A2A: Strategic Plan Update to 2035

Strengthening of industrial targets
in line with the expected growth in electricity demand

New strategic positioning in data center segment,
leveraging on A2A's expertise in the energy sector

Seizing new opportunities in the European market

Shareholders remuneration policy confirmed

Sound financial discipline to support credit rating metrics

Ongoing execution of sustainable and competitive transition initiatives
towards the Net Zero 2050 goal

- Investment plan of 23 billion euro over 2024-35 period, of which:
  - 16 to the Energy Transition
  - 7 to the Circular Economy
- EBITDA at 2.4 billion euro in 2028 and 3.6 billion euro in 2035
- Ordinary Net Income at 0.7 billion euro in 2028 and over 1.1 billion euro in 2035
- NFP/EBITDA never exceeding 2.8x over the Plan period
- Group's commitment to maintaining the current credit rating confirmed

Milan, 12 November 2025 – The Board of Directors of A2A, chaired by Roberto Tasca, has examined and approved the 2024-3035 Strategic Plan Update, the Group's industrial growth targets announced in the November 2024 Plan. The strategy, built around the two pillars of **Energy Transition** and **Circular Economy**, strengthens industrial objectives by consolidating core businesses and expanding through new growth initiatives. The Plan envisages **23 billion euro in investments,** with over **35% already completed or in progress**.

"With our Strategic Plan update, A2A reaffirms its strong commitment to solid and sustainable industrial growth, focused on creating long-term value for all stakeholders. We have increased total investments to 23 billion euro by 2035 to accelerate the Group's development path and unlock new opportunities in innovative business areas. A2A's long-standing presence in Lombardy – today a strategic hub for data centers – together with the significant acquisition of electricity networks in the provinces of Milan and Brescia, positions the Group in a privileged position to actively support the rollout of these digital infrastructures while capturing the related industrial and economic opportunities. Our goal is clear: to evolve from an energy partner into an integrated development platform, leveraging our assets, expertise, and ability to innovate," **said Renato Mazzoncini, Chief Executive Officer of A2A**. *"To meet rising energy demand and support the electrification of consumption, we will continue investing in "future-fit" infrastructure, strengthening networks, generation capacity, and circular economy activities. We aim to consolidate A2A's leadership in Italy while expanding our business model internationally, capitalizing on distinctive capabilities in environmental services and renewable energy. People remain the driving force of this Plan: their professionalism and dedication turn objectives into tangible results every day. Sustainability remains at the core of our strategy. We confirm our Net Zero target for 2050 and the reduction of the emissions factor by 2030, in line with our vision of a responsible energy future that safeguards future generations and the planet's resources"*.

In a time of rapid change and technological innovation, A2A is strengthening its role as a key player in the energy sector, committed to supporting a more sustainable and efficient future for the country. Rising electricity demand driven by **electrification of consumption and by the growth of data centers** - the backbone of the digital revolution - is reshaping the energy system. Over the past five years, A2A has invested **in improving network efficiency and expanding renewable energy generation**, supporting customers through the energy transition. **The 2035 Strategic Plan continues this same trajectory**, with significant infrastructure investments, to meet rising electricity demand and increasingly decarbonised consumption. The update leverages A2A's unique positioning in territories and sectors leading **digital transformation,** anchored on the strategic pillars of Energy Transition and Circular Economy. The ongoing energy transformation requires concrete actions and a long-term vision, and **A2A is ready** to respond with innovative and sustainable solutions.

The Plan update envisages **23 billion euro** in investments, with 7 billion euro allocated to the Circular Economy and 16 billion euro to the Energy Transition, enabling the Group to reach **3.6 billion euro in EBITDA** and over **1.1 billion euro in ordinary net income by 2035**. The Group's ambition for 2035 grows across both strategic pillars: in the Energy Transition, with **4 billion euro of RAB in electricity networks**, **3.7 GW of wind and solar capacity, and 5 million customers**; in the Circular Economy, **6.6 million tonnes of waste treated and new data centers** to be developed leveraging energy assets as a platform to grow.

Energy Transition

The acquisition of electricity distribution networks in the provinces of Milan and Brescia has positioned A2A as a **leading national operator** and **key enabler of electrification** that is reshaping the sector. With **4.9 billion euro in planned investments,** the Group's infrastructures will be strenghtened to ensure resilience and future grid requirements. E-mobility remains a core part of the portfolio, with the target of installing 16,000 charging points by 2035, supported by a growth strategy focused on performance optimisation.

The Group's growth **in renewable generation** continues, with a targeted strategy to reach **3.7 GW of wind and solar installed capacity by 2035**. The integration of new renewable assets and the modernization of the thermoelectric fleet with high-efficiency assets will further **diversify the generation mix,** which already incorporates multiple risk-mitigation levers, including natural hedging through the Group's customer base.

In the Retail segment, amid a highly dynamic residential market environment, A2A confirms its target of **5 million customers by 2035**, with around **70% as power customers**. In industrial energy supply, where the Group currently holds a **market share above 10%**, further volume growth is targeted, supported by **PPAs** (Power Purchase Agreement) to help stabilize margins.

