, is contained in a separate document 'Report on Corporate Governance and Ownership Structures for the year ended December 31, 2024' which forms an integral part of the financial statements documentation.
In compliance with the requirements of the "Regulation on provisions relating to related party transactions" adopted by Consob with Resolution no. 17221 of March 12, 2010 and subsequently amended by Resolution no. 17389 of June 23, 2010, by way of a resolution of November 11, 2010 the Management Board approved, following the favorable opinion of the Internal Control Committee, the prescribed procedure for identifying the rules and controls designed to ensure the transparency and substantial and procedural correctness of the related party transactions carried out by A2A S.p.A. directly or through its subsidiaries. The aforementioned Procedure was applied effective January 1, 2011 and subsequently amended on August 1, 2012, November 7 and December 18, 2013 and June 22, 2015.
Following a periodic review, the Procedure was subsequently amended/supplemented and approved by the Board of Directors on June 20, 2016, subject to the favorable opinion of the Audit and Risks Committee and then updated on June 22, 2017, in view of Consob Resolution no. 19925 of March 22, 2017 and on December 16, 2019, in view of the amendments to art. 192-quinquies of Legislative Decree no. 58 of February 24, 1998 ("TUF") (art. 4 of Legislative Decree no. 49 of May 10, 2019).
Following the Board of Directors' decision on June 25, 2021, and with the approval of the Related Parties Committee established by the resolution on May 13, 2021, the Procedure was revised—effective from July 1, 2021—to align with the Related Parties Regulation, as altered by Consob Resolution no. 21624 on December 10, 2020, in accordance with the so-called 'Shareholders' Rights II' Directive.
Lastly, the Procedure was amended and supplemented on July 30, 2024 by the Board of Directors, effective from August 1, 2024, following a periodic review and with the approval of the Related Parties Committee, established by board resolution on May 11, 2023. The aforementioned procedure can be found on the website www.gruppoa2a.it.
The company has availed itself of the possibility permitted by article 70, paragraph 8 and article 71, paragraph 1-bis of the Issuers' Regulations, and hence of derogating from the requirement to make an information document available to public in the event of significant mergers, spin-offs, share capital increases by means of the contribution of assets in kind, acquisitions and disposals.

Below are the tables with detail of the related party transactions, in accordance with the Consob Resolution no. 17221 of March 12, 2010:

Balance sheet thousands of euro	Total 12 31 2024	Subsidiaries	Associated/ related companies and subsidiaries of associates	Municipality of Milan	Companies controlled directly and indirectly Municipality of Milan	Municipality of Brescia	Companies controlled directly and indirectly Municipality of Brescia	Related parties individuals	Total related parties	% effect on the balance sheet item
Total assets of which:	**15,930,506**	**11,243,746**	**9,089**	**214**	**3**	**118**	**-**	**-**	**11,253,170**	**70.6%**
Non-current assets	*7,103,985*	*5,900,723*	*5,366*	*18*	*-*	*-*	*-*	*-*	*5,906,107*	*83.1%*
Tangible assets	872,997	29,973							29,973	3.4%
Shareholdings	5,511,098	5,505,732	5,366						5,511,098	100.0%
Other non-current financial assets	401,643	365,009							365,009	90.9%
Other non-current assets	28,702	9		18					27	0.1%
Current assets	*8,826,521*	*5,343,023*	*3,723*	*196*	*3*	*118*	*-*	*-*	*5,347,063*	*60.6%*
Trade receivables	1,956,696	983,611	3,723	196	3	118			987,651	50.5%
Other current assets	1,117,181	157,609							157,609	14.1%
Current financial assets	4,229,639	4,201,803							4,201,803	99.3%
Total liabilities of which:	**10,914,000**	**655,099**	**28,993**	**99**	**9**	**-**	**-**	**54**	**684,254**	**6.3%**
Non-current liabilities	*6,297,700*	*26,253*	*8,219*	*-*	*-*	*-*	*-*	*-*	*34,472*	*0.5%*
Non-current financial liabilities	5,982,458	26,253							26,253	0.4%
Provisions for risks, charges and liabilities for landfills	183,612		8,219						8,219	4.5%
Current liabilities	*4,616,300*	*628,846*	*20,774*	*99*	*9*	*-*	*-*	*54*	*649,782*	*14.1%*
Trade payables	2,415,496	293,982	19,004	99	9				313,094	13.0%
Other current liabilities	908,990	12,456	1,770					54	14,280	1.6%
Current financial liabilities	1,202,973	322,408							322,408	26.8%

Income statement thousands of euro	Total 12 31 2024	Subsidiaries	Associated/ related companies and subsidiaries of associates	Municipality of Milan	Companies controlled directly and indirectly Municipality of Milan	Municipality of Brescia	Companies controlled directly and indirectly Municipality of Brescia	Related parties individuals	Total related parties	% effect on the balance sheet item
Revenues	**8,752,816**	**4,982,539**	**9,600**	**2,284**	**-**	**108**	**-**	**10**	**4,994,541**	**57.1%**
Revenues from the sale of goods and services	8,700,014	4,976,943	9,596	2,284		(17)		10	4,988,816	57.3%
Other operating income	52,802	5,596	4			125			5,725	10.8%
Operating expenses	**7,880,842**	**833,489**	**34,090**	**1,332**	**313**	**-**	**16**	**290**	**869,530**	**11.0%**
Expenses for raw materials and services	7,304,342	484,519	8,798		313		16	290	493,936	6.8%
Other operating expenses	576,500	348,970	25,292	1,332					375,594	65.2%
Labor costs	**206,233**	**-**	**-**	**-**	**-**	**-**	**-**	**1,760**	**1,760**	**0.9%**
Amortization, depreciation, provisions and write-downs	**193,120**	**6,729**	**-**	**-**	**-**	**-**	**-**	**-**	**6,729**	**3.5%**
Financial balance	**479,506**	**587,864**	**464**	**-**	**-**	**-**	**-**	**-**	**588,328**	**n.s.**
Financial income	651,696	599,769	466						600,235	92.1%
Financial expenses	172,190	11,905	2						11,907	6.9%

Section 2 of this file provides complete schedules as required under Consob Resolution no. 17221 of March 12, 2010.

It should be noted that during the year, A2A S.p.A. made grants totaling 3,891 thousand euro to foundations that have been included on a voluntary basis among related parties. Specifically, these involve: Fondazione AEM, Fondazione ASM, Fondazione LGH E.T.S., Comitato Banco dell'Energia Onlus, Fondazione Brescia Musei and Associazione Centro Teatrale Bresciano.

* * *

With regard to the compensation paid to the corporate governance bodies, reference shall be made to the document "Remuneration Report – 2025" available on the website www.gruppoa2a.it.

2.10

Significant non-recurring events and transactions, pursuant to Consob Communication No. DEM/6064293 of July 28, 2006

35) Significant non-recurring events and transactions, pursuant to Consob Communication No. DEM/6064293 of July 28, 2006

On December 31, 2024, the acquisition of 90% of the shareholding in Duereti S.r.l. from E-distribuzione took effect, enabling the company to undertake power distribution activities in several municipalities within the provinces of Milan and Brescia, with an investment of roughly 1.2 billion euro.

2.11

Guarantees and commitments with third parties

thousands of euro	12 31 2024	12 31 2023
Guarantees received	396,129	341,681
Guarantees provided	355,423	540,555

Guarantees received

Guarantees received amounted to 396,129 thousand euro (341,681 thousand euro at December 31, 2023) and include 71,815 million euro for sureties and security deposits issued by subcontractors to guarantee the proper execution of the work assigned and 324,314 thousand euro for sureties and security deposits received from customers to guarantee the regularity of payments.

Guarantees provided and commitments with third parties

Guarantees provided amounted to 355,423 thousand euro (540,555 thousand euro at December 31, 2023), of which for obligations undertaken in the loan agreements of 80 thousand euro. Said guarantees include bank sureties for 355,343 thousand euro and parent company guarantees for 80 thousand euro.

2.12
Other information

1) Significant events after December 31, 2024

Reference should be made to the specific section of this Report on Operations for a description of subsequent events.

2) Information on treasury shares

A2A S.p.A. does not hold any treasury shares at December 31, 2024.
At December 31, 2024, no treasury shares were held through subsidiaries, finance companies or nominees.

3) Information on non-current assets held for sale and discontinued operations (IFRS 5)

The item "Non-current assets held for sale" as at December 31, 2024 had no value.

4) Rules on public funding (Compliance with art. 1, paragraphs 125 et seq. of Law 124/17)

Pursuant to art. 1, paragraphs 125 and following Law 124/17, as reformulated by art. 35 of Decree Law 34/19, and considering that A2A S.p.A. (and its subsidiaries) have not received "subsidies, grants, advantages, contributions or aid, whether in cash or in kind, not general and with no consideration, remuneration or compensation", this note is negative.
This is without prejudice to the fact that other information is (also in the wake of the principle pursuant to art. 18 L. 241/1990) available elsewhere, also by virtue of the criterion set forth in paragraph 127 of the same art. 1 L. 124/17, which prescribes to "avoid the accumulation of irrelevant information", as well as what is specified in paragraph 125 quinquies of the same art. 1 L. 124/17 by virtue of which "for State aid and de minimis aid contained in the National Register of State Aid referred to in article 52 of Law No. 234 of December 24, 2012, the registration of aid in the aforesaid system, with consequent publication in the transparency section provided therein, carried out by the entities granting or managing such aid pursuant to the relevant rules, takes the place of the publication obligations placed on the entities referred to in paragraphs 125 and 125-bis".
It should also be noted that the companies of the A2A Group operate (for the most part) in regulated sectors. Therefore, some sums are recognized by public bodies, not as subsidies/contributions, but as recognition of the activities they provide or as forms of compensation for costs incurred to meet specific regulatory obligations and in any case by virtue of a general regime. Also all these forms of payment have not been indicated: also in compliance with both the literal aspect of the regulations and with the interpretation criteria that the company has identified (see above).

5) Financial risk management

The Parent Company, A2A S.p.A., provides centralized risk management for Group companies.
The A2A Group operates in the electricity, natural gas and district heating industry and is exposed to various financial risks in performing its activity:
a) commodity risk;
b) interest rate risk;
c) exchange rate risk not related to commodities;
d) liquidity risk;
e) credit risk;
f) equity risk;
g) default and covenant non-compliance risk.

The commodity price risk, related to the volatility of energy commodity prices (gas, electricity, fuel oil, coal, etc.) and prices of environmental securities (EUA/ETS emission rights, white certificates, etc.), consists of the possible negative effects that a change in the market price of one or more commodities may have on the cash flows and income prospects of the company, including the exchange rate risk related to the same commodities.
Interest rate risk is the risk of additional financial costs as the result of an unfavorable change in interest rates.
Currency risk not related to commodities is the risk of higher costs or lower revenues because of an unfavorable change in exchange rates between currencies.
Liquidity risk is the risk that financial resources will not be sufficient to meet established financial and business obligations in a timely manner.
Credit risk is the exposure to potential losses deriving from non-performance of commitments by commercial, trading and financial counterparties.
Equity risk is the possibility of incurring losses due to an unfavorable change in the price of shares.
Default and covenant non-compliance risk represent the possibility that loan agreements or bond regulations to which one or more Group companies are party contain provisions allowing the counterparties, banks or bondholders, to ask the debtor for immediate reimbursement of the amounts lent if certain events take place.

Details on the risks to which A2A S.p.A. is exposed are provided below.

a. Commodity risk

a.1) Commodity price risk and exchange rate risk involved in commodity activities

A2A S.p.A. is exposed to price risk, including the related exchange rate risk, on all of the energy commodities that it handles, namely electricity, natural gas, heat, coal, fuel oil, and environmental certificates; the financial performance of production, purchasing and sales activities is affected by the related price fluctuations. These fluctuations act both directly and indirectly, through formulas and indexing in the pricing structure.
To stabilize cash flows and to assure the Group's economic and financial stability, A2A S.p.A. has an Energy Risk Policy that sets out clear guidelines to manage and control the above risks, based on guidance by the Committee of Chief Risk Officers Organizational Independence and Governance Working Group ("CCRO") and the Group on Risk Management of Euroelectric. Reference was also made to the Accords of the Basel Committee on bank supervision and the requirements laid down in international accounting standards on how to recognize the volatility of commodity price and financial derivatives in the income statement and balance sheet.
In the A2A Group, assessment of this kind of risk is centralized at the holding company, which has established a Group Risk Management Unit. This unit has the task to manage and monitor market and commodity risks, to create and evaluate structured products, to propose financial energy risk hedging strategies, and to support senior management in defining the Group's energy risk management policies.
Each year, the Board of Directors of A2A S.p.A. sets the Group's commodity risk limits approving the PaR and VaR proposed (prepared in the Risk Committee) in conjunction with approval of the Budget/ Business Plan; Group Risk Management supervises the situation to ensure compliance with these limits and proposes to senior management the hedging strategies designed to bring risk within the set limits, if exceeded.
The activities that are subject to risk management include all of the positions on the physical market for energy products, both purchasing/production and sales, and all of the positions in the energy derivatives market taken by Group companies.
For the purpose of monitoring risks, industrial and trading portfolios have been separated and are managed in different ways. The industrial portfolio consists of the physical and financial contracts directly relating to the Group's industrial operations, namely where the objective is to enhance production capacity also through the wholesaling and retailing of gas, electricity and heat.
The trading portfolio comprises all contracts, both physical and financial, entered into to supplement the profits made from the industrial activities, i.e. all contracts that are ancillary though not strictly necessary to the industrial activity.
In order to identify trading activity, the A2A Group follows the Capital Adequacy Directive and the

definition of assets held for trading provided by International Accounting Standard (IFRS) 9: namely assets held for the purpose of short-term profit taking on market prices or margins, without being for hedging purposes, and designed to create a high-turnover portfolio.
Given that they exist for different purposes, the two portfolios have been segregated and are monitored separately with specific tools and limits. More specifically, the trading portfolio is subject to particular risk control and management procedures as laid down in Deal Life Cycle documents.

Senior management is systematically updated on changes in the Group's commodity risk by the Group Risk Management Unit, which controls the Group's net exposure. This is calculated centrally on the entire asset and contract portfolio and monitors the overall level of economic risk assumed by the industrial and trading portfolios (Profit at Risk - PaR, Value at Risk - VaR, Stop Loss).

a.2) Commodity derivatives, analysis of transactions

Derivatives of the industrial portfolio considered hedges

The hedging of price risk by means of derivatives focuses on protecting against the volatility of energy prices on the power exchange (IPEX-EEX), stabilizing electricity price margins on the wholesale market with particular attention being paid to fixed price energy sales and purchases and stabilizing price differences deriving from various indexing mechanisms for the pricing of gas and electricity. To that end, hedging contracts were executed during the year on electricity purchase and sale agreements and on contracts to hedge the fee for the use of electricity transport capacity between the areas of the IPEX market (CCC contracts); hedging contracts were also concluded for the purchase and sale of gas so as to protect sales margins and at the same time keep the risk profile to within the limits set by the Group's Energy Risk Policy.
As part of the optimization of the portfolio of greenhouse gas emission allowances (see Directive 2003/87/EC), A2A S.p.A. has stipulated Future contracts on the ICE ECX (European Climate Exchange) price. These are considered hedging transactions from an accounting point of view in the event of demonstrable surplus/deficit quotas.
The fair value at December 31, 2024 was -11,239 thousand euro (-2,272 thousand euro at December 31, 2023).

Derivatives of the industrial portfolio not considered hedges

Again with a view to optimizing the Industrial Portfolio, A2A S.p.A. stipulated Option contracts on the price of electricity with delivery in Italy and Future contracts on the price of the ICE ECX (European Climate Exchange). These do not qualify as hedging transactions from an accounting point of view as they fail to meet the requirement set out in the accounting standards.
The fair value at December 31, 2024 was -469 thousand euro (1,125 thousand euro at December 31, 2023).

