a2a LIFE COMPANY

Blue Finance
Addendum to Sustainable Finance Framework

September 2025

The Blue Financing Component

Consistent with its corporate purpose, A2A is committed to integrating sustainability in its everyday operations, as well as in its investment and financing strategy.

To reflect this engagement, A2A established a dedicated Sustainable Finance Framework (“Framework”) combining the Green financing component with the Sustainability-Linked component.

A2A now complements its presence in Sustainable Finance by adding the Blue Financing Component to cover Blue Bonds (including public or private placements), loans, project financings and other Blue financing instruments (together “Blue Financing Instruments”), for which the proceeds will be exclusively allocated to the Sustainable water and wastewater management project category (“Eligible Blue Category”).

Blue Financing Instruments issued under this Framework will align to the Guidelines for Blue Finance Version 2.0, developed and published by the International Finance Corporation (IFC) in September 2025.

This alignment is in addition to the alignment with the Green Bond Principles (GBPs), administered by the International Capital Market Association (ICMA) – 2021 version with June 2022 Appendix and the Green Loan Principles (GLPs) published by the Loan Market Association (LMA) – 2023 version and their four core components:

Use of proceeds;

Process for project evaluation and selection;

Management of proceeds;

Reporting.

All the provisions outlined in the Green Financing Component chapter of the Framework (pages 32-38) for the aforementioned components apply equally to Blue Financing Instruments.

Use of Proceeds

An amount equal to the net proceeds from the issuance of the Blue Financing Instruments will be used to finance or refinance, in full or in part, new or existing Eligible Blue Projects as defined below.

Eligible Blue Projects may include capital expenditures (capex), operating expenditures (opex) related to improvement and maintenance of Eligible Blue Projects, research and development, as well as the acquisitions of the majority stake of entities deriving at least 90% of revenues or 90% of the balance sheet derived from activities identified as Eligible Blue Projects.

Any project, asset, expenditure, or investment (including unallocated proceeds) related to the following activities will be excluded:

- Fossil energy generation;
- Nuclear energy generation;
- Development of new gas distribution pipelines/ networks.

A2A will exclude any project that does not meet the internationally acknowledged sustainable best practices such as, for example, Global Compact or International Labour Organization.

The projects considered under the Eligible Blue Category ("Eligible Blue Projects") are described in the table below.

Eligible Blue Category (IFC project category)	Sustainable water and wastewater management
Eligible Blue Projects	Construction, development, operation and maintenance of facilities, systems or equipment used for sustainable infrastructure for clean and/ or drinking water, wastewater treatment and sustainable urban drainage systems, including: • Wastewater treatment and purification plants, networks and appliances • Reduction of water losses projects (automatic systems to find leakages, new pipelines, smart water meters)
Environmental objectives	Climate change mitigation (MIT) & Sustainable Use and Protection of Water and Marine Resources (WTR)
EU Taxonomy mapping	5.1. (MIT) Construction, extension and operation of water collection, treatment and supply systems 5.3. (MIT) Construction, extension and operation of waste water collection and treatment 2.1. (WTR) Water Supply 2.2. (WTR) Urban waste water treatment
SDG contribution	

Process for project evaluation and selection

Project evaluation and selection is a key process in ensuring that the projects financed and/or refinanced through the Blue Financing Instruments meet the Eligibility Criteria detailed in the Framework.

According to the internal procedures, at the capex plan preparation and investment approval phases all the projects are analyzed and mapped as green or not green and as Taxonomy eligible or not. In addition, the relevant sustainability KPIs are quantified and monitored.

The Eligible Blue Projects are also expected to comply with applicable national, European and international environmental and social standards and regulations.

As part of the selection process, the Eligible Blue Projects are verified for alignment with the EU Taxonomy Regulation and Delegated Acts, including Do No Significant Harm (DNSH) and Minimum Social Safeguards (MSS) criteria, on a best effort basis.

The selection process for Eligible Blue Projects is performed and coordinated by the Sustainable Finance Committee described in the Framework.

Key responsibilities: the Committee is responsible for the review, selection, validation and monitoring of the pool of Eligible Blue Projects, based on Group sustainability strategy, enterprise risk valuation and the Framework.