Circular Economy

The new Circular Economy Business Unit has been established to foster **operational integration across business areas** with complementary strengths generating synergies. Today, the BU includes waste management, water cycle, district heating, energy efficiency, and more recently, **data-center**-related activities.

Data centers are a key innovation in the updated Plan, positioning the A2A Group both as an **energy partner for market players** - across energy supply, electricity networks, and thermal management - and as a **direct developer,** thanks to its strong presence in high-potential areas. **1.6 billion euro has been allocated to investments** for the **creation and management of new data centers**, **leveraging the Group's energy assets** as key enablers for the development of these digital hubs.

A2A intends to consolidate its **leadership in the waste sector** by 2035, managing about **6.6 million tonnes of waste.** Investments planned will address Italy's infrastructure gap and enhance waste valorisation, through **energy and material recovery**.

Our backyard

The Group is extending the Strategic Plan's geographical reach beyond Italy, aiming for greater **geographic diversification**. **Expansion into new countries will be guided** by market potential, expected returns and speed of development, to mitigate execution risk and maximise returns. Expansion initiatives will be selected as alternatives to projects in Italy with the same level of investment.

Development initiatives will focus on the **Waste-to-Energy and Power value chains**, leveraging A2A's distinctive expertise in energy recovery from waste and power generation, while exploring **integration opportunities both upstream and downstream**. This **multi-value-chain approach** will enable sustainable growth in the selected countries.

The Group's development strategy follows an "**anchoring-platform**" model, with internationalisation driven by acquisitions or partnerships in priority value chains with progressive organic growth to consolidate presence over the medium-long term.

Economic and financial highlights

billion euro	*2025F*	*2028*	*2030*	*2035*
Group EBITDA[1]	***2.2***	***2.4***	***2.8***	***3.6***
of which Generation and Supply	*1.2*	*1.2*	*1.3*	*1.5*
of which Smart Infrastructures	*0.5*	*0.5*	*0.6*	*0.8*
of which Circular Economy	*0.6*	*0.7*	*0.9*	*1.3*
Group Ordinary Net Income	***0.7***	***0.7***	***>0.8***	***>1.1***
Net Financial position	***5.5***	***6.6***	***7.4***	***8.7***

[1] Group's EBITDA includes Corporate BU, while the figures below refer to the 3 operational Business Unites

The updated Plan confirms the Group's economic and financial targets, with an upside in the medium-to-long term driven by the development of the data center business, whose contribution to results is expected from 2028.

In particular, the Plan projects **EBITDA growth from 2.2 billion euro in 2025F to 2.4 billion euro in 2028, 2.8 billion euro in 2030, and 3.6 billion euro in 2035**. This reflects a CAGR of 5% over 2025-2035 and 6% over 2028-2035.

This growth is supported by **23 billion euro in investments**, allocated as follows:

• 7.6 billion euro for the Generation and Supply Business Units, 7.4 billion euro for the Smart Infrastructures[1] Business Unit, and 6.5 billion euro for the Circular Economy Business Unit.

[1] Figures do not include 1.2 billion euro of investments in Corporate

• 45% low-volatility and 55% market-based.

Of the **7.6 billion euro** allocated to **the Generation and Supply Business Units**, 3.7 billion euro refers to the development of new solar and wind renewable capacity (target of 3.7 GW installed by 2035), 1.4 billion euro for flexibility, and approximately 1.6 billion euro to support customer growth (goal of 5 million customers by 2035). For the Generation and Supply Business Units, the expected return on investment (ROI) is above 15%, supported by a vertically integrated customer base and a diversified generation portfolio.

In the **Smart Infrastructures Business Unit, 7.4 billion euro in investments** is planned, of which 4.9 billion euro to strengthen and modernise electricity distribution networks[2]. The electricity RAB, which exceeded the gas RAB in 2025, is expected to reach 4 billion euro by 2035. Additionally, 0.3 billion euro will be invested in e-mobility charging infrastructure. For this Business Unit, the expected ROI is above the regulatory WACC.

6.5 billion euro in investments is allocated to **the Circular Economy**. A2A aims to consolidate its leadership in the environmental sector, particularly in energy recovery. With 2.8 billion euro allocated to treatment and 0.5 billion euro to collection, the Group will process 6.6 million tons of urban and industrial waste by 2035. A further 1.2 billion euro will be invested in district heating to support the decarbonization of residential consumption and 0.5 billion euro in the water cycle to reduce leaks and build new treatment plants. The Circular Economy Business Unit also includes **activities related to the development of a data center platform**. This new business line will receive **1.6 billion euro in investments, with expected EBITDA around 0.4 billion euro**. For the Circular Economy Business Unit, the expected ROI is above 10%, driven by data centers development and value creation from new plants.

The updated Plan also confirms the objective of generating additional return at least 200 basis points above the Group's WACC.

Financial sustainability and cash flow generation

Strong industrial performance and disciplined financial management support robust growth and a balanced NFP/EBITDA ratio.

