

## LETTER TO SHAREHOLDERS

Dear Shareholders,

The year ended 31 December 2020 was made historic year by the spread of a pandemic that has not only overwhelmed the whole of the human race in terms of health, but has unbalanced much that was thought to be unshakeable.

Our company faced the crisis with an extraordinary response which deserves to be read beyond the numbers represented here, but which are also an expression of the commitment made. This effort, combined with our financial strength and the strength of our operating businesses allowed us, despite the situation, to achieve results that grew compared to the previous year.

The considerable increase in EBITDA is mainly attributable to the positive performance of the regulated activities of water and electricity distribution. This demonstrates the effectiveness of a strategy aimed at achieving sustainability objectives that combines economic growth and value creation. In fact, the experience of this past year highlights how essential sustainability is for a new development model on a global level and how crucial the role of utilities is to enable this evolution and to relaunch the economy in our country.

Once again Acea has outlined its sustainable growth plan in the new 2020-2024 Business Plan, which shows, in presenting substantial aspects of continuity with respect to the previous plan, notable elements of change, especially with regard to the significant growth in the production of electricity from renewable sources, particularly in regard to the photovoltaic sector, and activities carried out in view of smart city concepts, to contribute to the energy transition and decarbonisation in an increasingly pronounced way.

Therefore, the position of the Group as an operator with a strong industrial vocation has been further consolidated and the desire to make major investments has been strengthened that, while maintaining the robustness of the financial structure, have a positive impact on the Group's operating and economic performance.

Additionally, the constant drive towards innovation should be highlighted, with further investments in digitisation and the creation of intelligent management systems for grids and services.

At the same time, the commitment to protect water resources and to prevent and mitigate the effects of climate change continues, together with infrastructural growth in the waste treatment sector and in the circular economy, expanding know-how in asset management and bringing value through the application of new technologies.

Precisely by virtue of the role performed in these essential sectors, Acea worked from the earliest evidence that COVID-19 was spreading, to define and implement all the measures necessary to guarantee the continuity and quality of service, while at the same time adopting prevention protocols for the safety of its people working in the territory, in the plants, in the offices and in branches open to the public, and taking care to also protect customers, users, suppliers and in general anyone who had access to the Group locations.

The forecast for 2021 is for even more growth, even though it is still a complex scenario. The success of the Green Bond placement last January confirms that sustainability is a structural factor that guides strategic business choices and operational management, with a view to consolidation and strengthening through new opportunities for positioning the Group in the sectors of reference.

Thank you to everyone who dedicated their time not only to achieving these results, but also for having contributed to making Acea a company that is reliable and worthy of its customers' and stakeholders' trust. By talking and listening to us, our customers and stakeholders have seen a distinctive element in our company that we trust will continue to grow over time.

Chairperson  
Michaela Castelli

Managing Director  
Giuseppe Gola