After the approval by the Committee, the list of selected potential Eligible Blue Projects is registered in the Blue Financing Register.

A2A has put in place a strong evaluation and selection process, corporate sustainability and risk management framework in order to ensure mitigation of potential environmental and social risks associated with the Eligible Projects, in addition to applicable national and international environmental and social standards and regulations, as described in the Green Financing Component section (pag. 35 of Sustainable Finance Framework).

Management of proceeds

The net proceeds from Blue Financing Instruments will be deposited in A2A's general funds account and an amount equal to the net proceeds will be earmarked to Eligible Blue Projects selected by the Sustainable Finance Committee.

A2A's Treasury will transfer the proceeds directly to the subsidiaries that are in charge of delivering the projects via intercompany loans or equity capital.

A2A will endeavor to fully allocate an amount equal to the net proceeds within 24 months.

Net proceeds can refinance Eligible Blue Projects disbursed, delivered or acquired up to 36 months before the issuance of the Blue Financing Instrument.

The balance of Proceeds should be periodically adjusted, in order to match allocations to Eligible Blue Projects (re)financed during this period.

To this end, if for any reason projects cease to be eligible, are disposed of or are subject to material ESG controversy, A2A commits to substituting them within 24 months, to the extent possible.

A2A commits, to the extent possible, to transparently communicate the estimated share of refinancing prior to each instrument issuance.

Pending the allocation or reallocation, as the case may be, of the net proceeds, A2A will invest the balance of the net proceeds, at its own discretion, in cash and/or cash equivalents and/or other liquid marketable instruments which will not include GHG intensive activities as per the company's financial policy.

The payment of principal and interests on any financing instrument issued by A2A under the Framework will be made from its general funds and will not be linked to the performance of any Eligible Blue Project.

Reporting

On an annual basis, at least until full allocation and thereafter in case of material changes, A2A will provide the following reporting on its Blue Financing Instrument(s):

Allocation reporting: detailing

(i) the financing instrument proceeds allocation by category of Eligible Blue Projects;

(ii) the proportion of net proceeds used for financing versus refinancing;

(iii) if feasible, the year of operation of acquired assets;

(iv) the percentage of EU Taxonomy eligible and/or aligned Eligible Blue Projects financed (incl. the alignment with the SCC, DNSH and MSS);

(v) if feasible, the co-financing share;

(vi) the balance of any unallocated proceeds, and, if feasible, the types of temporary investment instruments where unallocated proceeds have been deposited;

(vii) disclosure of any material developments related to the Eligible Blue Projects, including ESG controversies and issues; and

(viii) the list of eligible projects (re)financed, including a brief description and geographical location.

The Allocation reports will be available on A2A's website.

Impact/Performance reporting: A2A will report on the associated environmental impact of the Blue Financing Instruments with qualitative and / or quantitative information, the latter subject to the availability of suitable data.

Impacts, methodologies and assumptions of indicators are disclosed in the annual Sustainability Reporting that is available on A2A's website and externally verified.

Wherever possible, A2A intends to align its reporting with the approach described in the "Handbook – Harmonised Framework for Impact Reporting" (June 2023).

Verification

External verifiers appointed by A2A will verify on an annual basis at 'Limited Assurance' standard and until the full allocation, and thereafter in case of material changes, the allocated proceeds to Eligible Blue Projects and the remaining balance of unallocated proceeds, within the annual report review.

External verifiers will also verify the compliance of the allocated proceeds with the criteria set out in the Framework for the Blue Eligible Projects.

The external verifiers' report will be made available on A2A's website.

Examples of relevant output and impact metrics could include

Type of project	UN SDGs support	Metrics
Sustainable water and wastewater management	6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	• Reduction in linear water losses (m^3/km/days) • Improvement in BOD[1] (tons) • Improvement in COD[2] (tons) • Water saving (m^3)

External review – Second Party Opinion

A2A has appointed S&P to update its Second Party Opinion on the Sustainable Finance Framework supplemented by this Addendum, confirming its alignment also with the IFC Blue Finance Guidelines.

The Second Party Opinion is available on A2A's website: ***Sustainable finance programme | A2A***

1. Biochemical Oxigen Demand
2. Chemical Oxigen Demand

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