Acque Bresciane
Servizio Idrico Integrato

Sustainable Finance Framework
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Sustainable Finance Framework

Acque Bresciane ("the Issuer" or "the Company") is responsible for the preparation and fair presentation of this Sustainable Finance Framework ("Framework") as at September 2026. This is the inaugural public Framework for Acque Bresciane and represents an integral part of the long-term sustainability vision of the Company, providing a link between its financial strategy and sustainability pledges.

1. Introduction: Acque Bresciane overview

Acque Bresciane S.r.l. is a wholly publicly owned company, that manages the Integrated Water Service (which consists of the public services for water abstraction, conveyance, and distribution for civil use, as well as sewerage and wastewater treatment) within the municipalities of the Province of Brescia.

Acque Bresciane was established in 2016 and became fully operational in 2017 through the transfer of business units from its shareholders Aob Due S.r.l. (Gruppo Cogeme) and Sirmione Servizi S.r.l., for the management of the integrated water service within the municipalities in the Province of Brescia, pursuant to the assignment granted by the Responsible Authority of the Area. The registered office of Acque Bresciane is located at Via Cefalonia 70, Brescia, while its operational offices are in the municipalities of Padenghe sul Garda, Rovato, and Sirmione, and since 2020 also in Sonico in Val Camonica. In 2024, Moniga del Garda was added, followed by Darfo Boario Terme in 2025 and Gardone Val Trompia at the beginning of 2026. The aggregation process has been continuous since its inception.

Since 2017, the company has progressively expanded the management of the integrated water service across the Province of Brescia. After taking over the service for several lakeside municipalities from Garda Uno S.p.A., it began operating in the municipalities of Valle Camonica. In the following years, additional areas were integrated, including Roccafranca and five municipalities previously managed by TWS S.p.A. and Ireti S.p.A. (2018), Ghedi and Berzo Demo (2020), and the full water service of Limone sul Garda (2021), along with sewerage and wastewater treatment in Verolanuova. Further expansions included Roncadelle, Cigole, and Darfo Boario Terme in 2022, and the water and sewerage services of Adro plus fifteen municipalities formerly under ASVT S.p.A. in 2023. In 2025, the company also took over the integrated water service in Malegno, continuing its path toward the full integration of water services throughout the Province of Brescia.

As of today, the Company supplies 114 municipalities, it serves a user base of around 685,000 inhabitants and manages over 8,350 kilometers of pipelines, including water and sewerage networks. Its main services include collecting water from production sources, purifying it, distributing it to customers, and finally returning it to the environment clean. The relevant ATECO code is 36.

The governance of the Company is ensured by the Shareholders' Meeting and the Board of Directors.

Shareholders hold decision-making and oversight powers over the most significant strategic management actions; this function is exercised by the Steering and Control Committee, in accordance with European, Italian, and statutory regulations.

The Board of Directors is responsible for managing Acque Bresciane and is composed of five independent members—three men and two women: the Chairperson, who also serves as Legal Representative, and four Directors.

The Board of Statutory Auditors, consisting of three standing members and two alternates appointed by the Shareholders' Meeting, monitors proper administration and the adequacy of the organizational, administrative, and accounting structure.

The Company is led by an independent General Manager, who holds no positions outside the group companies and is entrusted with implementing the strategic guidelines of the Company.

2. Sustainability Commitment at Acque Bresciane

2a. Risk Management, Sustainability Strategy and SDGs correlation

The sustainable management of the integrated water cycle, the protection and enhancement of the resource, the quality of drinking water, and the management of treated water represent the core mission of Acque Bresciane, which aims to ensure universal and safe access to water in its territory, fully respecting the present and future environmental balance.

Acque Bresciane considers risk management a strategic element to ensure the safety of the water service, the protection of the territory, and the safeguarding of local communities. In response to increasingly complex environmental, climatic, and regulatory challenges, the company has strengthened its Enterprise Risk Management, adopting a proactive and integrated approach to identify, assess, and mitigate key risks.

The ERM model is built on three pillars:

- continuous monitoring of risks by corporate functions;
- centralized coordination by the Chief Risk Officer, who oversees the entire risk management process;
- integration with corporate strategy, ensuring that mitigation actions align with sustainability and growth objectives.

The company's value chain includes risks classified into the following categories: climate and environmental, operational, people-related, regulatory and compliance, technological, and financial.

Risk and opportunity assessments, together with related mitigation actions, are regularly presented to Top Management, the Board of Statutory Auditors, and the Supervisory Body. They are also shared with Internal Audit—for integration into audit plans—and with the Sustainability function for the planning and definition of ESG-related strategies.

Acque Bresciane directs its current operations and investment activities within a strategic framework that supports economic and financial development as part of a broader program of environmental, social, and territorial sustainability, as well as stakeholder engagement.

To ensure greater operational consistency between long-term objectives and organizational activities, the Board of Directors approved a Sustainability Plan in autumn 2020, comprising nine macro-objectives with a horizon to 2045 and twenty measurable indicators monitored annually.

KPIs are reported annually in the Integrated Report. Each manager is required, for the indicators within its area of responsibility, to provide the actual results for the year just concluded as well as the target for the following year. For certain KPIs, such as the ARERA macro-indicators, reporting is carried out on a more frequent basis (quarterly).

In February 2026, this document was updated to incorporate two new objectives and additional indicators, as well as to reflect new commitments undertaken by the Company over the past five years, including its transformation into a Benefit Corporation in 2022 and the execution of ESG-linked financing instruments, namely Green Loans and a Sustainability-Linked Loan.

The selection of specific indicators - KPIs (Key Performance Indicators) - was carried out through a benchmarking analysis of available indices (technical and commercial quality by ARERA and sustainability metrics), ensuring alignment with existing tools established by the Authority, the objectives defined in the Industrial Plan, and the United Nations Sustainable Development Goals for 2030.

The identified indicators have been integrated into the Company's economic and financial planning system, performance evaluation processes, and contribute to Acque Bresciane's investment selection within the yearly budget.

It is evident that Acque Bresciane's approach to sustainability embraces both aspects of "economic sustainability and durability," embedded in the Industrial Plan, and dimensions closely connected to social and environmental sustainability.

Acque Bresciane's priorities are aligned with 13 SDGs (3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 15, 16, and 17). The selection of the main objectives is aimed at fulfilling the commitments undertaken by Acque Bresciane, which can be articulated into 11 macro-objectives:

SUSTAINABILITY PLAN 2045		
OBJECTIVES and KPIs	**SDGs**	**SUMMARY INDEX TO 2045***
1. Sustainable Management and reduction of water leakages	**6,9**	**-25% linear water leakages**
1a. M1a ARERA – Water leakages 1b. Network renewal rate [km replaced] 1c. Per capita investments [€] 1d. Population served through smart/digital management [n]		
2. Drinking Water Quality (SDGs 3,11)	**3,11**	**Non-potability below 0.005%**
2a. Population covered by Water Safety Plans (WSP) [%] 2b. M3 ARERA – Drinking water quality 2c. Partial Customer Satisfaction on product		
3. Water Reuse, Wastewater Treatment and Circular Economy	**6,15**	**Zero EU infringements and 100% reusable water for plants ≥ 30,000 PE**
3a. EU infringement cases 3b. Sewer overflow frequency M4 3c. M5 ARERA - Sludge 3d. M6 ARERA - Treated wastewater quality 3e. Sludge reduction (Rovato plant) [tons] 3f. Treated water reusable– RIU [m^3]		
4. Climate Neutrality	**7,13**	**100% green energy / 100% green vehicles**
4a. Green vehicles [%] 4b. Green electricity [%] 4c. Self-produced energy [% of consumption] 4d Scope 1 and 2 emissions (market-based criterion) [tCO2eq] 4e. Replacement of pumps with high energy-efficiency pumps [n] 4f. CO_2 compensation for direct Scope 1 fleet emissions [tCO_2eq] 4g. Green interventions designed in line with biodiversity principles [n]		
5. Customer Centrality	**16**	**95% reduction in automatic compensations**
5a. MC1 ARERA - Start and termination of contractual relationship 5b. MC2 ARERA - Management of the contractual relationship and service accessibility 5c. Digital billing adoption [%] 5d. Users accessing online portal [n] 5e. Interactive bill views [%]		

