



WHEN TRUST MATTERS



ACINQUE GREEN FINANCING FRAMEWORK



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Table of Contents

DNV’S INDEPENDENT ASSESSMENT3

Scope and objectives3

Responsibilities of the Management of Acinque and DNV3

Basis of DNV’s opinion4

Work undertaken4

Findings and DNV’s opinion5

 Schedule 1: Green Financing Framework - Eligibility Assessment Protocol8

 1. Use of proceeds8

 2. Process for Project Selection and Evaluation9

 3. Management of proceeds 10

 4. Reporting 11

 Schedule 2: Description of categories to be financed or refinanced through Acinque’s Green Financing Instruments 12

 Schedule 3. Acinque ESG profile and sustainability strategy 14

Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

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¹ DNV Code of Conduct is available from DNV website (www.dnv.com)



DNV'S INDEPENDENT ASSESSMENT

Scope and objectives

Acinque (“the Issuer”, or “the company”) is a regional Italian multi-utility operating primarily in Northern Lombardy. Its shareholders are: A2A (41%), Lario Reti Holding (24%), Monza municipality (11%), Como municipality (10%), Sondrio municipality (3%), Varese municipality (1%), and market free float (10%, of which 5% Ascopiave). Acinque operates in three main sectors: sales and energy solutions, grids and infrastructure, and waste management and treatment. It offers gas and electricity supply and services to customers in the liberalized market and helps them adopt more sustainable solutions such as energy efficiency devices and electric mobility. It also manages the distribution networks of gas, electricity, and water in several municipalities, ensuring safety, reliability, and innovation. Additionally, it oversees district heating, a system that generates heat for domestic use in an efficient and environmentally friendly way. Acinque handles urban hygiene and waste treatment activities, aiming to recover and valorize resources and improve the quality of life in the cities and territories where it operates.

Acinque's sustainability strategy is based on two main pillars: (i) energy transition and circular economy, and on several enablers. The Group aims to contribute to the achievement of the UN Sustainable Development Goals (SDGs) and the EU Green Deal objectives by providing innovative and efficient solutions for energy production and distribution, and waste and water management. A more detailed description and evaluation of Acinque's Sustainability Strategy is provided in Schedule 3.

To support its sustainability strategy, Acinque has developed a Green Financing Framework (“the Framework”) with the aim of displaying how the company intends to use Green Financing Instruments to enable the funding of eligible projects. The Framework has been developed to support various types of green financing instruments, such as Green Bonds, Green Loans, and any other financial instrument to which an eligible asset or project, or a group of those, are allocated. The Framework aims to be aligned with International Capital Market Association (ICMA) Green Bond Principles (GBP) 2021 (with 2022 Appendix) and the Loan Market Association (LMA) Green Loan Principles (GLP) 2023, developed jointly with the Asia Pacific Loan Market Association (APLMA), and Loan Syndications and Trading Association (LSTA). The Framework will apply to any Green Financing Instrument used by Acinque and will be in force as long as any Green Financing Instrument is outstanding. Under the Framework, the company may issue debt instruments such as bonds, loans, guarantees, derivatives and/or any other type of debt.

DNV Business Assurance Italy S.r.l. (“DNV”) has been commissioned by Acinque to provide an assessment of the Framework. Our objective has been to provide an assessment on whether the Framework meets the criteria established within the GBP and the GLP.

Our methodology to achieve this is described under ‘Work Undertaken’ below. No assurance is provided regarding the financial performance of any instrument issued under the company's Framework, the value of any investments, or the long-term environmental and/or societal benefits of the associated transactions. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Responsibilities of the Management of Acinque and DNV

The management of Acinque has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform Acinque's management and other interested stakeholders in the Framework as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by Acinque. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by Acinque's management and used as a basis for this assessment were not correct or complete.