Derivatives of the Trading Portfolio

As part of its trading activity, A2A S.p.A. has taken out Future contracts on major European energy stock exchanges (EEX, ICE) and Forward, Swap, and Option contracts on the price of electricity with delivery in Italy and neighboring countries such as France, Germany, and Switzerland. A2A S.p.A. has also stipulated Future contracts on the ICE ECX (European Climate Exchange) stock exchange price. Also as part of trading activities, Future, Forward and Option contracts were also stipulated for the market price of gas (ICE-Endex, CEGH, PEGAS).
The fair value at December 31, 2024 was 110,160 thousand euro (-26,882 thousand euro at December 31, 2023).

a.3) Energy Derivatives, risk assessment of Industrial Portfolio derivatives

PaR[1] (Profit at Risk) is used to assess the impact that fluctuations in the market price of the underlying have on the financial derivatives taken out by A2A S.p.A. that are attributable to the industrial portfolio. It is the change in the value of a financial instruments portfolio within set probability assumptions as the result of a shift in the market indices. The PaR is calculated using the Montecarlo Method (at least 10,000 trials) and a 99% confidence level. It simulates scenarios for each relevant

1 Profit at Risk: statistical measurement of the maximum potential negative deviation of the margin of an asset portfolio in case of unfavourable market changes over a given time horizon and with a defined confidence interval.

price driver depending on the volatility and correlations associated with each one, using as the central level the forward market curves at the balance sheet date, if available. By means of this method, after having obtained a distribution of probability associated with changes in the result of outstanding financial contracts, it is possible to extrapolate the maximum change expected over a time horizon given by the accounting period at a set level of probability. Based on this methodology, over the time horizon of the accounting period and in the event of extreme market movements and at a 99% confidence level, the expected maximum negative change in financial derivatives outstanding at December 31, 2024 was 100,380 thousand euro (113,328 thousand euro at December 31, 2023).

The following are the results of the simulation with the related maximum variances:

thousands of euro	12 31 2024		12 31 2023	
Profit at Risk (PaR)	worst case	best case	worst case	best case
Confidence level 99%	**(100,380)**	**139,448**	**(113,328)**	**145,548**

This means that with a 99% probability, A2A S.p.A. expects not to have changes in fair value exceeding 100,380 thousand euro in the fair value of its entire portfolio of financial instruments at December 31, 2024 due to commodity price fluctuations in the 12 months following. If there are any negative changes in the fair value of hedge derivatives, these would be compensated by changes in the underlying physical.

a.4) Energy Derivatives, risk assessment of Trading Portfolio derivatives

VaR[2] (Value at Risk) is used to assess the impact that fluctuations in the market price of the underlying have on the financial derivatives taken out by A2A S.p.A. that are attributable to the trading portfolio. It is the negative change in the value of a financial instruments portfolio within set probability assumptions as the result of an unfavorable shift in the market indices. VaR is calculated using the RiskMetrics method with a holding period of 3 days and a confidence level of 99%.
Alternative methods are used for contracts where it is not possible to perform a daily estimate of VaR such as stress test analysis.
Under this method, in the case of extreme market movements, with a confidence level of 99% and a holding period of 3 days, the maximum estimated loss on the derivatives in question was 1,088 thousand euro at December 31, 2024 (480 thousand euro at December 31, 2023).
In order to ensure closer monitoring of activities, VaR and Stop Loss (the sum of VaR, P&L Realized and P&L Unrealized) limits are also set.

The following are the results of the assessments:

thousands of euro	12 31 2024		12 31 2023	
Value at Risk (VaR)	VaR	Stop Loss	VaR	Stop Loss
Confidence level 99%, holding period 3 days	**(1,088)**	**(1,088)**	**(480)**	**(480)**

b. Interest rate risk

The Group is exposed to the risk that changes in the interest rate curve result in changes in economic results, cash flows and the value of assets and liabilities measured at fair value. The volatility of financial expenses associated to the performance of interest rates is monitored and mitigated through a policy of interest rate risk management aimed at identifying a balanced mix of fixed-rate and floating rate loans and the use of derivatives that limit the effects of fluctuations in interest rates.

2 Value at Risk: statistical measurement of the maximum potential drop in the fair value of an asset portfolio in the event of unfavourable movements in the market with a given time horizon and confidence level.

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The book value of bank borrowings and other financing may be analyzed as follows at December 31, 2024:

millions of euro	12 31 2024			12 31 2023		
	No derivatives	With derivatives	% with derivatives	No derivatives	With derivatives	% with derivatives
Fixed rate	5,332	5,556	80%	5,065	5,157	88%
Variable rate	1,599	1,375	20%	770	678	12%
Total	**6,931**	**6,931**	**100%**	**5,835**	**5,835**	**100%**

At December 31, 2024, the following is the hedging instrument for interest rate risk:

millions of euro		12 31 2024		12 31 2023	
Hedging instrument	Hedged asset	Fair value	Notional	Fair value	Notional
IRS	Floating rate loan subsidiaries	1.04	200	-	-
Total		**1.04**	**200**	**-**	**-**

With reference to the accounting treatment, hedging derivatives for interest rate risk can be classified as follows:

millions of euro									
Accounting treatment	Type of derivatives	Financial assets				Financial liabilities			
		Notional at		Fair value at		Notional at		Fair value at	
		12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
Cash flow hedge	IRS	-	-	-	-	200	-	1.04	-
Total		**-**	**-**	**-**	**-**	**200**	**-**	**1.04**	**-**

Derivatives on interest rates at December 31, 2024 in cash flow hedge refer to the following loan:

Loan	Derivative	Accounting
A2A variable rate bank loan, maturity September 2031, residual debt at December 31, 2024 of 100 million euro.	IRS on 100% of the amount of the loan until October 2026. At December 31, 2024, the fair value was positive for 0.2 million euro.	The loan is measured at amortized cost. The IRS is a cash flow hedge, with 100% recognized in a specific equity reserve.

As of December 31, 2024, the interest rate derivatives in the Cash flow hedge category also encompass two Pre-Hedge transactions undertaken in preparation for an upcoming bond issuance. The total nominal amount stands at 100 million euro with a positive fair value of 0.8 million euro, distributed as detailed:

- Notional amounting to 50 million euro, with a positive fair value of 0.1 million euro as of December 31, 2024;
- Notional amount of 50 million euro, with a positive fair value of 0.7 million euro as of December 31, 2024.

A2A performs sensitivity analysis by estimating the effects on the value of financial statement items relating to the portfolio of financial instruments deriving from changes in the level of interest rates.
In particular, the sensitivity analysis measures the potential impact on the income statement and shareholders' equity of different market scenarios that would determine the change in fair value of derivative financial instruments and the change in financial expenses related to the portion of gross debt not hedged.
These market scenarios are obtained by shifting the reference interest rate curve at the reporting date up and down in parallel.
Keeping all other variables constant, the pre-tax result is impacted by changes in the level of interest rates as follows:

millions of euro	**Effect on the income statement (before tax)**		**Effect on equity (before tax)**	
	-50 bps	+50 bps	-50 bps	+50 bps
Change in financial expenses on gross variable-rate debt after hedging	2.5	(2.5)	-	-
Change in fair value of derivative financial instruments classified as non-hedge	-	-	-	-
Change in fair value of derivative financial instruments classified as hedge (excluding BCVA as per IFRS 13):				
Cash flow hedge	-	-	(5.3)	5.0
Fair value hedge	-	-	-	-

c. Exchange rate risk not related to commodities

The Group is exposed to the risk that changes in exchange rates with respect to the currency of account may lead to changes in its results of operations and cash flows. In relation to exchange rate risk other than that included in the price of commodities, the hedging instrument at December 31, 2024 is as follows:

millions of euro		**12 31 2024**		**12 31 2023**	
Hedging instrument	Hedged asset	Fair value	Notional	Fair value	Notional
Cross Currency IRS	Fixed rate loan in foreign currency	(18.5)	98.0	(10.7)	98.0
Total		**(18.5)**	**98.0**	**(10.7)**	**98.0**

The accounting treatment of the derivative indicated above is as follows:

millions of euro									
Accounting treatment	Type of derivatives	Financial assets				Financial liabilities			
		Notional at		Fair value at		Notional at		Fair value at	
		12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
Cash flow hedge	CCIRS	-	-	-	-	98.0	98.0	(18.5)	(10.7)
Total		**-**	**-**	**-**	**-**	**98.0**	**98.0**	**(18.5)**	**(10.7)**

In particular, the underlying of the Cross Currency IRS derivative refers to the bond at fixed rate of 14 billion yen with maturity 2036 bullet issued in 2006.
A cross currency swap contract was stipulated for the entire duration of this loan, which converts the principal and interest payments from yen into euro.
At December 31, 2024, the fair value of the hedge was negative for 18.5 million euro.
It should be noted that a 10% positive shift in the EURJPY forward curve, with a consequent depreciation of the JPY, would result in a worsening of the fair value and, consequently, of the impact on shareholders' equity of 10.1 million euro. Conversely, a 10% negative shift in the EURJPY forward curve, resulting in an appreciation of the JPY, would result in an improvement in fair value of 12.4 million euro.
This sensitivity analysis was performed with the aim of calculating the effect of changes in the forward curve of the euro/yen exchange rate on the fair value ignoring any impact on the adjustment due to the bCVA.

d. Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its obligations in a timely manner or that it is able to do so under unfavorable economic conditions due to situations of tension or systemic crisis or to the changed perception of its riskiness by the market. This risk includes: i) the risk related to the company's inability to raise new funds (Funding Risk) and, ii) the risk related to the company's inability to liquidate assets on the market in a timely manner and at market conditions (Liquidity Market Risk).

One of the main factors influencing the market's perceived riskiness is the creditworthiness of A2A assigned by rating agencies. This judgement plays a very important role because it influences the ability of A2A to access sources of financing as well as the related costs. A deterioration in creditworthiness could lead to a limitation of access to the capital market and/or financing costs with a negative impact on the economic, financial and equity situation. A2A has a medium- and long-term rating of BBB (stable outlook) with S&P and Baa2 (stable outlook) with Moody's.

The profile of the gross debt maturities of A2A for loans from banks and other lenders is summarized as follows:

millions of euro	Accounting Balance 12 31 2024	Portions maturing within 12 months	Portions maturing beyond 12 months	Portions maturing by				
				12 31 2026	12 31 2027	12 31 2028	12 31 2029	after
Bonds	4,857	354	4,503	598	298	497	397	2,713
Loans	1,511	81	1,430	860	59	59	56	396
Total	**6,368**	**435**	**5,933**	**1,458**	**357**	**556**	**453**	**3,109**

The risk management policy is realized through (i) a debt management strategy diversified by funding sources and maturities, and (ii) maintenance of financial resources sufficient to meet scheduled and unexpected commitments over a given time horizon.
At December 31, 2024, the company had a total of 3,083 million euro, as follows: (i) committed revolving credit lines for 1,560 million euro, of which: a) 560 million euro maturing in 2025, b) 800 million euro maturing in 2026 and c) 200 million euro maturing in 2028, not used; (ii) cash and cash equivalents for a total of 1,323 million euro, iii) EIB term loan available and not yet disbursed for 200 million euro, maturing in 2043.
Additionally, A2A maintains a Bond Issuance Programme (Euro Medium Term Note Programme), featuring a base prospectus approved by the Commission de Surveillance du Secteur Financier (CCSF), and an EMTN Programme with a base prospectus approved by the National Commission for Companies and the Stock Exchange (CONSOB). The total size is 7 billion euro; as of December 31, 2024, there are 2,250 million euro available.

Over the years, A2A has embarked on a path of issues with ESG characteristics, in the form of Green Bonds and Sustainability-Linked Bonds. For A2A, the failure to meet certain sustainability KPI (ESG) targets may lead to an increase in the financing costs of the debt instruments to which these KPIs are linked. Similarly, failure to realize investments financed with Green Bonds may result in a risk of lack of access to certain sources of financing.
In relation to the Sustainability-Linked Bond issued in 2022 with a term of 6 years and a KPI concerning the installed capacity from renewable sources, as of December 31, 2024, the target was not reached, resulting in a 25 basis point increase in the coupon from the first interest period after the publication of these financial statements.

The following table represents the repayment schedule of financial liabilities (excluding payables for rights of use and including trade payables). The amounts shown in the table are future cash flows, nominal and non-discounted, determined with reference to the remaining contractual maturities, for the principal and interest portions. The undiscounted nominal flows of derivative contracts on interest rates are also included. Finally, any revocable financial lines used and current accounts payable are due within the next financial year.

12 31 2024 millions of euro	1-3 months	4-12 months	beyond 12 months
Bonds	337	67	5,093
Payables and other financial liabilities	8	115	1,542
Total financial flows	**345**	**182**	**6,635**
Payables to suppliers	188	13	-
Total trade payables	**188**	**13**	**-**

12 31 2023 millions of euro	1-3 months	4-12 months	beyond 12 months
Bonds	341	67	5,498
Payables and other financial liabilities	4	239	507
Total financial flows	**345**	**306**	**6,005**
Payables to suppliers	336	8	1
Total trade payables	**336**	**8**	**1**

e. Credit risk

Credit risk relates to the possibility that a counterparty may be in default, or fail to respect its commitment in the manner and timing provided by contract. This type of risk is managed by the Group through specific procedures (Credit Policy, Energy Risk Management procedure) and appropriate mitigation actions.
This risk is overseen by both the Credit Management function allocated centrally (and the corresponding functions of the operating companies) and the Group Risk Management Organizational Unit responsible for supporting the Group companies. Risk mitigation is through the prior assessment of the creditworthiness of the counterparty and the constant verification of compliance with exposure limit as well as through the request for adequate guarantees.
The credit terms granted to customers as a whole have a variety of deadlines, in accordance with applicable law and market practice. In cases of delayed payment, default interest is charged as explicitly prescribed by the underlying supply contracts or by current law (application of the default rate as per Legislative Decree 231/2002). It should be noted that there are no significant credit exposures concentrated on one or a few customers.
Trade receivables are recognized on the balance sheet net of any write-downs. It is felt that the amount shown provides and accurate representation of the fair value of the trade receivables portfolio.
For the aging of trade receivables, reference is made to note 7) Trade receivables.

f. Equity risk

A2A S.p.A. was not exposed to equity risk at December 31, 2024. In particular, it should be noted that A2A S.p.A. did not hold any treasury shares at December 31, 2024.
As prescribed by IAS/IFRS, treasury shares do not constitute an equity risk as their purchase cost is deducted from equity, and even if they are sold any gain or loss on the purchase cost does not have any effect on income statement.

g. Covenants non-compliance risk

Bonds, loans, leases and committed revolving bank lines present terms and conditions in line with market practice for each type of instrument. In particular, they envisage: (i) negative pledge clauses as a result of which the parent company undertakes not to constitute collateral on its assets and those of its relevant subsidiaries (as defined from time to time in the related documentation), with the provision of some exceptions and a threshold maximum permitted specifically identified; (ii) cross default/acceleration clauses that entail the obligation of immediate repayment of bonds and loans in the event of serious defaults; (iii) clauses that provide for the obligation of immediate repayment of bonds and loans in the event of insolvency or other insolvency proceedings of the parent company or its relevant subsidiaries.

The bonds include (i) senior unsecured bonds for a nominal amount of 4,750 million euro (book value at December 31, 2024 equal to 4,769 million euro) issued as part of the EMTN Program, which provide to investors a Change of Control Put option in the event of a change of control of the parent company resulting in a consequent downgrade of the rating to sub-investment grade level in the following 180 days (if within these 180 days, the company's rating returns to investment grade, the option may not be exercised); (ii) a bond in yen placed privately with a maturity in 2036 for a nominal amount of 98 million euro (book value at December 31, 2024 equal to 88 million euro), which provides to the investor a Put option in the event that the rating of the parent company is lower at BBB- or equivalent level (sub-investment grade).

In June 2024, A2A S.p.A. issued its first "hybrid" subordinated perpetual bond with a nominal value of 750 million euro. This bond is characterized by its potentially perpetual duration (with the obligation to be redeemed only in the event of certain events, including, inter alia, the dissolution or liquidation of the company) and by its subordination, according to which the instrument is subordinated to all of the company's financial debts and has a level of "seniority" superior only to that of ordinary shares or other financial instruments qualifying as "equity".