6. Workplace safety and health	**8**	**-25% fewer accidents vs Utilitalia average**
6a. Severity index of workplace injuries (excluding commuting accidents) [%] 6b. Additional safety training hours per capita over mandatory (3-year basis) [%] 6c. WHP network accreditation 6d. ISO 45001 certification		
7. Well-being, Diversity and Inclusion	**5, 10**	**>90% employees involved in welfare and full gender equality**
7a. Employees opting to convert performance bonuses into welfare benefits [%] 7b. Gender pay gap (female/male) 7c. UNI/PdR 125:2022 gender equality certification 7d. UNI/PdR 159:2024 disability certification 7e. Paternity leave taken vs accrued [days]		
8. Economic and Financial Balance	**8**	**Compliance with Industrial Plan**
8a. Financial sustainability indicator DSCR (EBITDA and Free Cash Flow) 8b. RAB/PFN ratio 8c. New municipalities acquisition		
9. Sustainability Culture and Governance	**4**	**Sustainability integrated into business**
9a. Number of students involved through “School Desk” 9b. ABCommunity [n stakeholders involved] 9c. Support for international cooperation [n projects] 9d. Institutional communication activities (press releases and public events) 9e. Variable remuneration policies for Head of Organizational Unit with ESG objectives ≥10% of total 9f. Variable remuneration policies for managers with ESG objectives for ≥40% of recipients 9g. Legal rating [stars] 9h. Sustainability rating [class]		
10. Sustainable Supply Chain	**11,17**	**Integrate environmental, social and ethical criteria in all procurement and partnerships**
10a. Assignment with sustainability criteria [%] 10b. Suppliers with at least one certification [%] 10c. Procedures with economically advantageous offer and 10d. Low-risk suppliers [%]		
11. Digital Transformation	**8,9**	**Full digitalization of processes and services in line with Industrial Plan**
11a. Migration of Datacenter to an advanced facility with 11b. Business Impact Analysis and ISO 27001 certification 11c. Digitalization of plant operation logs 11d. Digital mapping of managed municipalities 11e. Digitalization efficiency of document archive (reduction of 11f. Automation rate of active and passive cycle processes 11g. Implementation of a website chatbot to improve		

*Baseline year: 2019**

2b. ESG policies

To effectively carry out its activities, improve process performance, and embrace a sustainable development approach, Acque Bresciane has adopted management systems and obtained certifications in accordance with the following standards:

- UNI EN ISO 9001:2015 (Quality Management System)
- UNI EN ISO 14001:2015 (Environmental Management System)
- UNI EN ISO 45001:2023 (Occupational Health and Safety Management System)
- SA8000:2014 (Social Accountability Management System)
- UNI/PdR 125:2022 (Gender Equality Management System)

In addition, the company holds UNI CEI EN ISO/IEC 17025:2018 accreditation for laboratory testing activities.

To ensure transparency and traceability, Acque Bresciane has its Quality, Environmental, and Health Safety management systems certified by third-party bodies accredited by ACCREDIA in accordance with UNI CEI EN ISO/IEC 17020. The Corporate Social Responsibility management system is certified by SGS Italia, accredited by SAAS (Social Accountability Accreditation Services). Certification bodies carry out periodic inspections (at least once a year), consistently verifying compliance with mandatory legal requirements and the specific standards. Valid certificates are made available for stakeholder consultation on Acque Bresciane's website in the certifications section.

2c. ESG activities

Environment

In Italy, according to ENEA sources, electricity consumption by the Integrated Water Service accounts for approximately 2.3% of the country's total energy demand. Energy costs represent between 20% and 25% of the overall operating expenses in the utility's financial statements.

In light of these figures and the EU Directive 2024/3019 on urban wastewater treatment, approved by the European Parliament in November 2024, which requires energy neutrality by 2045 for treatment plants handling a load of at least 10,000 p.e., it is essential and crucial to focus on energy savings and the "rational" use of resources by improving efficiency across all sectors of the IWS.

The Company's commitments mainly follow three key directions:

1. Innovative research projects with forward-looking analysis
2. Resilience and risk awareness – In line with international best practices, Acque Bresciane implemented in 2023 an integrated and structured system for risk analysis, management, and monitoring by adopting an Enterprise Risk Management (ERM) model. The goal is to identify and prioritize the main risks that could compromise the achievement of its objectives, thereby supporting decision-making processes, fostering organizational awareness, and improving its ability to consistently create value for stakeholders.
3. Emission reduction – In 2022, Acque Bresciane submitted a Science Based Target Initiative (SBTi) target aimed at reducing climate-altering emissions (25% reduction of Scope 1 and Scope 2 with respect to 2020 emissions), committing to cut direct and indirect emissions by

2030. Due to perimeter changes that have occurred in recent years, an analysis of new targets to be submitted to SBTi will be carried out during 2026, along with the development of a decarbonization plan to ensure their achievement.

Addressing the challenges of climate change and the growing pressure on natural resources requires a constant commitment to safeguarding water. All water supply networks inevitably experience leaks, which result in water loss along their route. Acque Bresciane's goal is to minimize these losses by combining investments in network replacement and technological innovation, ensuring that the greatest possible amount of water reaches households and businesses.

To ensure universal access to water and to implement a preventive system that guarantees greater safety in maintaining the qualitative and quantitative levels of water supplied to the network, Acque Bresciane is adopting Water Safety Plans, as incorporated into national regulations and promoted by the World Health Organization.

The final activities of the entire water cycle involve, in compliance with environmental regulations, the proper management of sewage sludge. Through systematic checks, carried out especially on destination plants selected through specific tender procedures, Acque Bresciane is committed to complying with environmental regulations even in the final stages of the water cycle. Service providers for sludge disposal are constantly monitored based on reliability, competence, and waste traceability criteria.

The waste produced during the wastewater treatment process represents the largest quantities managed by Acque Bresciane's Waste Management Office. These are mainly non-hazardous wastes: specifically, dewatered sludge, which is sent for recovery activities, and screening residues from the wastewater screening phase.

The company has always pursued the goal of #ZeroLandfill, in compliance with strict sector regulations that sometimes require resorting to this disposal method for certain types of waste.

To reinforce this objective, Acque Bresciane has included in its technical specifications only the recovery service and not the disposal of sludge. This condition has also become necessary to comply with Macro-Indicator M5 – Sludge Disposal in Landfills, as regulated by ARERA Resolution No. 917/2017/R/IDR "Regulation of the technical quality of the integrated water service or each of its individual components (RQTI)" and subsequent amendments.

In terms of biodiversity, Acque Bresciane staff is committed to safeguarding both natural and human-modified environments through daily monitoring of the functionality of water supply and sewerage networks, verification of the proper operation of sewerage overflow systems, monitoring of treated water quality, and control of discharges from private users (domestic and industrial) to identify any undesired anomalies.

To turn its ideals into concrete actions and best express its commitment to generating positive impacts on biodiversity, Acque Bresciane developed in 2021 a pilot project as a corporate best practice. This project, supported by the Bioclima Call launched by Regione Lombardia in 2022, brings together the synergy of four actions:

1. "Sustainable Peatlands" project;
2. Support for biodiversity within the Bioclima program;
3. Environmental education activities;

4. Assessment of impacts on biodiversity and water resources.

Social

Acque Bresciane considers its people as decisive and central to its strategy. The company aims to acquire the best skills, motivate, engage, and enhance all its people by investing in human capital and sustainability.

Acque Bresciane's commitment to its people focuses particularly on: managing cultural and organizational change toward a successful digital transformation, creating a workplace where people want to work; improving the onboarding experience for new hires; strengthening employee skills and engagement, developing future leaders, promoting inclusion and diversity. For this purpose, Acque Bresciane has joined the Utilitalia Pact on Diversity and Inclusion and the Charter for Equal Opportunities and Equality at Work promoted by Fondazione Sodalitas, launching the campaign "Every Person Makes a Difference." Every year, the internal Steering Committee develops a program with concrete actions inspired by the D&I Manifest shared with all employees: training and awareness activities on the values of diversity, inclusion, promotion of well-being, aimed at all company staff. The company is particularly attentive to inclusion dynamics and is committed to promoting opportunities for employment and personal motivation for people with disabilities.

Furthermore, Acque Bresciane joined a project promoted by Regione Lombardia aimed at fostering health in workplace settings (WHP – Workplace Health Promotion), in collaboration with Confindustria Brescia and the local ATS. Companies in the WHP Network commit to promoting opportunities for their employees to adopt healthy lifestyles by adhering to a specific program for implementing best practices in six thematic areas: nutrition, physical activity, smoking prevention, prevention of addictive behaviors, cross-cutting practices across all other areas, and work-life balance – welfare – Corporate Social Responsibility and adherence to preventive behaviors.

In addition to these, more generally, Acque Bresciane promotes and manages other initiatives for employees related to welfare, including flexible working hours, supplementary health care, life and permanent disability insurance, financial integration for optional leave, and the addition of two extra days for paternity leave.