Basis of DNV's opinion

We have adapted our eligibility assessment protocol, which incorporates the requirements of the GBP and GLP to create an Acinque-specific Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under three core components:

1. The Green Financing Framework

We have benchmarked Acinque's Framework against the GBP and the GLP pillars (see Schedule 1):

- *Use of Proceeds*
The Use of Proceeds criteria are guided by the requirement that an issuer of a bond/loan must use the funds raised to finance eligible activities. The eligible activities should produce clear environmental benefits.
- *Process for Project Evaluation and Selection*
The Project Evaluation and Selection criteria are guided by the requirements that an issuer of a bond/loan should outline the process it follows when determining eligibility of an investment using proceeds and outline any impact objectives it will consider.
- *Management of Proceeds*
The Management of Proceeds criteria are guided by the requirements that a bond/loan should be tracked within the issuing organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled should be made.
- *Reporting*
The Reporting criteria are guided by the recommendation that at least Sustainability Reporting to the bond and loan investors should be made of the use of bond/loan proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

2. The contribution to the UN SDGs

We have evaluated the project categories' alignment with the United Nations Sustainable Development Goals (UN SDGs, see Schedule 2).

3. Acinque ESG profile and sustainability strategy

We have assessed Acinque' ESG profile and sustainability strategy, drawing on the company's current performance and future initiatives (see Schedule 3).

Work undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Acinque in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of an Acinque-specific Protocol, adapted to the purpose of the Framework, as described above and in Schedule 1;
- Assessment of documentary evidence provided by Acinque on the Framework and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria.

Our opinion as detailed below is a summary of these findings.



Findings and DNV's opinion

DNV's findings are listed below, with further details in Schedule 1, 2 and 3:

1. The Green Financing Framework

DNV has concluded that the Green Financing Framework is in line with the ICMA GBP and GLP.

✓ Pillar One: Use of Proceeds

Acinque plans to use the net proceeds of Green Bonds/Loans or any other Green Financing Instrument to finance or re-finance, in whole or in part, new or existing Eligible Green Projects or Assets. Those can be capital expenditures, selected operating expenditures, and/or acquisition of so-called "pure player" entities, namely companies deriving at least 90% of their revenues from activities which meeting the Eligibility Criteria described in the Framework. The Framework defines the following eligible project categories:

- Renewable Energy
- Transmission and Distribution Networks
- Energy Efficiency
- Pollution Prevention and Control
- Sustainable Water
- Clean Transportation

Acinque has included in the Framework a table mapping the Eligible Green Categories and related activities and their contribution to the United Nations Sustainable Development Goals ("UN SDGs"). The company intends to disclose the expected allocation of the Green Eligible Categories, as well as the percentage of proceeds that will be used to finance and/or re-finance new and/or existing projects, prior to the issuance of its Green Financing Instruments.

In case the Framework is updated, a new Second Party Opinion will be requested. Acinque excludes investments towards fossil fuel and nuclear activities, and other specific exclusion criteria on a case-by-case basis.

DNV conducted an analysis of the corresponding project types to verify the eligibility as "Green" according to the GBP and GLP and concludes that the eligible categories defined in the Framework are in line with the categories defined in the GBP and GLP. The expected environmental benefits are clear, precise, relevant, measurable and will be quantified for the eligible categories in the reporting. For the benefit of clarity, Acinque also includes a brief list of exclusion criteria in the Framework. The definition of "pure players" is in line with best market practices.

✓ Pillar Two: Process for Project Evaluation and Selection.

Acinque has established a Green Finance Working Group, which is responsible for overseeing the implementation of this Framework and ensuring its alignment with market practices. The Group will review the Eligible Projects against the criteria defined in the Use of Proceeds section of this Framework and verify their compliance with relevant laws, regulations, policies and guidelines. The Group will also approve the removal and substitution of any project that ceases to meet the eligibility criteria of this Framework with another Eligible Project. All the projects are currently subject to the Internal Control and Risk Management System which will incorporate specific ESG factors by the end of 2024. The Group is also responsible for several tasks that can be read in the Framework.

DNV concludes that the process of project selection and evaluation described in the Framework is well defined, that the responsibilities of the Green Finance Working Group are clear, and that there is a clear system in place for projects to be removed from the financing in case they do not comply with the Framework criteria anymore. This is in line with the GBP and GLP.

