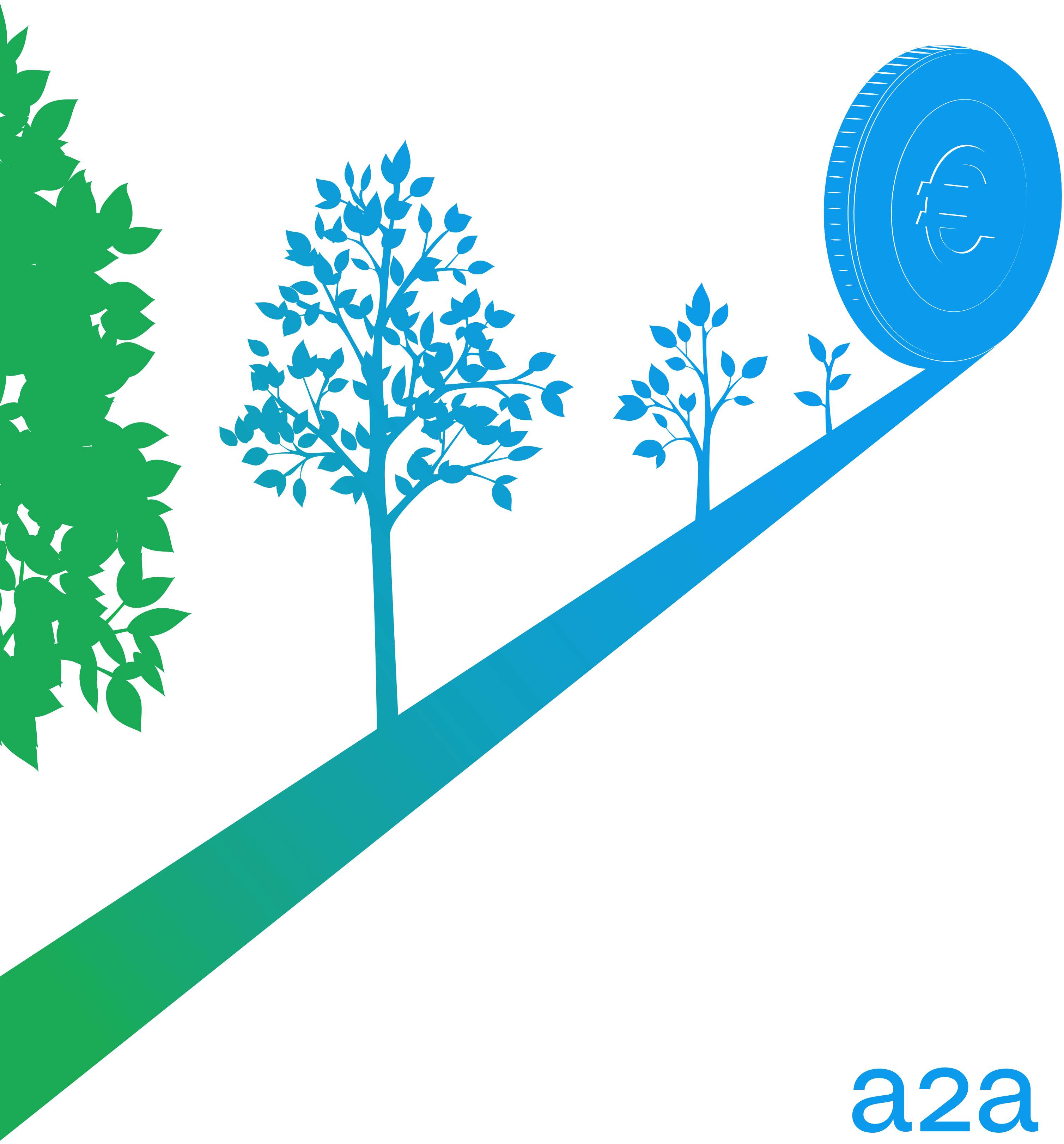
European Green Bond Annual Allocation Report 2025