Governance

Acque Bresciane's commitments and policies are periodically reviewed by the Board of Directors to strengthen effectiveness in pursuing strategic objectives, monitor and improve and ensure the involvement of relevant stakeholders. The procedure for reviewing and approving the materiality analysis by the Board of Directors is a structured and systematic process, as it helps guarantee that strategic decisions are based on accurate and stakeholder-relevant information.

As part of sustainability governance processes, the Board of Directors oversees the Sustainability Disclosure and approves the material topics resulting from the assessment and prioritization phases of impacts. The Chairman of the Board and the General Manager periodically inform the members of the governing body about the issues addressed by the Strategic Sustainability Committee.

The additional committees responsible for decision-making processes and for monitoring the organization's impacts on the economy, environment, and people are:

- Management Committee, established to periodically verify the progress of strategic objectives;

- Enterprise Risk Management Committee, established to monitor the ERM system;
- Steering Committee (UNI PdR 125:22), established to implement the company's diversity and inclusion policy, monitor compliance with the reference practice, with powers of initiative and control;
- Social Performance Team Committee, established to implement all SA8000® elements within the organization, with powers of initiative and control.

The performance management culture at Acque Bresciane is based on the strong connection between striving for results and the behaviors required to achieve them.
The company aims to recognize the achievement of significant objectives, improvements over budget, contributions to process innovation, and efficiency and cost savings. Personnel development and reward policies therefore include a controlled process with defined roles and timelines for proposals and evaluations by Management, supported by reports and forms. Department heads typically have access to a formalized incentive system based on objectives, linked to numerical improvement targets (which account for 80%) and managerial behaviors consistent with company values (which account for about 20%).
Numerical improvement objectives are chosen with reference to strategic activities for the year, connected to the budget and industrial plan, or otherwise non-routine or innovative, and which occupy substantial portions of the year. They may concern team activities, not only individual ones, or projects involving multiple functions. The weight assigned to each numerical improvement objective in the MBO sheet must be at least 10% of the total.
Parameters for defining objectives and subsequent reporting must be based on objectively measurable elements, such as minimum and maximum values, economic quantities, or project start and end dates.
Commitment to sustainability also drives the selection of objectives aligned with the related strategic plan: since 2021, a Sustainability objective has been made structural for all resources reporting directly to the General Management. Sustainability objectives that managers can refer to must relate to one of the goals identified in the 2045 Sustainability Plan.

Values, principles, standards, and codes of conduct are outlined in the Three-Year Plan for the Prevention of Corruption and Transparency, a document updated annually.
The company has also adopted an Organizational Model pursuant to Legislative Decree 231/2001 and established a Supervisory Body responsible for ensuring the implementation of the Model and the necessary controls over information flows. Additionally, Acque Bresciane has implemented a Code of Ethics, which includes rules of conduct, guidelines for relationships with third parties (shareholders, customers, suppliers, users, authorities, etc.), and behavioral indications in various areas (IT tools, data processing, accounting operations, etc.).

Furthermore, in compliance with Legislative Decree 23/2024, the Company has implemented a confidential reporting channel or "Whistleblowing" system, supported by an internal policy. The Supervisory Body is composed of professionals external to the Company and distinct from the Officer responsible for corruption prevention and transparency.

2d. ESG Rating

The Company has been undergoing sustainability rating reviews by Cerved Rating Agency since 2019, the year in which it achieved a high score of 69.6 (BBB Class). Acque Bresciane demonstrates a very high capacity for managing ESG factors, improving year by year. The analysis carried out by the rating

agency, compared to the 'Water Utilities' sample, resulted in the assignment of an ESG Rating of AA and a score of 76.8 out of 100 (2024).

2e. Reporting reference standards

The Sustainability Disclosure is prepared in accordance with the methodologies and principles set out by the GRI Sustainability Reporting Standards, defined by the Global Reporting Initiative (GRI Standards). To provide comprehensive reporting on the identified material topics, Acque Bresciane has integrated additional data by referring to ARERA parameters, which are sector standards for Integrated Water Service.

The GRI Standards and the related performance indicators reported are those representatives of the relevant sustainability topics (material issues) analyzed, consistent with Acque Bresciane's activities and related impacts. The process of analyzing, identifying, assessing, and prioritizing material topics was conducted in accordance with GRI Standards.
The performance indicators, selected through materiality analysis, allow for the evaluation of results in managing the integrated water service. The Sustainability function plays a central role in coordinating and providing methodological support throughout the process.

The information reported is drawn from official company sources and, where necessary, supplemented by estimates based on established methodologies. The document is prepared on a voluntary basis and therefore does not include all the information required by Article 8 of EU Regulation 2020/852 on the taxonomy of sustainable economic activities. However, it does contain some information developed in line with the guiding principles of that regulation.

During 2024, Acque Bresciane initiated a preliminary analysis of the reporting requirements under CSRD and ESRS, based on the legislative text in force at the time of drafting the document; this approach will be replicated for the 2025 reporting.
Some actions outlined in the action plan (gap analysis) have been implemented in advance. These disclosures are presented in a reconciliation table between the adopted GRI Standards and the corresponding ESRS requirements, available in the Report appendix.

Ultimately, on a voluntary basis and in anticipation of CSRD, an analysis was carried out on the eligibility of revenues, capex, and opex (EU Taxonomy Regulation).

3. Rationale for setting up a Sustainable Finance Framework

The primary objective of Acque Bresciane's Sustainable Finance Framework is to align the Company's financial planning with its sustainability strategy, aimed at providing positive environmental impact and playing a significant role in the transition towards carbon neutrality. The Framework further enhances Acque Bresciane's ESG commitments by linking its financing activities with sustainability ambitious targets, outlining the levers and implementation actions to achieve them.

This Sustainable Finance Framework highlights the holistic nature of Acque Bresciane, while widening the Company's investor base and providing fixed-income investors with an opportunity to achieve their own responsible investment objectives.

Acque Bresciane intends to develop a comprehensive Framework that allows the issuance of Green & Blue and Sustainability-Linked Financing Instruments including, but not limited to, bonds and loans across formats and currencies.

Green & Blue Section

The introduction of a Green & Blue section in Acque Bresciane's Sustainable Finance Framework is fully complementary with the Company's climate strategy and investments. Green & Blue Financing Instruments are an effective tool to channel investments to projects that have proven climate benefits and thereby contribute to the achievement of the UN SDGs, as well as the environmental objectives of the European Union. By addressing the increasing demand for more sustainable investments, Acque Bresciane will be able to support the growth and development of the green finance market, while widening its investor base targeting SRI and green investors and fostering the relationship with existing investors.

Sustainability-Linked Section

The Sustainability-Linked component is designed to provide investors with a tool directly linked to Acque Bresciane's sustainability objectives, while allowing the Company flexibility in the allocation of proceeds.

Sustainability-Linked Financing Instruments will reflect Acque Bresciane's strong ambition and commitment in supporting the transition to a low-carbon economy, as demonstrated by the validation obtained by Science Based Targets initiative ("SBTi") on its decarbonization targets.

4. Sustainable Finance Working Group

A dedicated Sustainability Strategic Committee (the "**Committee**") has been established to oversee the overall management of sustainability within the Company and provide strategic guidance to the Sustainability Plan in line with the investment strategies.

The Committee will be responsible for creating this Sustainable Finance Framework, managing any future updates to the Framework, overseeing its implementation, expanding the list of Eligible Green & Blue Categories and monitoring the selected Key Performance Indicators ("KPIs").

It is composed of nine members: the Chair, the General Manager, the Technical Director, the Operations Manager, the Head of Administration and Finance, the Head of Communications and External Relations, the Head of Human Resources and Systems, the Digital Transformation Manager and the Head of Sustainability.

The Strategic Sustainability Committee will meet at least twice a year and when the situation requires.

Main responsibilities of the Committee include but are not limited to:

- evaluating and selecting the Eligible Green & Blue Projects, in line with the eligibility criteria defined in the Use of Proceeds section;
- monitoring the portfolio of Eligible Green & Blue Projects regularly, to ensure the persistence of the eligibility criteria and that they are not subject to major ESG controversies;
- excluding projects that no longer comply with the eligibility criteria, or have been postponed, cancelled, divested or subject to material ESG controversies, and replacing them as soon as reasonably practicable;
- taking measures to ensure Eligible Green & Blue Projects are available for substitution in the event of potential shortfalls;

- overseeing the internal processes to identify known material risks of negative social and/or environmental impacts associated with the Eligible Green & Blue Projects and appropriate mitigation measures where feasible;
- validating the allocation and impact reporting process;
- defining the impact metrics that best describe the environmental benefits generated by the allocated projects;
- reviewing and validating the selection of KPIs and reviewing and monitoring the related SPTs;
- reviewing the content of Acque Bresciane's Sustainable Finance Framework and validating any changes to the document in line with market or regulatory developments and the Company's sustainability strategy;
- reviewing the auditor reporting and the Second Party Opinion (SPO) on the Sustainable Finance Framework.