The loans stipulated with the European Investment Bank (EIB), for a total nominal debt of 457 million euro (in addition to a further 200 million euro not yet disbursed) and a book value of 459 million euro, of which 146 million have a maturity of more than five years, include (i) a credit rating clause (if rated lower than BBB- or equivalent sub-investment grade) that provides for the obligation of A2A to inform EIB in the event of a rating downgrade and, in such circumstance, the right of EIB to request additional guarantees from A2A and, where such guarantees are not provided or are not satisfactory to EIB, the right to request early repayment of the loan, and ii) a clause for the parent company's change of control, with the right for the bank to invoke, subject to notice to the company containing the reasons, early repayment of the loan.
The committed revolving bank lines of A2A, for a total of 1,560 million euro, provide a Change of Control clause which, in the event of a change of control of the parent company causing a Material Adverse Effect, allows the majority of banks lending the line to request the line to be extinguished and any amounts drawn down to be repaid.

As at December 31, 2024, there was no non-compliance with the above-mentioned covenants by A2A.

At June 30, 2023, one of the three covenants in the Acinque EIB loan contract (Net Financial Debt/Ebitda) was not met.

With reference to the exceeding of the covenant as described above, it should be noted that Acinque requested the European Investment Bank to issue a waiver and that the Bank granted, subject to the issue by A2A S.p.A., a first demand guarantee for the entire amount financed in favor of the Bank, which took place in the second half of 2023 and with maturity on December 31, 2024. On October 31, A2A S.p.A. signed the early release of the guarantee, in agreement with the EIB, as the covenant was fulfilled earlier than expected under the granted waiver.
As at December 31, 2024, this covenant was met.

Instruments outstanding at December 31, 2024

A) On interest and exchange rates

The following analyses show the outstanding amounts of derivative contracts stipulated and not expired at the balance sheet date, by maturity.

thousands of euro	Notional value (a)						Value Balance sheet (b)	Progressive effect to income statement (c)
	Due within 1 year		Due in 1 to 5 years		Due over 5 years			
	to be received	to be paid	to be received	to be paid	to be received	to be paid		
Interest rate risk management								
cash flow hedges as per IFRS 9		-		-		(200)	1.0	
not considered hedges as per IFRS 9								
Total derivatives on interest rates	**-**	**-**	**-**	**-**	**-**	**(200)**	**1.0**	**-**
Exchange rate risk management								
considered hedges as per IFRS 9								
- on commercial transactions								
- on non-commercial transactions						98.0	(18.5)	
not considered hedges as per IFRS 9								
- on commercial transactions								
- on non-commercial transactions								
Total derivatives on exchange rates	**-**	**-**	**-**	**-**	**-**	**98.0**	**(18.5)**	**-**

(a) Represents the sum of the notional value of the elementary contracts that derive from any dismantling of complex contracts.
(b) Represents the net receivable (+) or payable (-) recognized in the balance sheet following the measurement of derivatives at fair value.
(c) Represents the adjustment of derivatives to fair value recognized progressively over time in the income statement from the stipulation of the contract to the present day.

B) On commodities

The following is an analysis of the commodity derivative contracts outstanding at the balance sheet date set up for the purpose of managing the risk of the fluctuations in the market prices of commodities.

		Volume by Maturity				Notional Value	Fair Value	
		Due within 1 year	Due within two years	Due within five years	Due after five years		Value Balance sheet (*)	Progressive effect to income statement (**)
Energy product price risk management	Unit of measurement	Quantity				Thousands of euro	Thousands of euro	Thousands of euro
A. Cash flow hedges as per IFRS 9, including:							**(11,239.2)**	**-**
- Electricity	TWh	4.7	0.1	0.1	0.1	54,195.9	(3,560.1)	
- Oil	Bbl							
- Coal	Tons							
- Natural Gas	TWh	0.5	0.4			29,323.7	(8,804.8)	
- Natural Gas	Millions of cubic metres							
- Natural Gas	Degrees day							
- Exchange rate	Millions of dollars							
- Emission rights	Tons	180,000	54,000			16,103.6	1,125.7	
B. considered fair value hedges as per IFRS 9							**-**	**-**
C. not considered hedges as per IFRS 9 of which							**109,690.9**	**135,447.5**
C.1 hedge margin							**(469.3)**	**(1,594.5)**
- Electricity	TWh	0.2	0.2			2,955.8	(429.6)	(429.6)
- Oil	Bbl							
- Natural Gas	TWh		0.01			2,459.3	(19.1)	(19.1)
- Natural Gas	Millions of cubic metres							
- CO2 emission rights	Tons	5,000				337.3	(20.6)	(1,145.8)
- Exchange rate	Millions of dollars							
C.2 trading transactions							**110,160.2**	**137,042.0**
- Electricity	TWh	39.3	6.5	1.5	1.1	4,333,743.3	44,855.2	119,653.3
- Natural Gas	TWh	106.8	25.7	3.5		5,296,430.8	64,878.6	17,038.1
- CO2 emission rights	Tons	33,682,200	116,000			2,287,113.3	426.4	350.6
- Environmental Certificates	MWh							
- Environmental Certificates	Tep							
Total							**98,451.7**	**135,447.5**

(*) Represents the net receivable (+) or payable (-) recognized in the balance sheet following the measurement of derivatives at fair value.

(**) Represents the adjustment of derivatives to fair value recognized over time in the Income Statement from stipulation of the contract to the present date.

C) On investments

At December 31, 2024, there are no derivatives on shareholdings like in the previous year.

Financial and operating effects for derivative transactions in 2024

Effects on the balance sheet

The following table shows the balance sheet figures at December 31, 2024, for derivative transactions.

thousands of euro	Notes	Total
Assets		
Non-current assets		**1,041**
Other non-current assets - Derivatives	5	1,041
Current assets		**865,149**
Other current assets - Derivatives	8	865,149
Total assets		**866,190**

thousands of euro	Note	Total
Liabilities		
Non-current liabilities		**18,540**
Other non-current liabilities - Derivatives	18	18,540
Current liabilities		**766,697**
Trade payables and other current liabilities - Derivatives	19	766,697
Total liabilities		**785,237**

Effect on the income statement

The following table sets out the income statement figures at December 31, 2024 arising from the management of derivatives.

thousands of euro	Notes	Realised during the year (1)	Change in fair value during the year	Amounts recognized in the income statement
Revenues	23			
Revenues from the sale of goods				
Energy product price risk management and exchange rate risk management on commodities				
- considered hedges as per IFRS 9		30,536	-	30,536
- not considered hedges as per IFRS 9		159,937	(2,101,828)	(1,941,891)
Total revenues from the sale of goods		**190,473**	**(2,101,828)**	**(1,911,355)**
Operating costs	24			
Expenses for raw materials and services				
Energy product price risk management and exchange rate risk management on commodities				
- considered hedges as per IFRS 9		(11,871)	-	(11,871)
- not considered hedges as per IFRS 9		(331,483)	2,237,275	1,905,792
Total costs for raw materials and services		**(343,354)**	**2,237,275**	**1,893,921**
Total recognized in gross operating income (*)		**(152,881)**	**135,447**	**(17,434)**
Financial balance	30			
Financial income				
Interest rate risk management and equity risk management				
Income on derivatives				
- considered hedges as per IFRS 9		-	-	-
- not considered hedges as per IFRS 9		4,701	-	4,701
Total		**4,701**	**-**	**4,701**
Total financial income		**4,701**	**-**	**4,701**
Financial expenses				
Interest rate risk management and equity risk management				
Expenses on derivatives				
- considered hedges as per IFRS 9		-	-	-
- not considered hedges as per IFRS 9		-	-	-
Total		**-**	**-**	**-**
Total financial expenses		**-**	**-**	**-**
Total recognized in financial balance		**4,701**	**-**	**4,701**

(1) Made without physical delivery
(*) The figures do not include the effect of the net presentation of the negotiation margin of trading activities

Classes of financial instruments

To complete the analyses required by IFRS 7 and IFRS 13, the following table sets out the various types of financial instrument that are to be found in the various balance sheet items, with an indication of the accounting policies used and, in the case of financial instruments measured at fair value, an indication of where changes are recognized (income statement or equity). The last column of the table shows the fair value of the instrument at December 31, 2024, where applicable.

Criteria to measure the reported amount of financial instruments							
thousands of euro	Notes	Financial instruments measured at fair value with changes recognized in: Income statement	Shareholders' equity		Financial instruments measured at amortized cost	Statement of Financial Position Value	Fair value (*)
		(1)	(2)	(3)	(4)		
Assets							
Other non-current financial assets							
Financial assets measured at fair value of which:							
- unlisted		1,065				1,065	n.a.
- listed						-	-
Financial assets held to maturity					96	96	96
Other non-current financial assets			35,473		365,009	400,482	400,482
Total other non-current financial assets	3					**401,643**	
Other non-current assets	5		1,041		27,661	28,702	28,702
Trade receivables	7				1,956,696	1,956,696	1,956,696
Other current assets	8	862,872	2,277		252,032	1,117,181	1,117,181
Current financial assets	9				4,229,640	4,229,640	4,229,640
Cash and cash equivalents	11				1,323,166	1,323,166	1,323,166
Liabilities							
Financial liabilities							
Non-current and current bonds	15 and 20		85,561		4,771,488	4,857,049	4,857,049
Other non-current and current financial liabilities	15 and 20				2,328,382	2,328,382	2,328,382
Other non-current liabilities	18		18,540		3,455	21,995	21,995
Trade payables	19				2,415,496	2,415,496	2,415,496
Other current liabilities	19	753,181	13,516		142,293	908,990	908,990

(*) The fair value has not been calculated for receivables and payables not related to derivative contracts and loans as the corresponding carrying amount is a good approximation to this.
(1) Financial assets and liabilities measured at fair value with the changes in fair value recognized in the Income Statement.
(2) Cash flow hedges.
(3) Financial assets available for sale measured at fair value with profit/loss recognized in equity.
(4) Loans and receivables and financial liabilities measured at amortized cost.

Fair value hierarchy

IFRS 7 and IFRS 13 require that fair value classification of financial instruments to be based on the quality of the input source used to calculate the fair value.
In particular, IFRS 7 and IFRS 13 set out three levels of fair value:

- level 1: this level consists of financial assets and liabilities for which fair value is based on (unadjusted) prices for identical assets or liabilities quoted on active official or over-the-counter markets;
- level 2: this level consists of financial assets and liabilities for which fair value is based on inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly or indirectly;
- level 3: this level consists of financial assets and liabilities for which fair value is based on unobservable market data. This level includes instruments measured on the basis of internal estimates made using proprietary methods based on sector best practice.

An analysis of the assets and liabilities included in the three fair value levels is set out in the following fair value hierarchy table.

thousands of euro	Note	Level 1	Level 2	Level 3	**Total**
Assets measured at fair value	3	35,473	1,065		36,538
Other non-current assets	5		1,041		1,041
Other current assets	8	849,558	1,693	13,898	865,149
Total assets		**885,031**	**3,799**	**13,898**	**902,728**

thousands of euro	Note	Level 1	Level 2	Level 3	**Total**
Non-current financial liabilities	15	85,561			85,561
Other non-current liabilities	18		18,540		18,540
Other current liabilities	19	739,051	4,654	22,992	766,697
Total liabilities		**824,612**	**23,194**	**22,992**	**870,798**

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6) Main regulatory provisions regarding concessions and agreements in the sectors of activity in which the company operates

Large hydroelectric derivation concessions

The national discipline on large derivation hydroelectric concessions (i.e. plants with a nominal power greater than 3 MW) was originally dictated by R.D. 1775/1933, which was based on the issuance of concessions by the State on a long-term basis. This regulatory framework was subsequently superseded first by electricity sector nationalization Law no. 1643/1962, which resulted in Enel taking over the majority[3] of hydroelectric concessions with the relative recognition of an unlimited duration, and then by the liberalization of the market as a result of Legislative Decree 79/1999 (implementing Directive 96/92/EC), which introduced with art. 12 (and subsequent amendments) the principles of:

- the temporariness of the concessions, establishing a validity period (2029) for concessions without expiration because they are owned by Enel and assigning the term of December 31, 2010 for concessions that have already expired or are expiring by that date;
- contestability of concessions in the event of expiration, forfeiture or renunciation, providing the call for tenders by the competent administration (now the Region) for the allocation of the same for consideration.

Article 11-quater of Law 12/2019 has partially further amended the regulation of large-scale hydroelectric concessions: the new rules provide that the Regions regulate with their own laws the methods, procedures and criteria for the allocation of concessions, which may be entrusted to economic operators identified through a tender, or to public/private joint ventures with selection of the private partner through a tender, or through forms of partnership under Legislative Decree 50/2016 and (now Legislative Decree 36/2023).

Article 7 of Law 118/2022 (Annual Law for the Market and Competition 2021) established that the procedure for awarding the contract must be started within 2 years of the entry into force of the individual Regional Laws and, in any case, no later than December 31, 2023.

The duration of the new concessions will have to be between 20 and 40 years, with the possible extension of the maximum period by a further 10 years depending on the complexity of the project proposal and the amount of investment.

Article 11-quater cited (paragraph 1-quinquies), as part of the new process for reallocating expired concessions, stipulates that specific regional regulations (after consultation with ARERA) are established:

- a State fee to be paid on a six-monthly basis to the Regions, comprising a fixed component linked to the average nominal power of the concession and a variable calculated as a percentage of normalized revenues;
- the possible obligation for the concessionaires to supply annually and free of charge 220 kWh per kW of concession power for at least 50% destined to public services of the provincial territories involved in the derivation.

In terms of compensation to outgoing operators, article 11-quater prescribes:

- for wet works: the transfer without compensation of ownership to the Regions, except for the compensation only of investments not yet amortized;
- for dry works: the recognition of a value derived from accounting records or certified appraisal. In the event of non-inclusion in the project of the incoming concessionaire, removal and disposal of movable property is envisaged at the expense of the latter, while immovable property remains the property of the entitled parties.

Lombardy Region approved R.L. 5/2020 (as amended by Regional Law 19/2021), which regulates the modalities and procedures for assigning concessions for large hydroelectric derivations. This law also defines the reconnaissance activity aimed at subsequent tendering. Subsequently, the Lombardy Region adopted Regulation 3/2022 for the preliminary procedures for the assessment of the public interest in relation to the various uses of water, as well as Regulation 9/2022 regulating the timing and procedures for the allocation procedures, a regulation that was later challenged before the Superior Court of Public Waters by a number of operators (the case is still pending).

3 With the exception of derivations in the ownership of self-producers, municipal companies and local authorities.

Most of A2A S.p.A. large-scale hydroelectric derivation concessions located in Valtellina (for a nominal concession power of around 215 MW) have expired; Lombardy Region with Regional Council Resolution XII/3744 of December 30, 2024 allowed the temporary continuation of its operation until December 31, 2025, or shorter term, should the reassignment procedures, not yet started, be concluded at an earlier date, confirming the payment of an additional fee and the non-application of the partial exemption from the state fee on the Premadio 1, Grosio, Lovero and Stazzona plants. Other A2A S.p.A. concessions (plants in Mese, Friuli and Calabria for a total nominal concession capacity of about 358 MW) expire in 2029.

7) Update of the main legal and tax disputes still pending

Adequate provisions are provided where necessary for the disputes and litigation described below. It is noted that if there is no explicit reference to the presence of a provision, the company assessed the corresponding risk as possible without appropriating provisions in the financial statements.
It should be noted that certain disputes illustrated in previous financial statements and still pending are not further reported due to the absence of updates or the cessation of the previous risk situation.

A2A S.p.A.