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LIFE COMPANY

European Green Bond XS2986639701

European Green Bond Annual Allocation Report

1. General information

- Date of issuance of the bond(s) or tranches of the bond(s): 30/01/2025
- Date of publication of the allocation report: 30/12/2025
- The first and last date of the period to which the annual allocation report refers: 01/01/2025 - 31/12/2025
- Legal name of the issuer: A2A S.p.A.
- LEI of the issuer: 81560076E3944316DB24
- Website address providing investors with information on how to contact the issuer: **https://www.gruppoa2a.it/en/investors/contacts**
- Name of the bond(s) assigned by the issuer: €500,000,000 3.625% European Green Bond due 30 January 2035
- ISIN of the bond: XS2986639701
- Identity and contact details of the external reviewer: ISS-Corporate Solutions, Inc. (**SPOsales@iss-corporate.com**)
- Competent authority that has approved the bond prospectus(es): Commissione Nazionale per le Società e la Borsa (CONSOB), link: **https://www.gruppoa2a.it/en/investors/debt#consob-emtn-prospectus**

2. Important information

- This bond uses the designation 'European Green Bond' or 'EuGB' in accordance with Regulation (EU) 2023/2631 of the European Parliament and of the Council.

3. Environmental strategy and rationale

Overview

- This European Green Bond supports and strengthens the implementation of A2A's sustainability strategy focused on Energy Transition and Circular Economy, pursuing the climate change mitigation environmental objective as referred to in Article 9 of Regulation (EU) 2020/852. In particular, the following project categories are financed by this European Green Bond:
  1. Renewable Energy (28%):
     - PV plants
     - Wind plants
     - Hydropower plants
  2. Energy Efficiency (17%):
     - New product and services related to energy efficiency for end customers
  3. Transmission and Distribution Networks (21%):
     - Investments in smart grid
  4. Pollution Prevention and Control (34%):
     - Waste collection and transport services for municipalities

  For more details on these projects regarding the allocation of proceeds, please refer to Table A "Taxonomy alignment of proceeds information for bonds making use of the gradual approach to the allocation of bond proceeds".

Link with assets, turnover, CapEx, and OpEx key performance indicators

- The proceeds have contributed to finance the Group EU taxonomy aligned operating expenditures. Please see the table below for the details.

Type of expenditure and reporting year	Total aligned amount in the reporting year	Total aligned amount financed through the Bond	% of aligned amount financed through the Bond out of the total aligned amount
OpEx 2024	136,637,277 €	67,578,109 €	49%

Link to the transition plan

- The proceeds support the implementation of A2A's transition plan, particularly focusing on increasing renewable energy capacity, developing the electricity network managed by A2A, enhancing energy efficiency, and implementing further decarbonization measures. A2A's Climate Transition Plan is available at the following link: https://www.gruppoa2a.it/en/sustainability/climate-transition-plan.

Securitisation

- This European Green Bond is not a securitisation bond.

4. Allocation of bond proceeds

Allocation to taxonomy-aligned economic activities

- The issuer is allocating an amount equal to the net European Green Bond proceeds to operating expenditures in accordance with the gradual approach, referred in Article 4(1) of Regulation (EU) 2023/2631 for the European Green Bond. This European Green Bond is not a securitisation bond.
- Please see Table A below for the allocation of proceeds for each group of projects.
- We confirm compliance with Article 3, point (c), of Regulation (EU) 2020/825 (minimum safeguards).
- The issuer is not a sovereign.

Allocation to specific taxonomy-aligned economic activities

- The proportion of Bond proceeds that was allocated to activities that are environmentally sustainable under Article 3 of Regulation (EU) 2020/852, according to the methodology set out in Annex II to Regulation (EU) 2023/2631: 100% of the Bond proceeds.
- The allocation includes the following enabling economic activities:
  - 4.9 "Transmission and distribution of electricity", approx. 14 million euros (21% of the allocated amount).
  - 7.3 "Installation, maintenance and repair of energy efficiency equipment", approx. 12 million euros (17% of the allocated amount).
- The proceeds are not allocated to transitional activities.
- The proceeds are not allocated to activities related to nuclear energy or fossil gas.

Allocation to economic activities not aligned with the technical screening criteria

- The proceeds are not allocated, in accordance with Article 5 of Regulation (EU) 2023/2631, to activities which are not fully EU taxonomy aligned. The proceeds are allocated in accordance with the EU taxonomy alignment requirements.

Issuance costs

- A2A allocates an amount equal to the net proceeds of the Bond as indicated in the Final Terms of this European Green Bond. The net proceeds are calculated deducting the issuance costs related to the underwriting and placement from the issue price of the European Green Bond. The amount of the issuance costs related to the underwriting and placement is € 1,300,000.00.