5. Green & Blue Finance Section

Acque Bresciane's Green & Blue Finance section is established in accordance with the Green Bond Principles 2025 administered by the ICMA[1] ("GBP"), including the Practitioner's Guide on Blue Economy published by ICMA in September 2023[2], as well as the Green Loan Principles 2025 administered by the APLMA, LMA, and LSTA[3] ("GLP"), and their four core components:

1. **Use of Proceeds**
2. **Process for Project Evaluation and Selection**
3. **Management of Proceeds**
4. **Reporting**

In addition, the Blue Financing Instruments issued under this Framework will align with the Guidelines for Blue Finance developed by the International Finance Corporation (IFC) – September 2025 version[4].

Acque Bresciane is committed to constantly improving its approach to sustainability and complying with the best practices in the green finance market. This Green & Blue Finance section may therefore be amended or updated to reflect changes in market practice, as well as regulatory developments.

5.1. Use of Proceeds

An amount equal to the net proceeds raised from any Acque Bresciane's Green & Blue Financing Instrument issued under this Framework will be exclusively allocated to finance and/or re-finance, in whole or in part, new and/or existing projects/assets (**"Eligible Green & Blue Projects"** or "**Eligible Green & Blue Assets**", and collectively "**Eligible Green & Blue Assets Portfolio**").

The Eligible Green & Blue Projects constitute expenditures that occurred no earlier than one financial year prior to the year of issuance, and may include:

[1] ICMA (2025). Green Bond Principles: Voluntary Process Guidelines for Issuing Green Bonds, June 2025: https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/
[2] https://www.icmagroup.org/assets/documents/Sustainable-finance/Bonds-to-Finance-the-Sustainable-Blue-Economy-a-Practi-tioners-Guide-September-2023.pdf
[3] APLMA, LMA, LSTA, (2025), Green Loan Principles, March 2025: https://www.lsta.org/content/green-loan-principles/
[4] https://www.ifc.org/content/dam/ifc/doc/2025/guidance-for-blue-finance-v2-0.pdf

- Capital expenditures
- Selected operating expenditures
- Acquisition of pure play assets or companies deriving at least 90% of their revenues from activities which meet the Eligibility Criteria described herein.

For the avoidance of doubt, Eligible Green & Blue Projects are net of any other public contributions, dedicated green funding, project financing, and any State or European subsidies.

Among all the categories of Green & Blue Projects included in Acque Bresciane's CapEx plan, the following specific 4 Green & Blue categories have been selected as eligible for this Framework:

- Sustainable Water and Wastewater Management
- Renewable Energy
- Energy Efficiency
- Clean Transportation.

Acque Bresciane intends to disclose, where feasible and to the extent possible, the expected allocation to the Eligible Green & Blue 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 & Blue Financing Instruments.

The following table summarizes the Eligible Green & Blue Categories, together with some examples of eligible assets and projects.

Green & Blue Eligible Categories	Eligibility Criteria	EU Taxonomy Mapping	Alignment with UN SDGs
Sustainable Water and Wastewater Management *(Green & Blue)*	Investments related to the construction, rehabilitation, extension, revamping, operation and maintenance of facilities and systems for sustainable water, including: • Water collection, treatment and supply • Reduction of water leakages projects (network automation, new technologies and materials) • Wastewater treatment and purification plants and networks • Sewer endpoints collection and sewer network reconstruction • Treatment of sewage sludge	• 2.1 WTR Water Supply • 2.2 WTR Urban waste water treatment	
Energy Efficiency *(Green & Blue)*	Investments aimed at reducing energy consumption or mitigating GHG emissions, such as: • Smart meters, remote monitoring and control • Energy improvements and modernisation of the water infrastructure	• 2.1 WTR Water Supply • 2.2 WTR Urban waste water treatment	

	• Network pressure management and districtisation		
Renewable energy ***(Green)***	Investments and expenditures related to the acquisition and production of renewable energy, including: • Solar Photovoltaic (PV) plants • Acquisition of solar green energy	• 4.1 CCM Electricity generation using solar photovoltaic technology	
Clean Transportation ***(Green)***	Investments in infrastructure and equipment for sustainable mobility aimed at replacing the fleet with green vehicles.	• 6.5 CCM Transport by motorbikes, passenger cars and light commercial vehicles	

Acque Bresciane may, at any time, expand the list of Eligible Green & Blue Projects to other types of assets which provide verifiable sustainability benefits and are aligned to the GBP / GLP. In this case, the Company commits to update the current Framework and to obtain an updated Second Party Opinion on the new Framework.

Acque Bresciane will not allocate proceeds received from the issuance of Green & Blue Financing Instruments under this Framework to any kind of project based on fossil fuel or nuclear activities, and confirms the eligible asset pool is compliant with the Paris Aligned Benchmark ("PAB") exclusion criteria.

Furthermore, a specific exclusion criterion is applied by Acque Bresciane on a case-by-case basis for each project in the context of any material issues linked to ESG factors at project level.

5.2. 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 Green & Blue Financing Instruments meet the Eligibility Criteria detailed in this Sustainable Finance 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 the relevant sustainability KPIs are quantified and monitored.

It is possible to identify the financial sources planned according to the objectives of the investments for the period 2025-2029. The investment program, prepared for regulatory purposes, classifies investments based on ARERA macro indicators of technical quality, as well as other objectives and scheduled interventions.
Technical quality indicators also serve as a basis for the proper classification of eligible green & blue investments. Most interventions required by regulation have a mitigating or improving effect on the environment:

M1 – Network Leakage Reduction

Interventions aimed at achieving the target of reducing water losses.

Environmental Benefits:

- Water is a precious and increasingly scarce resource. Reducing network losses directly benefits the environment by limiting water abstraction and preserving this primary resource in nature.

M3 – Quality of Supplied Water

Investments designed to progressively eliminate situations of non-potability or partial potability of supplied water, enabling widespread use of tap water and reducing reliance on single-use plastic bottles and other unsustainable practices.

This indicator is associated with the Water Safety Plan (WSP), a comprehensive set of activities to certify water quality, essential for promoting tap water consumption over bottled mineral water.

Environmental Benefits:

- Reducing non-potability ordinances leads to decreased bottled water consumption, reducing plastic waste, emissions from production and transportation, energy use for bottling, and raw material consumption.
- The Water Safety Plan ensures global risk assessment and management to protect water resources and minimize health hazards.

M4 – Sewer System Compliance

Interventions aimed at reducing the number and severity of uncontrolled wastewater discharge events.

Environmental Benefits:

- Improved sewer system adequacy reduces the release of untreated water into the environment, limiting nutrient and pollutant loads that negatively impact biodiversity.

M5 – Sludge Management in Treatment Plants

Actions for active management of sludge waste from wastewater treatment, reducing landfill disposal and enabling energy recovery where possible, thus minimizing reliance on non-renewable waste disposal facilities and reducing atmospheric emissions.

Environmental Benefits:

- Lower energy consumption for disposal and reduced landfill use.

M6 – Treated wastewater quality

Measures to prevent inadequately treated water from being discharged into the environment, ensuring environmental protection.

Environmental Benefits:

- Guaranteeing the safety of treated water discharged from treatment plants preserves ecosystems and biodiversity. Compliance with legal parameters prevents harmful transformations of pollutants in oxygen-deprived conditions.

Preq3 – Sewer Connections

Investments required in areas where sewage and treatment services are incomplete, aimed at resolving EU infringement cases. These interventions have significant environmental implications, as local wastewater dispersion systems are often ineffective.

Environmental Benefits:

- Eliminating EU infringements reduces nutrient and pollutant discharge, improves the quality of receiving water bodies (streams and rivers), and enhances biodiversity.

The following criteria were prioritized in the selection of indicators:

- Indicators whose outcomes are under the direct responsibility of Acque Bresciane;
- Indicators addressing material topics closely linked to clear and measurable environmental benefits;
- Indicators associated with investments that are strictly aligned and approved through a transparent and codified corporate process.