Reorganization of Edison - compensation cases

Carlo Tassara: first lawsuit for damages against EDF and A2A S.p.A.. First and second instance

On March 24, 2015, Carlo Tassara S.p.A. notified A2A, Electricité de France (EDF) and Edison a summons requesting the Court of Milan to condemn A2A and EDF to compensation for damages allegedly suffered by Carlo Tassara, in its capacity as minority shareholder of Edison, in relation to the mandatory tender offer launched by EDF on Edison shares consequently to the transaction by which, in 2012, A2A sold its indirect shareholding in Edison to EDF and simultaneously acquired 70% of the capital of Edipower from Edison and Alpiq.
In the summons notified, Carlo Tassara complained that, in the transaction, EDF and A2A agreed on a mutual "discount" on the price paid by EDF for the purchase of Edison shares, on the one hand, and on the price paid by A2A for the purchase of 70% of Edipower, on the other. This discount was expected to be the result of abusive conduct by EDF and A2A as shareholders of Edison and the violation, among other things, of the regulations on transactions with related parties. This - according to Carlo Tassara - was expected to allow maintaining artificially low the price of the Edison shares paid to A2A and consequently the tender offer price paid to minorities of Edison (which by law was expected to be equal to that paid to A2A).
The writ of summons did not quantify the damage allegedly suffered by Carlo Tassara as a result of such transactions. However, with brief on February 20, 2017, Carlo Tassara requested the judge (who rejected the preliminary request) to have an expert witness to calculate the damages (specifying that they should have been quantified in the alleged difference between the tender offer price and the market value that the Edison shares had previously). Carlo Tassara also filed an appraisal in which such damages were quantified in a total amount between 197 and 232 million euro, amount to calculate the compensation due from each of the companies that will be considered responsible by the judge.
After several postponements justified also by modifications of the judge, on October 17, 2018, the judge rejected the requests for investigation of the plaintiffs, setting March 19, 2019 as the hearing for clarification of conclusions.
On September 8, 2021, the Milan Business Court filed Sentence 7859 rejecting all of the claims made by Carlo Tassara S.p.A., without accepting the reconstruction according to which the shareholders acted to cause an undervaluation of Edison and Edipower. According to the Business Court of First Instance, in the case submitted, the conditions for assessing management and coordination were not met. The Court also found that the price of Edison shares, at which EDF purchased its shares during the tender offer, was not subject to review because it was the price defined by Consob pursuant to article 106 of the TUF; the sentence also highlights the difference between the price of Edison shares and the value of the Edipower subsidiary and, more importantly, the price at which the latter was sold to A2A.
Carlo Tassara S.p.A. served a writ of summons on the appeal and A2A S.p.A. entered an appearance requesting that the Tassara S.p.A. appeal be declared inadmissible as well as groundless, and re-proposed the exceptions, defenses and requests raised in the first level of judgement for full protection. At the first hearing on March 2, 2022, the judge adjourned the case for clarification of conclusions and the hearing as a result of the adjournments to May 8, 2024. During this hearing, conducted in written form, the deadlines for the submission of statements were established. The case was deliberated in the Council Chamber on September 12, and on October 24, 2024, the Court of Appeal delivered a judgment dismissing all grounds for appeal and ordering Carlo Tassara S.p.A. to reimburse litigation expenses, as quantified by the judgment.
The judgment was notified, and in the resulting short-term timeframe, Carlo Tassara S.p.A. was given a deadline of January 17, 2025, for the service of the application to the Court of Cassation. However,

Carlo Tassara S.p.A. did not proceed with notifying the appeal to the Court of Cassation. Therefore, the judgment has become final.

Carlo Tassara: second lawsuit for damages against Transalpina dell'Energia and A2A S.p.A.

On April 14, 2022, Carlo Tassara S.p.A. served a new summons on the Court of Milan, requesting that Transalpina Di Energia and A2A be ordered, jointly and severally with each other, to pay Carlo Tassara S.p.A. the damages that will be quantified in the course of the proceedings, after ascertaining and declaring the liability of the two companies for the breach of article 106 TUF (Total Tender Offer).
In the writ of summons, Carlo Tassara S.p.A. quantifies the damage caused by the write-down of the value of its equity investment in Edison at 316,843,562.97 euro, figure resulting from the theoretical value of the tender offer calculated by Carlo Tassara S.p.A. on the basis of:
a) Value of Edison shares recorded in the financial statements by TDE and A2A (1.5003 euro/share);
b) Value assigned by Edison in fair value appraisals (1.3 euro/share);
c) Highest edict value identified by Consob (0.95 euro/share);
d) Market value to be defined by the Court.
The writ of summons provides a description of the facts related to the extraordinary transaction to be ascertained: (i) the avoidance and violation of article 106 of the TUF and (ii) the demonstration of the existence of an alleged pact between the two defendants to depress Edison's value, prior to launching a takeover bid - with the consequent violation of the rule protecting minority shareholders of listed companies and non-achievement of the latter of: (i) control price and (ii) market price of the Edison shares held by Carlo Tassara S.p.A..
In anticipation of the first hearing set for January 11, 2023, A2A entered an appearance and illustrated the grounds for the rejection of the appeal. At the hearing, the judge declared the default of TDE (which did not enter an appearance and did not appear at the hearing) and, on January 12, 2023, with an order outside the hearing, adjourned the case for the definition of the conclusions to July 4, 2023, in order to allow the panel, before considering the merits of the deeded claims, to examine the procedural objections raised by A2A. After said hearing, the parties were able to file their pleadings.
On March 1, 2024, a non-definitive judgment was filed, putting the case back on the docket for the continuation of the preliminary investigation phase, and rejecting the preliminary objections of inadmissibility of the claim, lack of standing of A2A, and lis pendens. In 2024, two hearings took place (March 12 and June 25, 2024), and by order of June 26, 2024 rejecting the preliminary motions of Carlo Tassara S.p.A., the hearing for the specification of conclusions was set for March 18, 2025 then postponed by a further order of March 13, 2025 to April 21, 2026.

Class Action notified by shareholder of ordinary shares

On May 4, 2022, a natural person shareholder, owner - at the date of the reorganization transactions of Edison S.p.A. - of 1,250,000 ordinary shares of Edison S.p.A. (equal to 0.025% of the share capital of Edison S.p.A.), served a summons pursuant to article 140-bis of Legislative Decree September 6, 2005, no. 206 of the Consumer Code for a class action before the Business Court of Milan, seeking an order that Transalpina Di Energia and A2A, jointly and severally with each other, pay to itself, and to all class members who joined the action within the terms that may be set by the Court after declaring the admissibility of the action, compensation for damages to be quantified in the course of the proceedings, after ascertaining and declaring the liability of the two companies for the breach of article 106 TUF (Total Tender Offer).
The factual reconstruction proposed by the plaintiff and the alleged liability of the two defendant companies retrace the contents of the writ of summons served a few weeks earlier by Carlo Tassara S.p.A. (reference is therefore made to the statement of this position).
The hearing was held on November 24, 2022 and on January 12, 2023, the Court filed an order in which it declared the class action request inadmissible, accepting the objections and defences of A2A and sentencing the plaintiff to pay A2A legal expenses and to publish the operative part of the order in "Il Sole 24 Ore" newspaper within the following 30 days.
On March 1, 2023, the original applicant notified to A2a S.p.A. the complaint already filed in the Court of Appeal and the order setting the hearing for May 10, 2023. Following said hearing, the Court of Appeal set a new hearing for November 15, 2023.
On December 11, 2024, the Court of Appeal filed the order rejecting the claim and ordered the claimant to pay the litigation costs determined by the same order.

The Group, having fulfilled the requirements of the regulations in force, does not consider likely the risk for which it has not allocated any provisions.

Shareholders' Agreement between A2A S.p.A. and Pessina Costruzioni S.p.A. for the management of ASM NOVARA S.P.A.

In March 2013, Pessina Costruzioni established arbitration proceedings against A2A S.p.A. to have the latter declared in breach of the shareholders' agreement signed between the parties on August 4, 2007 with reference to the company ASM NOVARA S.p.A. (now extinct) and to order A2A S.p.A. to pay damages accordingly. With an award filed on June 30, 2015, the board of arbitrators, with the dissenting opinion of the arbitrator appointed by A2A S.p.A., found A2A S.p.A. liable for the breach of the shareholders' agreement and, consequently, ordered it to pay damages, which were settled on an equitable basis.
The Court of Appeal of Milan on November 23, 2016 with Sentence 4337/16 rejected the appeal of A2A S.p.A. for nullity of the award.
The Court of Cassation, with Order 18220 filed on June 26, 2023, accepted the first reason of the appeal notified by A2A S.p.A., considered the remaining reasons absorbed and quashed with adjournment the sentence of the Court of Appeal of Milan.
The company A2A S.p.A. and also the company Pessina Costruzioni resumed the case in the Court of Appeal within the time limit. In the event that A2A S.p.A.'s claim for the nullity of the award is upheld and the Court makes a new decision on the merits of the dispute, by way of a conditional cross-appeal, Pessina has also made a claim for damages in the amount originally requested and greater than the amount recognized by the award in application of the principle of fairness.
During the initial hearing on May 22, 2024, the two cases were consolidated. Given the impossibility of reaching a conciliation, the trial was adjourned to a subsequent hearing on October 9, 2024, after which the case was deferred for the specification of conclusions to March 26, 2025.

The Group, having already complied with the award and in view of the stage of the proceedings, has not set aside any provisions as of today.

Derivations of public water for the production of hydroelectricity

With particular reference to the imposition of additional fees on expired concessions, the companies contested Regional Council Resolution no. 5130/2016, which provisionally quantified the additional fee as 20 euro/kW of nominal power. The Court of Cassation ruled (February 2024, Ord. nos. 4800 and 4382), recognizing the legitimacy of the provisional tariff identified by the aforementioned Regional Council Resolution. The relevant amounts, paid in March 2024, had, however, been fully provisioned as a matter of prudence. On the other hand, the case concerning the so-called final additional fee, instituted in February 2024 before the Superior Court of Public Waters, is still pending.

A2A also contested - as contrary to the pro-tempore regulations in force - the annulment of the partial exemption of the State fee ordered by the Lombardy Region for the expired concessions that benefited from it. The Court of Cassation dismissed the appeals relating to the Premadio I (Sent. no. 15990/2020) and Grosio (Ord. no. 4371/2024) concessions, while the judgments are still pending relating to the Lovero and Stazzona concessions, in which A2A has obtained 2nd instance rulings (Superior Court of Public Waters-TSAP sent. nos. 171/2023 and 2/2024) in favor, challenged in Cassation by the Region.

Also in Lombardy, in alleged implementation of art. 12 of Legislative Decree 79/1999 as amended by Law 12/2019, the free transfer of electricity was imposed, in monetized form (220 kWh per kW of nominal power). The relevant measures were challenged by A2A and LG. In relation to the expired concessions, the Court of Cassation has definitively ruled that the subjection to the gratuitous transfer of energy is legitimate (see Order no. 15888/2024). For concessions that have not expired, litigation is still pending. The Lombardy Region also requested, in alleged implementation of art. 12 of Legislative Decree 79/1999, the payment of the so-called two-tier state concession fee, consisting of a fixed and a variable component. A2A and LG have filed appeals before the TSAP, and the judgments are still pending.

The Lombardy regional regulation on the reallocation of expired concessions was also challenged. In December 2023, the Lombardy Region approved the resolution for the reassignment by tender of the Resio concession of LG; the Company, despite submitting an offer during the tender, challenged the resolution both in defense of its rights and legitimate interests as the outgoing concessionaire (making the assets available and enhancing their value) and by raising issues of unreasonableness and illegitimacy of the procedure. The subsequent invitation to tender was also judicially challenged. In Friuli Venezia Giulia, A2A holds concessions in force until 2029. Similarly to Lombardy, a judgment against the imposition of the free energy transfer was initiated, which is still pending at the TSAP on appeal, after a negative first instance sentence (Venice Regional Court of Public Waters sent. no. 2006/2023). An action was also brought against the imposition of the so-called two-tier state fee, which is still pending at the TSAP.

For all disputes relating to hydroelectric fees and assimilated charges, the companies have prudently set aside a provision for risks for the entire amount claimed by the granting public administration.

Public Prosecutor's Office at the Court of Sondrio – Criminal Procedure 1067/2024 R.G.N.R.

Preliminary investigations are underway against certain A2A S.p.A. employees following the death during working hours of a company employee as a result of an accident that occurred on November 24, 2023.

At present, only known are the allegations made in notices of indictment and minutes of the ATS Montagna contesting violations of the Legislative Decree 81/08 and manslaughter (Article 589 of the Criminal Code). On January 8, 2025, ATS Montagna announced the admission for payment settlement in the administrative setting of the contested infractions. Further developments are expected.

Monza Public Prosecutor's Office - Criminal Proceeding no. 1931/2021 R.G.N.R.

On July 5, 2021, officers and agents of the Finance Police of Seregno showed up at the headquarters of AEB S.p.A. in Seregno to execute "personal and local search orders" and "request for delivery - local search order". The proceedings, which in the initial phase was against unknown persons, arise from two complaints presented to the Prosecutor's Office of Monza on November 25, 2019 and on February 10, 2020 by Tiziano Mariani, at the time Municipal Councillor of the Municipality of Seregno, who also filed an appeal with the TAR, now concluded.

The "personal and local search decree", which also contains the "guarantee information" pursuant to art. 369 Criminal Procedure Code to the person subjected to the investigation, concerned the Chair of the Board of Directors of AEB S.p.A. investigated, jointly with other persons not indicated, for the crimes referred to in the art. 353 bis Criminal Code (disturbance of the freedom of the procedure for choosing a contractor), 319 Criminal Code (bribery for an act contrary to the duties of office), 321 Criminal Code (penalties for the briber), committed between "October 2019 and in present permanency."

At the same time, AEB was served with a "request for delivery and a local search decree" with which the Monza Prosecutor's Office ordered the acquisition of documentation concerning the transaction. Subsequently, on September 24, 2021, the Finance Police of Seregno, delegated by the Monza Prosecutor's Office, appeared at the A2A Milan headquarters to serve, as part of Procedure no. 1931/2021 R.G.N.R. relating to the merger between the A2A and AEB Groups, a notice of non-repeatable technical checks on the IT supports previously seized.

From the document in question, it emerged that the proceedings were pending not only against certain persons outside the A2A Group, but also against certain persons, other than the current directors of A2A S.p.A., who at the time of the events held positions in A2A S.p.A., Unareti S.p.A. and A2A Illuminazione pubblica S.r.l. in various capacities involved in the project in question. The notice of non-repeatable technical investigations also contained information on guarantees and the right of defense in relation to the investigation concerning the alleged offences under Articles 110 Criminal Code (conspiracy), 353 bis Criminal Code (disturbance of the freedom of the procedure for choosing a contractor), 319 Criminal Code (bribery for an act contrary to the duties of office), 321 Criminal Code (penalties for the corruptor).

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On July 5, 2023, the notice of conclusion of the preliminary investigation was served on only some of the natural persons subject to the notice of investigation, which was, moreover, announced in a press release issued by the Monza Prosecutor's Office on July 7, 2023.
As far as A2A is concerned, the notice was served on only one of the original addressees of the guarantee notice.
It appears from the notice that the alleged offences are different from those set out in the previous acts and relate to violations of Articles 353bis Criminal Code (Disturbance of the freedom of the procedure for choosing a contractor), and article 353 of the Criminal Code (Disturbance of the freedom of auctions).
On November 22, 2023, the Monza Prosecutor's Office issued a new press release announcing that it had filed a request for committal for trial against the same persons reached by the notice of conclusion of July 5, 2023 and for the aforementioned offences.
The preliminary hearing before the Preliminary Hearing Judge at the Court of Monza was set for April 5, 2024.
During this hearing, the constitutions of the civil parties took place: Municipalities of Seregno, Limbiate and Bovisio Masciago and Mr. Mariani.
The Municipalities of Desio, Varedo, and Bovisio Masciago have requested an extension to review the proceedings and evaluate the opportunity to constitute a civil party.
The Judge, also due to the need to notify the hearing schedule to all member Municipalities in their capacity as injured parties, postponed the hearing to June 28, 2024.
During the hearing on June 28, the Municipalities of Varedo and Bovisio Masciago, which had already participated in the previous hearing, along with GSD (an in-house company of the Municipality of Desio) and three municipal councillors from Lissone, submitted an application to join the proceedings as a civil party.
The Judge reserved their decision regarding the procedural exceptions raised by the defense lawyers for natural persons during the hearing on September 20, 2024, in which the GUP rejected the objection of territorial incompetence and denied the request to exclude 'public' civil parties (Municipalities, in-house companies, and municipal councillors of Lissone), while the former municipal councillor, Mariani, was removed from the proceedings as they were not considered legitimate to constitute themselves. The Public Prosecutor and the civil parties maintained their request for the case to proceed to trial, while the defense counsel for the Mayor of Seregno articulated the reasons they believed warranted a verdict of no-proceedings.
The Judge then postponed the proceedings, confirming the schedule that was already known: October 18, 2024, November 8 and 15, 2024. At the hearing on November 15, 2024, the GUP committed all the defendants for trial at the hearing on March 17, 2025, before the Court of Monza. After discussion, the GUP made a reservation and set a new hearing for May 12, 2025.