5. Environmental impact of bond proceeds

- No information is required to be provided under this Section of the report.

6. Information on reporting

- Link to the issuer's website as required by Article 15(1) of Regulation (EU) 2023/2631: **https://www.gruppoa2a.it/en/investors/debt/sustainable-financing**
- Link to the issuer's relevant reports:
  1. Consolidated Financial Statements 2024, available at: **https://content.gruppoa2a.it/sites/default/files/2025-04/2024-consolidated-financial-statements.pdf**
  2. Report on Operations 2024 (including Sustainablity Statement, prepared pursuant to Legislative Decree n. 125/2024 and to European Sustainability Reporting Standards (ESRS)), available at:
     https://content.gruppoa2a.it/sites/default/files/2025-04/2024-report-operations.pdf

7. CapEx plan

No CapEx plan referred to in Article 7 of Regulation (EU) 2023/2631 is needed as A2A allocates the proceeds only to activities that are already fully aligned with the EU Taxonomy.

Table A: Taxonomy alignment of proceeds information for bonds making use of the gradual approach to the allocation of bond proceeds

Project (or group of projects or economic activity) name, location and description	Amount of proceeds allocated from the bond(s)			Share of total proceeds used for financing[1]		Type and sector of economic activities funded by the bond(s)		Amount of proceeds allocated from the bond(s) that are taxonomy-aligned				Environmental objectives and technical screening criteria			Nature of environmentally sustainable assets and expenditure[2]		Other information
1	2.1	2.2	2.3	3.1	3.2	4.1	4.2	5.1	5.2	5.3	5.4	6.1	6.2	6.3	7.1	7.2	8
Name *Location* Basic description	Bond proceeds allocated to this project since the issuance date	Bond proceeds allocated to this project in the reporting period[3]	Share of project that is funded by the bond(s)	The share of the amount in row 2.1 used for financing	The share of the amount in row 2.2 used for financing	Types/ sectors	NACE codes	Of the total bond proceeds allocated to the project, the amount that is allocated to an activity which is taxonomy-aligned since the issuance date	Percentage share of amount given in row 2.1	Of the bond proceeds allocated to the project in the reporting period, the amount that is allocated to an activity which is taxonomy-aligned in the reporting period	Percentage share of amount given in row 2.2	The targeted environmental objective(s), as referred to in Article 9 of Regulation (EU) 2020/852	An indication of the applicable delegated acts used to determine the technical screening criteria, and their application dates	Information on the methodology and assumptions used for the calculation of key impact metrics in accordance with the applicable delegated acts	Of the amount allocated in the reporting period in row 5.3, capital expenditure amount	Of the amount allocated in the reporting period in row 5.3, operating expenditure amount	EU Taxonomy activity
Renewable Energy																	
PV plants *Italy*[4] Photovoltaic plants	3,267,663 €		100%	0%		Energy	D35.11, F42.22	3,267,663€	100%	3,267,663 €	100%	Climate Change Mitigation (CCM)	Climate Delegated Act, Complementary Climate Delegated Act and Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending the Climate Delegated Act, application date: reporting year 2022	See Appendix I "EU Taxonomy Alignment"	0 €	3,267,663 €	4.1
Wind plants *Italy* Wind plants	4,727,169 €		100%	0%		Energy	D35.11, F42.22	4,727,169 €	100%	4,727,169 €	100%				0 €	4,727,169 €	4.3
Hydroelectric plants *Italy* Hydroelectric plants	10,876,388 €		100%	0%		Energy	D35.11, F42.22	10,876,388 €	100%	10,876,388 €	100%				0 €	10,876,388 €	4.5

1 The percentages indicated refer to the share of financing. The share of financing is here defined as the ratio between the amount related to the financed projects pertaining to the year of the issuance date or the year following the issuance date and the total amount of the funded projects considered under the allocation

2 Please note that we have eliminated the following three data points as they are not applicable in our case: 7.3 "*Of the amount allocated in the reporting period in row 5.3, fixed assets amount*", 7.4 "*Of the amount allocated in the reporting period in row 5.3, financial assets amount*"