To achieve technical quality objectives, in 2021 Acque Bresciane adopted a new organizational structure based on widespread and detailed corporate responsibility, defined through a responsibility matrix with different levels of accountability according to role, supported by procedures guiding the main processes.
This system is complemented by a management application that enables constant monitoring of macro-indicators and key KPIs, as well as periodic verification of progress toward planned objectives,

allowing corrective actions when necessary. The system was designed to manage all the macro-indicators.

The selection process for Eligible Green & Blue Projects is performed and coordinated by the Sustainability Strategic Committee described in section 4.

5.3. Management of Proceeds

The net proceeds from the Green & Blue Financing Instruments will be tracked internally and an amount equivalent to the net proceeds will be earmarked for allocation to the portfolio of Eligible Green & Blue Projects.

Acque Bresciane commits on a best effort basis to reach full allocation of proceeds within three years following the issuance of a Green & Blue Financing Instrument.

The accounting and internal control system enables the recording of loan disbursements and the execution of green investments, allowing for an annual verification of the actual use of resources for the purposes declared in this document.

Investment accounting is managed in SAP to ensure full traceability between planned and executed works, supported by multi-year planning, quarterly monitoring, and governance approval, while the Sustainability Committee oversees green processes and sustainability reporting.

Periodic reviews assess progress and variances, enabling corrective actions and re-prioritization, while the organizational structure ensures alignment between resources, interventions, and regulatory compliance.

Pending the full allocation to Eligible Green & Blue Projects, Acque Bresciane will invest the balance of issuance proceeds as its own discretion as per its liquidity management policy, including cash or cash equivalents, overnight or other short-term financial instruments which will not include GHG intensive activities, high environmental impact or controversial activities. In case of any project postponement or non-compliance with evaluation and selection criteria, Acque Bresciane commits to allocate the proceeds to other projects that would comply with the Eligible Green & Blue Categories as soon as reasonably practicable.

The Sustainability Strategic Committee will oversee the monitoring of the Green & Blue Financing Instruments' proceeds.

5.4. Reporting

Acque Bresciane commits to report annually, and until maturity, on the allocation of the proceeds of the Green & Blue Financing Instruments issued under this Framework and the relative impacts of the projects, at least at category level. The reporting will be made publicly available on the Company's website and reviewed by an independent external auditor.

5.4.1. Allocation Reporting

Acque Bresciane will report approximately one year from the date of issuance, and annually thereafter until maturity, on the use of proceeds, including indicatively the following information:

- Overview of outstanding Green & Blue Financing Instruments
- Allocated amounts, at least at category level
- Brief descriptions of the largest and most representative projects from each category
- Breakdown by types of expenditures
- The amount or the percentage of new financing and refinancing
- Contribution to the EU environmental objectives, where applicable
- The balance of unallocated proceeds at the time of reporting, if any.

5.4.2. Impact Reporting

Acque Bresciane also intends to report annually on the environmental benefits (see Annex 1) of the Eligible Green & Blue Assets, until maturity. In most cases, the environmental indicators linked to the single project will be those calculated in the project evaluation phase, i.e., expected impacts, and where feasible ex-post measurements will be provided.

On a best effort basis, Acque Bresciane will align the impact report with the approach described in the ICMA "Harmonised Framework for Impact Reporting" for Green Bonds dated June 2026[5].

When reporting on the identified outcomes, Acque Bresciane may select alternative quantitative or qualitative KPIs, to remain relevant to the selected Eligible Green & Blue Assets. For all Eligible Green & Blue Assets, Acque Bresciane may integrate additional qualitative or quantitative indicators as considered appropriate to disclose relevant performances or details.

[5] ICMA (2026), Handbook - Harmonised Framework for Impact Reporting, June 2026. Available at: https://www.icmagroup.org/assets/documents/Sustainable-finance/2026-updates/Handbook-Harmonised-Framework-for-Impact-Reporting-June-2026.pdf

6. Sustainability-Linked Finance Section

Acque Bresciane's Sustainability-Linked Finance section is established in accordance with the Sustainability-Linked Bond Principles 2024 administered by the ICMA[6] ("SLBP"), as well as the Sustainability-Linked Loan Principles 2025 administered by the APLMA, LMA, and LSTA[7] ("SLLP"), and their five core components:

1. **Selection of Key Performance Indicators ("KPIs")**
2. **Calibration of Sustainability Performance Targets ("SPTs")**
3. **Financial characteristics**
4. **Reporting**
5. **Verification**

The Sustainability-Linked Finance section also aligns with the Practitioner's Guide – Bonds to Finance the Sustainable Blue Economy, published by ICMA in September 2023[8]. This represents a significant step forward for Acque Bresciane into Blue Finance, incorporating specific KPIs dedicated to the sustainable management of water resources.

Acque Bresciane is committed to constantly improving its approach to sustainability and to complying with the best practices in the Sustainability-Linked finance market. This Framework may therefore be amended or updated to reflect changes in market practice, as well as regulatory developments.

[6] ICMA Sustainability-Linked Bond Principles, Jun-24: https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/
[7] APLMA, LMA, LSTA Sustainability-Linked Loan Principles, Mar-25: https://www.lsta.org/content/sustainability-linked-loan-principles-sllp/
[8] https://www.icmagroup.org/assets/documents/Sustainable-finance/Bonds-to-Finance-the-Sustainable-Blue-Economy-a-Practi-tioners-Guide-September-2023.pdf

6.1. Selection of Key Performance Indicators ("KPIs")

Acque Bresciane's Sustainability-Linked Finance component fully reflects the objectives described in its 2045 Sustainability Plan and draws from ICMA SLBP KPI Registry[9], as updated in June 2025, to select KPIs that are relevant, core and material to the Group's overall sustainability strategy and business operations. Acque Bresciane has identified 4 KPIs addressing environmental and social key challenges for the industry sector and material focus for the Company and its stakeholders, as set out below:

- **KPI#1:** Absolute Scope 1,2&3 GHG emissions (tCO2e)
- **KPI#2:** Water leakages (m3/km/d)
- **KPI#3:** Gender pay gap (per contractual level) (%)
- **KPI#4**: Treated wastewater quality (%)

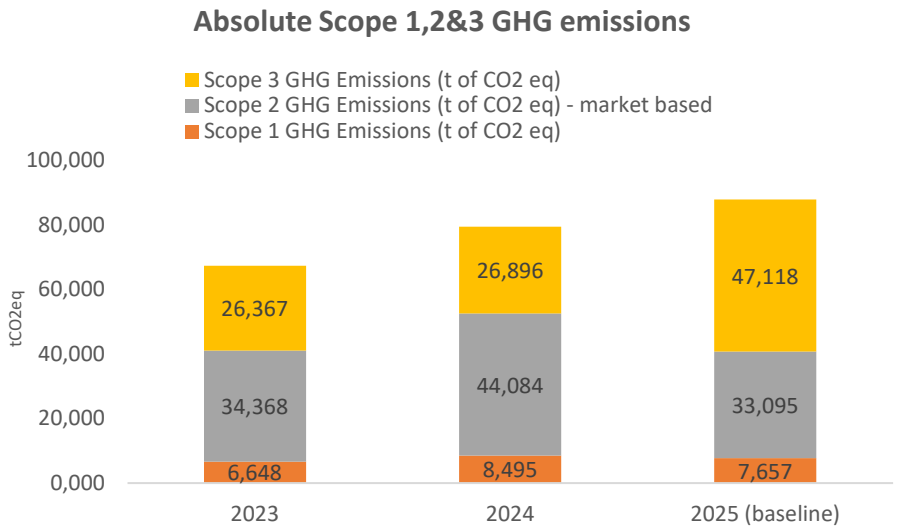
KPI#1: Absolute Scope 1,2&3 GHG emissions (tCO2e)

KPI definition

It indicates the reduction of direct and indirect emissions, defined as the percentage decrease from the baseline in tonnes of carbon dioxide equivalent released into the atmosphere (tons of CO_2eq), in accordance with the main international standards for greenhouse gas reporting for organizations, namely ISO 14064-1:2018, the Greenhouse Gas (GHG) Protocol, and GRI standards.

This indicator is certified by the auditors through the issuance of the audit report.

Historical Performance



Rationale

Global warming is the rapid increase in the Earth's temperature that began in the 19th century, largely caused by human activities and responsible for more intense extreme weather events. To address this challenge, countries and companies must reduce greenhouse gas (GHG) emissions. Emission-reduction programs may be mandatory - such as the Kyoto Protocol, EU-ETS and Carbon Tax

[9] https://www.icmagroup.org/assets/documents/Sustainable-finance/2025-updates/Illustrative-KPIs-Registry.xlsx

- or voluntary, such as the Carbon Footprint. All of them involve assessing, monitoring, reporting and verifying GHG emissions and the related mitigation measures.