* * *

The following information is provided in connection with the main litigation of a fiscal nature.

A2A S.p.A. - Registration tax for transfer of business unit and sale of the investment Chi.na.co. S.r.l.

On April 4, 2016, the Provincial Directorate I of Milan - Regional Office of Milan 1 - notified the invitation to appear to provide clarifications on a business transfer in the company Chi.na.co. S.r.l. and the subsequent sale of the investment held in it under control for registration tax purposes. The invitation was followed by a contradictory with the Office and subsequent notification by the latter of the notice of liquidation to the acquiring counterparty, which filed an appeal on September 28, 2016. The Provincial Tax Commission of Milan rejected the appeal with sentence filed on July 7, 2017. On February 13, 2018, the acquiring company filed an appeal, which was rejected by the Milan Regional Administrative Court. On April 8, 2019, the Company filed an appeal with the Supreme Court. On February 21, 2020, the Office filed a counter-appeal and a cross-appeal with the Supreme Court. The risks provision recognized for 1.4 million euro was fully used for the payment of the amounts requested with the liquidation notice.

A2A S.p.A. (merging company of AMSA Holding S.p.A.) - VAT Tax assessments for tax years from 2001 to 2005

In early 2006, the Italian Finance Police – Lombardy Regional Unit, Milan – carried out a tax audit of AMSA Holding S.p.A. (now A2A S.p.A.) for VAT purposes for tax years 2001 to 2005.
The audit ended with the issue of a final report contesting the legitimacy of the ordinary VAT rate, in place of the special rate applied by suppliers for waste disposal and plant maintenance, as well as the subsequent deduction made after the invoices issued for these services were duly paid.
The report was followed by formal notices of assessment from the Tax Revenue Office (Milan 3 Office) for each year audited; appeals were then filed with the Provincial Tax Commission within the term provided by law.
The appeals for 2001 and for 2004 and 2005 were discussed on January 25, 2010 and on February 17, 2010 respectively, with a favorable outcome for the company in all cases. The Tax Revenue Office appealed against the verdict of the first court. The Regional Tax Commission rejected this appeal for all three years, 2001, 2004 and 2005.
For 2001, the Tax Revenue Office filed an appeal with the Supreme Court against which AMSA Holding S.p.A. (now A2A S.p.A.), filed a cross-appeal on November 9, 2012. At the hearing on December 12, 2018, the Company requested that the case be suspended in order to assess the facilitated settlement of the dispute. On May 24, 2019, the company filed an application for a facilitated settlement of pending tax disputes and definitively settled its tax claim.
The outcomes of the 2002 and 2003 disputes were also favorable for the company but the Tax Revenue Office filed an appeal against both sentences. The appeal for 2002 was discussed on November 30, 2010, and by way of a sentence lodged on February 2, 2011 the Milan Regional Tax Commission overturned the sentence of the first court, upholding the Tax Revenue Office's appeal on almost all counts with the exception of the hazardous waste category. The Company filed an appeal with the Supreme Court for 2002. The hearing was held on December 12, 2018 and the appeal was upheld and the judgement was adjourned to the Regional Technical Committee (CTR). On December 23, 2019, the Company filed an appeal for reinstatement in CTR and an appeal for revocation with the Supreme Court. For 2003 the appeal made by the Tax Revenue Office was discussed on November 7, 2011 before the Regional Tax Commission which rejected it with a sentence filed on November 11, 2011. The Tax Revenue Office has not appealed to the Supreme Court for 2003, 2004 and 2005 and the sentence has become final, thereby closing the litigation.
No provisions for risks have been recognized.

8) Contingent assets arising from environmental certificates

At December 31, 2024, A2A S.p.A. had a surplus of environmental certificates.

9) Auditors' fees

In accordance with Article 2427, paragraph 16-bis, of the Italian civil code, it is hereby reported that the company paid EY S.p.A. total fees for the legally required auditing of the annual accounts and for other services provided during the year in the amount of 528 thousand euro.

10) Registered office

The registered office of the company is in Brescia in Via Lamarmora 230.

3

Attachments

3.1

1/a. Statement of changes in investments in subsidiaries

Shareholdings thousands of euro	Balance at financial statements 12 31 2023	Changes				Balance at financial statements 12 31 2024	% held
		Increases	Decreases	Write-downs	Other changes		
Financial assets							
Subsidiaries:							
Unareti S.p.A.	1,338,836					1,338,836	100.00%
Duereti S.r.l.		1,228,780				1,228,780	90.00%
A2A Ambiente S.p.A.	734,634					734,634	100.00%
A2A gencogas S.p.A.	606,817					606,817	100.00%
A2A Calore & Servizi S.r.l.	387,950					387,950	100.00%
Acinque S.p.A.	190,422					190,422	41.34%
A2A Energiefuture S.p.A.	189,730					189,730	100.00%
A2A Ciclo Idrico S.p.A.	167,000					167,000	100.00%
LD Reti S.r.l.	153,895	8,800				162,695	100.00%
Ambiente Energia Brianza S.p.A.	158,638					158,638	33.52%
A2A Energia S.p.A.	122,545					122,545	100.00%
A2A Rinnovabili S.p.A.	50,050	50,000				100,050	100.00%
Retragas S.r.l.	30,105					30,105	87.27%
Linea Green S.p.A.	24,806					24,806	100.00%
A2A Energy Solution S.r.l.	4,575	10,000				14,575	100.00%
A2A Smart City S.p.A.	14,456					14,456	100.00%
A2A Services & Real Estate S.p.A.	854	10,000				10,854	81.33%
Azienda Servizi Valtrompia S.p.A.	10,758					10,758	74.55%
A2A E-MOBILITY S.r.l.	9,210					9,210	100.00%
TEXELERA S.c. a r.l.		2,005				2,005	51.00%
Camuna Energia S.r.l.	740					740	74.50%
A2A Montenegro d.o.o.	102					102	100.00%
A2A Security S.c.p.A.	24					24	43.71%
ES Energy S.r.l.	5				(5)		
Proaris S.r.l. in liquidation	850				(850)		
A2A Alfa S.r.l. in liquidation	-					-	70.00%
Total subsidiaries	**4,197,002**	**1,309,585**			**(855)**	**5,505,732**	

3.2

1/b. Statement of changes in investments in affiliates

Shareholdings thousands of euro	Balance at financial statements 12 31 2023	Changes				Balance at financial statements 12 31 2024	% held
		Increases	Decreases	Write-downs/ disposals	Reclassifications		
Financial assets							
Affiliates:							
Blugas Infrastrutture S.r.l.	4,269					4,269	27.51%
SET S.p.A.	467					467	49.00%
Serio Energia S.r.l.	400					400	40.00%
Crit S.c.a.r.l.	225					225	33.00%
ES Energy S.r.l.					5	5	50.00%
Visano Società Trattamento Reflui S.c.a.r.l. in liquidation	10			(10)		-	40.00%
Total affiliates	**5,371**	**-**	**-**	**(10)**	**5**	**5,366**	

3.3

1/c. Statement of changes in investments in other companies

Company Name thousands of euro	Shareholding %	Shareholder	Carrying amount at 12 31 2024
Available-for-sale financial assets			
MUSA-Multilayered Urban Sustainability Action S.c.a.r.l.	7.00%	A2A S.p.A.	307
Immobiliare-Fiera di Brescia S.p.A.	0.90%	A2A S.p.A.	280
Others:			
AQM S.r.l.	7.80%	A2A S.p.A.	
AvioValtellina S.p.A.	0.18%	A2A S.p.A.	
Banca di Credito Cooperativo dell'Oglio e del Serio s.c.	n.s.	A2A S.p.A.	
L.E.A.P. S.c.a.r.l.	17.05%	A2A S.p.A.	
E.M.I.T. S.r.l. in liquidation	10.00%	A2A S.p.A.	
Stradivaria S.p.A.	n.s.	A2A S.p.A.	
DI.T.N.E. S.c.a.r.l.	1.82%	A2A S.p.A.	
Total other financial assets			**478**
Total available-for-sale financial assets			**1,065**

3.4

2/a. List of investments in subsidiaries

Company Name thousands of euro	Registered office	Share capital at 12 31 2024	Equity at 12 31 2024	Result at 12 31 2024	% held	Pro-rata amount (a)	Balance at financial statements (b)	Delta (a-b)
Subsidiaries:								
Unareti S.p.A.	Brescia	965,250	1,406,432	69,891	100.00%	1,406,432	1,338,836	67,596
Duereti S.r.l.	Milan	125,000,000	376,115	(428)	90.00%	338,503	1,228,780	(890,277)
A2A Ambiente S.p.A.	Brescia	250,000	655,173	185,993	100.00%	655,173	734,634	(79,461)
A2A gencogas S.p.A.	Milan	450,000	707,162	24,370	100.00%	707,162	606,817	100,345
A2A Calore & Servizi S.r.l.	Brescia	150,000	426,502	24,040	100.00%	426,502	387,950	38,552
Acinque S.p.A.	Monza	197,344	445,196	21,428	41.34%	184,044	190,422	(6,378)
A2A Energiefuture S.p.A.	Milan	50,000	179,786	(18,014)	100.00%	179,786	189,730	(9,944)
A2A Ciclo Idrico S.p.A.	Brescia	70,000	226,407	9,803	100.00%	226,407	167,000	59,407
LD Reti S.r.l.	Lodi	32,976	167,900	7,763	100.00%	167,900	162,695	5,205
Ambiente Energia Brianza S.p.A.	Seregno (MB)	119,496	426,740	17,902	33.52%	143,043	158,638	(15,595)
A2A Energia S.p.A.	Milan	3,000	313,362	199,764	100.00%	313,362	122,545	190,817
A2A Rinnovabili S.p.A.	Milan	50,000	69,009	(18,729)	100.00%	69,009	100,050	(31,041)
Retragas S.r.l.	Brescia	34,495	40,441	1,651	87.27%	35,293	30,105	5,188
Linea Green S.p.A.	Cremona	7,000	26,638	10,424	100.00%	26,638	24,806	1,832
A2A Energy Solutions S.r.l.	Milan	4,000	8,666	(5,067)	100.00%	8,666	14,575	(5,909)
A2A Smart City S.p.A.	Brescia	3,448	11,418	724	100.00%	11,418	14,456	(3,038)
A2A Services & Real Estate S.p.A.	Milan	1,050	7,419	(4,144)	81.33%	6,034	10,854	(4,820)
Azienda Servizi Valtrompia S.p.A.	Gardone Val Trompia (BS)	8,939	20,574	(322)	74.55%	15,338	10,758	4,580
A2A E-MOBILITY S.r.l.	Milan	1,000	1,035	(4,001)	100.00%	1,035	9,210	(8,175)
TEXELERA S.c.a r.l.	Milan	10	1,983	(27)	51.00%	1,011	2,005	(994)
Camuna Energia S.r.l.	Cedegolo (BS)	900	910	(75)	74.50%	678	740	(62)
A2A Montenegro d.o.o.	Podgorica (Montenegro)	100	28	(38)	100.00%	28	102	(74)
A2A Security S.c.p.A.	Milan	55	601	20	43.69%	262	24	238
A2A Alfa S.r.l. in liquidation (*)	Milan	100	7	4	70.00%	5	-	5

(*) Figures of the financial statements at December 31, 2023 latest available financial statements.

3.5

2/b. List of investments in affiliates

Company Name thousands of euro	Registered office	Share capital at 12 31 2023 (*)	Equity at 12 31 2023 (*)	Result at 12 31 2023 (*)	% held	Pro-rata amount (a)	Balance at financial statements (b)	Delta (a-b)
Blugas Infrastrutture S.r.l.	Mantova	14,300	16,537	83	27.51%	4,549	4,269	280
SET S.p.A.	Toscolano Maderno (Bs)	104	2,942	557	49.00%	1,442	467	975
Serio Energia S.r.l.	Concordia sulla Secchia (Mo)	1,000	687	(134)	40.00%	275	400	(125)
Crit S.c.a.r.l.	Cremona	548	209	(169)	33.00%	69	225	(156)
ES Energy S.r.l.	Jesi (An)	10	820	109	50.00%	410	5	405
Visano Società Trattamento Reflui S.c.a.r.l. in liquidation	Brescia	25	26	-	40.00%	10	-	10

(*) Figures of the financial statements at December 31, 2023 latest available financial statements.

Overview of performance, financial conditions and net debt

1 Annual financial statements

2 Notes

3 Attachments

4 Independent Auditors' Report

5 Report of the Board of Auditors

3.6

Key data of the financial statements of the main subsidiaries and affiliates prepared according to IAS/IFRS

(pursuant to art. 2429.4 of the Italian Civil Code)

Subsidiaries

	Unareti S.p.A.		Duereti S.r.l.		A2A Ambiente S.p.A.		A2A gencogas S.p.A.	
Share capital	Euro	965,250,000	Euro	125,000,000	Euro	250,000,000	Euro	450,000,000
% held	A2A S.p.A.	100.00%	A2A S.p.A.	90.00%	A2A S.p.A.	100.00%	A2A S.p.A.	100.00%
Description thousands of euro	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
Revenues	562,858	493,135	-	-	917,900	839,579	361,500	422,177
Gross operating income	266,162	247,380	(1,283)	-	319,499	260,199	118,948	118,782
Net operating income	121,115	90,884	(455)	-	194,140	169,841	48,025	50,817
Result before taxes	98,422	58,689	(455)	-	192,445	161,698	33,106	34,544
Result of the year	69,891	43,086	(428)	-	185,993	126,925	24,370	31,594
Assets	2,759,487	2,595,861	412,813	-	1,868,673	1,720,967	1,251,482	1,357,752
Liabilities	1,353,055	1,218,754	36,698	-	1,213,500	1,125,344	544,319	660,209
Equity	1,406,432	1,377,107	376,115	-	655,173	595,624	707,162	697,543
Net financial position	(828,203)	(770,068)	(1,380)	-	(629,424)	(618,763)	(239,908)	(273,387)

(1) The economic data for 2023 have been restated for a homogeneous comparison with the 2024 financial year in relation to the application of IFRS 5.