The updated Plan confirms the Group's ability to generate cash available to fund growth: **operating cash flow,** net of maintenance CAPEX**,** is expected to reach **14 billion euro in the Plan horizon**, with a cash conversion, defined as the ratio between Operating Cash Flow (net of maintenance CAPEX) and EBITDA, above 50%.

Net Financial Position is projected to **increase by 3 billion euro between 2026 and 2035**, of which approximately 2 billion euro by 2030 will come from incremental investments in data centers

[2] Figures do not include Duereti M&A transaction expenditure

compared to the previous Plan. This growth remains sustainable, with the **NFP/EBITDA ratio never exceeding 2.8x** and steadily declining to 2.4x by 2035.

Financial debt is accompanied by careful management of the **average cost of debt, kept below 3% in the medium term and 3.3% in the long term**, thanks to proactive optimization of the debt structure.

Financial Policy and Rating

The updated Plan confirms the Group's focus on maintaining a balanced and sustainable capital structure aimed at preserving A2A's current credit rating.

The financial requirement for the period 2026–2035 is estimated at **10 billion euro**, of which 3 billion euro will be allocated to incremental debt and the remaining 7 billion euro will be needed to refinance existing debt.

In a context marked by a steeper interest rate curve, A2A's financial strategy will focus on optimizing the mix between fixed-rate and floating-rate debt, strategically leveraging an increasingly balanced combination mix of short-term and long-term rates. Throughout the Plan, the **Sources/Uses ratio**, representing the coverage of expected cash outflows over the next 12 months based on liquidity, will remain **above 1.2x, with average duration consistently above five years.** Building on the 2025 achievements, including the first European Green Bond issued on the market and Italy's first Blue Bond, the Plan's financial strategy will further increase the share of Sustainable Finance, with ESG debt exceeding 85% of total debt by 2028, surpassing 90% by 2030, and reaching 100% sustainable debt by 2035.

The FFO/Net Debt ratio is expected to **remain above 24%** thus confirming A2A commitment to maintain the current rating

Ordinary income and shareholders remuneration

Ordinary Net Income is expected to **reach 0.7 billion euro in 2028 and exceed 0.8 billion euro in 2030,** while it is projected to **exceed 1.1 billion euro by 2035**. The CAGR stands at 6% for the period 2025-2035 and 8% for the period 2028-2035.

In terms of profitability, the Strategic Plan update for 2025-2035 shows an average ROI above 9% and an average ROE of 12%.

Finally, the dividend policy is confirmed, with **sustainable growth of DPS (dividend per share) of at least 4% per year.**

Business outlook for 2026

Based on the development of industrial projects and considering price trends and market conditions, the A2A Group is expected to achieve in 2026:

- **EBITDA between 2.21 and 2.25 billion euro**
- **Ordinary Net Income of the Group between 0.63 and 0.66 billion euro**

Ordinary Net Income of the Group includes the estimate of higher depreciation and amortization resulting from the Purchase Price Allocation process related to the acquisition of 90% of Duereti S.r.l..

Potential additional value

Further strategic development opportunities have been identified to generate up to **300 million euro in additional EBITDA by 2035**, with a balanced contribution across both Plan pillars. The portfolio of additional projects acts as a backup to ensure the achievement of industrial targets or enable the Group to capture favourable market opportunities to accelerate growth, also leveraging partnerships as a potential enabler.

A2A Life Ventures: innovation as a value creation lever

The Strategic Plan update also reinforces the Group's objectives in innovation and digitalisation, leveraging artificial intelligence to enhance competitiveness and operational efficiency across business units. As a part of this transformation, the new entity **A2A Life Ventures**, acting as an integrated innovation platform, will generate economic value for the Group through the revaluation of its investments in Corporate Venture Capital funds.

Sustainability

ESG priorities remain central to the Strategic Plan, supported by defined initiatives and measurable targets. The Group reconfirms its commitment to **reducing direct and indirect emissions**, **with a 2030 target of Scope 1 and 2 emission factor of 228 gCO_2/kWh towards Net Zero by 2050**.

By the end of the year, A2A will present its first **Climate Transition Plan.** This document will serve as a strategic guidance and monitoring tool for transition levers and development pathways to reach Net Zero across all emission Scopes.

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This document contains forward-looking statements that reflect the current assessments of management regarding certain future events and the financial and operational results of the company and the Group. These forward-looking statements are based on current estimates and projections of future events. As such statements are subject to risks and uncertainties, actual future results and performance may differ materially from those indicated in this document due to a wide range of factors, many of which are beyond A2A S.p.A.'s ability to control or predict, including changes in the regulatory and legislative framework, future market developments, fluctuations in the price and availability of oil and energy, and other risk factors. Readers are advised not to place undue reliance on the forward-looking statements contained herein, which refer only to the date of publication of this document. A2A S.p.A. assumes no obligation to publish updates or revisions to these forward-looking statements to reflect events or circumstances occurring after the date of this document.

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