Methodology and Scope

The approach adopted for the analysis and quantification of GHG emissions is operational control. All emissions arising from activities over which the company has operational control have been accounted for, regardless of the organizational, governance, or legal structure.

The emission factors used were selected in line with best practices, drawn from national and international databases to ensure an accurate and realistic representation of the activities assessed for their emission impact. Where possible, territorial specificities of the operational context and data comparability were taken into account.

The analysis is carried out in accordance with the Greenhouse Gas (GHG) Protocol, which defines the criteria and methodologies for quantifying an organization's direct and indirect emissions.

Direct Scope 1 emissions (8.7% in 2025) arise from the use of fuel for transportation to power company vehicles, as well as from the use of diesel fuel in production processes and natural gas consumption. The most significant component relates to biogenic emissions generated during the wastewater treatment process.

Indirect emissions (GHG Scope 2), which accounted for 32.7% of total emissions in 2025, arise from electricity consumption and are associated with the sources used for its generation. The calculation was carried out using the market-based method, which relies on the contractual and commercial characteristics of the electricity supply.

For electricity purchased from renewable sources (e.g., if certified through Guarantees of Origin), a zero tCO_2e emission factor is assigned. In cases where no specific contractual agreements are in place, this method requires the use of the national residual mix emission factor, which reflects the remaining share of non-renewable energy in the market.

Scope 3 indirect GHG emissions (53.6% in 2025) include all emissions generated throughout the value chain (both upstream and downstream of production) that are not directly controlled by the organization.

It should be noted that the increase in Scope 3 emissions in 2025 is attributable to the expansion and refinement of the calculation of relevant categories. In particular, methodological updates were introduced, including revisions to the emission factors used, and the coverage of emission sources considered within the categories already included was expanded. These updates were implemented to improve the completeness, accuracy, and representativeness of Acque Bresciane's emissions inventory, in line with the principles set out in the applicable reporting standards.

KPI#2: Water leakages (m3/km/d)

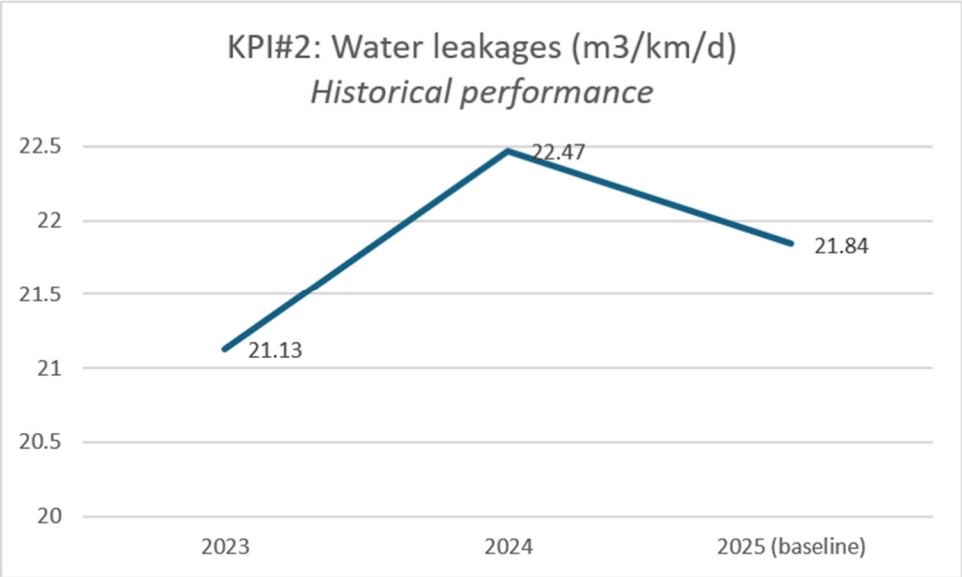
KPI definition

It refers to the sustainability indicator "M1a" – linear reduction of percentage water leakages in accordance with the metric defined by ARERA under Resolution 917/2017/R/IDR, as amended by

Resolutions 609/2021/R/IDR, 639/2021/R/IDR, 637/2023/R/IDR, 595/2024/R/IDR and 581/2025/R/IDR, as subsequently modified, supplemented or replaced.

This indicator is submitted annually to the regulatory authority ARERA.

Historical Performance



Rationale

Providing a safe service to its users, with full awareness of managing a resource essential to human life, represents a concrete commitment for Acque Bresciane. This commitment is implemented throughout the entire water management cycle, starting from abstraction - carried out only to the extent necessary - continuing with efforts to reduce water losses and ensuring close attention to the quality of the water supplied.

Methodology and Scope

Linear water leakages (indicator M1a) are defined as the ratio between the total volume of water leakages and the overall length of the water supply network in the reference year, including the length of service connections.

For each year "a", the M1a indicator for each operator within each ATO is defined as follows:

$$M1a^a = \frac{WL^a_{TOT}}{365 \times (Lp^a + 0{,}22 * Ld^a)} \left[mc/km/gg\right]$$

where:

$WL^a_{TOT} = \sum W^a_{IN} - \sum W^a_{OUT}$ is the total volume lost in year a across the managed phases of the water supply service. It is calculated as the difference between the total inflows into the water supply system (from the environment or imported from other systems) and the total outflows (authorized consumption—billed or unbilled—and exports to other systems). Losses occurring during treatment

may also be counted among the outflows, as long as inflows and outflows at treatment plants are based on actual measurements rather than estimates. The lost volume includes apparent losses (m^3).

Lp^a is the total linear extension of transmission and distribution mains, excluding service connections, managed as of December 31 of year a (km).

Ld^a is the total linear extension of distribution mains, excluding service connections, managed as of December 31 of year a (km).

It is specified that, where the value of "Authorized, unmeasured and unbilled consumption" exceeds 0.5% of "Authorized, measured and billed consumption (excluding exported water)", only estimates relating to categories of volumes that cannot be reduced beyond a certain threshold will be considered—such as consumption from public fountains or flushing of pipelines and reservoirs after maintenance works—supported by a technically robust estimation methodology.

KPI#3: Gender pay gap (per contractual level) (%)

KPI definition

The Gender Pay Gap is a measure of the difference in average earnings between women and men, expressed as a percentage of women's earnings. It indicates the extent to which women are paid less than men for work, on average, across an organization, sector, or economy.

This indicator is certified by the auditors through the issuance of the audit report.

Historical Performance:

	Gender Pay Gap		
Contractual Level[10]	2023	2024	2025
2 - 3 - 4	1.17%	0.43%	0.81%
5 - 6	1.70%	1.56%	0.48%
7 - 8 - MM – Exec.	-4.12%		
7 – 8		*-7.49%*	*-5.86%*
MM – Exec.		+2.60%	*-2.54%*

***Legend**: MM = Middle Manager; Exec = Executive*

Rationale

The Gender Pay Gap is a key indicator of fairness and equality within an organization. It measures the difference in average earnings between women and men, highlighting whether there are structural imbalances in compensation practices.

[10] Employee classification level under the 2025 Gas and Water National Collective Labour Agreement excluding blue-collar workers.

Monitoring this KPI is essential because pay disparities can reflect deeper issues such as unequal access to career progression, differences in representation in leadership roles, or biases in recruitment and promotion processes. A significant gap may indicate that women are concentrated in lower-paying positions or part-time roles, which can affect overall diversity and inclusion goals.

From an ESG perspective, reducing the gender pay gap aligns with international standards and regulations, such as the EU Pay Transparency Directive, and demonstrates commitment to social principles in sustainability reporting. It also strengthens the organization's reputation, supports talent retention, and fosters a more equitable workplace culture.

Tracking this KPI over time allows management to identify trends, set improvement targets, and implement corrective actions such as pay reviews, transparent salary bands, and programs to promote gender balance in leadership. Ultimately, closing the gap is not only a compliance requirement but also a driver of organizational performance and social responsibility.

Methodology and Scope

The Gender Pay Gap (per contractual level) is calculated as the percentage difference between the average gross pay of female employees and male employees, relative to female pay. The standard formula is:

$$\text{Gender Pay Gap (\%)} = \frac{\text{Average Female Pay} - \text{Average Male Pay}}{\text{Average Female Pay}} \times 100$$

Key methodological points:

- Pay Basis: Use gross annual salary or gross hourly pay, excluding bonuses unless otherwise specified.
- Population: Include all employees under the organization's payroll.
- Data Source: HR payroll systems and official employee records.
- Frequency: Typically calculated annually, aligned with sustainability reporting cycles.
- The KPI is reported annually, in line with sustainability and regulatory reporting cycles, and is aligned with international standards such as the EU Pay Transparency Directive, GRI 405-2, and ESG best practices.