Subsidiaries

	Ambiente Energia Brianza S.p.A.		A2A Energia S.p.A.		A2A Rinnovabili S.p.A.		Retragas S.r.l.	
Share capital	Euro	119,495,575	Euro	3,000,000	Euro	50,000,000	Euro	34,494,650
% held	A2A S.p.A.	33.52%	A2A S.p.A.	100.00%	A2A S.p.A.	100.00%	A2A S.p.A. Unareti S.p.A.	87.27% 4.33%
Description thousands of euro	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
Revenues	17,377	18,319	5,904,012	6,361,106	52,377	85,167	8,264	8,768
Gross operating income	(239)	(1,807)	393,746	263,541	40,528	72,227	5,464	3,814
Net operating income	(3,284)	(5,067)	278,787	159,474	15,354	55,113	2,221	1,064
Result before taxes	17,373	15,745	275,372	155,237	(14,673)	37,018	2,466	1,215
Result of the year	17,902	16,774	199,764	106,072	(18,729)	66,384	1,651	845
Assets	471,425	470,053	2,193,134	2,119,204	878,672	878,310	49,261	48,681
Liabilities	44,685	43,696	1,879,773	1,900,435	809,663	750,796	8,819	9,091
Equity	426,740	426,357	313,362	218,769	69,009	127,514	40,441	39,591
Net financial position	(32,532)	(28,935)	(500,539)	(291,033)	(779,923)	(724,408)	6,690	10,053

A2A Calore & Servizi S.r.l.		Acinque S.p.A.		A2A Energiefuture S.p.A.		A2A Ciclo Idrico S.p.A.		LD Reti S.r.l.	
Euro	150,000,000	Euro	197,343,794	Euro	50,000,000	Euro	70,000,000	Euro	32,975,717
A2A S.p.A.	100.00%	A2A S.p.A.	41.34%	A2A S.p.A.	100.00%	A2A S.p.A.	100.00%	A2A S.p.A.	100.00%
12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023 Restated (1)
354,063	374,778	22,054	21,364	170,638	425,671	118,158	113,690	16,227	13,338
89,221	87,339	(8,611)	(5,371)	(2,875)	60,186	56,095	53,323	9,744	7,614
43,928	43,033	(15,315)	(11,981)	(33,027)	35,602	29,082	30,031	4,183	1,874
31,113	28,738	18,027	16,912	(33,850)	36,102	14,876	18,929	3,484	1,431
24,040	23,050	21,428	18,563	(18,014)	37,009	9,803	13,557	7,763	5,127
1,042,027	979,008	822,647	807,106	656,208	717,656	626,484	567,984	290,606	276,505
615,525	936,306	377,451	363,883	476,422	513,671	400,077	348,113	122,706	111,390
426,502	42,702	445,196	443,223	179,786	203,985	226,407	219,871	167,900	165,115
(440,943)	(388,485)	(79,333)	(58,607)	(59,020)	234,227	(343,332)	(28,378)	(94,550)	(86,798)

Linea Green S.p.A.		A2A Energy Solution S.r.l.		A2A Smart City S.p.A.		Azienda Servizi Valtrompia S.p.A.		A2A E-MOBILITY S.r.l.		A2A Security S.c.p.a.	
Euro	7,000,000	Euro	4,000,000	Euro	3,448,276	Euro	8,938,941	Euro	1,000,000	Euro	52,000
A2A S.p.A.	100.00%	A2A S.p.A.	100.00%	A2A S.p.A.	100.00%	A2A S.p.A. Unareti S.p.A.	74.55% 0.25%	A2A S.p.A.	100.00%	A2A S.p.A. Unareti S.p.A. A2A Ciclo Idrico S.p.A. Amsa S.p.A. A2A gencogas S.p.A. A2A Ambiente S.p.A. A2A Calore & Servizi S.r.l. A2A Energiefuture S.p.A. Altre società	43.69% 17.46% 9.96% 8.68% 3.75% 4.11% 2.47% 1.83% 8.05%
12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
23,187	16,847	30,481	55,906	47,138	44,578	13,390	10,674	6,065	5,480	1,813	1,629
18,771	12,015	1,549	2,615	10,972	8,833	(255)	(756)	(1,401)	(1,380)	437	425
15,556	7,330	(1,637)	110	2,921	(1,613)	(1,556)	(2,054)	(3,820)	(2,810)	43	103
14,701	6,535	(4,985)	(6,380)	573	(3,666)	(526)	(3,172)	(4,892)	(3,521)	33	83
10,424	4,450	(5,067)	(5,794)	724	(2,754)	(322)	(773)	(4,001)	(2,841)	20	60
50,339	56,002	83,319	90,057	89,067	106,028	32,481	58,209	33,231	26,100	1,241	1,244
23,701	35,282	74,653	86,337	77,649	95,348	11,907	33,164	32,195	21,068	640	693
26,638	20,720	8,666	3,721	11,418	10,680	20,574	25,045	1,035	5,033	601	551
(8,726)	(22,801)	(62,386)	(67,184)	(48,637)	(64,432)	(5,220)	(24,639)	(26,407)	(15,487)	107	(140)

3.7

Key data of the financial statements of the main subsidiaries and affiliates prepared according to ITALIAN GAAP

(pursuant to art. 2429.4 of the Italian Civil Code)

Subsidiaries

	A2A Services & Real Estate S.p.A.		Texelera S.c.a.r.l.		Camuna Energia S.r.l.	
Share capital	Euro	1,050,000	Euro	10,000	Euro	900,000
% held	A2A S.p.A.	81.33%	A2A S.p.A.	51.00%	A2A S.p.A. Linea Green S.p.A.	74.50% 14.50%
Description thousands of euro	12 31 2024	12 31 2023	12 31 2024	12 31 2023	12 31 2024	12 31 2023
Revenues	52,878	11,336	-	-	416	413
Gross operating income	(4,079)	453	-	-	47,025	93,789
Net operating income	(5,163)	196	-	-	(46,285)	1,002
Result before taxes	(5,292)	189	(27)	-	(96,655)	(57,101)
Result of the year	(4,144)	17	(27)	-	(75,135)	(45,021)
Assets	33,696	17,635	2,189	-	40	39
Liabilities	26,277	16,140	205	-	(870)	(946)
Equity	7,419	1,494	1,983	-	910	985
Net financial position	6,367	798	2,008	-	(1,218)	(963)

Affiliates

	Blugas Infrastrutture S.r.l.		Società Elettrica di Toscolano Maderno S.r.l.		Serio Energia S.r.l.		Crit S.c.a.r.l.	
Share capital	Euro	14,300,000	Euro	104,000	Euro	1,000,000	Euro	548,400
% held	A2A S.p.A.	27.51%	A2A S.p.A.	49.00%	A2A S.p.A.	40.00%	A2A S.p.A.	33.00%
Description thousands of euro	12 31 2023	12 31 2022	12 31 2023	12 31 2022	12 31 2023	12 31 2022	12 31 2023	12 31 2022
Revenues	2,216	2,039	1,191	879	2,922	3,831	323	182
Gross operating income	1,706	1,576	902	644	199	(912)	(71)	(198)
Net operating income	814	731	751	491	(58)	(1,168)	(156)	(269)
Result before taxes	245	182	767	485	(134)	(1,168)	(169)	(274)
Result of the year	83	116	557	351	(134)	(1,168)	(169)	(268)
Assets	35,567	35,128	3,364	2,892	1,388	3,065	823	875
Liabilities	19,030	18,674	422	508	702	2,245	613	497
Equity	16,537	16,454	2,942	2,385	687	820	209	378
Net financial position	(12,588)	(12,470)	814	375	672	599	N.A.	N.A.

	ES Energy S.r.l.		Visano Società Trattamento Reflui S.c.a.r.l.	
	Euro	10,000	Euro	25,000
	A2A S.p.A.	50.00%	A2A S.p.A.	40.00%
	12 31 2023	12 31 2022	12 31 2023	12 31 2022
	10,221	13,628	22	66
	186	469	-	-
	186	469	-	-
	186	469	-	-
	109	336	-	-
	1,692	1,856	32	81
	873	945	6	55
	820	910	26	26
	907	1,141	5	-

3.8

Certification of the financial statements pursuant to article 154-bis, paragraph 5 of Legislative Decree no. 58/98

1. The undersigned, Renato Mazzoncini, as CEO of A2A S.p.A., and Luca Moroni, as Financial Reporting Manager of A2A S.p.A. also considering the provisions of article 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58 of February 24, 1998, as amended, hereby attest:
   - the adequacy in relation to the characteristics of the company and
   - the effective application

of administrative and accounting procedures for the preparation of financial statements in the year 2024.

2. It is also certified that:
   - 2.1 the annual financial statements at December 31, 2024:
   - a) have been prepared in accordance with International Financial Reporting Standards as endorsed by the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
   - b) correspond to the information contained in the accounting ledgers and records;
   - c) provide a true and fair representation of the equity, economic and financial situation of the issuer;
   - 2.2 the report on operations includes reliable analysis on the performance, result of operations and the business of the issuer, as well as description of principal risks and uncertainties to which is exposed.

Milan, March 20, 2025

Renato Mazzoncini (Chief Executive Officer)	Luca Moroni (Financial Reporting Manager)

4

Independent Auditors' Report

4

Independent Auditors' Report

EY S.p.A.
Via Meravigli, 12
20123 Milano

Tel: +39 02 722121
Fax: +39 02 722122037
ey.com

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
A2A S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of A2A S.p.A. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement, the statement of comprehensive income, statement of changes in equity and cash-flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 – 00187 Roma
Capitale Sociale Euro 2.975.000 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la CCIAA di Milano Monza Brianza Lodi
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We identified the following key audit matters:

Key Audit Matter	Audit Response
Valuation of Shareholdings in subsidiaries and goodwill	
The financial statements as at 31 December 2024 include Shareholdings in subsidiaries balance amount to 5.506 million euro and goodwill amounts to 67 million euro, allocated to the different Cash Generating Units (CGUs). The processes and methodologies for assessing and determining the recoverable amount of each shareholdings in subsidiaries and each CGU are based on complex assumptions, that by their nature imply the use of the management's judgment, in particular with reference to (i) the identification of impairment indicators of each investment, (ii) the forecast of future cash flows relating to the period covered by the Group's strategic plan 2024-2035 approved and updated by Directors on 11 November 2024, (iii) the normalized cash flows or the net realized value of the assets assumed as a basis for the terminal value, (iv) the long-term growth rates and discount rates applied to such cash flows forecasts and (v) the estimate of Industrial Residual Value (Valore Industriale Residuo). Such assumptions could be affected by future expectation and volatility of energy market conditions and macroeconomic events, as well as by the potential changes in regulations, new authorization processes and legislative measures. In consideration of the judgment required and of the complexity of the assumptions used in the estimate of the recoverable amount of investments and goodwill, we have considered that this area represents a key audit matter. The disclosures related to the recoverability of the investment in subsidiaries are included in the paragraph "Use of estimates" and in note n.2 "Intangible Assets" and n.3 "Shareholdings and other non-current financial assets" of the notes to the financial statements.	Our audit procedures related to this key audit matters included, among others: • assessment of the processes implemented by the Company related to the preparation of the Group's strategic plan and the impairment test; • assessment of the appropriateness of the determination of the CGUs and the allocating of assets and liabilities to the carrying value of each CGU; • assessment of the report produced by the management's third party specialists, as well as the assessment of their competence, capability and objectivity; • assessment of cash flows forecasts and their consistency with energy market conditions, macroeconomic scenarios, regulatory environment, authorization processes and legislative measures; • assessment of the consistency between the future cash flows assumed in the Group A2A's strategic plan and the cash flows forecasts assumed for shareholdings in subsidiaries and each CGU, appropriately adjusted in order to exclude those that arise from future improving or enhancing the asset's performance; • assessment of the accuracy of actual results against previous forecasts; • assessment of the long-term growth rates and discount rates. In performing our procedures, we leveraged the used of EY valuation specialists who performed an independent calculation. Lastly, we reviewed the adequacy of the disclosures included in the notes to the financial statements with reference to the recoverability analysis of shareholdings in subsidiaries and goodwill.

2

Overview of performance, financial conditions and net debt
1 Annual financial statements
2 Notes
3 Attachments
4 Independent Auditors' Report
5 Report of the Board of Auditors

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with IFRS accounting standards issued by International Accounting Standards Board as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of A2A S.p.A., in the general meeting held on 11 June 2015, engaged us to perform the audits of the separate and consolidated financial statements for each of the years ending 31 December 2016 to 31 December 2024.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of A2A S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the "Delegated Regulation") to the financial statements as of 31 December 2024, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at 31 December 2024 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at 31 December 2024 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

Opinion and statement pursuant to article 14, paragraph 2, subparagraph e), e-bis) and e-ter) of Legislative Decree n. 39 dated 27 January 2010 and pursuant to article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of A2A S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of A2A S.p.A. as at 31 December 2024, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to:

- express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements;
- express an opinion of the compliance with the laws and regulations of the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998;
- issue a statement on any material misstatement in the Report on Operations and in certain specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998.

In our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, are consistent with the financial statements of A2A S.p.A. as at 31 December 2024.

Furthermore, in our opinion, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structure pursuant article n. 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e-ter), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Milan, 31 March 2025

EY S.p.A.
Signed by: Enrico Lenzi, Auditor

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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Report of the Board of Auditors

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING

(pursuant to article 2429 Legislative Decree 2/1998 and article 153 Civil Code)

Shareholders,

the Board of Statutory Auditors of A2A S.p.A. (hereinafter also "A2A" or the "Company") is required to report to the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2024, with respect to the supervisory activities performed and any reprehensible facts or omissions found, pursuant to Art. 153 of Legislative Decree no.58/1998 (hereinafter also "Consolidated Law on Finance" or "TUF") and Article 2429, paragraph 2 of the Italian Civil Code.

Pursuant to art. 149 of the Consolidated Law on Finance, the Board of Statutory Auditors is also called upon to supervise, inter alia, compliance with the law, the Memorandum of Association and the Articles of Association, the principles of proper administration, the adequacy of the administrative and accounting system and the reliability of the latter to represent management events, the internal control and risk management system, the system of delegation of powers and control in respect of subsidiaries, to ensure that the latter provide all the information necessary to fulfil the required reporting obligations.

The Board of Statutory Auditors is also called upon to make any proposals regarding the annual financial statements and their approval, for those aspects falling within its remit.

The activities performed by the Board of Statutory Auditors during 2024 and up to the date of today's Report are reported below, also with reference to the requirements of CONSOB Communication no. DEM/1025564 of April 6, 2001 and subsequent amendments and/or additions.

The draft financial statements and the consolidated financial statements were approved by the Company's Board of Directors on March 20, 2025 and together with the relevant Annexes were made available within the terms set forth in Article 154-ter of the Consolidated Law on Finance.

Appointment and operation of the Board of Statutory Auditors.

The current Board of Statutory Auditors was appointed by the Shareholders' Meeting of A2A on April 28, 2023 and will remain in office until the Shareholders' Meeting that will be called to approve the financial statements for the year ending December 31, 2025.The following were appointed as Standing Auditors: Ms. Silvia Muzi (Chair), Mr. Maurizio Dallocchio (Standing Auditor) and Ms. Chiara Segala (Standing Auditor).In addition, Ms. Patrizia Lucia Maria Riva and Mr. Vieri Chimenti were appointed as Alternate Auditors.

After the appointment of the Corporate Bodies, the Board of Statutory Auditors verified, with a positive outcome, the fulfilment of the requirements of professionalism, honourableness and independence envisaged by art. 148 of the Consolidated Law on Finance and Article 2399 of the Italian Civil Code, as well as verified the compliance with the limits on the accumulation of offices envisaged by art. 144-terdecies of the Issuers' Regulation and the compliance with the criteria of competence and fairness, envisaged both by the laws in force and by Article 30, paragraphs .2 and .3 of the Articles of Association.

The same assessment was again carried out with a positive outcome in January 2025, also in compliance with the procedure provided for by the Rules of Conduct of the Board of Statutory Auditors of listed companies issued by the National Council of Chartered Accountants and Accounting Experts.

During the financial year 2024, the Board of Statutory Auditors performed its duties in accordance with the Italian Civil Code, the Consolidated Law on Finance, the indications provided by CONSOB on the subject, as well as the Rules of Conduct for the Board of Statutory Auditors of Listed Companies issued by the National Council of Chartered Accountants and Accounting Experts.

The supervisory activity was also carried out according to the provisions of the Corporate Governance Code (January 2020 edition) to which A2A adheres and not least to the provisions of Legislative Decree no. 39 of 2010 as subsequently amended and integrated, i.e. the function that the Board performs with regard to its role as Internal Control and Auditing Committee (CCIRC) which is responsible for further specific control and monitoring functions in terms of financial reporting, statutory auditing and sustainability reporting.

1. Compliance with the law and the Articles of Associations.

The Company acted in accordance with the provisions of the Italian Civil Code and the rules and regulations applicable to Issuers with listed shares, as well as the provisions of the Corporate Governance Code.

The Annual Report on Corporate Governance and Ownership Structure was approved by the Board of Directors at its meeting on March 20, 2025.It fully illustrates all the provisions of Article 123-bis of the Consolidated Law on Finance, as well as the recommendations issued by the Chair of the Corporate Governance Committee, most recently published on December 17, 2024 and brought to the attention of both the Board of Statutory Auditors and the Board of Directors, to the extent of their responsibilities.