✓ Pillar Three: Management of Proceeds

Acinque will track an amount equivalent to the net proceeds from the green financing, which will be earmarked for allocation to the portfolio of Eligible Green Projects. The Company's Treasury Department will allocate the financing instrument proceeds to the corporate entities in charge of the projects via intercompany loans or equity capital, with the purpose to finance the

disbursements in connection with the Eligible Green Projects carried out by Acinque's subsidiaries.

A revolving and substitution policy will be followed to maintain the relationship between the Eligible Green Assets portfolio and the outstanding Green Debt Instruments, therefore as soon as reasonably practical the Eligible Green Assets portfolio will be re-balanced and updated.

The Green Finance Working Group will monitor to ensure that the total amount of the Eligible Green Assets is greater than the outstanding amount of the Green Debt Instruments. Pending full allocation, Acinque may temporarily invest the unallocated net proceeds in cash or cash equivalents, overnight or other short-term financial instruments.

DNV has reviewed the evidence presented and can confirm that the proceeds arising from the future issuances will be appropriately managed. Acinque tracks the net proceeds from the green financing and their earmarking for allocation to the portfolio of Eligible Green Projects. The company also has a revolving and substitution policy to ensure that the Eligible Green Assets portfolio matches the outstanding Green Debt Instruments, and it monitors the Green Finance Working Group to verify that the total amount of the Eligible Green Assets exceeds the outstanding amount of the Green Debt Instruments. These practices demonstrate that Acinque is following the principles and guidelines of the GBP and the GLP for the management of the proceeds arising from the future issuances.

✓ **Pillar Four: Reporting**

It is Acinque's responsibility to provide annual reports, until the proceeds are fully allocated, on how the proceeds of the Green Financing Instruments issued under the Framework were used and what impacts the projects had, at a minimum by category. The reports will be accessible to the public on the Company's website and verified by an independent external auditor.

The annual report will explain how the proceeds from its Green Financing Instruments are used and what environmental benefits they generate. The reports will include information such as the amount and status of the Green Financing Instruments, the allocation of proceeds by category, project, country, sector, and type of expenditure, the share of new and existing projects funded by the proceeds, the alignment of the projects with the EU environmental objective and the UN SDGs, and the remaining amount of unallocated proceeds, if any.

Acinque will report every year on the environmental benefits of its green assets, using both expected and actual measurements. The company will follow the ICMA "Harmonized Framework for Impact Reporting" on a best-efforts basis and use relevant and appropriate indicators for each asset.

Acinque will report on an annual basis on the allocation of proceeds, as well as on the impact that the proceeds will generate. DNV can confirm that Acinque's Framework appropriately describes the procedures of reporting (both in terms of allocation and impact) in line with GBP and GLP.

2. The contribution to the SDGs

DNV is of the opinion that eligible project categories outlined in the Framework contribute to the achievement of the UN SDGs (see Schedule 2).

3. ACINQUE' ESG profile and sustainability strategy

DNV has conducted an analysis of Acinque sustainability strategy and ESG profile. Here follows a summary of the opinion.

DNV's analysis of Acinque sustainability strategy and ESG profile reveals a strong commitment to integrating sustainability into its strategies, processes, and governance. Through its Business Plan, the company targets specific sustainability topics that are material to its business. Acinque is actively addressing its environmental impact, valuing its employees and customers, and adhering to adequate standards of corporate governance. It is also committed to measuring and reducing its direct and indirect emissions, further strengthening its commitment to sustainability. The company tracks its sustainability performance and publishes an annual report in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards.



for DNV Business Assurance Italy S.r.l.