3 Please note that the reported financial data refer only to 2024 OpEx

4 All the projects are located in Italy and we have not indicated specific regions for OpEx

Transmission and Distribution Networks															
Electricity Distribution Networks *Italy* Electricity distribution projects	14,299,043 €	81%	0%	Energy	D35.12, D35.13	14,299,043 €	100%	14,299,043 €	100%	Climate Change Mitigation (CCM)	Climate Delegated Act, Complementary Climate Delegated Act and Delegated Regulation (EU) 2023/2485 of 27 June 2023 amending the Climate Delegated Act, application date: reporting year 2022	See Appendix I "EU Taxonomy Alignment"	0 €	14,299,043 €	4.9
Pollution Prevention and Control															
Urban waste management *Italy* Urban waste management plants	22,634,508 €	29%	0%	Water Supply, Sewerage, Waste Management and Remediation	E38.11	22,634,508 €	100%	22,634,508 €	100%				0 €	22,634,508 €	5.5
Energy Efficiency															
Heat Energy Efficiency *Italy* Heat Energy Efficiency services and projects	11,773,337 €	52%	0%	Construction and Real Estate Activities	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	11,773,337 €	100%	11,773,337 €	100%				0 €	11,773,337 €	7.3

Totals

	Disclosure	Value
Totals since issuance	Total amount of bond proceeds allocated since issuance:	67,578,109 €
	Of which, total amount of bond proceeds allocated to taxonomy-aligned economic activities since issuance:	67,578,109 €
Totals reporting period	Total amount of bond proceeds allocated in the reporting period:	67,578,109 €
	Of which, total amount of bond proceeds allocated to taxonomy-aligned economic activities in the reporting period:	67,578,109 €
	Of which: • Total amount of bond proceeds allocated to taxonomy-aligned capital expenditure in the reporting period:	0 €
	• Total amount of bond proceeds allocated to taxonomy-aligned operating expenditure in the reporting period:	67,578,109 €

Appendix I - EU Taxonomy Alignment

The complete analysis of all the selected projects with regards to the alignment to EU Taxonomy was performed, including the verification of compliance with all technical screening criteria for Substantial Contribution and DNSH and also with Minimum Social Safeguards. The details and the results of the alignment analysis are disclosed hereunder. The proceeds of the European Green Bond issued in 2025 were fully allocated to projects aligned with the EU Taxonomy.

Minimum Safeguards

A2A, as a company operating under EU legislation, has ensured the respect of minimum safeguards criteria according to Article 18 of the EU Taxonomy Regulation (OECD guidelines for Multinational Enterprises (MNE), United Nations Guiding Principles on Business and Human Rights (UNGPs), the eight ILO conventions on fundamental principles and rights at work, and the international bill of human rights).

The effort of A2A in ensuring these criteria application could be summarized in the following points:

- *A2A is a member of Global Compact, the United Nations initiative for promoting the culture of business citizenship, which encourages companies throughout the world to create an economic, social and environmental framework in order to ensure a sound and sustainable economy.*
- *The A2A Group's Code of Ethics is an integral part of the Model pursuant to Legislative Decree no. 231/01 with regards to members of the Board of Directors, members of the control body, managers and executives, employees, suppliers and business partners. 39 subsidiaries adopted their own Organization, Management and Control Models in accordance with Legislative Decree no. 231/01.*
- *A2A's Code of Ethics makes explicit reference to the UN Universal Declaration of Human Rights, the ILO Fundamental Conventions, the OECD Guidelines and the principles of the Global Compact to which the Group adheres.*
- *In 2021, A2A issued its Human Rights Policy, adopted by the Board of Directors of A2A S.p.A., in addition to and as a complement of the Group's Code of Ethics, in order to reaffirm the commitment of the Group to promote and support all the values and principles established by international human rights institutions of which A2A is a member.*

4.1 "Electricity generation using solar photovoltaic technology"

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. Every project and existing plant in A2A's portfolio are potentially and/or actually contributing substantially to climate change mitigation.	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. A taxonomy aligned climate risk assessment has been carried out. Mitigation measures, such as maintenance plans and safeguards, are in place. Those measures do not adversely affect the adaptation efforts of other people, nature and assets.
Sustainable use and protection of water and marine resources	N.A.
Transition to a circular economy	CONFIRMED. Plants are equipped with components of high durability and recyclability, and so they can be easily decommissioned and renovated.
Pollution prevention and control	N.A.
Protection and restoration of biodiversity and ecosystems	CONFIRMED. Priority check on EIA. For every ground installation exempted from EIA and GIS verifications were carried out, addressing interference with protected areas.

