



**Illustrative report drafted by the Board of Directors pursuant to art. 125-ter, first paragraph, of Legislative Decree no. 58 of February 24, 1998, as subsequently amended and supplemented, and art. 84-ter of the Regulation adopted by Consob resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented, on the election of the members and chairman to the Board of Directors.**

Dear Shareholders,

With the ordinary Shareholders' Meeting of A2A S.p.A. ("A2A") presently convened for 13 May 2020, with the option of 14 May 2020 as an alternate date, the term of the Board of Directors appointed 15 May 2017 will be ending.

Consequently, you are invited to appoint the members of the Board of Directors and its Chairman and Vice President pursuant to the provisions of Articles 16 and 17 of the A2A Articles of Incorporation and applicable law.

Members of the Board of Directors shall be elected pursuant to submissions of slates of candidates. Pursuant to the Corporate Governance Code for listed companies, the outgoing Board of Directors has expressed, with the advice and consent of the Compensation and Nominations Committee, and bearing in mind the findings of the board-review process for FY2019, an advisory opinion to the Shareholders regarding the size and composition of the Board of Directors for FY2020 - 2022. That opinion is available on Company's website ([www.a2a.eu](http://www.a2a.eu) "Governance" – "Shareholders Meeting" sections).

The incoming Board of Directors shall be made up of twelve (12) members, who shall serve for three financial years. Their terms shall expire at the shareholders meeting convened to approve the financial statements relating to the last financial year of their term. The members of the Board of Directors must meet the character and professionalism requirements contemplated by applicable statute or regulation.

The Board of Directors shall be elected from candidate slates in which candidates are sequentially numbered, and moreover in which at least two candidates appear. Each list shall include enough candidates of the under-represented gender to ensure gender balancing at or above statutory / regulatory levels (i.e. at least 2/5 of all candidates presented, with any non-whole number rounded up). Lists which feature a candidate slate of fewer than three candidates are exempt from this requirement. Lists must include at least two candidates who meet the independence requirements set for Statutory Auditors under art. 148, paragraph 3, of Legislative Decree no. 58 (of 24 February 1998, as subsequently amended and supplemented) and those contemplated under the Corporate Governance Code generated by the Corporate Governance Committee of Borsa Italiana S.p.A.

As recommended by the by the Corporate Governance Code of Listed Companies, the Board of Directors has, furthermore, expressed a strategic opinion regarding the maximum number of non-executive directorships or positions as statutory auditor which would not conflict with a non-executive directorship and/or statutory auditorship with Company. To wit, Company has set such limits as three non-executive directorships and/or statutory auditorships for a listed company, including one's position at A2A S.p.A. The Board of Directors has, moreover, the option to grant a waiver in exceptional or transitory cases, which would allow Company's non-executive directors and statutory auditors in a fourth listed company for a limited period, in accordance with the foregoing strategic opinion.

Only those Shareholders who, either alone or with others, hold at least a 1% stake in share capital with rights to vote in the ordinary shareholders meeting shall have the right to submit a list. Any shareholder, shareholders who have entered into a shareholders agreement deemed material under art. 122 of Legislative Decree no. 58 (of 24 February 1998, as subsequently amended and supplemented), parent company, subsidiaries, and those subject to common control as defined under art. 93 of Legislative Decree no. 58 (of 24 February 1998), and other parties formally affiliated as defined under any applicable law or regulation, may not submit, whether individually or jointly, whether directly or through a strawman or trust company, more than one list, nor may they vote on different lists; any candidate may only appear on one list or be disqualified.

Lists must be submitted by the twenty-fifth day prior to the original date set for the shareholders meeting, and therefore no later than 5 p.m. on 18 April 2020, using one of the following methods: (i) filing at Company's registered office in Brescia at Via Lamarmora 230, or (ii) faxing to +39 02 77208142 (note the filing party and the sender's phone and fax number in the cover sheet), or (iii) emailing [assemblea2020@pec.a2a.eu](mailto:assemblea2020@pec.a2a.eu) (note the filing party and the sender's phone and email in the body of the email). Lists will be posted to a public notice board at the registered office, and to [www.a2a.eu](http://www.a2a.eu), as well as in any other manner contemplated by CONSOB no later than the 21 day prior to the date of the meeting, that is, 22 April 2020. If, as of the date of filing date for the lists only one has been filed, or only lists by affiliated shareholders have been submitted, lists may be submitted until the third day following such date, that is, 21 April 2020 at 5 p.m., and the minimum threshold for list submission shall be reduced by half, i.e. 0.5% of share capital with voting rights in the ordinary shareholders meeting.

The candidate slates must include:

(i) information relating to the identity of shareholders submitting the lists, with a notation of the stake held in the company, without prejudice to the requirement that notice of such ownership may be submitted after the list is filed, provided it is filed by the deadline for the candidate slates to be made public by Company, that is, 22 April 2020;

(ii) a statement by shareholders other than the Municipalities of Brescia and Milan and who, whether individually or jointly, hold a controlling interest or relative majority stake in Company, certifying the absence of any affiliation as required under applicable law or regulation with such entities, and further in compliance with the recommendations made in Consob Communiqué no. DEM/9017893 of 26 February 2009;

(iii) a thorough description of the personal and professional characteristics of the candidates, as well as affidavits through which the individual candidates that they meet all character, professionalism, and independence criteria as set by law, and that they agree to accept the position if elected.

Any list failing to abide by the foregoing rules shall be deemed void.

Therefore, we invite you to pass all due resolutions regarding the election of the Board of Directors and the Chairman and Vice President of the same, choosing from amongst those slates of candidates submitted and published in accordance with Company Articles and all statutory / regulatory provisions.