The Board of Statutory Auditors also monitored compliance with the provisions of the law and the Articles of Association, as well as any other relevant regulatory provisions, also through its participation in the Board of Directors' meetings and in the Internal Board Committees.

The Shareholders' Meeting of April 28, 2023 also appointed the current Board of Directors, which is composed of a total of 12 members, 10 of whom are Independent pursuant to the Consolidated Law on Finance, and 8 of whom are also Independent pursuant to the Corporate Governance Code. The Chief Executive Officer also has the title of General Manager.

The Board of Statutory Auditors verified the correct application of the criteria and the assessment procedure adopted by the Board of Directors to evaluate the independence requirements of its members. The Control Body also verified that the Board had carried out its annual self-assessment process, with positive results, both in terms of its qualitative and quantitative composition and its functioning. The board review process was also carried out with the help of an external advisor and the results are also reported in the Report on corporate governance and ownership structures, as well as evaluated by this Board of Statutory Auditors, which was also called within the same board review, for the aspects of competence.

Following the appointment of the Board, the Internal Board Committees were also set up, namely: the Control and Risk Committee, the Remuneration and Appointments Committee, the ESG and Territory Relations Committee and the Related Parties Committee.

The Board of Statutory Auditors also met with the Supervisory Board, which held a total of 13 meetings in the year 2024, receiving the information referred to in Legislative Decree no. 231/2001 and also taking note of the specific information reported in the Half-Yearly Reports by the same Board.

On the merits, it is noted that the Board of Directors adopted the latest updated MOG in its general part and in the special parts with a resolution of September 24, 2024 in consideration of both legislative and organisational changes that occurred after the date of the last revision (November 14, 2023).The Board of Statutory Auditors also noted that A2A has adopted the Code of Ethics (last updated in May 2018) and the Anti-Corruption Policy (last updated in July 2019) on a voluntary basis. Both documents are published on the Company's website.

During the course of the year, the Board of Statutory Auditors also maintained a continuous exchange of information flows with the control bodies of the Group companies of greater economic size and strategic importance.

Overall, from the audits completed to date and the information flows also received from management, the organisational structure and the internal procedures adopted appear to be compliant. Therefore, no violations of the Law, the Articles of Association or regulations are to be reported.

The Board of Statutory Auditors also points out that there have been no reports pursuant to Articles 25-octies and 25-novies of Legislative Decree no. 14 of January 12, 2019.

During the year, the Company did not receive any requests for information from Consob pursuant to the Consolidated Law on Finance.

2. Observations on compliance with the principles of proper administration.

In 2024, the Board attended all the meetings of the Board of Directors, for a total of 14 sessions, during which it was informed about the activities carried out and the most significant transactions made by the Company and its subsidiaries. In this context, the Board of Statutory Auditors received from the Chair and CEO the information regarding the exercise of the respective proxies.

Furthermore, the Board of Statutory Auditors held 21 meetings during the year 2024 (of which 15 since April 28, 2023, the date of appointment of the Board of Statutory Auditors currently in office), during which exchanges of information also took place with the Independent Auditors, for the aspects falling within their remit, with the Financial Reporting Manager, with the Internal Audit and with the owners of the Risk, Compliance, Legal and Human Resource functions, as well as with the Managers of the operating BUs, in order to verify and ascertain the correctness of the transactions resolved or deliberated upon, in the absence of elements of imprudence or that could compromise the Company's assets.

The Board of Statutory Auditors has obtained from the Chief Executive Officer, with the frequency required by the regulations and on the occasion of Board meetings, the due information on the activities carried out and on the most significant economic, financial and equity transactions resolved and implemented during the year, carried out by the Company as well as, pursuant to Article 150, paragraph 1 of the Consolidated Law on Finance, on those implemented by subsidiaries, as adequately represented in the Report on Operations to which reference is made, as well as on the general performance and its foreseeable evolution, in this regard the Board of Statutory Auditors has no issues to report.

The Board of Statutory Auditors also attended 13 meetings of the Control and Risk Committee, 14 meetings of the Remuneration and Appointments Committee, 24 meetings of the Related Parties Committee, and 10 meetings of the ESG and Territory Relations Committee, gaining knowledge of the work they performed during the year.

The Control Body also participated in the Shareholders' Meeting of April 24, 2024.

In 2025, to date, the Board of Statutory Auditors has attended 4 meetings of the Board of Directors, 4 meetings of the Control and Risk Committee, 3 meetings of the Remuneration and Appointments Committee, 2 meetings of the Related Parties Committee, 3 meetings of the ESG and Territory Relations Committee, and has held 7 meetings of the Board of Statutory Auditors.

The Board of Statutory Auditors actively participated in the aforementioned meetings and acknowledges the significant activity carried out by the Endo-board Committees in their advisory and proactive role vis-à-vis the Board of Directors.

The Board of Statutory Auditors has acquired adequate information necessary and functional for the performance of its control and supervisory duties, including the most important financial and asset-related information. In light of this information, it has no observations to make with regard to compliance with the principles of proper administration.

3. Most significant transactions with regard to the Company's financial position, results of operations and cash flows.

The most significant economic, financial and equity transactions and events that took place in 2024 were as follows:

- A2A has finalised the acquisition of Enel's electricity distribution assets in the provinces of Milan and Brescia
- approval of the new Strategic Plan 2024-2035 and its update;

- approval by the Shareholders' Meeting of April 24, 2024 of the financial statements and the proposal formulated by the Board of Directors to distribute a dividend per ordinary share of 0.0958 euro.
- On May 7, 2024, the A2A Group, through its subsidiary A2A Rinnovabili, acquired 70% of Parco Solare Friulano 2, a company owned by EnValue Italia and MSE Solar Energy Italia, which obtained permission to build and operate a photovoltaic plant in the municipalities of Santa Maria la Longa and Pavia di Udine (UD), with an authorized capacity of 112.1 MWp.
- issuance of the first Hybrid Green Bond with a nominal value of 750 million euro to support investments in the energy transition and the circular economy;
- signing of a contract with Ascopiave S.p.A for the purchase and sale of gas network assets whose completion of the closing is expected by July 2025;
- launch of a new EMTN Program approved by Consob and listed on the Borsa Italiana MOT. The programme will allow future bond issues of up to 7 billion euro.

Details of all transactions having a significant impact on the Company's profitability, assets and liabilities or financial position are provided in the "Significant events during the year" section of the Report on Operations.

Significant events after December 31, 2024 include:

- the issue, on January 23, 2025, of the first 500 million euro European Green Bond with a 10-year maturity;
- the award of 4.6 GW in the capacity market auction for the delivery year 2027.

The Board of Statutory Auditors received from the Directors and management, with due periodicity, information on the activities carried out and transactions of major economic, financial and equity importance carried out by the Company and its subsidiaries. In addition to what is presented in this Report, please refer to the Report on Operations and the Consolidated Notes to the Financial Statements for a full description of the most significant transactions.

With respect to the aforementioned transactions, the Board of Statutory Auditors acquired adequate information that allowed it to reasonably believe that the aforementioned transactions complied with the law, the Articles of Association and the principles of proper administration. The management decisions were not imprudent, risky or in conflict with the resolutions passed by the Shareholders' Meeting or in any case such as to compromise the integrity of the Company's assets. There were no atypical and/or unusual transactions, nor were there any conflicts of interest.

Transactions with related parties have been subject to the transparency procedures provided for by current legislation and which we will detail in the following section.

The Directors have also set out in the Report on Operations information on significant events occurring after the end of the financial year and on the outlook for operations.

4. Atypical and/or unusual transactions, carried out with third parties, intragroup or related parties.

The Board of Statutory Auditors has not found or received any indications from the Board of Directors, the Independent Auditors or the Head of Internal Audit regarding the existence of atypical and/or unusual transactions, as defined by Consob communication DEM/6064293 of July 28, 2006, carried out with third parties, related parties or intragroup.

In the Notes to the Financial Statements, the Directors reported on ordinary transactions carried out during the year with Group companies and related parties, to which reference should be made, also with regard to the characteristics of the transactions and their economic effects.

Their examination did not reveal any critical issues with regard to their suitability, congruity or correspondence to the interests of the Company.

The Board of Statutory Auditors verified the actual implementation and functioning of the Procedure for Transactions with Related Parties adopted by the Company, lastly integrated on August 1, 2024, including periodic information from the Board of Directors in the event of such transactions being carried out.

5. **Supervisory activities on the Statutory Audit and Sustainability activities.**

On March 31, 2025, the Independent Auditors EY S.p.A. issued their Report pursuant to Article 14 of Legislative Decree no. 39 of January 27, 2010, and Article 10 of Regulation (EU) no. 537 of April 16, 2014, in which the Independent Auditors certify that in their opinion:

- the annual and consolidated financial statements of A2A S.p.A. provide a true and fair view of the financial position and results of operations of the Company and the A2A Group at December 31, 2024, of the economic results and cash flows for the year ended on said date, in accordance with the International Financial Reporting Standards adopted by the European Union, as well as the measures issued in implementation of Article 9 of Legislative Decree no. 38of February 28, 2005;
- the Management Report - excluding the section relating to consolidated sustainability reporting, for which the conclusions of compliance with the law are formulated by EY S.p.A. in a specific separate attestation report which is acknowledged below - and the specific information contained in the report on corporate governance and ownership structures indicated in Article 123-bis, paragraph 4, of Legislative Decree no. 58 of February 24, 1998 are consistent with the annual and consolidated financial statements of the Company and the A2A Group at December 31, 2024 and have been prepared in accordance with the law;
- the annual financial statements as at December 31, 2024 have been prepared in XHTML format in accordance with the provisions of Delegated Regulation (EU) 2019/815;
- the consolidated financial statements as at December 31, 2024 have been prepared in XHTML format and have been marked in all significant aspects in accordance with the provisions of Delegated Regulation (EU) 2019/815.
- there is nothing to report with reference to the statement referred to in Article 14, paragraph 2, letter e-ter) of Legislative Decree no. 39of January 27, 2010, issued on the basis of the knowledge and understanding of the Company and the relative context acquired during the audit.

On March 31, 2025, the Independent Auditors EY S.p.A. also issued their Additional Report pursuant to Article 11 of Regulation (EU) no. 537/2014, which, among other things, confirms that, during the audit of the Company's annual financial statements and the Group's consolidated financial statements for the year ended December 31, 2024, no significant deficiencies were identified in the internal control system for financial information and/or in the accounting system.

The Independent Auditor's Reports highlight the key aspects of the audit, to which reference should be made.

Also on March 31, 2025, the independent auditors EY S.p.A. issued their report pursuant to article 14-bis of Legislative Decree of January 27, 2010 no. 39, in which the auditing firm certifies:

- the compliance, in all significant aspects, of the A2A Group's Sustainability Reporting with the reporting principles adopted by the European Commission pursuant to Directive (EU) 2013/34/EU and the information contained in the "*European Taxonomy*" paragraph thereof to Article 8 of Regulation (EU) no. 852 of June 18, 2020;
- matching the information in the Sustainability Report with the information in the consolidated financial statements;
- verification of the information included in the Sustainability Reporting in accordance with the ESRs.

6. Complaints pursuant to Article 2408 of the Italian Civil Code and filing of petitions. Initiatives undertaken by the Board of Statutory Auditors and related outcomes.

During the financial year 2024, two complaints were received pursuant to Article 2408 of the Italian Civil Code from a shareholder who holds one share.

The complaint, concerning the verification of the assessments carried out by the Board of Directors, the Remuneration and Appointments Committee and the Board of Statutory Auditors

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regarding the appointment of Dr Carlotta Ventura, Head of Communication, Sustainability and Regional Affairs at A2A S.p.A., as Chairman of the subsidiary Amsa S.p.A., was submitted by e-mail dated March 28, 2024.The Board of Statutory Auditors investigated the matter raised in the aforementioned complaint and found, on the basis of the information gathered and the analysis carried out, that it could rule out its justification.

It should be recalled that the Company has adopted a whistleblowing procedure that provides for the establishment of suitable information channels to ensure the reception, analysis and processing of reports, related internal control issues, corporate information, administrative liability of the Company, fraud or other matters, sent by employees, members of corporate bodies or third parties, including in confidential or anonymous form.

7. Appointment of the Independent Auditors and related costs.

The annual financial statements of A2A S.p.A. and its subsidiaries have been subject to a full audit by EY S.p.A. on the basis of the appointment conferred by the Shareholders' Meeting for financial years 2016 to 2024.

The following table provides a summary of the fees paid for audit work performed within the Group during 2024:

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Description *values in thousands of euro*	Leading Auditor	Other auditors from the lead auditor's network
A2A S.p.A.		
Audit of annual financial statements	198	-
Audit of consolidated financial statements	46	-
Periodic tests of accounting	24	-
Limited review of sustainability reporting	150	-
Limited review of half-year report	89	-
Audit of the separate annual accounts for ARERA	21	-
Total	**528**	**-**
Subsidiaries		
Audit of annual financial statements	1,616	81
Periodic tests of accounting	286	-
Limited review of half-year report	253	6
Audit of the separate annual accounts for ARERA	111	-
Other consolidated groups (ACINQUE, AEB)	529	-
Total	**2,795**	**87**
Associates and joint ventures		
Audit of the information sent to shareholders for the consolidation	33	-
Total	**33**	**-**
Total A2A group	**3,356**	**87**

The Board of Statutory Auditors has been informed by the Company that the following additional fees paid to companies or professional firms connected to the international network of EY S.p.A. in relation to the assignments specified below have been recorded (amounts in euro):

Company	Subject of the assignment	Amount
Retragas S.r.l.	Revenue certification year 2023 for ARERA	1,000
Unareti S.p.A.	Certification of Tax Credits for R&D Activities (year 2023)	26,200
A2A Ambiente S.p.A.	Certification of Tax Credits for R&D Activities (year 2023)	11,100

A2A Calore & Servizi S.r.l.	Certification of Tax Credits for R&D Activities (year 2023)	12,500
Yada Energia S.r.l.	Certification of Tax Credits for R&D Activities (year 2023)	12,900
A2A Smart City S.p.A.	Certification of Tax Credits for R&D Activities (year 2023)	6,200
A2A S.p.A.	Certification of Tax Credits for R&D Activities (year 2023)	31,100
A2A S.p.A.	Comfort letter EMTN program	48,418
A2A S.p.A.	Comfort letter hybrid bond issue	48,418
A2A S.p.A.	Comfort letter on the EMTN Programme Basic Prospectus to Consob and Borsa Italiana	30,704
TOTAL		**228,540**

The above-mentioned assignments fall under the procedure "Management of relations with Independent Auditors", i.e. they have always been approved in advance by the Board of Statutory Auditors. It is also reported that this Board monitors on a monthly basis the maximum threshold provided for by the procedure adopted, for the assignment of the permitted assignments other than the audit and certification of the financial statements, as also provided for by Article 4 of EU Regulation no. 537/2014.

The Board of Statutory Auditors received, in accordance with the provisions of article 6 paragraph 2 letter a) of Regulation (EU) no. 537/2014, from EY S.p.A., certification of the declaration relating to the independence of EY S.p.A., pursuant to article 6 of Regulation (EU) no. 537/2014, contained in the additional report, from which no situations emerge that could compromise its independence.

8. Main audits and opinions issued by the Board of Statutory Auditors in accordance with current legislation.

In 2024, the Board of Statutory Auditors, in particular:

- examined and positively assessed the approval of the 2024 Audit Plan prepared by the Head of the Internal Audit function and approved by the Board of Directors;
- issued a favourable opinion, pursuant to Article 19, first paragraph, letter e) of Legislative Decree no. 39 of January 27, 2010 and article 5 of European Community Regulation no. 537 of April 16, 2014, in relation to the assignment of "non audit services" to the independent auditors.

Furthermore, it verified:

- that each member of the Board of Statutory Auditors meets the requirements of independence, integrity and professionalism;
- the correct application by the Board of Directors of the criteria and procedures for assessing the independence of its members pursuant to the new Corporate Governance Code.