Second Party Opinion on Acinque Green Financing Framework

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Schedule 1: Green Financing Framework - Eligibility Assessment Protocol

1. Use of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Type of bond / loan	<p>The bond must fall in one of the following categories, as defined by the Green Bond Principles:</p> <ul style="list-style-type: none"> • Standard Green Use of Proceeds Bond • Green Revenue Bond • Green Project Bond • Green Securitized Bond <p>Green loans are any type of loan instrument made available exclusively to finance or re-finance, in whole or in part, new and/or existing eligible Green Projects. Green loans must align with the four core components of the GLP.</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Acinque Green Financing Framework (June 2024) 	<p>The framework has been developed to support various types of Green Financing Instruments, included in the framework and in this review. All of the instruments are expected to be aligned with ICMA GBP 2021 and the LMA GLP 2023.</p>
1b	Green Project Categories	<p>The cornerstone of Green Bond/Loan is the utilization of the proceeds of the bond or the loan which should be appropriately described in the legal documentation for the security.</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Acinque Green Financing Framework (June 2024) 	<p>As specified in the Framework, the net proceeds of green financings will finance or refinance, in whole or in part, a pool of nominated Eligible Projects/Activities qualified under the terms of the Green Bond/Loan Principles and, in some cases, linked to the EU Taxonomy.</p> <p>DNV is of the opinion that eligible categories outlined in the Framework are green and contribute to the achievement of the UN SDGs (see Schedule 2).</p>
1c	Environmental benefits	<p>All designated Green Project categories should provide clear environmentally sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.</p>	<p>Review of:</p> <ul style="list-style-type: none"> • Acinque Green Financing Framework (June 2024) 	<p>The presented green project categories are aligned with GBP and GLP and detailed explanations are provided in the Framework, in the section "Use of Proceeds".</p> <p>DNV's assessment concluded that environmental benefits are clear, precise, relevant, measurable and will be quantified for the eligible categories in the reporting.</p>
1d	Refinancing	<p>In the event that a proportion of the proceeds</p>	<p>Review of:</p>	<p>In the Framework, it is clearly indicated that the net proceeds</p>

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
	share	may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. refinancing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	will be used to finance or refinance, in whole or in part, a pool of nominated Eligible Projects/Activities qualified under the terms of the Green Bond/Loan Principles. The amount or the percentage of new financing and refinancing will be provided annually. The lookback period for refinancing has been indicated as three full years before issuance.

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Investment-decision process	<p>The Issuer of a Green Bond/Loan should outline the decision-making process it follows to determine the eligibility of projects using Green Bond and Loan proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> A process to determine how the projects fit within the eligible Green Projects categories identified in the GBP and GLP; The criteria making the projects eligible for using the Green Bond and Loan proceeds; and The environmental sustainability objectives 	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) Enterprise Risk Management Procedure (December 2021) 	<p>The process for Project Evaluation and Selection has been clearly defined by the Issuer. The process is structured. The roles and responsibilities are clear and include relevant internal expertise. The process is publicly disclosed in the Framework.</p> <p>Eligibility criteria for project selection have been clearly defined by the Issuer for the Eligible Categories. Acinque will incorporate ESG factors into its risk management policy by the end of 2024.</p> <p>DNV concludes that Acinque has defined a robust and relevant process for projects evaluation and selection and that the latter is transparently described in the Framework.</p>
2b	Issuer / borrower's environmental and social and governance framework	In addition to information disclosed by an issuer on its Green Bond/Loan process, criteria and assurances, Green Bond and Loan investors may also take into consideration the quality of the issuer's overall framework and performance regarding environmental sustainability.	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) Acinque Website Acinque Non-Financial Disclosure Procedure (February 2021)² Acinque Non-Financial Disclosure (Bilancio di Sostenibilità 2023) 	<p>DNV reviewed Acinque's Sustainability Strategy and Governance, as well as publicly available information in addition to the Green Financing Framework.</p> <p>DNV concludes that the Framework is well positioned in the overall sustainability strategy. For more information, read the opinion in Schedule 3.</p>

² Acinque plans to review this Procedure to embed the CSRD requirements towards the end of 2024.