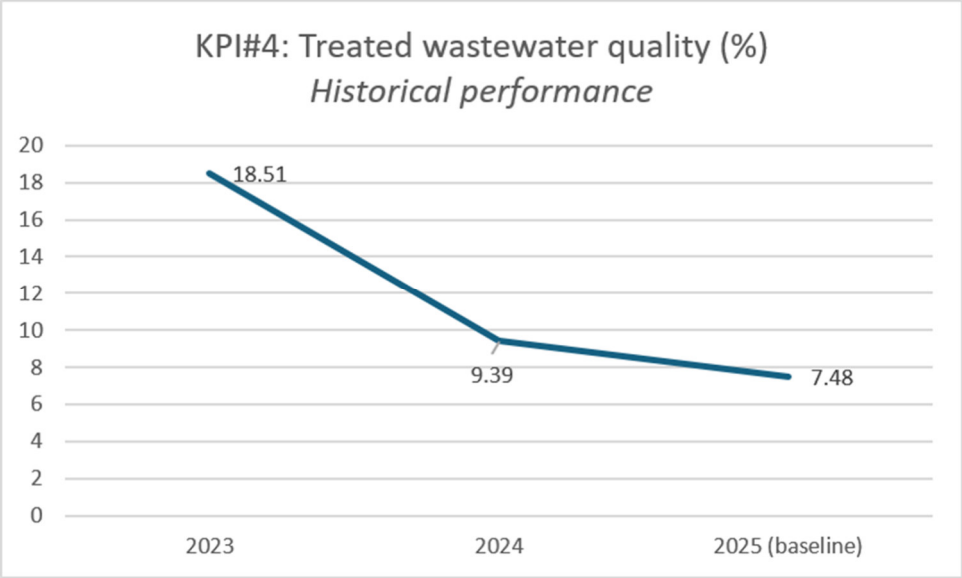
KPI#4: Treated wastewater quality (%)

KPI definition

The macro-indicator M6 is defined as the percentage rate of samples exceeding one or more emission limits in terms of pollutant concentration parameters listed in Tables 1 and 2 of 917/17 Arera Directive, out of the total samples taken by the operator during year a, pursuant to Annex 5 of Part III of Legislative Decree 152/2006 and subsequent amendments, on wastewater discharged from all treatment plants - those with a capacity greater than 2,000 PE or 10,000 PE if discharging into coastal waters - present as of December 31 of year a within the operator's area of responsibility in the relevant ATO.

This indicator is submitted annually to the regulatory authority ARERA.

Historical Performance



Rationale

The main objective is to ensure the safety of treated water discharged from wastewater treatment plants, in order to guarantee a high level of quality for water reintroduced into the environment, protecting existing ecosystems (flora and fauna of the receiving body). In particular, compliance with legally defined parameters is essential: if water is minimally polluted, it will have a good level of dissolved oxygen, whereas in the absence of oxygen, processes occur that transform pollutants into substances harmful to the environment.

Methodology and Scope

For each year a, the macro-indicator M6, expressed as a percentage and rounded to three significant digits, is determined according to the following formula:

$$M6_a[\%] = \frac{\sum_{imp=1}^{N_{imp}} C^a_{imp,DEP-cnc}}{\sum_{imp=1}^{N_{imp}} C^a_{imp,DEP-tot}} \times 100$$

where:

- imp: identifies the generic wastewater treatment plant with a capacity equal to or greater than 2,000 PE, or 10,000 PE if discharging into coastal waters, operating as of December 31 of year a within the ATO where the operator operates.
- N*: represents the total number of wastewater treatment plants with a capacity equal to or greater than 2,000 PE, or 10,000 PE if discharging into coastal waters, operating as of December 31 of year a within the ATO where the operator operates.

- C_{imp,DEP-cnc}^a: represents the number of samples taken during year a by the operator or by the environmental control authorities[11] on wastewater discharged from the individual treatment plant (imp) with a capacity equal to or greater than 2,000 PE (or 10,000 PE if discharging into coastal waters), characterized by exceeding one or more limits of Tables 1 and 2 of Annex 5, Part III of Legislative Decree 152/2006 and subsequent amendments; in the case of a treatment plant discharging onto soil, the limits of Table 4 of the same Annex 5 apply, referring to the same parameters as Tables 1 and 2.
- C_{imp,DEP-tot}^a: represents the total number of samples taken during year a by the operator on wastewater discharged from the treatment plant (imp) with a capacity equal to or greater than 2,000 PE (or 10,000 PE if discharging into coastal waters).

6.2. Calibration of Sustainability Performance Targets ("SPTs")

Aware of the important role it plays in the national energy transition, Acque Bresciane has submitted an ambitious SBTi target - that will be reviewed and updated in 2026 - aimed at progressively reducing its direct and indirect carbon footprint.

Acque Bresciane recognizes the importance of incorporating interim milestones to ensure consistency and to demonstrate continuous improvements; therefore, the company has also included intermediate decarbonization targets as SPTs.

SPT#1: Absolute Scope 1,2&3 GHG emissions (tCO2e)

Metric	Unit of measurement	Baseline 2025	2028	2030	2033
Absolute Scope 1,2&3 GHG emissions	tCO2e *(market based)*	87,870	-10%	-16%	-30%

Ambition and strategy to achieve the targets

Acque Bresciane's goal is to reduce greenhouse gas (GHG) emissions to align with sustainability targets, contributing to climate neutrality and environmental stewardship. This includes the design and commissioning of plants for localized electricity generation (self-production), such as photovoltaic systems, microturbines for hydropower, and trigeneration systems. It also involves extending energy audits to the main facilities, improving efficiency across company sites, and prioritizing the purchase of high energy-efficiency equipment to reduce environmental impacts. In addition, energy consumption for water distribution is monitored and optimized based on actual user demand through actions such as pump optimization and pressure measurement at critical operating points. The initiative is further supported by the progressive replacement of the company fleet with green vehicles

[11] Change introduced by ARERA on 23rd December 2025. For further details, please find the document available at the following link.

equipped with more environmentally friendly power systems and by increasing the procurement of green energy.

As we operate within the framework of public procurement regulations, to reduce Scope 3 emissions we are committed to raising supplier awareness by incorporating evaluation incentives in tender processes that reward actions taken to reduce their own greenhouse gas emissions.

Risk factors

All emission reduction initiatives may not achieve the expected outcomes due to the expansion of the operational scope, which, as the sole operator of the integrated water service in the Province of Brescia, will fall under the Company responsibility.

Public procurement regulations do not allow the introduction of restrictive eligibility criteria in tender procedures, limiting the organization's ability to require suppliers to meet specific emissions reduction targets and directly influence Scope 3 emissions.

SPT#2: Water leakages (m3/km/d)

Metric	Unit of measurement	Baseline 2025	2028	2030	2033
Water leakages	m3/km/d	21.84	21.0 *(-3.9%)*	20.5 *(-5.9%)*	15.9 *(-27%)*

Ambition and strategy to achieve the targets

All water supply networks inevitably experience losses, resulting in the dispersion of water along their route. Acque Bresciane goal is to minimize these losses by combining investments in network replacement with technological innovation, ensuring that the greatest possible amount of water reaches households and businesses. This includes the use of new-generation smart metering devices to automatically and continuously monitor consumption, as well as the districting of networks (physical subdivision of networks into smaller districts compared to the municipal network) with the installation of pressure monitoring systems.

The ambitious 2033 target is expected to be achievable thanks to the additional investments outlined in the Industrial Plan, which will further support network modernization, leakage reduction, and the deployment of advanced monitoring and control technologies.

Risk factors

Water leakages not only result in higher extraordinary maintenance costs but also represent a material source of operational and reputational risk. Persistent or visible losses may be perceived as inefficiencies in the management of the water service, potentially eroding stakeholder confidence and weakening the company’s sustainability performance.