He was heard with respect to the remuneration of the Chief Executive Officer, the reporting of short and long-term objectives, as well as respect, in general, to the remuneration policy applied to directors invested with particular positions pursuant to Article 2389, paragraph 3 of the Italian Civil Code.

Subsequent to the end of the year and up to the date of this Report, the Board of Statutory Auditors also examined and positively evaluated the approval of the 2025 Audit Plan prepared by the Head of the Internal Audit function and approved by the Board of Directors.

9. Observations on the adequacy of the organizational structure.

The Board of Statutory Auditors constantly gathered information, through discussions with management, with respect to the organizational structure of the Company and its changes.

In light of what has been verified, the Board of Statutory Auditors believes that the organizational structure of the Company, the procedures, expertise and responsibilities are adequate in relation to the size of the Company and the type of activity performed.

The Board of Statutory Auditors also verified the adequacy of the organizational structure of subsidiaries with strategic importance of A2A S.p.A., with particular reference to the internal control and risk management system, pointing out areas for improvement where necessary, but not finding any exceptions at present.

10. Adequacy of the Internal Control and Risk Management System.

The Board of Statutory Auditors monitored the adequacy of the Internal Control and Risk Management System of A2A S.p.A. and its strategically important subsidiaries, by means of:

a) regular collection of information, including at meetings of the Control and Risk Committee, as well as by means of meetings with the Manager in charge, the Head of the Internal Audit function, the Head of the Group Compliance function, the Group Risk Officer and the Heads of other functions concerned from time to time, on the activities carried out, the mapping of risks relating to ongoing activities, the verification programs and the projects for implementing the internal control system, with the acquisition of the related documentation;
b) the regular participation, in addition to the meetings of the Board of Directors, in the work of the Internal Board Committees;
c) examination of the periodic Reports of the Control and Risk Committee;
d) examination of the Reports of the Head of the Internal Audit function, concerning the checks in the various Company areas, both at peripheral and corporate level, on the functioning of the Group's Internal Control and Risk Management System and the monitoring of the implementation of the corrective actions identified as a result of the audit activity. The Board of Statutory Auditors constantly reviewed the audit reports, thus assessing the process of their formation, compliance with the audit plans defined for the monitoring and containment of

risks in line with the strategic objectives of containment and efficiency, as well as the conclusions of the Head of the Internal Audit function with respect to the suitability of the internal control and risk management system of the Company and its subsidiaries of strategic importance, with respect to the characteristics of the business and the risk profile.

The Board of Statutory Auditors also verified that the Company has an Organizational, Management and Control Model consistent with the principles contained in Legislative Decree no.231/01 and last updated by the Board of Directors on September 24, 2024, in order to take account

a. of the new offences introduced in Legislative Decree231/2001;
b. of the legislative amendments affecting certain predicate offences already present in Legislative Decree231/2001 and the Model (formal amendments to headings or descriptions of offences);
c. organisational updating;
d. insertion of new sensitive activities.

In addition to Model 231, a number of procedures were implemented, in particular, by way of example, the procedure for the disbursement of contributions, subsidies and public financing, credit policy, extraordinary finance, relations with the Independent Auditors and the procedure on litigation.

The Board of Statutory Auditors noted and examined the periodic Reports (at June 30, 2024 and December 31, 2024) of the Supervisory Board provided for by Legislative Decree no. 231/2001, which summarize the activities carried out during the year.

The Board of Statutory Auditors also met with representatives from the Boards of Statutory Auditors of A2A's subsidiaries, namely: AEB S.p.A., A2A Energiefuture S.p.A., A2A Gencogas S.p.A., A2A Rinnovabili S.p.A., A2A Energia S.p.A., Aprica S.p.A., Agripower S.p.A., A2A Ambiente S.p.A., Amsa S.p.A., A2A Calore & Servizi S.r.l., Unareti S.p.A., A2A Airport Energy S.p.A., A2A Energy Solutions S.r.l., A2A Services & Real Estate S.p.A., A2A Smart City S.p.A., Retragas S.r.l. and A2A E-Mobility S.p.A. for the purposes of exchanging information on, inter alia, compliance with the directives issued by the Parent Company, the characteristics of the internal control system, risk management, the governance system and the operations of the same.

With regard to the above-mentioned activities, the Board of Statutory Auditors:

a) has not identified any critical situations or facts in relation to the financial year 2024 that could lead to the conclusion that the Company's Internal Control and Delegation System with respect to its subsidiaries is inadequate, pursuant to Article 114, paragraph 2 of the Consolidated Law on Finance, in order to comply with the disclosure obligations provided for by law;
b) having regard to the information provided by the Chair of the Supervisory Board and the above-mentioned Reports, the Board of Statutory Auditors has noted that no reprehensible facts or violations of the Model emerged during financial year 2024;
c) noted the positive assessment expressed by the Enterprise Risk Management and Internal Audit functions and the consequent approvals also by the Board of Directors in relation to the adequacy and effective functioning of the Internal Control and Risk Management System for the financial year 2024.

The Board of Statutory Auditors constantly monitored the events during the financial year regarding ongoing tax, administrative, civil and criminal litigation involving the Company and the Group, for which reference is made to what is detailed in the 2024 Consolidated Annual Report, Section 2) “Other Information”, paragraph 8) “Update on the main legal and tax disputes currently pending”.

11. Adequacy of the administrative-accounting system and its reliability.

The Board of Statutory Auditors, to the extent of its competence, monitored the adequacy of the administrative-accounting system and its reliability in correctly representing operating events as well as the activities carried out, under the coordination of the Head of Financial Reporting, for the purposes of compliance with Law 262/05 *"Provisions for the protection of savings and the* *regulation of financial markets*" and subsequent amendments and additions, by means of:125/2024 "Implementation of Directive 2022/2464/EU of the European Parliament and of the Council of December 14, 2022 amending Regulation 537/2014/EU, Directive 2004/109/ EC, Directive 2006/43/EC and Directive 2013/34/EU as regards corporate sustainability reporting", through:

a) the acquisition of information from the Financial Reporting Manager as well as from the Heads of other Company functions, also in the context of participation in the work of the Control and Risk Committee;
b) the acquisition of information on the procedures adopted and instructions issued by A2A S.p.A. for the preparation of the Annual Report of the Group at December 31, 2024 and the Half-Year Report of the Group at June 30, 2024;
c) examination of the periodic reports of the Head of Financial Reporting, as well as the reports of the Internal Audit Function on the actual application of the administrative and accounting procedures pursuant to Law 262/05 and on the outcome of the related tests carried out, drawn up in execution of the mandate entrusted by the Head of Financial Reporting;
d) meetings with the Independent Auditors and analysis of the results of their work;
e) examination of Company documents.

The Board of Statutory Auditors also noted that, following the favourable opinion issued by the Control and Risk Committee, in accordance with the recommendations made by the European Securities and Markets Authority ("ESMA") on January 21, 2013, the joint document Bank of Italy/Consob/ISVAP no. 4 of March 3, 2010 and Consob Communication no. 3907 of January 19, 2015, on March 20, 2025, the Board of Directors, autonomously and prior to the approval of the annual financial statements, approved the impairment test procedures applied by the Company in preparing the financial statements at December 31, 2024 and the impairment test procedures to be applied to the annual financial statements of the companies of the A2A Group. In the course of carrying out the activity described above, the Board of Statutory Auditors did not identify any critical situations or facts that might lead to the conclusion, in relation to financial year 2024, that the administrative-accounting system of A2A S.p.A. is inadequate and/or unreliable.

12. Any relevant aspects relating to meetings with Auditors.

The Board of Statutory Auditors met with the Independent Auditors in relation to the Annual Report at December 31, 2024:

a) to exchange information on the verifications carried out by the latter pursuant to Article 19, paragraph 1 of Legislative Decree no.39/2010 and Article 150, paragraph 3 of the Consolidated Law on Finance, on the regular accounting and correct reporting of events in the accounting records. During these meetings, there were no reports of problems or abnormalities;
b) for the examination and evaluation of the preparation process, including the evaluation of the correct application of accounting standards and homogeneity of the same, of the Half-Year Report of the Group at June 30, 2024 and the Annual Report of the Group at December 31, 2024, as well as the outcomes of the audit and evaluation of these documents.

In particular, the Board of Statutory Auditors:

- analyzed the work carried out by the Independent Auditors, and in particular, the methodological framework, the audit approach used for the various significant areas of the financial statements and the planning of the audit work;
- shared with the Independent Auditors issues related to business risks, thus being able to appreciate the adequacy of the response planned by the Independent Auditors with the structural and risk profiles of the Company and the Group.

  In general, the information flow between the Independent Auditors and the Board of Statutory Auditors was constant throughout the 2024 financial year, as well as in the phases prior to the completion of the drafting of this report.

The Board of Statutory Auditors has also:

a) received, pursuant to Article 11 of Regulation (EU) no. 537/2014, the Additional Report of the Independent Auditors, also illustrating the key issues arising from the statutory audit and any significant deficiencies found in the internal control system for financial reporting and/or in the accounting system, from which no significant deficiencies were identified;

b) took note of the statement on the independence of EY S.p.A. pursuant to Article 6 of Regulation (EU) no. 537/2014, contained in the Additional Report, from which no situations emerge that could compromise its independence;

c) discussed, pursuant to Article 6, paragraph 2, letter b) of Regulation (EU) no. 537/2014, with the Independent Auditors the risks relating to the independence of the same and the measures adopted by the Independent Auditors to mitigate said risks.

13. Adherence to the Corporate Governance Code of listed companies.

The Company adheres to the 2020 edition of the Corporate Governance Code of listed companies effective January 1, 2021.

The Board of Statutory Auditors therefore supervised, pursuant to Article 149, paragraph 1, letter c-bis) of the Consolidated Law on Finance, the procedures for the concrete implementation of the rules of corporate governance provided for by the Corporate Governance Code, with particular regard to:

- the correct application of the ascertainment criteria and procedures adopted by the Board of Directors to assess the independence of its members;
- the manner in which the self-assessment activities of the Board of Directors and its Internal Board Committees were carried out, including that relating to the requirements for Independent Directors;
- the Company's Corporate Governance structure.

The Board of Statutory Auditors also acknowledges that the Board of Directors, at its meeting of February 20, 2025, examined the recommendations of the Corporate Governance Committee contained in the letter of December 17, 2024 addressed by the Chair of the Committee to the Chairs of the Boards of Directors of Italian listed companies and, for information, to the relative

Chief Executive Officers and Chairs of the control bodies, in order to make the necessary decisions in this regard.

The Board of Statutory Auditors supervised the activities carried out by the Control and Risk Committee, the Remuneration and Appointments Committee, the ESG and Territory Relations Committee and the Related Parties Committee, also in relation to the activities envisaged by the Corporate Governance Code.

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In addition to the above, the Board of Statutory Auditors:

- assessed the compliance of its composition with the provisions of the law on gender portions, as well as its adequacy in terms of policies on diversity of age and diversity of educational and professional experience;
- confirmed the correctness and effectiveness of its functioning, also taking into account the requirements of professionalism, competence and experience of its members, compliance with the regulatory provisions on the accumulation of offices of the Statutory Auditors, the availability of time in the performance of their duties, as well as the functionality and quality of information flows with the Board of Directors, the Control and Risk Committee, the Independent Auditors and other control functions;
- successfully carried out the periodic verification regarding compliance with the criteria of independence with regard to each of its members, pursuant to the regulatory provisions and the Corporate Governance Code. The outcome of said audits is outlined in the Annual Report on Corporate Governance and Ownership Structure prepared for the year 2024;
- drafted the summary sheets of the control activities carried out by the Board of Statutory Auditors in 2024 according to as provided in CONSOB Communication no. 1025564 of April 6, 2001.

14. Consolidated sustainability report.

The Board of Statutory Auditors, in the performance of the functions assigned to it, has supervised compliance with the provisions contained in Legislative Decree no. 125/2024.In particular, with reference to:

- the appropriate organisational structure, directives and operating practices aimed at drafting the consolidated sustainability report;
- the adaptation of the Company's governance documents ("Guidelines for the Internal Control and Risk Management System", "Regulations of the ESG Committee and Relations with Territories", "Regulations of the Control and Risk Committee" and "Regulations for the activity of the Manager in charge of drafting the corporate accounting documents of A2A SpA") to the provisions of Legislative Decree no.125/2024;
- the reporting and drafting process and the contents of the Consolidated Sustainability Report, prepared by A2A.The CNFS for the financial year 2024 was approved by the Board of Directors at its meeting on March 20, 2025 and made available to the Control Body within the statutory time limits.
- compliance with the reporting disclosure requirements as set out in Article 6 of Legislative Decree no.125/2024 and Conduct Standard no. 3.8 last issued in December 2024 by the National Council of Chartered Accountants. In this regard, having examined the attestation issued by the Independent Auditors, the Board found no elements of non-compliance and /or violation of the relevant regulations.

The Board of Statutory Auditors notes that the Company, in its capacity as Parent Company, has prepared the Consolidated Sustainability Report as required by Legislative Decree no. 125/2024. The Board of Statutory Auditors monitored compliance with the provisions set forth in Legislative Decree no. 125 of 2024, ascertaining that the CNFS allows for an understanding of the Group's activities, its performance, results and impacts produced, and that the CNFS reports on environmental, social, personnel-related, human rights and governance issues.

The Board of Statutory Auditors discussed with the Independent Auditors the auditing activities it had performed on the CNFS and received confirmation that these did not reveal any critical issues to be reported.

The Board of Statutory Auditors also verified the issuance, on March 31, 2025, by the independent auditors of the "limited assurance" on the A2A Group's Sustainability Report relating to the year ended December 31, 2024, certifying compliance:(i) of its drafting, in all significant aspects, to the reporting principles adopted by the European Commission pursuant to Directive (EU) 2013/34/EU and (ii) of the information contained in the "European Taxonomy" section of the same in Article 8 of Regulation (EU) no. 852 of June 18, 2020.

CONCLUSIONS

Having regard to the foregoing, and having, in the year under consideration:

- monitored compliance with the law and the Articles of Association, principles of proper administration, and in particular the adequacy of the administrative and accounting organization structure adopted by the Company and proper functioning thereof;
- monitored observance of information obligations regarding privileged information;
- monitored the functioning and effectiveness of the internal control and risk management system and the administrative-accounting system, in order to assess their suitability to Company requirements, as well as their reliability for the representation of management events;
- monitored compliance with the provisions of law relating to the process of preparing, controlling, approving and publishing the Company's statutory financial statements and the process of preparing, controlling and publishing the Group's consolidated financial statements and reports on operations for the year 2024, including through direct checks and information obtained from the independent auditors, and also ascertained the adequacy, from the point of view of the method, of the impairment test process;
- verified that, in accordance with Regulation (EC) no. 1606/2002 and Legislative Decree no.

38/2005, the Financial Statements of A2A S.p.A. and the Consolidated Financial Statements of the Group at December 31, 2024 are prepared in accordance with IAS/IFRS international accounting standards approved by the European Commission, supplemented by the related interpretations issued by the International Accounting Standards Board (IASB);

- monitored compliance with the procedure for the preparation and presentation of the annual financial statements to the Shareholders' Meeting also with reference to the ESEF format in accordance with the provisions of Delegated Regulation (EU) 2019/85;
- monitored, pursuant to Article 19, paragraph 1 of Legislative Decree no.39/2010, the financial reporting process and effectiveness of internal control, internal audit and risk management systems and informed the Board of Directors on the outcome of the statutory audit;
- monitored compliance with the provisions established by Legislative Decree no.125/2024, regarding the Consolidated Sustainability Reporting.

Providing the foregoing, the Board of Statutory Auditors states that, during the supervision activities described above, no reprehensible facts, omissions, or irregularities arose.

In view of the above, the Board of Statutory Auditors kindly requests that you approve the financial statements at December 31, 2024 presented by the Board of Directors along with the Report on Operations and the proposal to the Shareholders' Meeting therein.

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Milan, April 1, 2025

THE BOARD OF STATUTORY AUDITORS

(Signed Silvia Muzi) – **Chair**

(Signed Maurizio Dallocchio) – **Statutory Auditor**

(Signed Chiara Segala) – **Statutory Auditor**