3. Management of proceeds





Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure	<p>The net proceeds of Green Bond should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green Projects.</p> <p>The proceeds of a Green Loan should be credited to a dedicated account or otherwise tracked by the borrower in an appropriate manner, so as to maintain transparency and promote the integrity of the product. Where a green loan takes the form of one or more tranches of a loan facility, each green tranche(s) must be clearly designated, with proceeds of the green tranche(s) credited to a separate account or tracked by the borrower in an appropriate manner.</p>	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	<p>The evidence reviewed shows how Acinque plans to trace the net proceeds of the Green Financing transactions, from the time of issuance to the time of disbursement.</p> <p>DNV concludes that net proceeds of the Instruments will be tracked by the Issuer in an appropriate manner and attested in a formal internal process.</p>
3b	Tracking procedure	<p>So long as the Bond/Loan is outstanding, the balance of the tracked proceeds should be periodically adjusted to match allocations to eligible projects made during that period.</p>	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	<p>Acinque will follow a revolving and substitution policy to maintain the relationship between the Eligible Green Assets portfolio and the outstanding Green Debt Instruments, therefore as soon as reasonably practical the Eligible Green Assets portfolio will be re-balanced and updated.</p> <p>The above policy will be used to refresh the balance of the Eligible Green Assets portfolio on an annual basis. The Green Finance Working Group will monitor to ensure that the total amount of the Eligible Green Assets is greater than the outstanding amount of the Green Debt Instruments.</p> <p>DNV concludes this is in line with the GBP and GLP requirements.</p>
3c	Temporary holdings	<p>Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.</p>	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	<p>Pending full allocation, Acinque commits to hold the balance of net proceeds not already allocated in cash or cash equivalents, overnight or other short-term financial instruments.</p> <p>DNV concludes that information on the intended types of temporary placement for the balance of the unallocated net proceeds is clear and publicly disclosed in the Framework.</p>

4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	<p>Issuers/Borrowers should make and keep readily available up to date information on the use of proceeds to be renewed annually until fully drawn, and as necessary thereafter in the event of material developments. This should include a list of the Green projects to which the Green Bond/Loan proceeds have been allocated and a brief description of the projects and the amounts allocated and their expected impact. Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the information is presented in generic terms or on an aggregated project portfolio basis.</p> <p>In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, Issuers should provide at least annually a list of projects to which Green Bond/Loan proceeds have been allocated including - when possible, with regards to confidentiality and/or competitive considerations - a brief description of the projects and the amounts disbursed, as well as the expected environmentally sustainable impact</p>	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	<p>Acinque has committed to report on the Use of Proceeds on an annual basis. The report will be publicly available on Acinque's website.</p> <p>DNV concludes that the reports will include relevant information related to the allocation of proceeds of the Eligible Projects.</p>
4b	Impact reporting	<p>The Principles recommend the use of qualitative performance indicators and, where feasible, quantitative performance measures and disclosure of the key underlying methodology and/or assumptions used in the quantitative determination.</p>	<p>Review of:</p> <ul style="list-style-type: none"> Acinque Green Financing Framework (June 2024) 	<p>Acinque will also report annually on relevant environmental impact metrics of financed or refinanced assets where feasible.</p> <p>DNV concludes that the reports will include relevant information related to the expected sustainable benefits of the Eligible Projects.</p>

Schedule 2: Description of categories to be financed or refinanced through Acinque's Green Financing Instruments