SPT#3: Gender pay gap (per contractual level) (%)

Metric	Unit of measurement	Baseline 2025		2028	2030	2033
Gender pay gap (per contractual level)	%	Employee classification level under the 2025 Gas and Water NCLA	2025	≥ -5% and ≤ +5%	≥ -5% and ≤ +5%	≥ -5% and ≤ +5%
		2-3-4	0.81%			
		5-6	0.48%			
		7 – 8	*-5.86%*			
		MM – Exec.	*-2.54%*			

Ambition and strategy to achieve the targets

Acque Bresciane is committed to ensuring fair and equitable remuneration and has set a clear ambition to progressively reduce the gender pay gap as part of its broader social-sustainability objectives. The strategy is based on a structured approach that includes transparent compensation frameworks, regular monitoring of pay-equity indicators, and the implementation of inclusive recruitment and career-development practices. The company also promotes work–life balance policies to support continuous professional growth and reduce career interruptions, which are key drivers of pay disparities. Governance mechanisms are in place to ensure accountability, with dedicated oversight from HR leadership and sustainability committees. Gender-equity considerations are integrated into workforce planning.

Risk factors

The acquisition of a business unit with employees benefiting from particularly favorable salary conditions, combined with the potential large-scale departure of certain employee groups during the year, may affect the company's gender pay gap. These dynamics could alter the composition of the workforce and create imbalances in average remuneration levels between genders, thereby increasing the risk of adverse impacts on pay-equity indicators and overall social-sustainability performance.

SPT#4: Treated wastewater quality (%)

Metric	Unit of measurement	Baseline 2025	2028	2030	2033
Treated wastewater quality	%	7.48	-20%	-33%	-52%

Ambition and strategy to achieve the targets

To ensure continuous improvement in this indicator, the company is pursuing a long-term strategy centered on substantial and ongoing investments in wastewater treatment infrastructure. These include plant expansion projects, network connection and consolidation works, extraordinary maintenance activities, targeted upgrade and revamping interventions designed to enhance treatment capacity, operational efficiency, and environmental performance.

The achievement of the 2033 target will be supported by the investments envisaged in the Industrial Plan, which provides the financial and operational framework necessary to further enhance wastewater collection and treatment infrastructure over the coming years.

Risk factors

A potential tightening of regulatory requirements or a significant revision of ARERA's classification criteria could lead to a downgrade in the company's regulatory positioning. Such changes may introduce stricter performance thresholds, revised methodological approaches, or new compliance obligations that could alter current evaluations. These developments would not only increase operational and financial pressure but could also affect the company's ability to maintain its current performance class, with possible impacts on tariffs, incentive mechanisms, and stakeholder perception.

6.3. Financial characteristics

Sustainability-Linked Financing Instruments are represented by any type of debt whose financial and/or structural characteristics may vary based on whether the issuer achieves its predefined SPTs. The proceeds are intended to be used for general corporate purposes and/or refinancing.

The financial and/or structural implications related to the occurrence of a trigger event will be specified in the legal transaction document of any Sustainability-Linked Financing Instrument (e.g., Final Terms of any Sustainability-Linked Bond or the Facility Agreement of any Sustainability-Linked Loan). Such documentation will specify the exact financial and/or structural implications which could include, but are not limited to, a coupon step-up, redemption premium or margin adjustment, as applicable. It will also provide the following characteristics: KPI definition and calculation methodologies, SPTs, the variation mechanisms of the financial and/or structural characteristics as well as related trigger events and, where needed, fallback mechanisms in case the SPTs cannot be calculated or observed in a satisfactory manner.

A trigger event may occur when:

- Performance against a specified KPI has not achieved the SPT on the Target Observation Date
- The verification of the SPTs has not been provided and made public by the time of the Target Observation Date, as defined in the financing documentation
- The Issuer fails to comply with the reporting requirements as of the notification date related to achieving the SPT, each as defined in the instrument documentation.

6.3.1. Recalculation Policy

Acque Bresciane may review this Framework in the event of material changes to the Company perimeter, new business plan or strategies, data calculation methodology, and other changes which may have a significant impact on the appropriateness of the KPIs and/or SPTs and/or baselines.

In particular, Acque Bresciane may recalculate in good faith the baselines' levels, SPTs and/or KPIs to reflect any material impact on the initial SPTs' levels, baselines and/or KPIs where:

- Changes in calculation methodology or improvements in the accuracy of emission factors or activity data result in a significant (+/- 5% on the base year) impact on the base year emissions data
- Significant errors, or several cumulative errors, that are collectively significant, are discovered
- Structural changes in the reporting organization have a significant impact on the KPIs, SPTs and/or baselines, including (i) mergers, acquisitions and divestments and (ii) outsourcing and insourcing of emitting activities
- Explicit recommendations to restate are issued by the SBTi
- An amendment to, or change in, any applicable laws, regulations, rules, guidelines, and policies, applicable.

Such review may result in this Framework being updated and amended. Such changes, if deemed material, will be subjected to review by the relevant SPO provider.

Any future adjustments to the KPIs, SPTs or baseline will maintain or increase the proposed level of ambition of the SPTs stated in this Framework.

Any future updated version of this Framework will either maintain or enhance the current levels of transparency and reporting, including the corresponding review by a SPO provider.

Any revised Framework will be made available on the Company website and will replace this Framework.

Failure to meet SPTs due to factors outside the Company's direct control may not result in any adjustment to a financing instrument's characteristics being triggered. The calculation of the relevant KPIs or performance against the SPTs may exclude the effects and/or material changes in laws or regulations applicable or relating to Acque Bresciane's production activities, in each case to be set forth, if applicable, in further detail in the terms and conditions of each Sustainability-Linked Financing instrument.

6.4. Reporting

Acque Bresciane will report KPIs performances against the related SPTs at least annually in a dedicated document published on its website and until the maturity of any outstanding Sustainability-Linked Financing Instrument. The reporting will also be made available in any case for any date/period relevant for assessing the SPT performance leading to a potential variation of the instrument's characteristics.

Reporting will include the following information:

- Up-to-date information on the performance of the selected KPIs, including the baseline where relevant
- A verification assurance report relative to each KPI outlining the performance against the SPTs and the related impact, and timing of such impact, on the financial instruments' structural and/or financial characteristics
- Any relevant information enabling investors to monitor progress vis-a-vis the SPTs and their level of ambition (e.g., any update in the Issuer's sustainability strategy or on the related

KPI/ESG governance, and more generally any information relevant to the analysis of the KPIs and SPTs).

Information may also include when reasonably feasible and available:

- Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities, behind the evolution of the performances/KPIs on an annual basis
- Illustration of the positive sustainability impacts of performance improvement
- Any re-assessments of KPIs and/or restatement of the SPTs and/or pro-forma adjustments of baselines or KPI scope, if relevant.

7. External Review

Acque Bresciane's Sustainable Finance Framework and the associated annual reporting will benefit from an independent and external verification.

7.1. Pre-issuance Verification

Acque Bresciane has appointed Sustainable Fitch to release a Second Party Opinion ("SPO") confirming the alignment of the Framework with the relevant GBP 2025, GLP 2025, SLBP 2024 and SLLP 2025.

7.2. Post-issuance Verification

7.2.1. Green & Blue Section

Starting one year after issuance, a verification or assurance of the reporting may be released on an annual basis, until maturity, by a third-party agency or financial auditor, including: proceeds allocation, the compliance of the allocated assets with the selection process, and the environmental benefits obtained.

7.2.2. Sustainability-Linked Section

The annual KPIs performance will be subject to the external verification released by an External Verifier.

The verification will be issued at "Limited Assurance" standard, on an annual basis, and in any case for any date/period relevant for assessing the SPTs performance leading to a potential variation of the instrument's characteristics.

The External Verifier refers to an auditor, any qualified provider of third-party assurance or attestation services appointed by Acque Bresciane to review the company's statement on KPIs.

The Sustainable Finance Framework and the pre-issuance and post-issuance verification reports will be available on Acque Bresciane's website[12].

[12] https://www.acquebresciane.it/investitori

Annex 1: Reporting on Environmental Benefits per Eligible Category

Green & Blue Eligible Categories	Examples of Impact Metrics
Sustainable Water and Wastewater Management ***(Green & Blue)***	• Reduction in water losses (M1a – mc/km/d) • Water supply network replaced (km) • Drinking Water Quality (M3 - %) • Annual amount of wastewater treated, recovered or disposed (t) • Sewer Overflow Frequency (M4a – no./100km) • Sludge Management in Treatment Plants (M5 - %) • Quality of Treated Water (M6 - %)
Energy Efficiency ***(Green & Blue)***	• Annual GHG emissions reduced (tCO_2e) • Aqueduct Emission Intensity (gCO2 e/mc) • Sewer and Purification Emission Intensity (gCO2 e/mc)
Renewable energy ***(Green)***	• Annual GHG emissions reduced (tCO_2e) • Annual energy self-produced (MWh/GWh) • Green Energy (% purchased)
Clean Transportation ***(Green)***	• Annual GHG emissions reduced (tCO_2e) • Number of low environmental impact vehicles (%)