4.3 “Electricity generation from wind power”

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. The wind power plants in A2A’s portfolio are contributing substantially to climate change mitigation.	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. A taxonomy aligned climate risk assessment has been carried out. Mitigation measures, such as maintenance plans and safeguards, are in place. Those measures do not adversely affect the adaptation efforts of other people, nature and assets.
Sustainable use and protection of water and marine resources	CONFIRMED. A2A’s plants are not off-shore and though they do not harm sustainable use and protection of water and marine resources.
Transition to a circular economy	CONFIRMED. Plants are equipped with highly durable and recyclable components so that they can be easily decommissioned and renovated.
Pollution prevention and control	N.A.
Protection and restoration of biodiversity and ecosystems	CONFIRMED. Priority check on EIA. For every ground installation exempted from EIA and GIS verifications were carried out, addressing interference with protected areas.

4.5 “Electricity generation from hydropower”

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. All hydropower plants in A2A’s portfolio are contributing substantially to climate change mitigation. In particular, in all those plants with an artificial reservoir the power density of the electricity generation facility is above 5 W/m^2.	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. A taxonomy aligned climate risk assessment has been carried out. Mitigation measures, such as maintenance plans and safeguards, are in place. Those measures do not adversely affect the adaptation efforts of other people, nature and assets.
Sustainable use and protection of water and marine resources	CONFIRMED. A2A’s plants meet the criteria set out by Taxonomy regulation in terms of sustainable use and protection of water and marine resources.
Transition to a circular economy	N.A.
Pollution prevention and control	N.A.
Protection and restoration of biodiversity and ecosystems	CONFIRMED. Priority check on EIA. For every ground installation exempted from EIA and GIS verifications were carried out, addressing interference with protected areas.

4.9 "Transmission and distribution of electricity"

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. A2A's distribution network is an interconnected European system compliant with the point 1a) of taxonomy regulation.	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. Infrastructure is potentially exposed to acute risk such as high temperatures and heavy rainfalls or floods. All the assets are equipped with fire prevention systems. All underground machinery is designed with construction of embankments on any access hatches to underground parts and installation of waterproof components.
Sustainable use and protection of water and marine resources	N.A.
Transition to a circular economy	CONFIRMED. A waste management plan is in place and ensures maximal reuse or recycling at end of life (e.g. replacement activity of the smart meters).
Pollution prevention and control	CONFIRMED. Energy distribution networks respect pollution and prevention norms set out by the commission.
Protection and restoration of biodiversity and ecosystems	CONFIRMED. A GIS verification was carried out, addressing interference with protected areas. The Salò network does not meet the DNSH, therefore it has been excluded from the Eligible Green Projects.

5.5 "Collection and transport of non-hazardous waste in source segregated fractions"

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. All separately collected and transported non-hazardous waste that is segregated at source is intended for preparation for reuse or recycling operations.	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. A taxonomy aligned climate risk assessment has been carried out. Mitigation measures, such as maintenance plans and safeguards, are in place. Those measures do not adversely affect the adaptation efforts of other people, nature and assets.
Sustainable use and protection of water and marine resources	N.A.
Transition to a circular economy	CONFIRMED. Separately collected waste fractions are not mixed in waste storage and transfer facilities with other waste or materials with different properties.
Pollution prevention and control	N.A.
Protection and restoration of biodiversity and ecosystems	N.A.

7.3 “Installation, maintenance and repair of energy efficiency equipment”

Substantial Contribution to Climate Change Mitigation	
CONFIRMED. All the operational efficiency projects on the tertiary sector and condominiums are contributing substantially to climate change mitigation	
Do No Significant Harm (DNSH)	
Climate change adaptation	CONFIRMED. A taxonomy aligned climate risk assessment has been carried out. Mitigation measures, such as maintenance plans and safeguards, are in place. Those measures do not adversely affect the adaptation efforts of other people, nature and assets.
Sustainable use and protection of water and marine resources	N.A.
Transition to a circular economy	N.A.
Pollution prevention and control	CONFIRMED. The criteria pertaining to thermal insulation are not applicable to A2A’s activities.
Protection and restoration of biodiversity and ecosystems	N.A.

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