Eligible green category	EU Taxonomy Activity	Eligible Projects/Activities	EU Environmental Objective	Contribution to UN SDGs
Renewable Energy	Electricity generation using solar photovoltaic technology (4.1) Electricity generation from hydropower (4.5)	Investments and expenditures (including ancillary technical equipment) related to the acquisition, construction, maintenance, and operations of the following renewable energy assets: <ul style="list-style-type: none"> Solar photovoltaic electricity generation Hydropower electricity generation 	Climate Change Mitigation	 
Transmission And Distribution Networks	Transmission and distribution of electricity (4.9)	Investments and expenditures related to connecting renewable sources to the grid, improving efficiency and reliability of the grid, and reducing electricity losses of existing networks. In particular: <ul style="list-style-type: none"> Grid efficiency: new primary electric stations, replacement of network parts on the electricity grid Smart grid: installation of smart meters Infrastructure development and improvement projects including IT platforms and application 	Climate Change Mitigation	  
Energy Efficiency	District heating/cooling distribution (4.15) Renovation of existing buildings (7.2) Installation, maintenance and repair of energy efficiency equipment (7.3)	Investments and expenditures related to: <ul style="list-style-type: none"> Construction, revamping, refurbishment and operation of pipelines and associated infrastructure for distribution of heating and cooling Energy efficiency measures aimed at improving the efficiency of buildings such as (but not limited to): <ul style="list-style-type: none"> replacement of existing windows and doors with new energy efficient windows installation and replacement of energy efficient light sources installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems 	Climate Change Mitigation	  

<p>Energy Efficiency</p>	<p>District heating/cooling distribution (4.15) Renovation of existing buildings (7.2) Installation, maintenance and repair of energy efficiency equipment (7.3)</p>	<ul style="list-style-type: none"> ○ addition of insulation to existing envelope components, such as external walls, roofs, lofts, basements and ground floors and products for the application of the insulation to the building envelope • Installation, maintenance and repair of renewable energy technologies, onsite, such as (but not limited to): <ul style="list-style-type: none"> ○ solar photovoltaic systems and the ancillary technical equipment ○ solar hot water panels and the ancillary technical equipment ○ heat pumps • Services to improve energy efficiency of public lighting from traditional lighting to LED technology 	<p>Climate Change Mitigation</p>	
<p>Pollution Prevention and Control</p>	<p>Collection and transport of non-hazardous waste in source segregated fractions (5.5)</p>	<p>Investments and expenditures related to separate collection and transport of non-hazardous waste in single or comingled fractions aimed at preparing for reuse or recycling</p>	<p>Climate Change Mitigation</p>	
<p>Sustainable Water</p>	<p>Construction, extension and operation of water collection, treatment and supply system (5.1)</p>	<p>Investments and expenditures related to construction, extension, maintenance and operations of water supply systems. In particular:</p> <ul style="list-style-type: none"> • Interventions aimed at reducing linear water losses • Interventions aimed at increasing water system resilience and the security of water supply 	<p>Climate Change Mitigation</p>	
<p>Clean Transportation</p>	<p>Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4)</p>	<p>Investments and expenditures related to construction, development, acquisition, operation and maintenance of infrastructure for sustainable mobility and vehicles with a low environmental impact. In particular:</p> <ul style="list-style-type: none"> • Installation of charging stations for electric vehicles • Zero direct tailpipe CO₂ emissions electric vehicles 	<p>Climate Change Mitigation</p>	



Schedule 3. Acinque ESG profile and sustainability strategy

Acinque has a variety of tools to ensure the appropriate management of sustainability values, such as the Code of Ethics, the Organizational, Management, and Control Model, the Anti-Corruption Policy and the Quality, Environment, and Safety Management Systems. On top of this, the company has adopted a Gender Equality Policy, an Anti-Corruption Policy, a Whistleblowing Policy and a Sustainable Procurement Policy.

Acinque is committed to reduce and mitigate its impact towards climate change. For the third consecutive year, the company has responded to the Carbon Disclosure Project (CDP) questionnaire in order to obtain an external assessment of its performance. Acinque is, as of today, classified in line with the industry's average score. The company is committed to achieving the reduction of greenhouse gas emissions stemming from its business activities, through minimizing its direct and indirect emissions, through consciously investing, engaging with the value chain and adopting sustainable behaviors at the corporate level.

The Group has identified the priority SDGs that are most relevant for its business activities and impact: SDG 6 (water and sanitation) SDG 7 (affordable and clean energy), SDG 9 (industry, innovation and infrastructure) SDG 11 (sustainable cities and communities), SDG 12 (responsible consumption and production), and SDG 13 (climate action). In 2023, the Acinque Group published in the non-financial statement the share of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with its economic activities considered potentially eco-sustainable (so-called "eligible" and "aligned" for the Taxonomy).

