

3.3 The Sustainability Plan

The **Sustainability Plan** is a tool that allows for the continuous **quantification and verification** of the progress made on the identified sustainability goals, **in line** with the priorities and timing set out in the **Business Plan**.

The goals, divided up into the 4 Sustainability Policy pillars, contain timely actions and specific indicators, monitored once every six months or once a year.

In 2017, the **first monitoring took place of the Sustainability Plan**, revealing that the Group is working in the right direction to achieve the challenging goals set for both 2020 and 2030.

In line with the definition of the new Business Plan, also for the Sustainability Plan has been launched a process, seeking to **update the goals with the new time frame of 2018-2022**. The review of the planning

document had become necessary also following the change to the scope of consolidation, due to the acquisitions made by A2A in 2016/2017. In reviewing the planning document, the objectives that had been achieved were eliminated, those confirmed were updated to 2022 and some new targets were added.

The new Plan was approved together with this document during the A2A meeting of the Board of Directors held on March 20, 2018.

The table below shows the result of the update, comparing, where possible, the objective of the 2016-2020 Plan with the new 2018-2022 Plan.

Figure 06_Sustainability Plan



ACTION	KPIs	2015	2016	2017	2020 OBJECTIVE	NEW 2022 OBJECTIVE
RECOVERY AND TREATMENT To improve the recovery process of waste collected (including through their transformation into energy) and promote separate waste collection to help reduce the environmental impact of cities	Percentage of municipal waste collected sent for recovery of material or energy	99%	99%	99%	99%	99%
	Percentage of separate waste collection in the municipalities served (apart from Milan)	58%	60%	70%	67%	71%
	Percentage of separate waste collection in the city of Milan	53%	52%	54%		60%
	Material recovery capacity at the Group's plants out of total municipal waste subject to sorted collection	31%	84%	82%	80%	100%
	Waste treatment capacity (municipal + special waste) aimed at recovering material at the Group's plants (kt)	354	658	888	888	1,239
	<i>Δ compared to 2015</i>	-	86%	151%	151%	250%
	Waste treatment capacity aimed at energy recovery at the Group's plants (kt)	1,385	1,405	1,676	1,565	1,939
<i>Δ compared to 2015</i>	-	1%	21%	13%	40%	
REDUCTION POLICIES To reduce the production of waste through a prevention, reduction and reuse policy	Percentage of territories reached with waste recovery, reduction and reuse activated projects	-	90%	98%	100%	100%
	Investments allocated to the development of technologies and services linked to the circular economy (M€) - cumulative figures 2018-2022	-	-	49	NEW	450
RISK MANAGEMENT To verify that the system used to identify, manage and prevent business risks adequately covers sustainability risks (and, in particular, social-environmental risks), also in organisational terms	Specific risk intelligence system for sustainability risks	-	-	launched	start-up	finalise integration
	Linear water losses (m ³ /km/days) - Group average	-	-	24.75	NEW	20.52
WATER To implement actions aimed at reducing water consumption in the collection and distribution processes, so as to improve water quality and reduce water dispersion	<i>Δ compared to 2017</i>	-	-	-	-	-17%
	Percentage of equivalent inhabitants served by the purification service with respect to total equivalent inhabitants not served in 2016 (142,904 E.I.)	-	-	1%	60% (with respect to those not served in 2015)	65%
	Reduction in the rate of exceeding of limits in the samples of waste water discharged with respect to 2017 (%)	-	-	-	NEW	-15%/year
BIODIVERSITY To adhere to projects aiming to protect the soil and protected species, monitoring and protecting biodiversity in the territories of competence	Plants monitored with respect to the protection of biodiversity	-	-	0%	100%	100%

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ACTION	KPIs	2015	2016	2017	2020 OBJECTIVE	NEW 2022 OBJECTIVE
DISTRICT HEATING To help reduce the environmental impact of the cities, paying close attention to air quality, implementing district heating and district cooling	Volumes served by district heating and district cooling (Mm ³)	96	98	111	109	118
	<i>Δ compared to 2015</i>	-	3%	16%	14%	23%
	NOx avoided thanks to the extension of district heating (t/year)	- 103	- 125	- 138	- 194	- 180
	CO ₂ avoided thanks to the extension of district heating (t/year)	- 164,022	- 161,498	- 181,136	- 234,000	- 220,000
	Development of a new district heating system structure in Brescia, which eliminates carbon (CO ₂ reduction from 110 g/kWh to 80 g/kWh)	-	-	-	NEW	fulfilment
EFFICIENCY IN END USE To develop energy efficiency interventions on the public and private real estate assets	Number of new heaters installed to end customers with VAS commercial offers - cumulative value	0	69	220	500	1,500
	CO ₂ avoided thanks to interventions to promote energy efficiency in end uses: LED activities (SME+Industrial revamping+Domestic uses+LED bulb kit) - installation of high-efficiency heaters - industrial ESCO	-	- 28,000	- 702,000	- 36,200	- 750,000
SUSTAINABLE MOBILITY To develop sustainable mobility solutions (low-emission waste collection vehicles and vehicle fleet, replacement of obsolete vehicles with new ones)	Number of new low environmental impact waste collection vehicles (Euro 6 vehicles, methane gas, electric) - cumulative value	-	417	996	NEW	1,800
	Percentage of Unareti vehicles with low environmental impact (methane gas and electric powered) - (% of total)	-	-	36%	NEW	60%
EMISSIONS To develop actions aiming to reduce the environmental footprint, like direct and indirect emissions of greenhouse gases	CO ₂ emissions of electric power generation plants (kt CO ₂)	5,603	5,047	6,299	6,270	6,270
	<i>Δ on average levels for 2008-2012 (9,500 kt CO₂)</i>	-41%	-47%	-33%	-34%	-34%
	Emissions factor for power production plants (gCO ₂ /kWh)	445	420	419	394	394
	<i>Δ on average levels for 2008-2012 (438 gCO₂/kWh)</i>	2%	-4%	-4%	-10%	-10%
RENEWABLES To increase (keep high) the proportion of energy produced from renewable sources	Total emissions avoided due to methane leaks from distribution networks - cumulative values with respect to 2015 (tCO _{2eq})	-	-6,216	-17,145	NEW	-112,000
	Percentage of thermal energy produced from renewable sources and process recovery with respect to total thermal energy collected into the district heating network (Networks and Heat BU)	48%	50%	50%	49%	49%
	Thermal energy recovered from third party production processes (GWh)	-	-	45	NEW	60
GREEN MARKETING To raise customer awareness and to implement communication campaign	Green energy sold to the mass market segment (GWh)	404	545	909	808	1,818
	<i>Δ compared to 2017</i>	-	-	-	100% (Δ compared to 2015)	100%

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ACTION	KPIs	2015	2016	2017	2020 OBJECTIVE	NEW 2022 OBJECTIVE
QUALITY To maintain high quality standards of the services supplied by keeping high customer satisfaction levels	Total CSI of "Reference multi-client customer satisfaction" of CERVED - Databank for customers of A2A Energia	-	92.4 (national average 90.3)	Domestic gas 90.1 (national average 89.4) Domestic electricity 91.2 (national average 89.7)	> 2% vs national average and never < 90%	> national average and never < 90%
	CSI for call centres of A2A Energia	96.5 (national average 92.5)	97.1 (national average 91.0)	95.7 (national average 93.2)	> sector national average	> sector national average
DIGITAL To develop innovative channels and services (web, mobile, gamification) to increase customer loyalty	Number of energy customers registered with the on-line service	227,028	268,818	356,155	400,000	550,000
	Number of energy customers registered with the bollet@mail service	248,638	289,613	350,580	400,000	600,000
	Number of interventions on Group sites for evolved interactivity	-	-	-	NEW	10
SMART NETWORKS To develop solutions to offer a better information access infrastructure (Smart Grid) and improve the network resilience	Users with smart gas meters (G4-G6) - Unareti perimeter	10%	28%	46%	100%	98%
	Annual average number of outages per LV user in high concentration environment due to long outages without notice	1.31	1.54	1.36	NEW	0.78
	<i>Δ compared to 2017</i>	-	-	-	-	-43%
	Number of new generation water meters installed	-	-	-	NEW	46,000 (to 2020)
	Investments in Smart Grids (M€) - cumulative value 2018-2022	-	3	13	62 (cumulative 2016-2020)	45
SMART CITIES To support the development of the smart city in the territory in which the Group operates, including through new business models that exploit the technological component (Smart Grids and big data)	Smart City services activated	-	-	-	5	30
	Municipalities with Smart City services activated	-	-	-	3	10
	Number of parking places managed as smart parking	-	-	-	NEW	500
	Number of businesses served with new smart land services	-	-	1	NEW	2
	Number of smart environmental bins	-	0	300	2,000	20,000
	Number of new LED light points installed on PL - cumulative value	150,035	196,431	213,817	250,000	350,000
	Number of electric vehicle charging stations installed	-	-	-	NEW	500
LED traffic lights installed - cumulative value	-	12,069	12,069	11,000 (to 2018)	22,000 (to 2018)	
DISADVANTAGED GROUPS To promote beneficial tariffs or other solutions for users in difficulty (e.g. "Banco dell'Energia")	Funds collected by means of the Banco dell'Energia - 2nd phase (M€)	-	-	-	NEW	1 (to 2019)

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ACTION	KPIs	2015	2016	2017	2020 OBJECTIVE	NEW 2022 OBJECTIVE
RESPONSIBLE PROCUREMENT To develop initiatives aiming to spread the culture of health and safety at work amongst contractors and other suppliers; to develop green procurement policies	Value of orders assigned to certified suppliers (% of the total)	76%	77%	80%	75%	75%
	Activated suppliers with sustainability requirements (% of the total)	-	23%	42%	50% (qualified)	50% (activated)
	Number of inspections carried out on road worksites	-	1,406/year	727/year	4,000 (cumulative)	1,000/year
HEALTH AND SAFETY To consolidate the training and prevention plan to reduce injuries and develop new initiatives for workers health and safety	Weighted accident index (frequency index*severity index)	23.2	30.7	26.1	19.27	18.20
MbO To add sustainability objectives to the MbO sheets (correlation between Management remuneration and Sustainability KPIs)	Executives with Sustainability MbO (% of the total)	0%	33%	85%	100%	100%
	Percentage weight of sustainability MbO of total variable	-	-	5%	NEW	10%
	Employees assessed according to CSR parameters (% of the total)	0%	0%	0%	100%	100%
TRAINING To implement training routes aimed at optimising and requalifying competences and professional development (including on matters such as sustainability, anti-corruption and human rights)	Employees involved in sustainability awareness/training (% of the total)	0%	0%	100%	100%	100%
	Employees involved in training on the Code of Ethics (% of the total)	-	-	61%	100%	100%
	Average level of approval of training (scale 1-7)	-	6	6	> 5	> 5
CHANGE MANAGEMENT To develop change management projects to improve the organisational culture	Employees involved in at least one change management project per year (% of total office employees)	-	-	100%	NEW	100%
	Employees subjected to induction (% of total graduates aged under 35)	-	-	32%	NEW	100%
INTERNAL ENGAGEMENT To develop a systematic listening system to employees, promoting dialogue and collaboration	Employees involved in feedback surveys (% of the total)	0%	100%	100%	100%	100%
WELFARE To develop innovative welfare policies, also in connection with the promotion of gender equality, and optimise competences through a generational bridge that allows for the transfer of knowledge and experience between the junior and senior populations	Employees involved in the smart working project (% of total office employees)	-	5%	5%	20%	20%
	Employees involved in welfare and diversity initiatives (% of total)	-	21%	38%	100%	100%
	Number of projects activated on the Skills Laboratory	-	-	1	NEW	2/year
INNOVATION AND R&D To develop investments in research and development, increasing the number of partnerships with international research centres and universities, to develop new technologies and technological innovation patents	Number of research projects activated and partnerships with primary research institutes and universities	-	9	10	5/year	5/year
BRAND PERCEPTION To implement a system for measuring and monitoring the Group's notoriety and perception, also on a territorial level	Multistakeholder measurement model of the perception of the Group	-	-	activated	to activate a tool to assess the Group sentiment in the media	to activate
TRANSPARENCY To develop integrated reporting and a suitable information system for planning and control	Territories with territorial sustainability reports prepared (number)	1	3	6	8	8
STAKEHOLDER ENGAGEMENT To develop external stakeholder engagement activities, to strengthen the relationship with the territory and to construct permanent methods for multistakeholder involvement	Number of structured engagement workshops held	1	2	2	15 (cumulative 2015-2020)	10 (cumulative 2018-2022)
	Number of actions ensuing from structured engagement workshops	5	6	5	30 (cumulative 2015-2020)	20 (cumulative 2018-2022)
EDUCATION To consolidate and, where possible, improve the environmental education and promote the awareness of risks associated with climate change in the public opinion	Number of visitors to plants	17,690	21,000	31,300	21,200	37,560
	<i>Δ compared to 2017</i>	-	-	-	-	20%
	Participants involved in the A2A school project	na	29,000	34,600	NEW	41,500
	<i>Δ compared to 2017</i>	-	-	-	-	20%

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