To implement its sustainability strategy, the company has invested into the three Business Units of the Group, according to their specific areas of intervention and potential impact. Specifically, the "Grids and Infrastructure" Business Unit will invest mainly in infrastructure renewal, digitalization, and smart services to support efficiency improvement. The "Waste" Business Unit will invest in installing a new turbine for green electricity production. The "Sales and Energy Solutions" Business Unit will invest in digitalization with the implementation of a new CRM system, and decarbonization of territory consumption through the provision of energy efficiency and savings solutions.

The targets of the Sustainability Plan are defined through specific KPIs and are integrated into the activities of the Group's Business Units. The company monitors and reports its performance on these KPIs on a regular basis, using both internal and external verification systems. Investments aimed at achieving predefined green objectives are prioritized, with measurable savings in CO₂ emissions reduction (approximately 375 k tons of CO₂ emissions avoided over the planning period) integrated into the 2024-2028 Business Plan as sustainability Key Performance Indicators (KPIs).

To ensure constant oversight of the integration of sustainability factors into its financial planning, the Group has adopted a procedure that governs the development of business plans, budgets, and forecasts, while simultaneously ensuring the continuous integration of its sustainability plan into this process. Acinque has a governance structure that manages and reports the ESG aspects of the company. This structure has these elements:

- The Board of Directors, which is the highest group that decides and oversees the company's direction and strategy, including its sustainability approach. The Board of Directors approves the sustainability goals, policies and actions proposed by the ESG Committee, and evaluates their results and impacts. The Board of Directors also makes sure that the sustainability risks and opportunities are considered in the company's risk management and decision-making processes.
- The Strategic Committee, which aims to support evaluations, decisions, and programming of strategic operations of the Company, as well as evaluations and decisions on sustainability aimed at pursuing the Group's sustainable success, which consists of creating long-term value for shareholders, taking into account the interests of other stakeholders relevant to the Company and the Group.
- The Control and Risk Committee, which supports the Board of Directors regarding the periodic assessment of the adequacy of the Internal Control and Risk



Management System concerning the characteristics of the enterprise and the risk profile assumed, as well as its effectiveness, with the aim of ensuring that key business risks are properly identified and managed.

- The Chief Executive Officer (CEO), who is responsible for the approval, monitoring, and supervision of the sustainability strategy, within which combating climate change is considered one of the most urgent and critical issues.
- The Sustainability and Innovation (SIN) function, established in September 2023, whose responsibilities include strategic planning, ensuring the application of reference standards, contributing to investment evaluation, designing and implementing effective training to promote innovation and sustainability culture, etc.
- The ESG Committee, which collaborates with the Strategic Committee that serves as a link between the Board of Directors, with which it will collaborate in defining strategies, and the functions dedicated to implementing various projects, and is composed of top-level figures within the company. The ESG Committee can collaborate with all company structures, involving them in coordination meetings to share objectives and action methods, and promoting, where deemed appropriate, the establishment of "thematic" working groups that discuss specific aspects of sustainability related to both the development of the management system and its dissemination.

Also, Acinque tells its stakeholders and the public about its sustainability results and progress through an annual report that follows the international standards of the Global Reporting Initiative (GRI) and the Italian rules on non-financial disclosure. The annual report gives clear and complete information on the ESG impacts, risks and opportunities of the company, and on the sustainability goals, policies and actions, and their results and impacts. The annual report is checked by an external auditor, who confirms the trustworthiness and correctness of the sustainability information.

DNV's analysis of Acinque sustainability strategy and ESG profile reveals a strong commitment to integrating sustainability into its strategies, processes, and governance. Through its Business Plan, the company targets specific sustainability topics that are material to its business. Acinque is actively addressing its environmental impact, valuing its employees and customers, and adhering to adequate standards of corporate governance. It is also committed to measuring and reducing its direct and indirect emissions, further strengthening its commitment to sustainability. The company tracks its sustainability performance and publishes an annual report in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards.