



aceia

Investor Presentation

Borsa Italiana

“Italian Sustainability Week”

5-7 September 2022



ACEA GROUP



2021 RESULTS



BUSINESS PLAN 2020-2024



BUSINESS LINE HIGHLIGHTS



BUSINESS PLAN 2020-2024 KEY TARGETS



ACEA GROUP



2021 RESULTS



BUSINESS PLAN 2020-2024



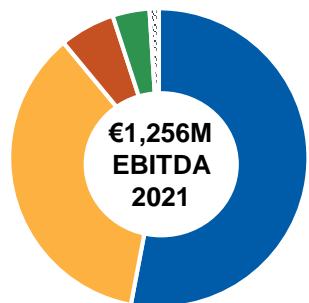
BUSINESS LINE HIGHLIGHTS



BUSINESS PLAN 2020-2024 KEY TARGETS

Acea is a leading multi-utility player in the Italian market*

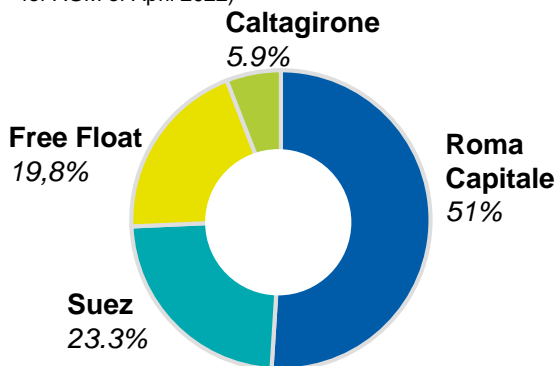
2021 EBITDA



82% regulated

Ownership structure

(Source: based on proof of share ownership filed for AGM of April 2022)



Water

Leader
in the water
supply sector in
Italy

With **more than 9 M customers**
in Lazio,
Toscana,
Umbria, Molise
and Campania



Energy Infrastructure

Leading
Italian player in
the electricity
distribution
market

With **more than 9 TWh**
of distributed
electricity



Commercial & Trading

One of the main
players in the
Italian energy
market

With **more than 8 TWh**
of electricity sold



Environment

One of the main
players in
the Italian waste
treatment sector

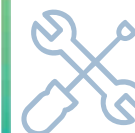
With **more than 1.7 M tons**
of treated /
disposed waste



Power generation

Green player
in power
generation in Italy

With **300 MW**
of installed
capacity¹



Engineering and services

Business line
offering
technical services to
the Group

With **~ 450k** tests
of drinking water
>193k tests of
waste water



Gas distribution

Entry in the gas distribution
business with **~127k**
redelivery points



Growth

Growth driven by regulated businesses, with **significant investment** in RAB...

6.7%
EBITDA CAGR
2019-24

5.9 B€
2024 RAB



Renewables

...also supported by **investments in RES**, both industrial scale and consumer

747 MW
Installed PV capacity
in 2024

~1000
Domestic PV plants in
2024



Innovation

...together with investments for **new innovative services** (VAS)

0.6 B€
Innovation capex
2020-24

2200+
EV charging stations
in 2024



Delivery

...proving a consistent track record of **outperforming business plan targets**

+9.8%
EBITDA CAGR
2019 - 2021

4.7 B€
Capex and M&A
2020-24



Sustainability

...with strong focus on **environmental impact** and **circular economy**

-11 pp
Water losses
in 2024

150+
«Smart Comp»
composters in 2024

Acea as a leading player in infrastructure and sustainability

More than 2B€ related to specific sustainability targets with highest relevance and priority to the Group

SUSTAINABILITY

Sustainable Development Goals (SDGs)



Related to investments in sustainability


























Acea sustainability rating

 A- Leadership	 EE Positive  (July 2022)	 82/100  (Jan. 2022)
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CAPEX related to sustainability targets | M€, 2020-2024

2.1B€ of investments related to sustainability targets over the plan (+400M€¹ vs. previous Business Plan):

-  **263** water losses reduction
-    **220** resiliency of Rome aqueduct system
-     **127** efficiency of purification system
-  **234** installation of smart meters for water and electricity
-     **492** resiliency and efficiency of electric grids
-   **58** infrastructure modernization and remote mgmt.
-   **445²** circular economy treatment of waste
-    **29** e-mobility infrastructure
-    **212** increase of green energy generation

¹ +180M€ related to the installation of smart water and electric meters, +120M€ related to efficiency and resiliency of electric grids, +100M€ to improve the efficiency of the purification system;

² Includes 206M€ of M&A capex



ACEA GROUP



2021 RESULTS



BUSINESS PLAN 2020-2024



BUSINESS LINE HIGHLIGHTS



BUSINESS PLAN 2020-2024 KEY TARGETS

Performance and delivery

SOLID, EFFECTIVE AND SUSTAINABLE STRATEGY

**SUSTAINABLE
DEVELOPMENT ACROSS ALL
AREAS OF BUSINESS**



**POSITIVE TREND FOR ALL
KEY PERFORMANCE
INDICATORS**

EBITDA

€1,256M +9%

INITIAL GUIDANCE : +6%/+8%
REVISED GUIDANCE: >+8%

NET PROFIT

€313M +10%

VALUE CREATION FOR
SHAREHOLDERS AND
TERRITORIES

CAPEX

€931M* +5%

SELECTIVE
ACCELERATION OF
INVESTMENTS

NET DEBT

€3,977M +13%

GUIDANCE FOR 2021:
€3.85/3.95BN

LEVERAGE

**NET DEBT/
EBITDA
3.17x**

**NET DEBT/
RAB
0.71x**

DPS

€0.85 +6.3%

EBITDA GUIDANCE FOR 2022 RAISED

**EBITDA
+4%/+6%
VERSUS 2021**
(previously +2%/+4%)



**CAPEX
BROADLY IN LINE
WITH 2021**

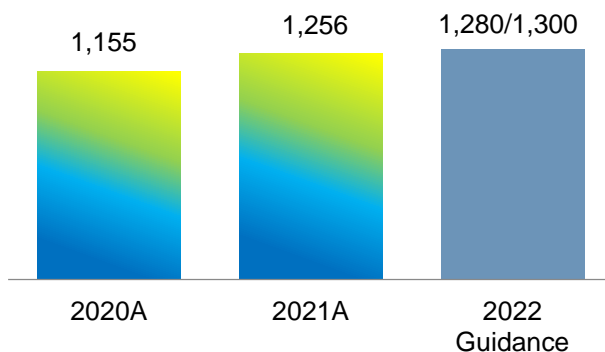


**NET DEBT
€4.2/4.3BN**

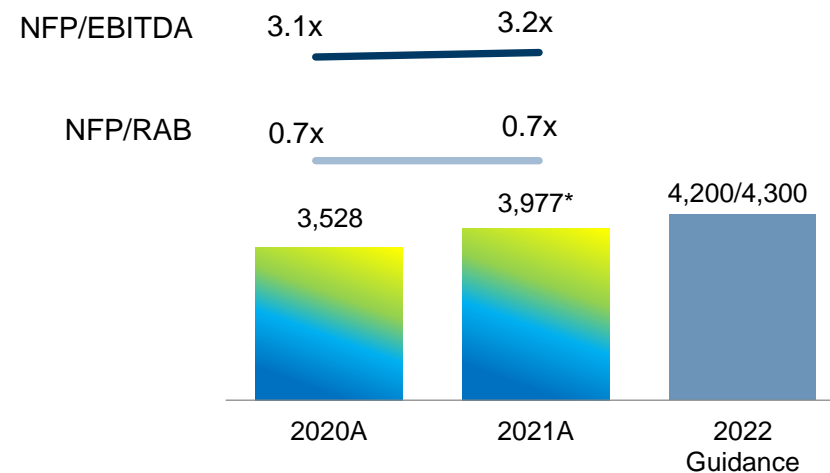


Key financials

EBITDA | M€



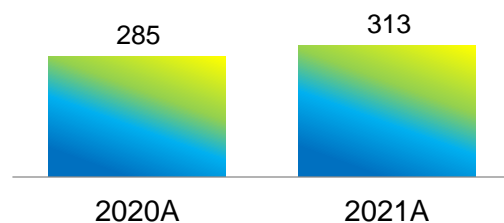
NFP | M€



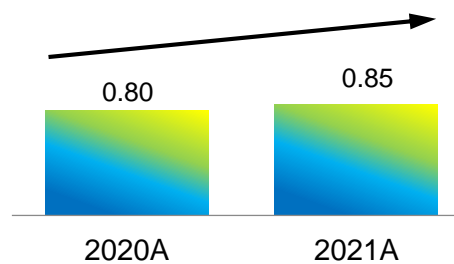
RAB | B€

	2021	2020
Water¹	3.1[^]	2.5
ATO2	2.2	1.7
ATO5	0.2	0.1
SII TERNI	0.1	0.1
AdF	0.3	0.2
GORI	0.3	0.3
ARETI	2.5	2.3
Electricity distribution	2.3	2.1
Measurement	0.2	0.2

Net Income | M€



Dividend per share | € / share



2022 GUIDANCE

EBITDA +4%/+6% versus 2021= €1,256M
 CAPEX broadly in line with 2021= €931M
 NET DEBT: €4.2B/€4.3B

Results 2021

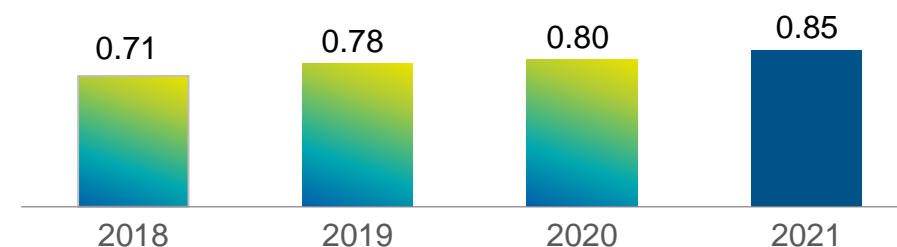
KEY FINANCIAL HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% CHANGE (A/B)
CONSOLIDATED REVENUE	3,972.0	3,378.9	+17.6%
EBITDA	1,256.1	1,155.5	+8.7%
EBIT	581.1	535.0	+8.6%
GROUP NET PROFIT	313.3	284.9	+10.0%
DIVIDEND PER SHARE	0.85	0.80	+6.3%
CAPEX	931*	886*	+5.1%

(€M)	31 Dec 2021 (A)	30 Sept 2021 (B)	31 Dec 2020 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	3,977.2	3,998.3	3,528.0	-0.5%	+12.7%
NET DEBT (ESMA)	3,988.4		3,552.0		+12.3%

STRONG PROFITABILITY AND OPTIMAL CASH FLOW MANAGEMENT

EVOLUTION OF DPS (€)



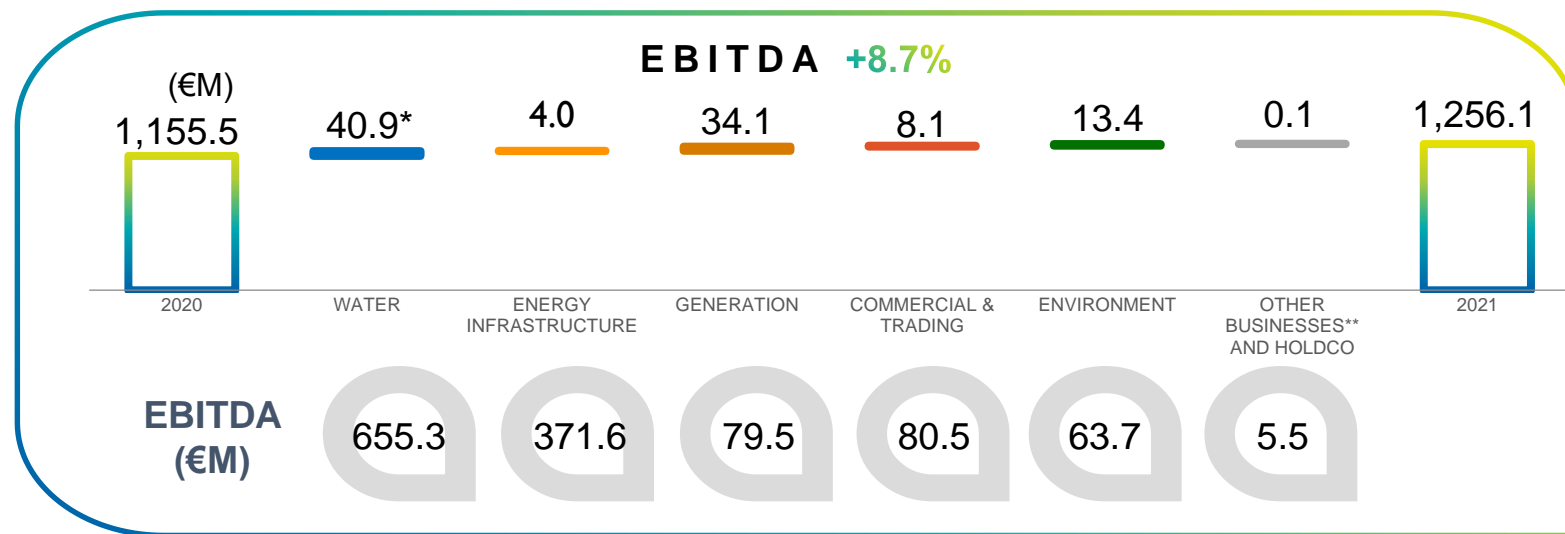
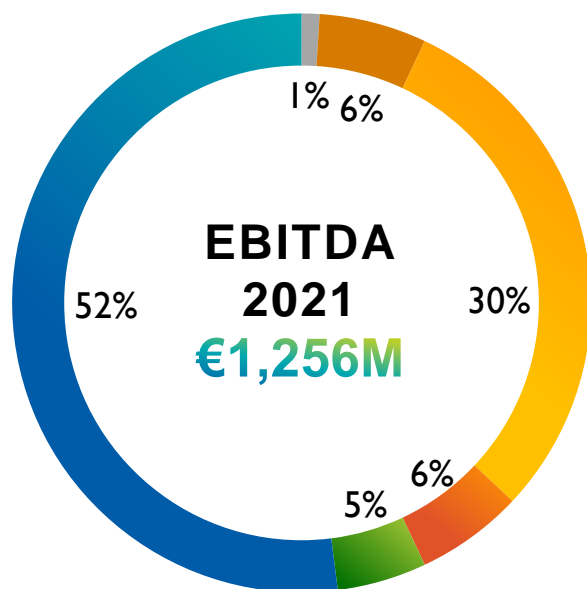
PAY OUT ¹
~58 %

DIVIDEND YIELD ²
5.1%

* Net of investments linked to assets to be deconsolidated (photovoltaic) and grant-funded investments

¹ Based on consolidated net profit after non-controlling interests

² Based on the share price at 11 March 2022.



- WATER
- ENERGY INFRASTRUCTURE
- ENVIRONMENT
- GENERATION
- COMMERCIAL & TRADING
- OTHER BUSINESSES** AND HOLDCO

CHANGE IN SCOPE OF CONSOLIDATION

EBITDA (€M)	Change
SII TERNI	+11.6
ADISTRIBUZIONE GAS [^]	+3.1
FERROCART/CAVALLARI	+2.8
SIMAM	+3.0
MEG	+0.5
DECO/ECOLOGICA SANGRO	+1.1
PHOTOVOLTAIC	+2.8
ACEA AND LIMA NORTE CONSORTIUM	+1.0
TOTAL	+25.9

GROWTH ON COMPARABLE PERIMETER

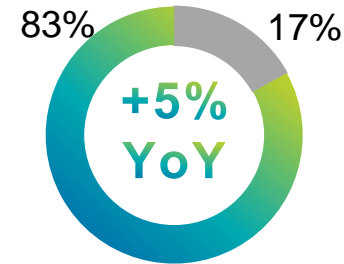
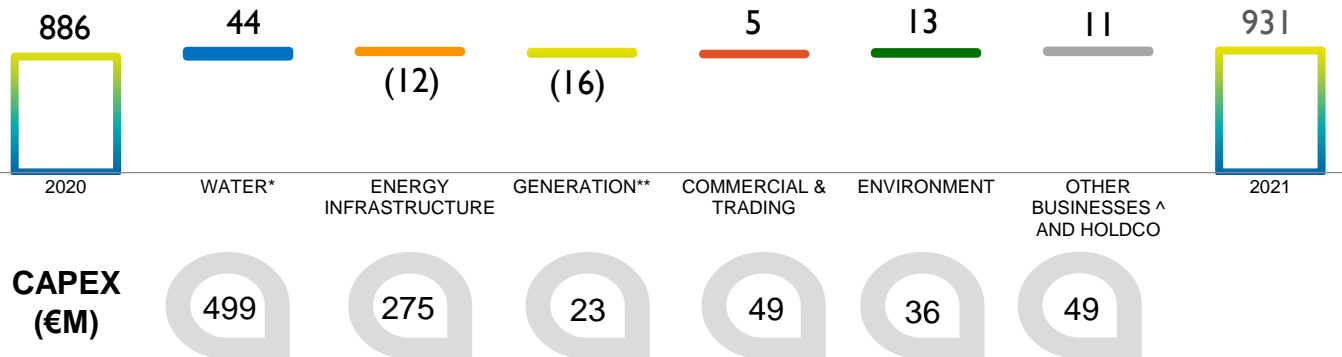
EBITDA
+6.5%

* Line-by-line consolidation of SII Terni

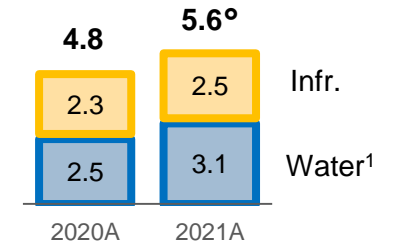
** Overseas, Engineering & Services

[^] Resulting from the merger of Pescara Distribuzione Gas with Alto Sangro Distribuzione Gas

CAPEX (€M)



RAB (€B)



WATER

- REPAIR AND EXPANSION OF WATER AND SEWER PIPES
- EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS
- WORK ON TREATMENT PLANTS
- CHANGE IN SCOPE OF CONSOLIDATION (SII TERNI €8.3M ADISTRIBUZIONE GAS €2.5M)



ENERGY INFRASTRUCTURE

- UPGRADE OF THE GRID
- "RESILIENCE" PLAN WITH WORK ON SECONDARY SUBSTATIONS AND THE MV AND LV NETWORK
- INSTALLATION OF 2G METERS



GENERATION

- EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS
- CONSTRUCTION OF PHOTOVOLTAIC PLANTS



COMMERCIAL & TRADING

- CUSTOMER ACQUISITION
- E-MOBILITY PROJECTS



ENVIRONMENT

- WORK ON ORVIETO LANDFILL
- WORK ON SAN VITTORE PLANT
- REVAMPING OF APRILIA COMPOSTING PLANT
- CHANGE IN SCOPE OF CONSOLIDATION (FERROCART/CAVALLAR I, MEG AND DECO €2.0M)
- BERG: CONSTRUCTION OF A CONCENTRATOR



OTHER

- OVERSEAS: INCREASED INVESTMENT AT THE ACEA LIMA NORTE AND ACEA LIMA SUR CONSORTIA
- ENGINEERING AND SERVICES: CONSOLIDATION OF SIMAM
- HOLDCO: IT PROJECTS

* Net of grant-funded investment (€22.8M)

** Net of investment linked to assets to be deconsolidated (photovoltaic, €16.0M)

^ Overseas, Engineering & Services

¹ Water RAB value does not consider RAB of sub-consolidated companies

^o RAB "accounting" which includes capex until 2021

Key ESG Highlights

ACEA: SUSTAINABILITY AT THE HEART OF OUR STRATEGIC DECISIONS AND OUR OPERATIONS

SUSTAINABILITY

- ✓ ACEA HAS COMMITTED TO SET NEAR-TERM COMPANY-WIDE EMISSION REDUCTIONS IN LINE WITH CLIMATE SCIENCE WITH THE SBTI (July 2022)
- ✓ FIRST CLIMATE DISCLOSURE REPORT PUBLISHED, IN AGREEMENT WITH RECOMMENDATIONS FROM TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES – TCFD (June 2022)

WATER



-8% reduction of volume of water losses vs. 2020;

Water loss in Rome is 28.6%

152 K tons of sludge produced (ATO2, ATO5, Gori, Gesesa, Adf) of which 67% recovered (44% in 2020)

ENERGY INFRASTRUCTURE



316 k smart meters installed in 2021

201,000 lighting points managed in Rome, 92% using LED lamps

GENERATION



70% energy produced from renewable sources out of total of 1 TWh

EQUIVALENT TO:

220,000 tons of CO2 saved

Synergies and circular economy between Roma South treatment plant and Tor di Valle power station

ENVIRONMENT



407 k tons of waste treated as WTE

356 GWh electricity produced from WTE

COMMERCIAL & TRADING



100% green electricity and gas “eco” offers

2,300 GWh «green – G.O.» energy sold on free market (+92%), 38% of total

152 tons of paper saved thanks to digital billing

15,786 energy prosumers (+8%)

SOCIAL & GOVERNANCE

SUPPORTERS OF UNITED NATIONS GLOBAL COMPACT SINCE 2007: HUMAN RIGHTS, LABOUR, ENVIRONMENT, ANTI-CORRUPTION

CUSTOMERS AND COMMUNITIES



Over **1.4m** ELECTRICITY and GAS CUSTOMERS



Over **1.6m** energy delivery points



Approximately **2.7m** WATER USERS in Italy (serving approx. 9 million inhabitants)



- **ACEA VACCINATION HUB**
140,000 Covid-19 vaccines administered



- **131 WATER KIOSKS**
30 million litres distributed
601 tons of plastic saved each year
1,580 tons of CO2 avoided



- **“SOCIAL BONUS” DISCOUNTS** to help support financially distressed customers with both their electricity/gas and water bills, with savings of €8.8m and €2.4m, respectively

SUPPLIERS



- **80% OF QUALIFIED SUPPLIERS** have completed a self-assessment questionnaire on aspects relating to sustainability; further rollout of Ecovadis rating
- **15,444 INSPECTIONS OF WORK SITES** conducted

SHAREHOLDERS AND CAPITAL PROVIDERS



- **SHARE PRICE GREW 9% IN 2021**



- **FIRST GREEN BOND** of €900m issued in January 2021



- **€200m “SUSTAINABILITY RATING LINKED” REVOLVING CREDIT FACILITY**, with a tenor of 3 years, linked to two ESG rating targets issued by Standard Ethics and EticaNews. **(August 2022)**



- **40%** of INSTITUTIONAL INVESTORS in Acea are “SUSTAINABLE”

SOCIAL & GOVERNANCE

GOVERNANCE FRAMEWORK THAT IS ALIGNED WITH THE BEST PRACTICES RECOMMENDED IN THE CORPORATE GOVERNANCE CODE

BOARD OF DIRECTORS AND COMMITTEES



- **BOARD ESTABLISHES THE GROUP'S STRATEGIC GUIDELINES**
Elected in May 2020, in office for three years and re-electable
Consists of 9 members of which **4 are women** (44.4%)
- Audit and Risk Committee
- Nominations and Remuneration Committee
- Ethics and Sustainability Committee

REMUNERATION POLICY



- A significant part of remuneration of **DIRECTORS** and **EXECUTIVES** is linked to the Company's **OPERATING RESULTS** and to specific **PERFORMANCE TARGETS**
- 10% of **SHORT AND MEDIUM/LONG-TERM REMUNERATION** linked to **QUANTITATIVE SUSTAINABILITY GOALS**

PERSONNEL



- **QUALITY EMPLOYMENT:**
 - 98% of employees on permanent contracts
 - 335 new hirings in 2021, 84% on permanent contracts; 39% aged under 30.
 - Workforce composition: 60% admin. staff; 31% operational personnel; 8% middle managers; 1% executives
 - Women employed: 1,528 (+28% on 2020), equal to 24% of total workforce
- **~170 THOUSAND HOURS** of training provided



- **CERTIFICATION** as «**Top Employers Italia 2022**» (Jan 2022)



- **DIVERSITY & INCLUSION PLAN**
Diversity & Inclusion Plan 2021-2022 defined



- **BIOSAFETY TRUST CERTIFICATION**
For the prevention and control of infections

Key ESG Highlights

ACEA: CREATING ECONOMIC, SOCIAL, CULTURAL AND ENVIRONMENTAL VALUE IN THE REFERENCE TERRITORIES

SUSTAINABILITY RATINGS

Improved/confirmed analysts' rankings, ratings and benchmarks



CONFIRMED «A-», LEADERSHIP

CDP: an international organisation that runs a global disclosure system for managing the risks and impacts linked to climate change



«EE» rating, Outlook raised to «POSITIVE» in July 2022

In June 2021, Standard Ethics announced the launch of the SE Mid Italian Index, made up of a basket of 20 mid-caps listed on the Italian Stock Exchange, including Acea



IMPROVED TO 82/100

Acea's score has improved for the fourth year running. The agency scores companies based on 75 indicators and 4 areas of assessment (environment, social, governance and stakeholder relations)



IMPROVED TO 80.67

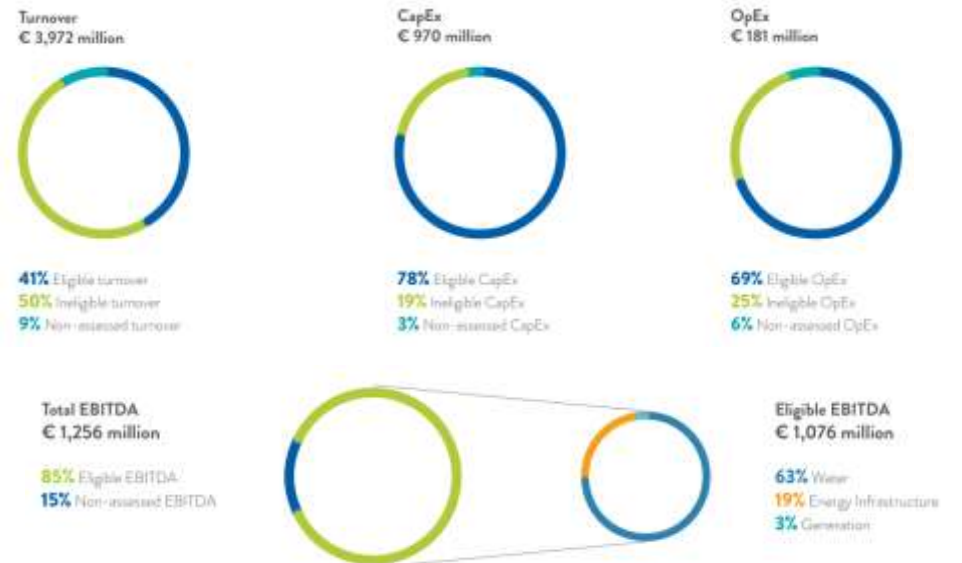
Acea's inclusion in the Bloomberg GEI has been confirmed for the third year running

TAXONOMY: ELIGIBILITY ASSESSMENT

27 ELIGIBLE ACTIVITIES that can contribute to efforts to achieve climate goals:

- 22 relating to mitigation and adaptation
- 4 relating to mitigation
- 1 relating to adaptation

At 31 December 2021: eligible shares of turnover, capex, opex and EBITDA





ACEA GROUP



2021 RESULTS



BUSINESS PLAN 2020-2024



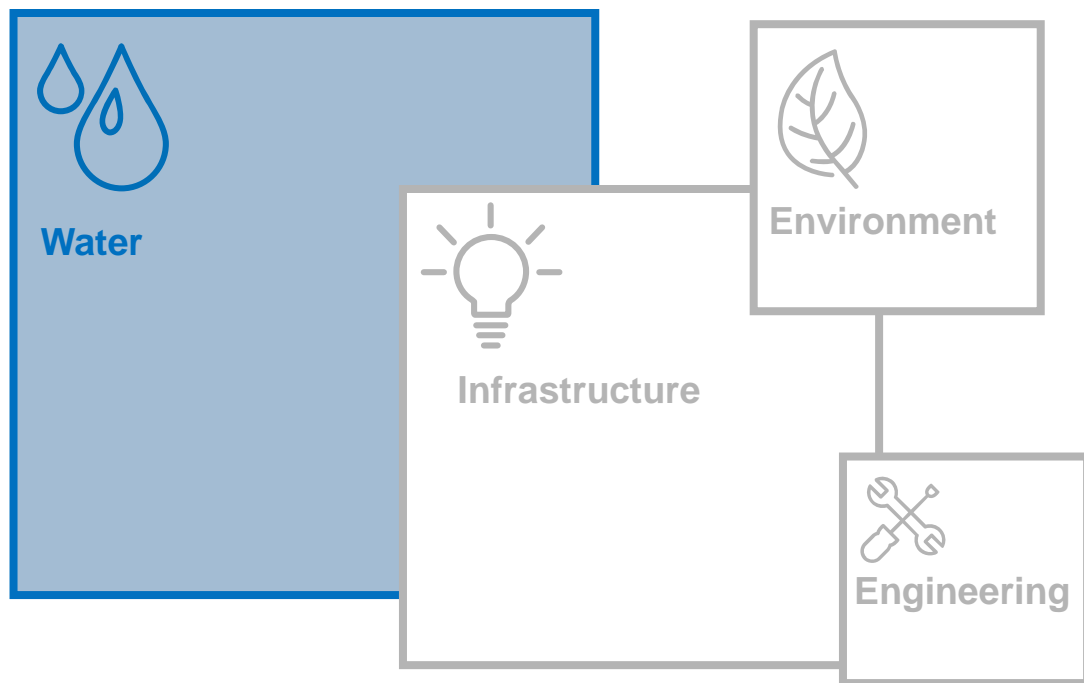
BUSINESS LINE HIGHLIGHTS



BUSINESS PLAN 2020-2024 KEY TARGETS

Agenda

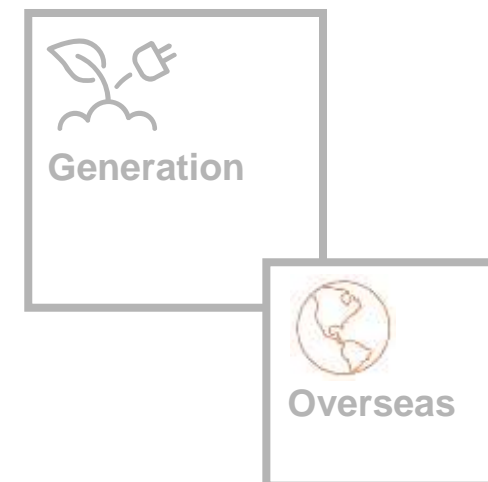
Operations



Commercial



Generation / overseas



Development of a **Smart Water Company** for the **sustainability** of the water resource through improved **quality** and **efficiency**

Expansion through **tenders** in new territories



Smart water meters installation plan and projects for **grids' districtualization**

+500k

Smart meters installed



On-going pursuit of **water resource protection** and **losses reduction**

-11 pp

water losses¹



Rationalization of small **water purification plants**

36

Rationalized plants



Grids' **performance optimization** through **Water Management System**

-15 pp

Failures incidence



Ensuring **water supply continuity** through the **doubling of Peschiera and Marcio** aqueducts

170 M€

CAPEX



SII Terni full consolidation (32 municipalities in the Province of Terni; November 2020)

>220K

CLIENTS SERVED



The **Consortium** established by **ACEA, Ascopiave** and **Iren** won bid for **gas distribution assets of A2A**

The assets of interest to ACEA consist of **concessions in 5 ATEM**, including 2 in Abruzzo, 2 in Molise and 1 in Campania.

• EV: €35.8M

Closing: April 2022

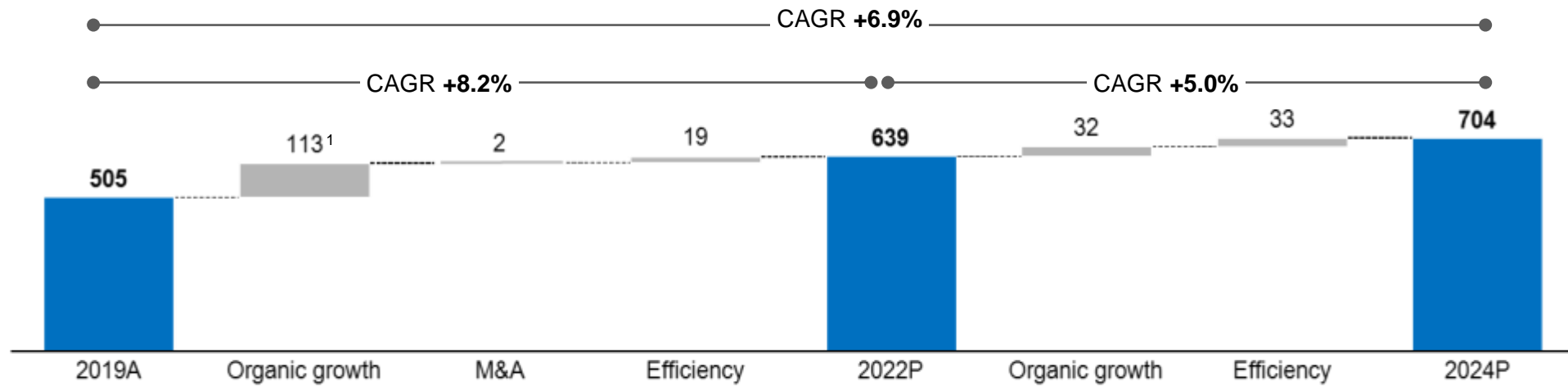
30,700

POINTS OF REDELIVERY

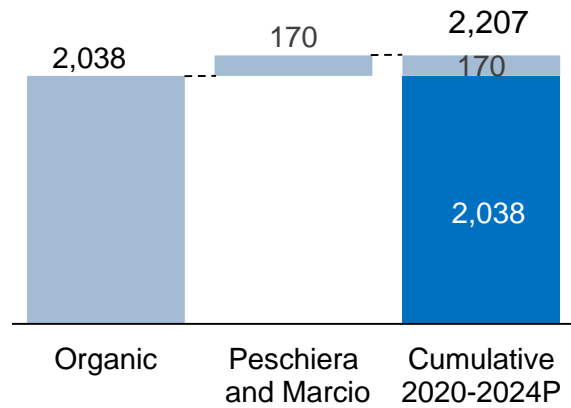


ACEA and NTT DATA presented "**Waidy® Management System (WMS)**", the cloud native solution for the protection of water resources. (June 2022)

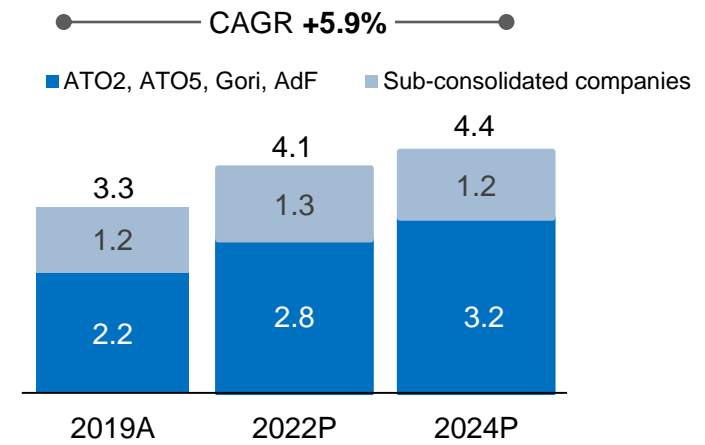
EBITDA, M€



CAPEX, M€

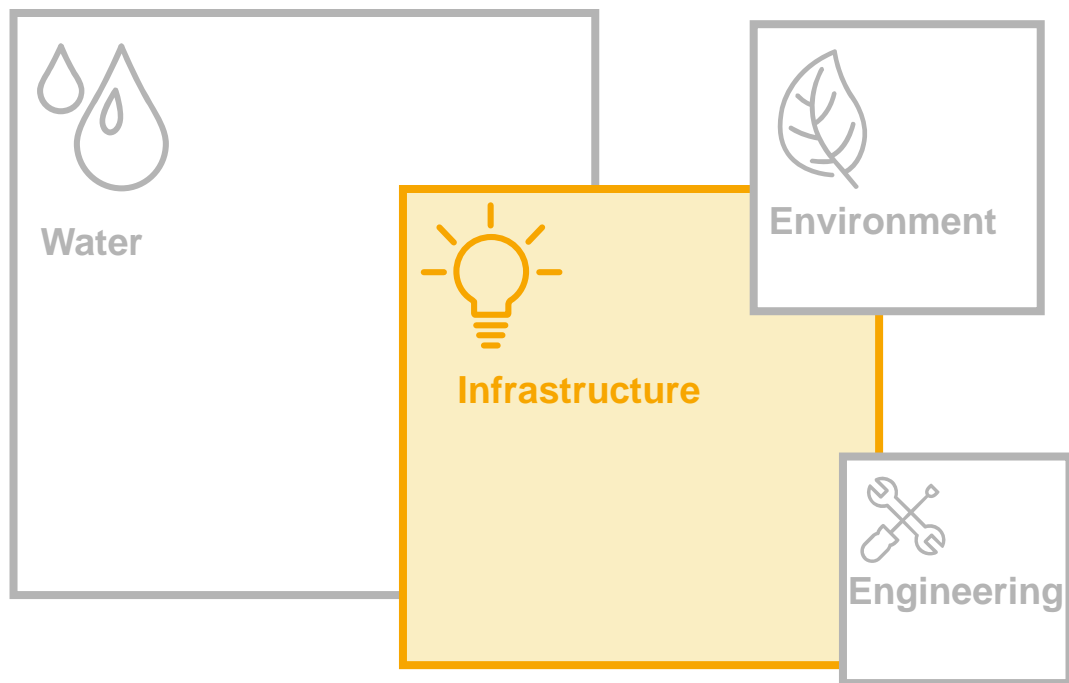


RAB, B€



Notes: Key financial also include numbers from the gas distribution business;
¹ ~50 M€ related to the changes in the consolidation perimeter of AdF

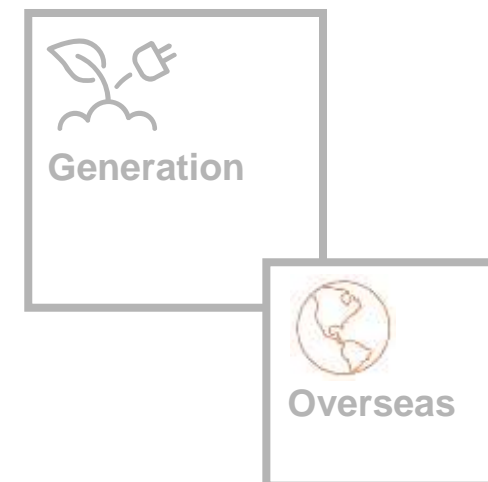
Operations



Commercial



Generation / overseas





A leading player in the **energy transition** process through projects aimed at **increasing electrification** and integration of the distributed generation



Investments in grids' resiliency with upgrades on **specific cabins** rewarded with a premium vs. the reference WACC

145+ M€
CAPEX



Digitalization through remote control and **IoT solutions** on private and public grids

60%+
MV/LV cabins



Development work on grids to reflect new regulation on **service continuity** (penalty suspension recognized)

155+ M€
CAPEX



Installation of **2G smart meters**

1.3 M
installed meters
at 2024



New **Control center** for grids' management

13+ M€
CAPEX

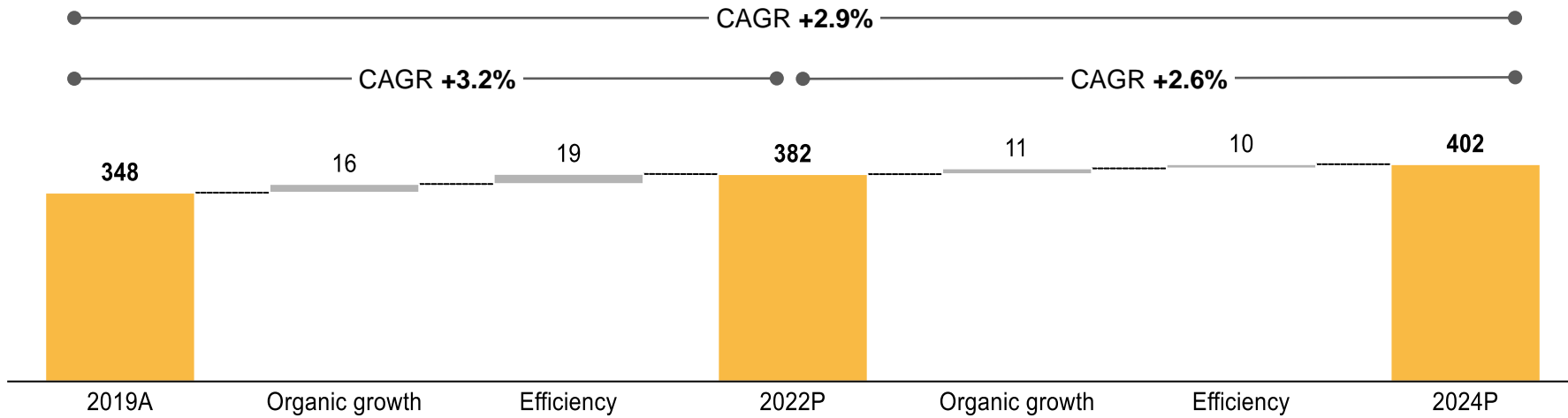
Areti and RSE-Ricerca Sistema Energetico have renewed their partnership agreement for grid modernisation, in line with the decarbonisation goals set in the 2030 Agenda. (March 2022)

Energy Infrastructure

KEY FINANCIALS



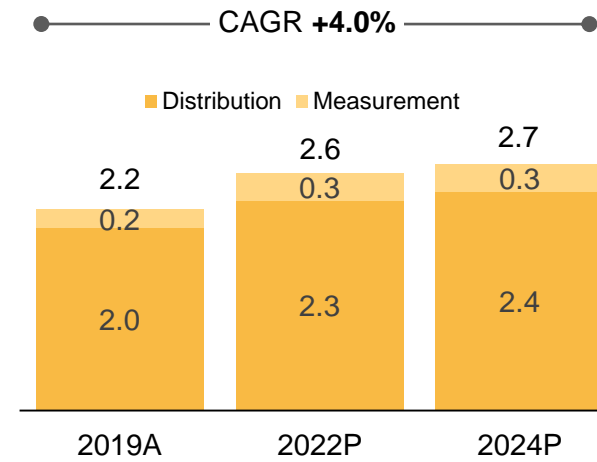
EBITDA, M€



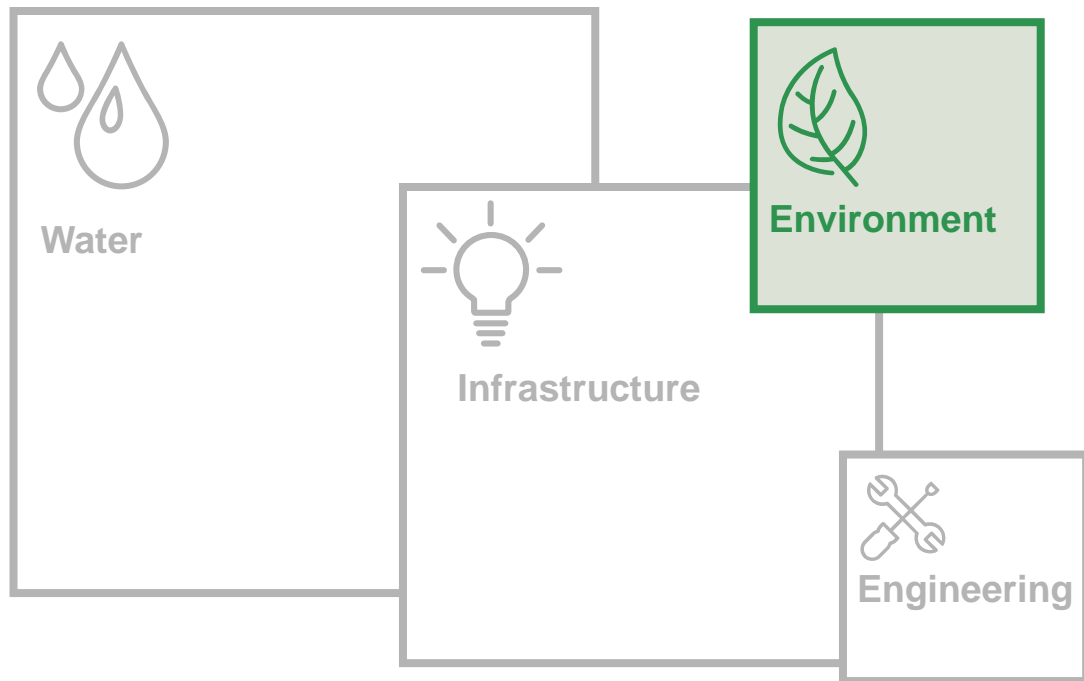
CAPEX, M€



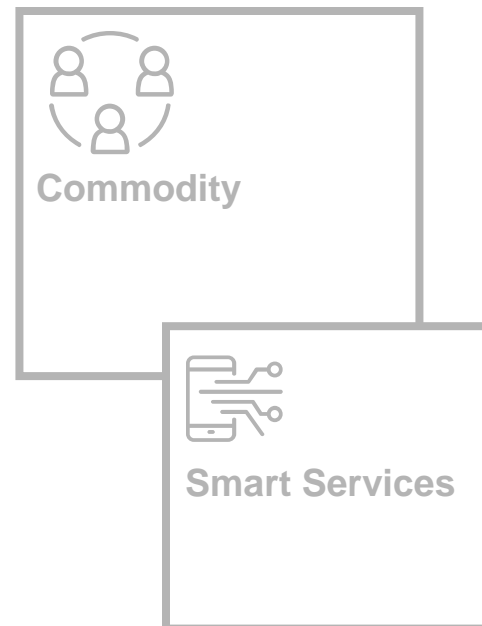
RAB, B€



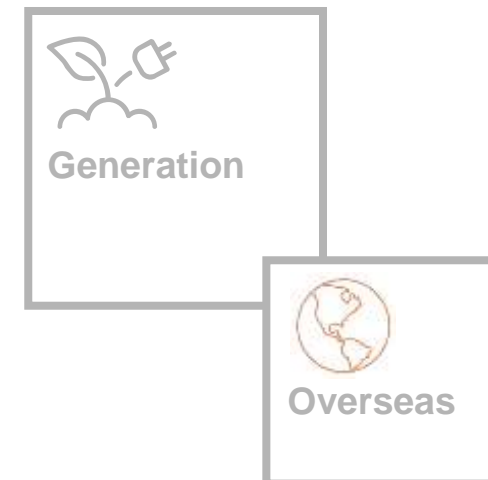
Operations



Commercial



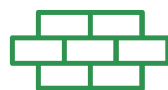
Generation / overseas





Market consolidation towards **circular economy** also with a «**one-stop-shop**» approach

Acceleration to **close the waste loop** in Central Italy



«**Core business**» consolidation in energy recovery (WtE), disposal of non-separated waste, and disposal / treatment of organic waste

+0.5 Mt/y
added capacity at
2024



Strengthening of the **Waste-to-Material (WtM)** chain with **circular economy approach** (e.g. plastic, paper, ...)

+0.6 Mt/y
added capacity at
2024



Further development of the **special waste segment** promoting synergies with Water (e.g. sludge) and WtE (e.g. ashes) segments

+0.5 Mt/a
added capacity at
2024



Value creation from the **post-merger integration** of acquired companies and **development of industrial synergies** through operating model commissioning and control systems integration

15+
acquired plants at
2024



Agreement for the **acquisition of a 70% stake in Serplast (Abruzzo) and a 60% stake in Meg (Veneto)**, companies operating in the plastic recycling sector. EV (100%): €12M

- EBITDA 2021E: €3M
- EV/EBITDA: ~4x
- Volumes treated: ~70,000 Tonnes/year

This acquisition marks a further expansion of ACEA's plastic waste treatment capability, with the entry into a new sector, recycling, which is expected to deliver strong growth in the coming years.

Closing for Meg: October 2021 - Closing for Serplast: February 2022



Agreement for the **acquisition of a 65% stake in Deco (Abruzzo)**, company that operates in the designing, building and operating facilities used in the treatment, disposal and recovery of solid urban waste.

- EV (100%): €68M
- EBITDA 2020: €11M
- EV/EBITDA: 6,2x
- Volumes treated (authorized): ~270,000 Tonnes/year

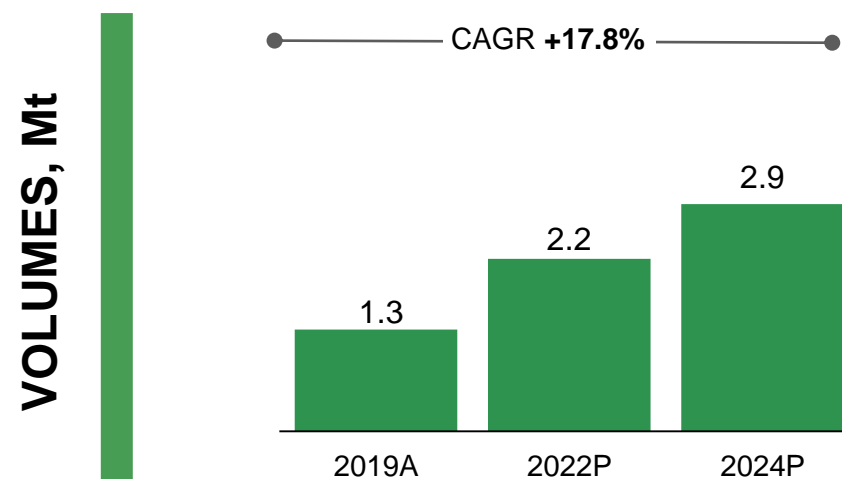
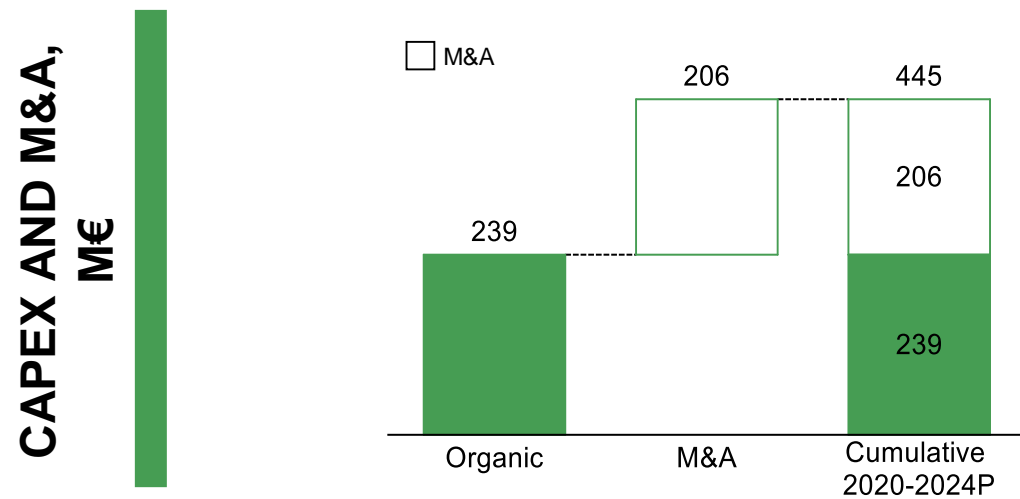
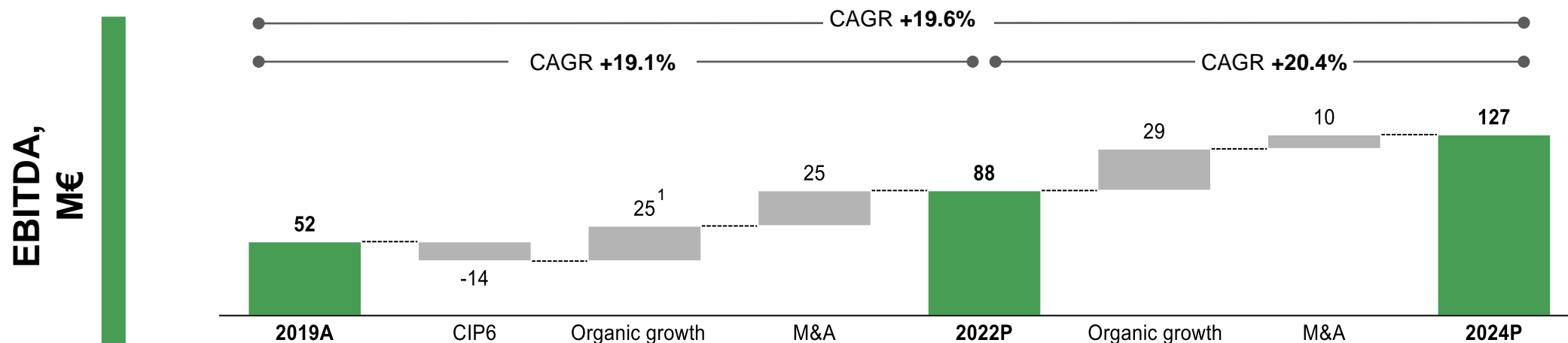
The transaction enables ACEA to further consolidate its extensive presence in Central Italy - **Closing: November 2021**



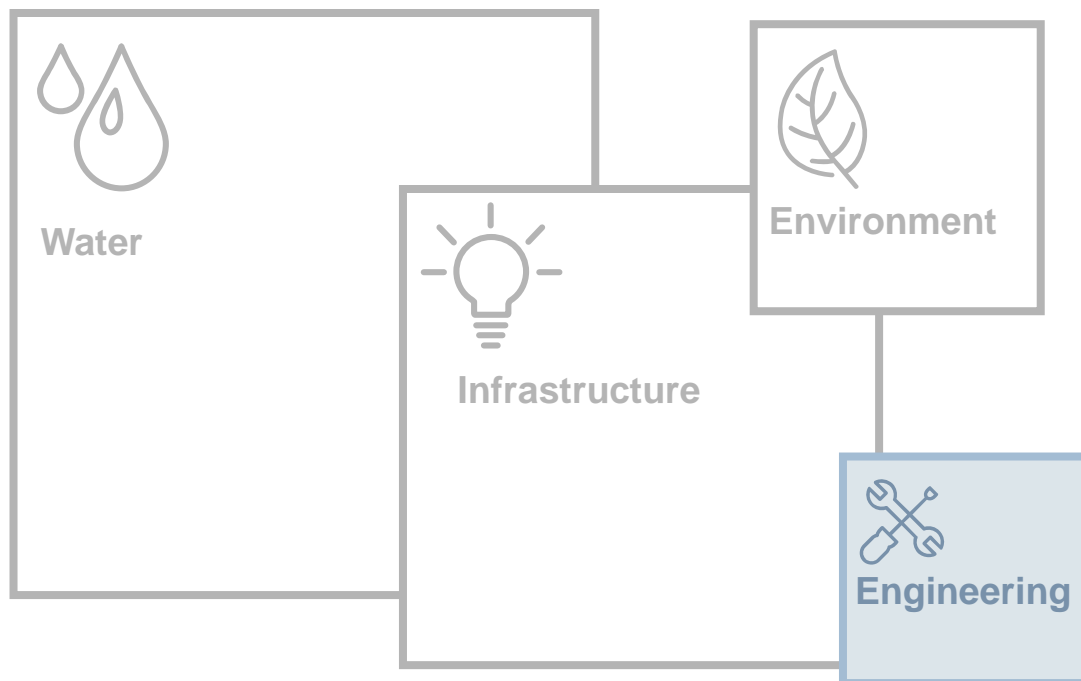
Acquisition the business unit “Polo Cirsu” in Abruzzo, bid totalling €19.1m. (June 2022)

The business unit consists of: “Grasciano1” landfill; “Grasciano2” landfill (consisting of an initial lot of 234k mc and a second lot to be constructed with authorised capacity of 246k mc); recycling and composting plant; platform for the recovery of separated waste and durable goods.

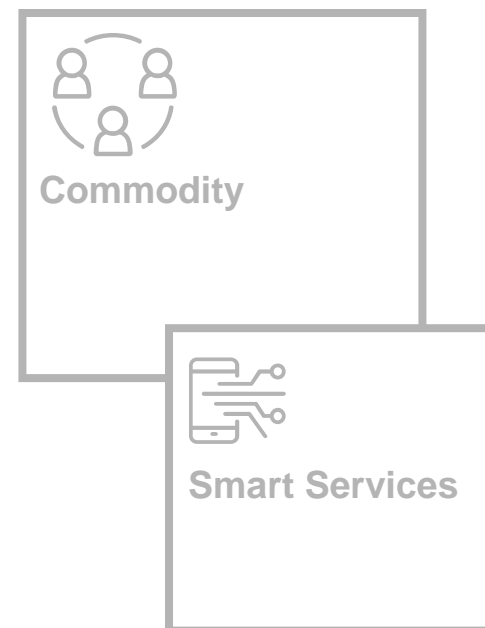




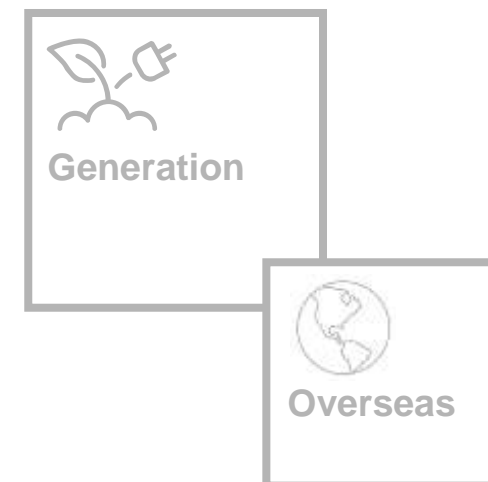
Operations



Commercial

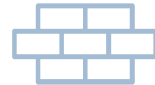


Generation / overseas





Development of a **building oriented company** tasked with turnkey management of **construction and engineering** activities



Integration of the acquisition of **SIMAM** and focus on core **engineering activities**

+10 M€
2024 EBITDA



Construction of plants through **internalization of construction activities** with an EPC view

+440 M€
realized plants at
2024



Performance improvement to reduce unitary costs related to SII

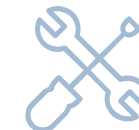
+20%
general contractor
margin insourcing



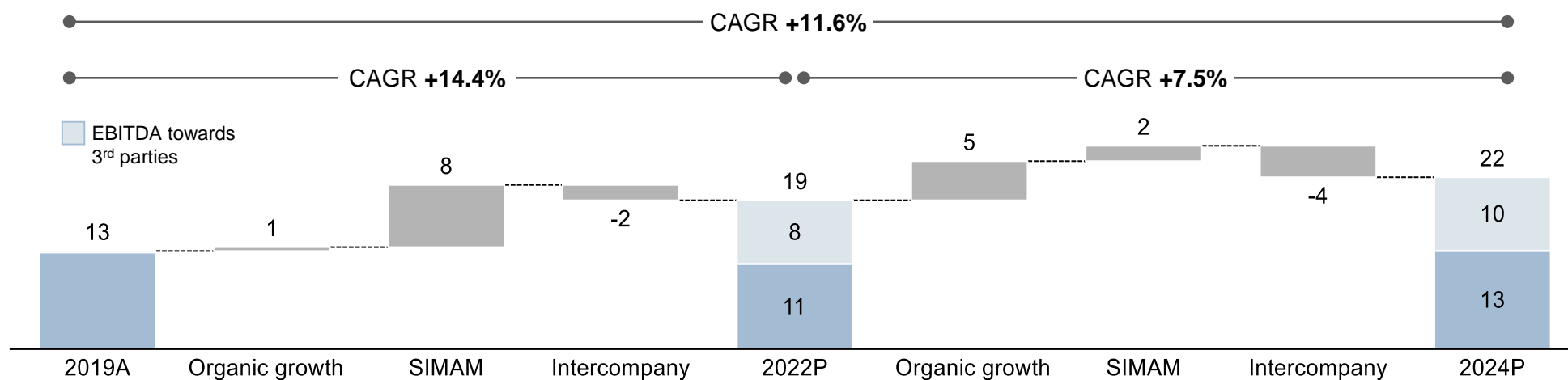
End-to-end management of investment with reduction of execution time and strengthening of **laboratory activities**



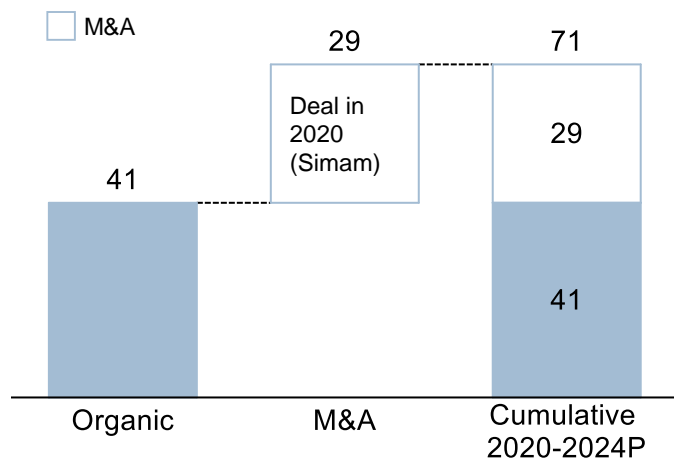
Development of a **commercial unit** to support growth and of a **research center**



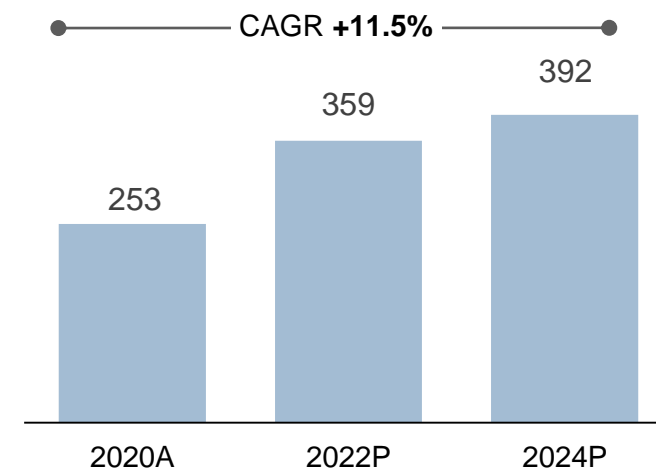
EBITDA,
M€



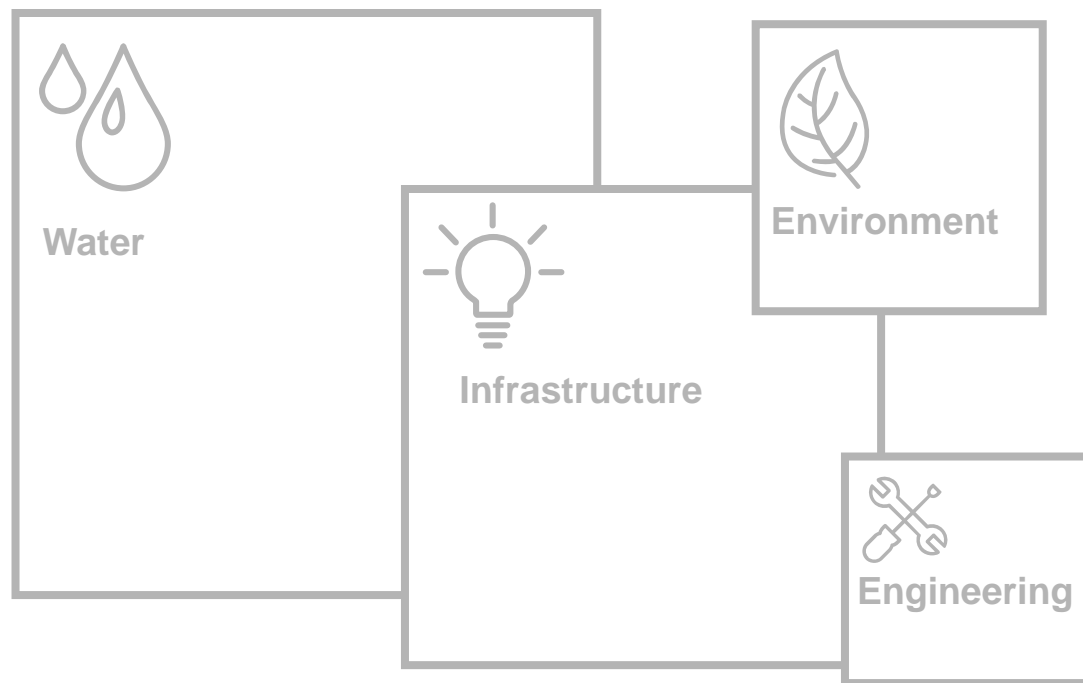
CAPEX AND M&A,
M€



REVENUES
EPC/FTE, K€



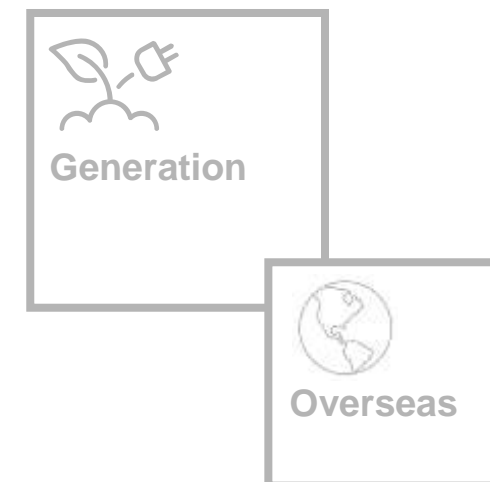
Operations



Commercial



Generation / overseas





Commercial expansion in the **Center and South of Italy**, supported by **regulated market phase-out** and **«digital» offerings**



Focus on **core territories** with growth in the **Center and South of Italy**

+240k
customers (net growth vs 2019)



Cross-selling and up-selling opportunities thanks to regulated market phase-out in 2022

~700k
customers switching to free market



Boost of dual fuel penetration (i.e. gas) on the existing customer base

+80k
gas customers vs 2019



Digital Attack through a **new platform** for **customer journey** management

+100k
digital customer vs 2019

ACEA launches its LUCE 100% GREEN and GAS 0% CO2 offers (June 2021)



Partnership between Acea Energia and Windtre to promote and market the ELECTRICITY AND GAS OFFERING, initially through telecom company's retail outlets in Italy (January 2022)

Commercial & trading: focus on Smart Services

MAIN INITIATIVES



Development of a **Services-Based Company** to strengthen the relationship with customers and increase Acea Group brands franchise



Organic development of e-mobility segment with charging stations increase and value-added services

2,200+
charging stations
at 2024



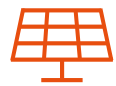
Push on **energy efficiency services** leveraging on opportunities from **fiscal incentives**

100+
condominiums
at 2024



Installation of «Smart Comp» composters, managed remotely through an IoT platform developed by Acea

150+
composters installed
at 2024



Installation of **residential PV and solar thermal plants**

~1,000
plants installed
at 2024

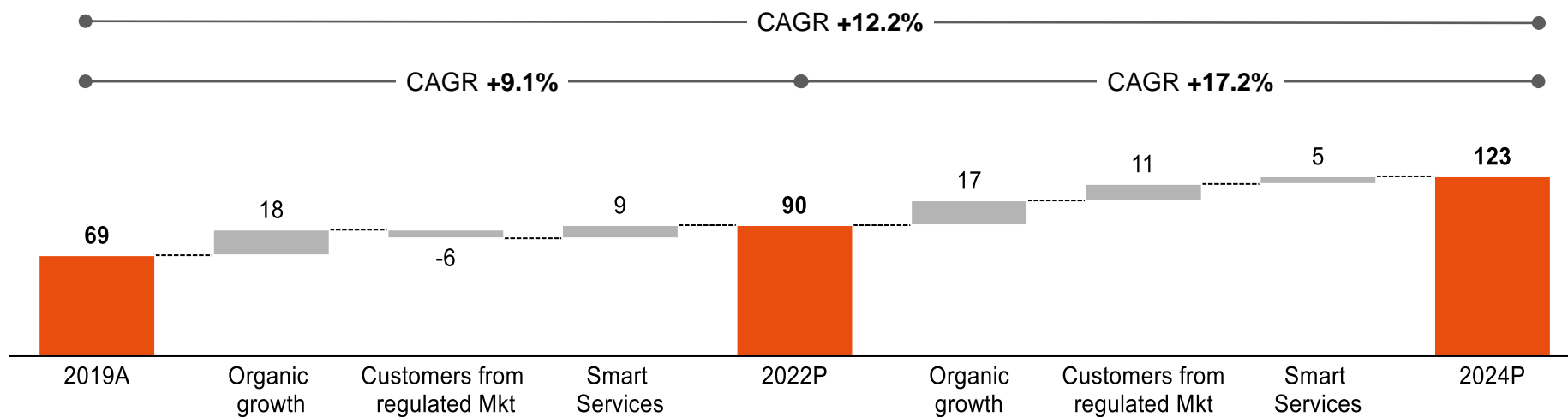
ACEA begins to offer charging services for ELECTRIC-POWERED VEHICLES with the launch of “ACEA E-MOBILITY” app (April 2021)

Commercial & trading

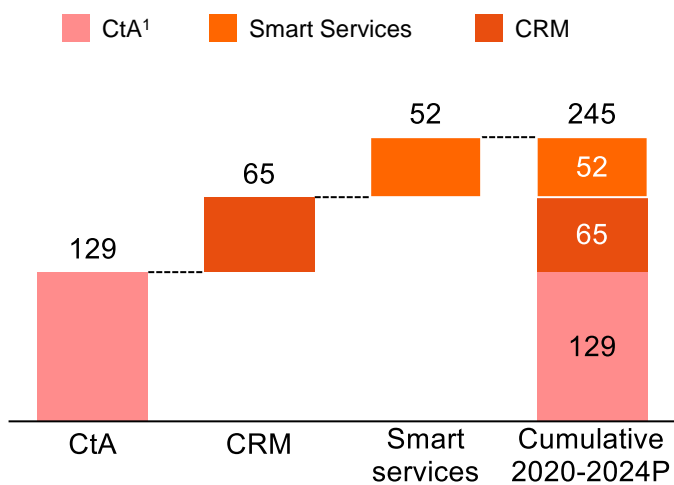
KEY FINANCIALS



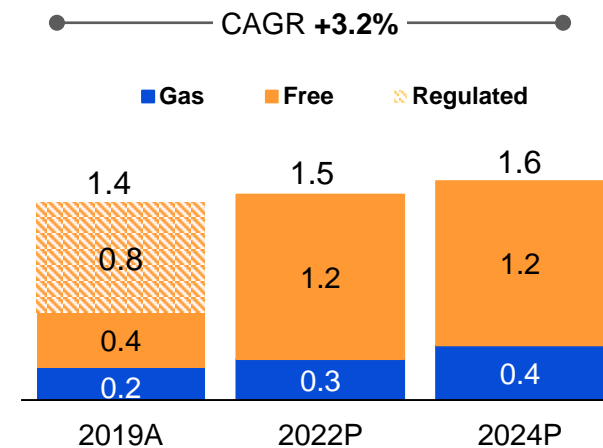
EBITDA, M€



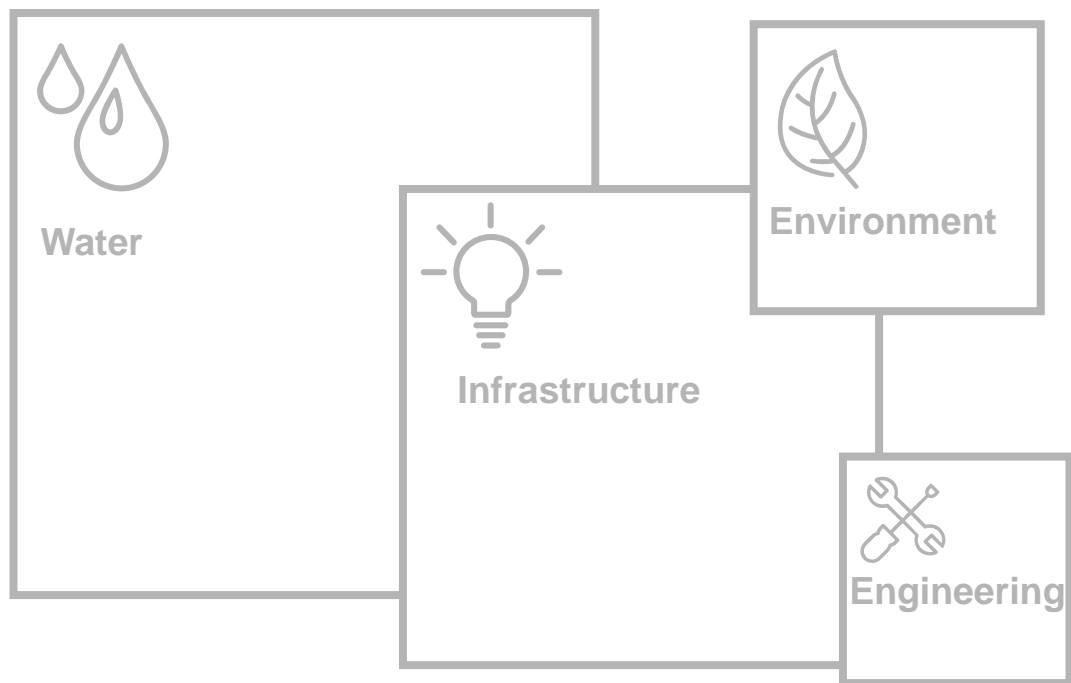
CAPEX, M€



CUSTOMERS, #M



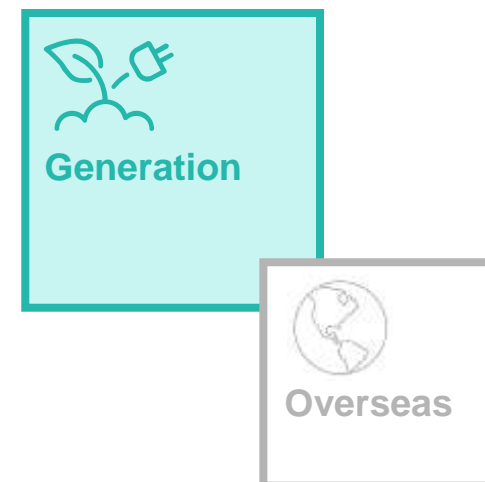
Operations



Commercial



Generation / overseas



Growth of PV portfolio
to exploit opportunities
from the **energy**
transition and
decarbonization
processes



RES growth to exploit **opportunities from the decarbonization process**

747 MW
installed at 2024



Greenfield development of PV in **industrial and agricultural areas**

569 MW
installed at 2024



M&A development to accelerate PV portfolio growth

178 MW
installed at 2024



Photovoltaic plants (as of December 2021)

- Total capacity of 73 MWp.



Agreement with Equitix for the **sale of a majority stake in NewCo set to manage photovoltaic assets.**

The newly established company, AE Sun Capital, 60% owned by Equitix and 40% owned by ACEA Produzione, has acquired the ACEA Group's photovoltaic holding company from ACEA Produzione. The holding company is the owner of photovoltaic plants with total installed capacity of 105 MW, including 46 MW qualifying for various feed-in tariffs and 59 MW represented by newly built plants already connected or in the process of being connected to the national grid

- EV (100%): €220M
- EV/EBITDA 2022: 10x

Closing: March 2022



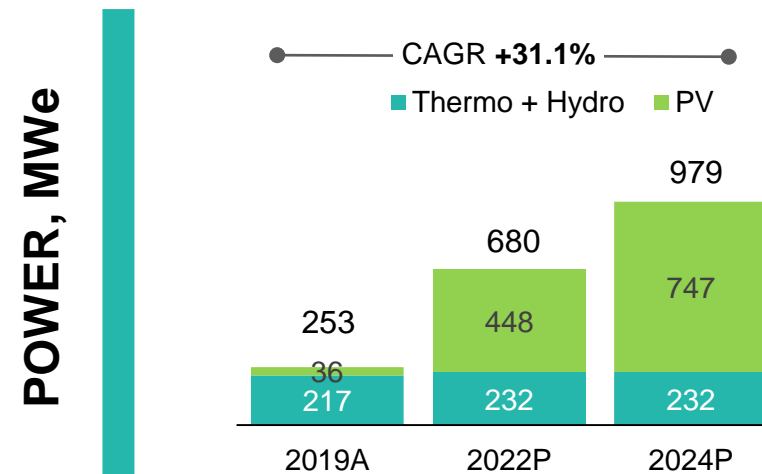
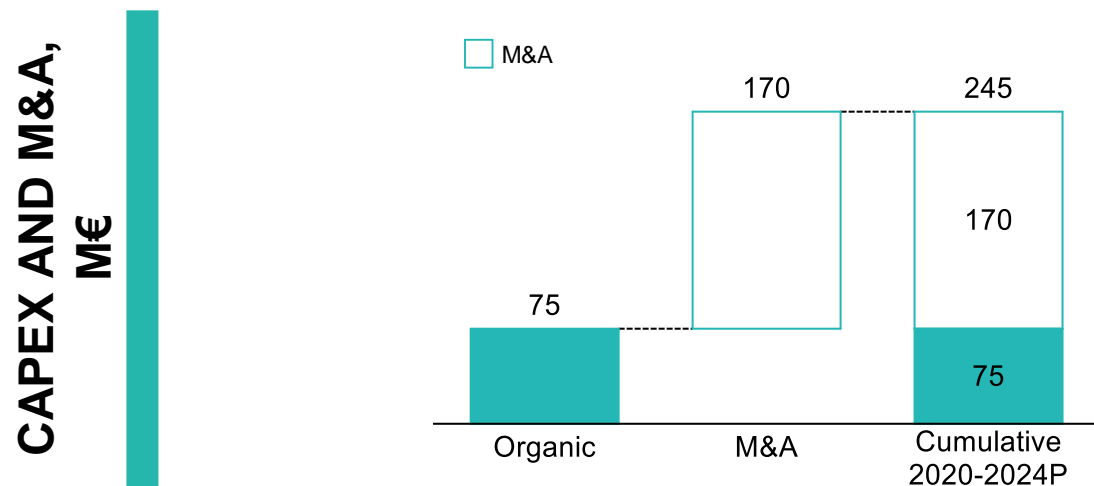
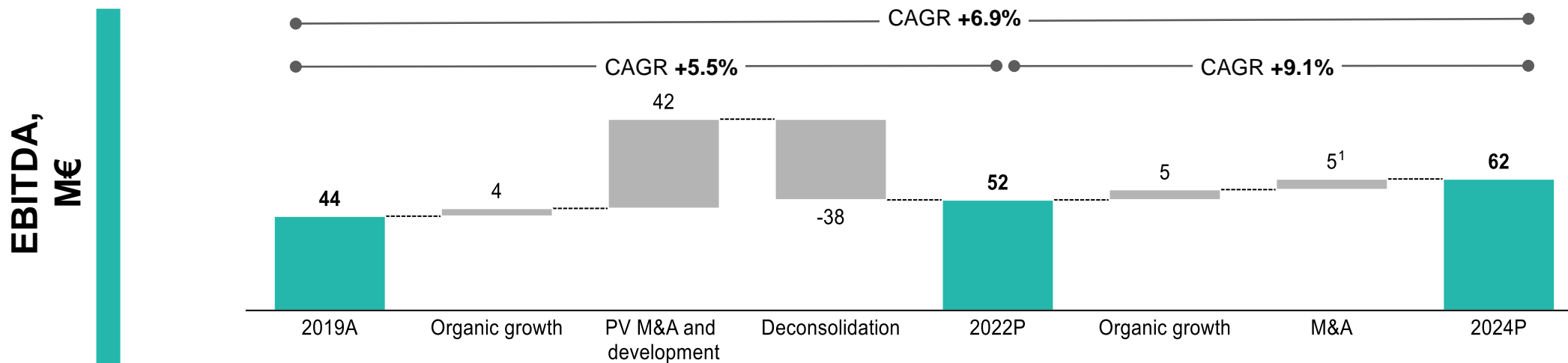
Opening of “Piana di Santa Chiara” photovoltaic plant in the Municipality of Ferrandina (Matera). **The plant was built by ACEA Solar and is owned by AESun Capital (60% Equitix and 40% ACEA Produzione).** (June 2022)

The plant occupies approximately 40 hectares of land and has installed capacity of approximately 20MW, resulting in annual production of approximately 36 GWh. This is equal to more than 1,830 equivalent hours per year and 15 kt of avoided CO2 emissions per year. The new plant will produce sufficient electricity to cover the annual usage of over 10,000 households.



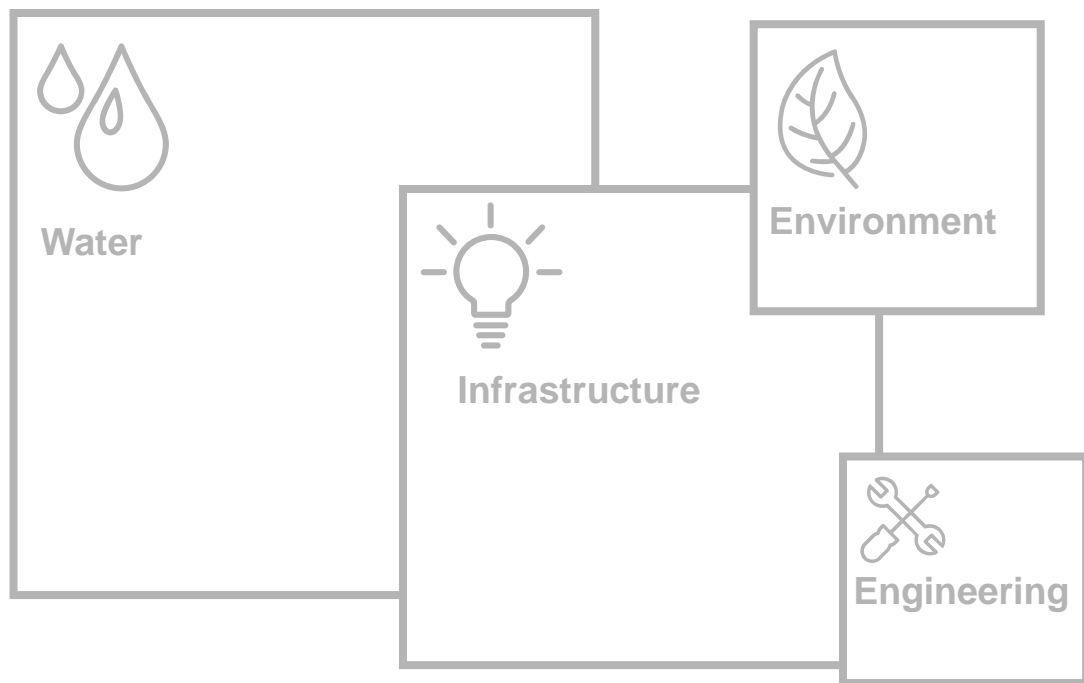
ACEA Solar (wholly owned of ACEA Produzione) **has obtained** from the Region of Sardinia the **“Environmental Impact Assessment” and the “Single Authorisation” for the construction of a photovoltaic facility in the municipality of Bolotana** (province of Nuoro). (July 2022)

The plant, the largest in Sardinia and one of the largest in Italy, will have an installed capacity of 85MW and will come into operation in 1H2024. Expected annual production capacity is around 170 GWh, corresponding to 70 thousand tons of avoided CO2 emissions per year.

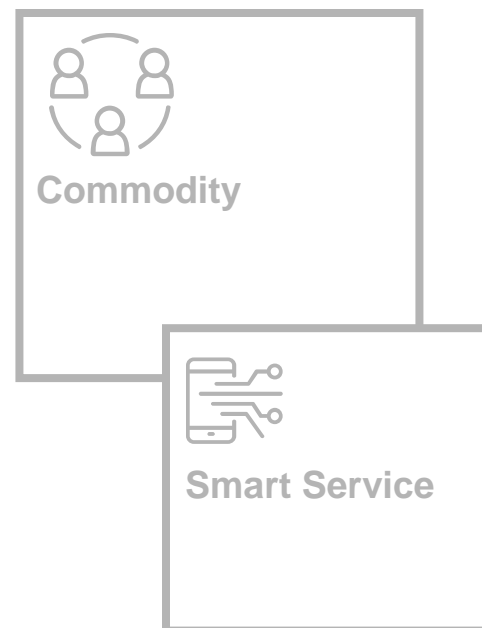


Agenda

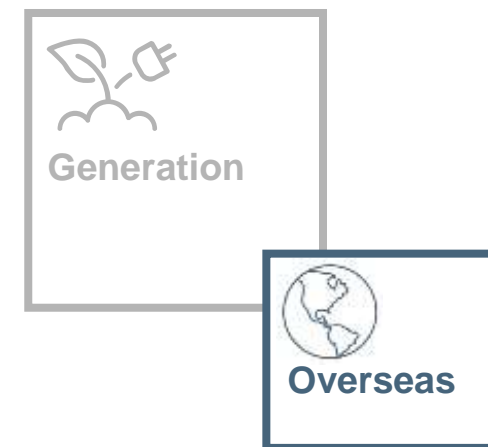
Operations



Market

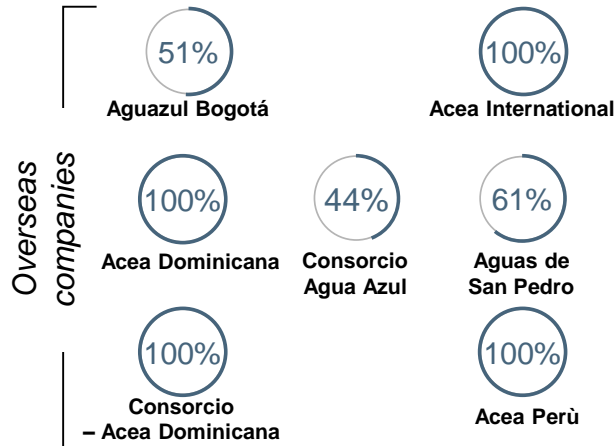


Generation / overseas





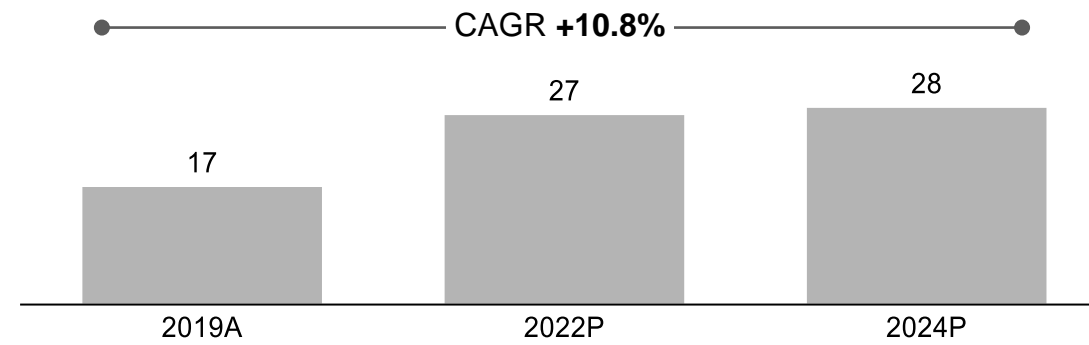
Current positioning



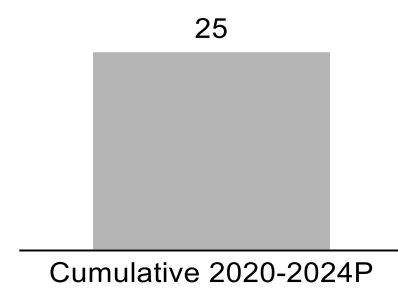
- **Acea International:** overseas holding (management, scouting, tender monitoring)
- **Acea Dominicana:** management of commercial services for the north and east regions of Dominican Republic
- **Consortio Agua Azul:** provision of water and discharge services in the city of Lima
- **Agua de San Pedro:** management of water services for the city of San Pedro Sula in Honduras
- **Acea Perù:** subsidiary established to scout and develop opportunities in the Country

In 2021, Acea entered into three-year contracts to manage fresh water pumping stations and maintain the fresh and waste water network in the city of Lima in Perù.

EBITDA | 2019-2024, M€



CAPEX | M€





ACEA GROUP



2021 RESULTS



BUSINESS PLAN 2020-2024



BUSINESS LINE HIGHLIGHTS



BUSINESS PLAN 2020-2024 KEY TARGETS

Business Plan 2020-2024 Key Targets

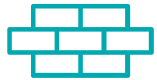
SIGNIFICANT GROWTH AT 2024, WHILE MAINTAINING A BALANCED CAPITAL STRUCTURE



6.7% of **EBITDA CAGR** with a **2024 target** of **1.4 B€**



Group **net profit** growing to **0.38 B€** in 2024



4.3 B€ of organic **CAPEX** (~850 M€ / year) and **0.4B€** capex from M&A (~80 M€ / year)



RAB growing to **5.9 B€** in 2024



Balanced **NFP / EBITDA** ratio over the plan reaching **3.0x** in 2024 and **NFP/RAB of 0.7x** in 2024



860 M€ of dividends to be distributed throughout the plan

APPENDIX

IH 2022 RESULTS
IQ 2022 RESULTS

REGULATORY FRAMEWORK

- **Water**
 - **Electricity distribution**
 - **Environment**
- 

IH 2022 RESULTS



PERFORMANCE AND DELIVERY

RESULTS AHEAD OF EXPECTATIONS IN A CHALLENGING ENVIRONMENT

DOUBLE-DIGIT GROWTH

EBITDA

€682M +10%

EBIT

€348M +12%

NET PROFIT

€183M +10%

NET DEBT IN LINE WITH GUIDANCE

CAPEX

€462M -3%

NET DEBT

€4,212M +6%

LEVERAGE

NET DEBT/ EBITDA LTM 3.2x

2022 EBITDA GUIDANCE RAISED

EBITDA
+4%/+6%
VERSUS 2021
(previously +2%/+4%)



CAPEX
BROADLY IN LINE
WITH 2021



NET DEBT
€4.2/4.3BN



ACEA HAS COMMITTED TO SET NEAR-TERM COMPANY-WIDE EMISSION REDUCTIONS IN LINE WITH CLIMATE SCIENCE WITH THE SBTi

DELIVERY IN 1H 2022

SUSTAINABLE GROWTH MODEL COMBINING INNOVATION AND INVESTMENT WITH A STRONG FOCUS ON PEOPLE AND TERRITORIES TO CREATE SHARED VALUE

M&A TRANSACTIONS – PARTNERSHIPS - 1H 2022

March 2022

Closing of sale to Equitix of photovoltaic assets

Acea and Suez sign final agreements for partnership for design and commercialisation of digital water metering systems

April 2022

Closing of acquisition, in consortium with Ascopiave and Iren, of certain gas distribution concessions from A2A

May 2022

First Green Bond Allocation & Impact Report published for years 2019 and 2020

M&A TRANSACTIONS – PARTNERSHIPS - 1H 2022

June 2022

ACEA and NTT DATA Italy present “Waidy@ Management System (WMS)”, a native cloud solution for protecting water resources

Go-live of the largest photovoltaic plant in Basilicata (20 MW), built by Acea Solar and owned by AE Sun Capital (60% Equitix, 40% Acea Produzione)

Acea Ambiente wins the auction for «Polo Cirsu» business unit (Abruzzo) operating in waste treatment and storage

First climate disclosure report published, in agreement with recommendations from Task Force on Climate-Related Financial Disclosures (TCFD)

July 2022

Authorisation received for a photovoltaic plant, to be largest in Sardinia and one of biggest in Italy. Installed capacity ~85MW

January 2022

Gaia Rating assigns ACEA a score of 82/100 for ESG performance

ACEA awarded Top Employers Italia 2022 certification

ACEA's ranking in Bloomberg Gender-Equality Index (GEI) 2022 improves, after obtaining score of 80.67

July 2022

Standard Ethics upgrades ACEA's Outlook to «Positive» from «Stable» and affirms Corporate Rating as «EE»,

Fitch Ratings affirms ACEA's «BBB+» rating with «Stable» Outlook

RATINGS - CERTIFICATIONS

GROWTH INCREASINGLY FOCUSED ON BUSINESS SUSTAINABILITY AT THE HEART OF ACEA'S CORPORATE CULTURE

(€M)	1 H 2022 (A)	1 H 2021 (B)	% CHANGE (A / B)
CONSOLIDATED REVENUE	2,347.7	1,824.3	+28.7%
EBITDA	682.5	618.8	+10.3%
EBIT	348.3	309.8	+12.4%
PRE-TAX PROFIT	323.7	269.2	+20.2%
GROUP NET PROFIT	183.0	165.8	+10.4%
CAPEX*	461.8	473.7	-2.5%

(€M)	30 June 2022 (A)	31 Dec 2021 (B)	30 June 2021 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	4,212.1	3,988.4	3,932.8	+5.6%	+7.1%

MAIN DRIVERS

NET PROFIT IH 2022:

- ↑ positive operating momentum
- ↑ capital gain from sale to Equitix of a majority stake in ACEA's photovoltaic assets (~€19M)
- ↓ windfall tax as per art. 37 of Law Decree 21/2022 (~€29M)

AVERAGE GROUP WORKFORCE[^]

IH 2022
7,227

IH 2021
7,004

CHANGE
+223^{^^}

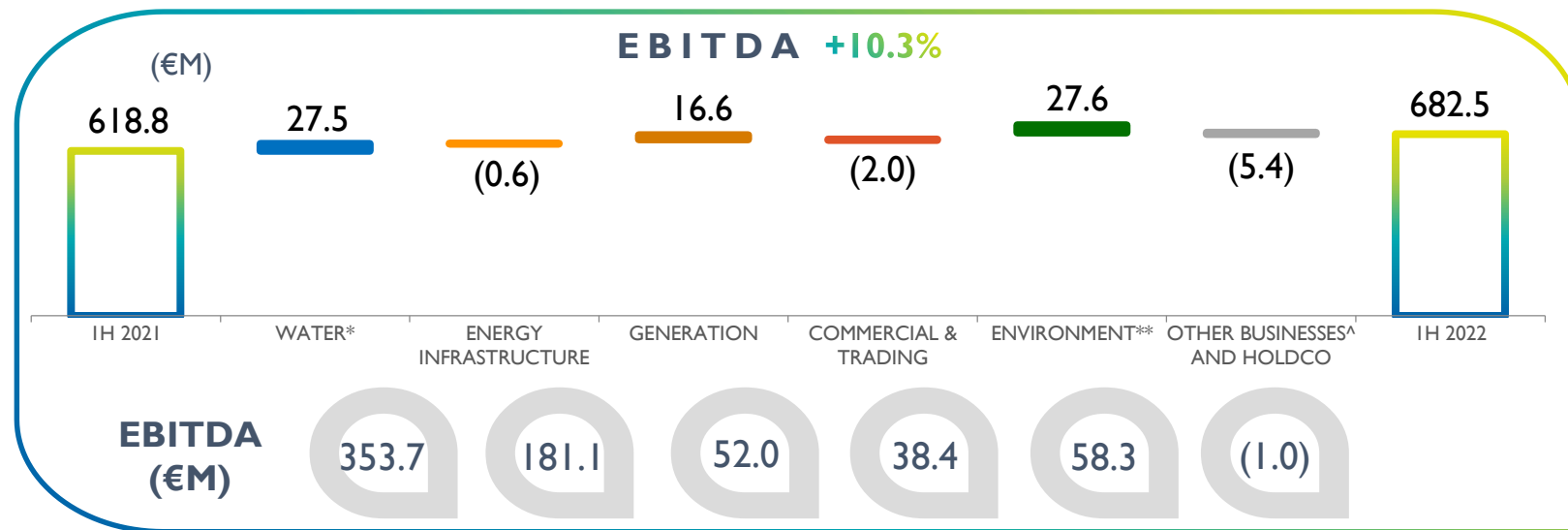
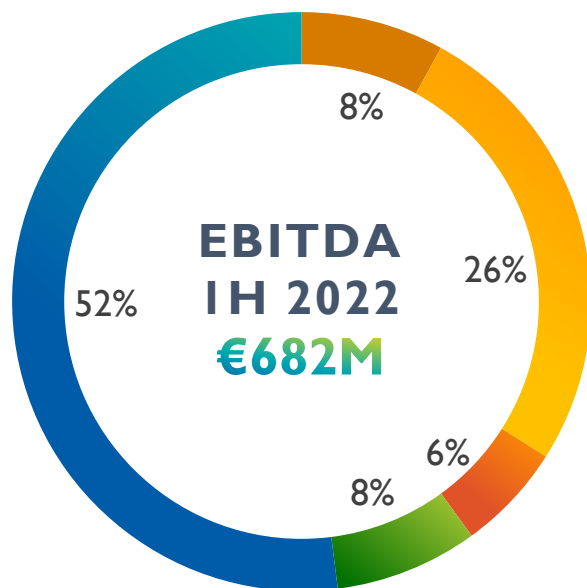
* Net of grant-funded investment.

[^] Excluding employees of the Overseas segment.

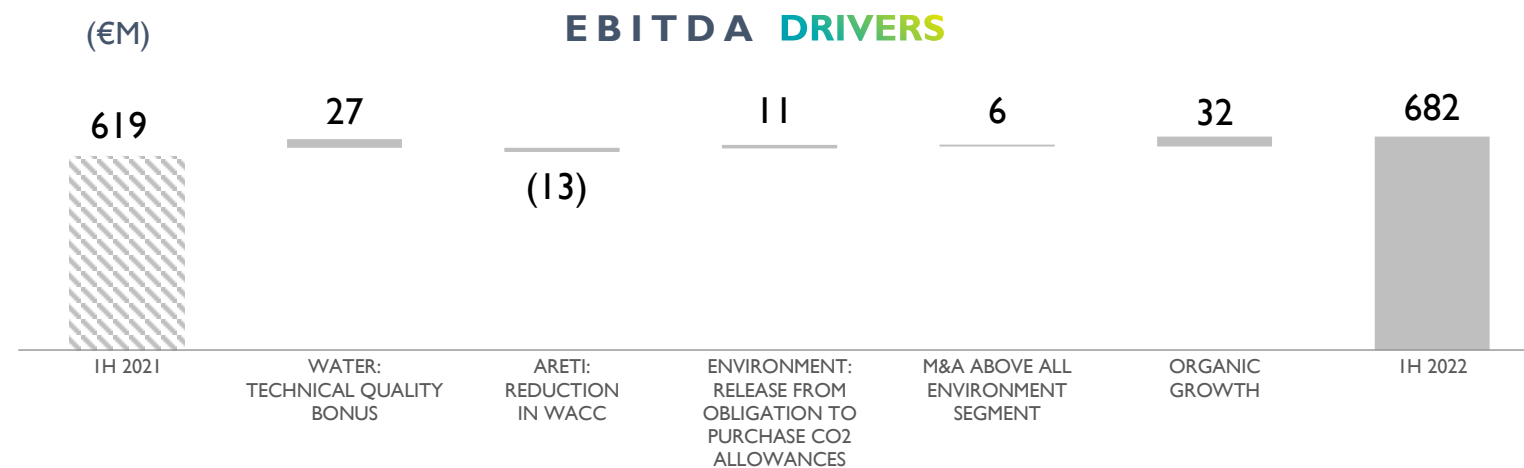
^{^^} The increase primarily reflects the change in the scope of consolidation in the Environment segment.

RESULTS IH 2022

EBITDA



- WATER
- ENERGY INFRASTRUCTURE
- ENVIRONMENT
- GENERATION
- COMMERCIAL & TRADING



* Technical quality bonus (years 2018/2019), equal to €26.9M for Acea Group's fully consolidated water companies

** Release of the Terni plant from its obligation to purchase CO2 allowances

[^] Overseas, Engineering & Services.

FINANCIAL HIGHLIGHTS IH 2022

HIGHLIGHTS

(€M)	1H 2022 (A)	1H 2021 (B)	%CHANGE (A/B)
EBITDA	353.7	326.2	+8.4%
ACEA ATO2	241.5	215.7	+12.0%
ACEA ATO5	17.9	15.3	+17.0%
Gori	35.6	41.0	-13.2%
Adf	31.8	32.2	-1.2%
SII Terni	7.0	7.3	-4.1%
Equity-accounted water companies	13.9	8.7	+59.8%
Other consolidated water companies	2.8	2.9	-3.4%
Gas distribution	3.2	3.1	+3.2%
CAPEX*	251.2	239.1	+5.1%



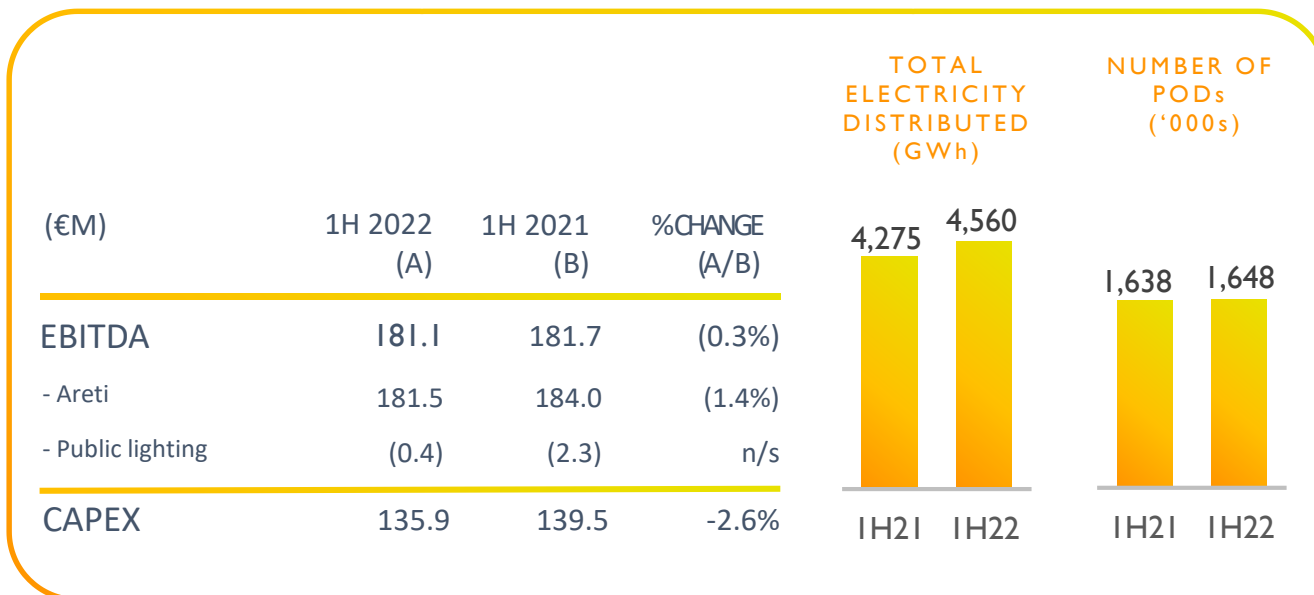
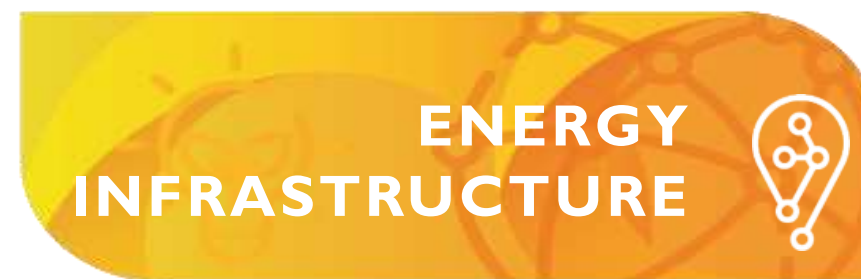
- ✓ **Closing of agreement** between the Consortium established by Ascopiave, Acea and Iren and the A2A Group for the **acquisition of certain gas distribution concessions**. Concessions of interest to ACEA: concessions in 5 ATEMs, including 2 in Abruzzo, 2 in Molise and 1 in Campania. (April 2022)
- ✓ ACEA and NTT DATA Italia presented “**Waidy@ Management System (WMS)**”, a native cloud solution for protecting water resources. (June 2022)

EBITDA main drivers



FINANCIAL AND OPERATIONAL HIGHLIGHTS IH 2022

HIGHLIGHTS



EBITDA main drivers



ELECTRICITY DISTRIBUTION ARETI

= Reduction in WACC of 70 bps from 5.9% to 5.2% (-€13.3M) offset by improved operational efficiency, increase in RAB and resilience

2G ELECTRICITY SMART METERS

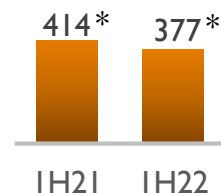
Approx. 507,000 installed at 30 June 2022

FINANCIAL AND OPERATIONAL HIGHLIGHTS IH 2022

HIGHLIGHTS

(€M)	1H 2022 (A)	1H 2021 (B)	%CHANGE (A/B)
EBITDA	52.0	35.4	+46.9%
CAPEX	19.5	21.7	-10.1%

TOTAL
ELECTRICITY
PRODUCED
(GWh)



GENERATION

- ✓ **Deal with Equitix** for the sale of a majority stake in the holding company to which Acea's photovoltaic assets have been transferred (total installed capacity of 105 MW, including 46 MW eligible for feed-in tariffs and 59 MW newly built). (March 2022)
- ✓ **Launch of largest photovoltaic plant in Basilicata**, 20MW "Piana di Santa Chiara" plant in municipality of Ferrandina (Matera). Plant was built by ACEA Solar and is owned by AE Sun Capital (60% Equitix and 40% ACEA Produzione). (June 2022)
- ✓ **ACEA Solar has obtained the "Environmental Impact Assessment" and "Single Consent" from Sardinia Regional Authority for construction of a photovoltaic plant** in the municipality of Bolotana (NU). The largest in Sardinia and one of the biggest in Italy, the plant will have **installed capacity of approximately 85MW** and will enter service in H1 2024. Annual production capacity is expected to be approximately 170 GWh, equal to over 70,000 tonnes of avoided CO2 emissions per year. (July 2022)

EBITDA main drivers



PRICE AND VOLUME EFFECTS

↑ Effect of energy price rises (+€136.25/MWh), partly offset by reduction in hydroelectric volumes (-70.7 GWh)

+€14.0M

PHOTOVOLTAIC PLANTS

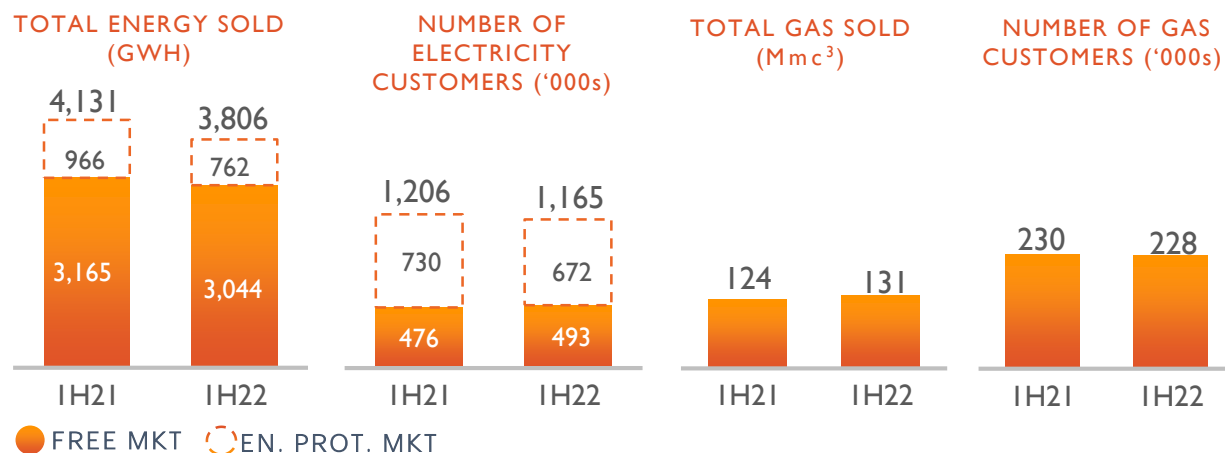
Total pipeline of 640 MW

- 200 MW approved (under construction + ready to build)
- 440 MW awaiting approval

FINANCIAL AND OPERATIONAL HIGHLIGHTS IH 2022

HIGHLIGHTS

(€M)	1H 2022 (A)	1H 2021 (B)	%CHANGE (A/B)
EBITDA	38.4	40.4	-5.0%
CAPEX	20.6	36.0	-42.8%



EBITDA Main drivers



-5.0%

FREE MKT, ENHANCED PROTECTION MKT AND GAS MKT EBITDA

↓ Reduced margin on sales

-€7.8M

LOWER CUSTOMER BASE

↓ Outcome of the auctions for «small» and «micro» businesses served by the enhanced protection market

- 18.000 CUSTOMERS

OPERATIONAL EFFICIENCY



Lower external costs
+€3.4M

ACEA INNOVATION AND VAS

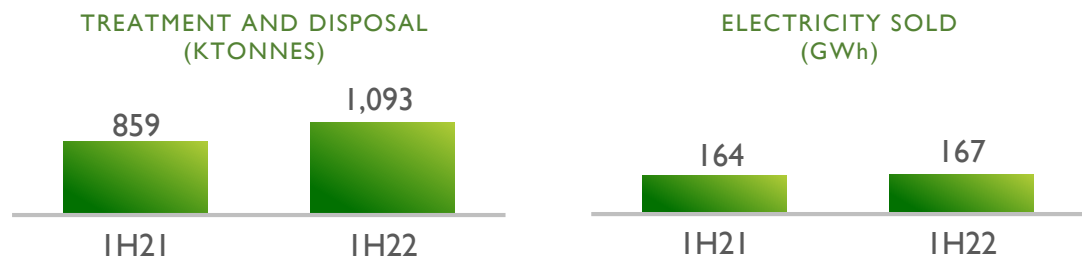


Increased revenue from Energy Efficiency projects and value added services
+€2.2M

FINANCIAL AND OPERATIONAL HIGHLIGHTS 1H 2022

HIGHLIGHTS

(€M)	1H 2022 (A)	1H 2021 (B)	%CHANGE (A/B)
EBITDA	58.3	30.7	+89.9%
CAPEX	18.5	14.8	+25.0%



ENVIRONMENT



- ✓ **Acquisition of 70% of S.E.R.Plast and 60% of Meg**, companies operating in the plastic recycling sector – volumes handled ~70k tonnes per year. Closing for Meg in October 2021, closing for S.E.R.Plast in February 2022.
- ✓ **Acquisition of 65% of Deco**, a company that designs, builds and operates plants involved in treatment, disposal and recovery of solid urban waste – volumes handled ~270k tonnes per year. Closing November 2021.
- ✓ ACEA Ambiente **wins auction** for “**Polo Cirsu**” business unit in waste treatment and storage sector in Abruzzo. (June 2022)

EBITDA Main drivers



INCREASED EBITDA FROM WTE PLANTS

- ↑ Higher prices received for electricity produced
+€14.3M

CHANGE IN SCOPE OF CONSOLIDATION

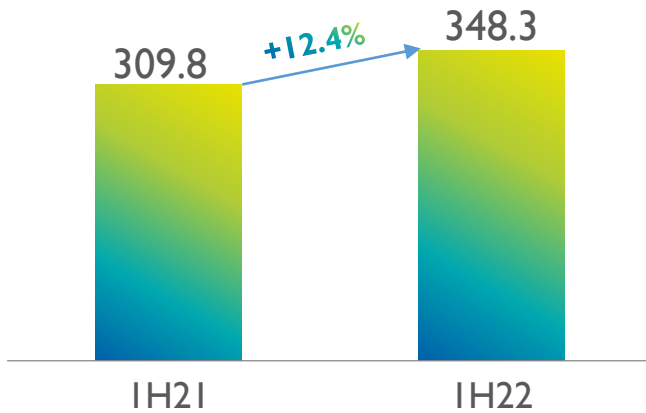
- ↑ Deco group +€6.0M
Meg +€1.2M
SerPlast +€0.4M
+€7.6M

CO2 ALLOWANCES

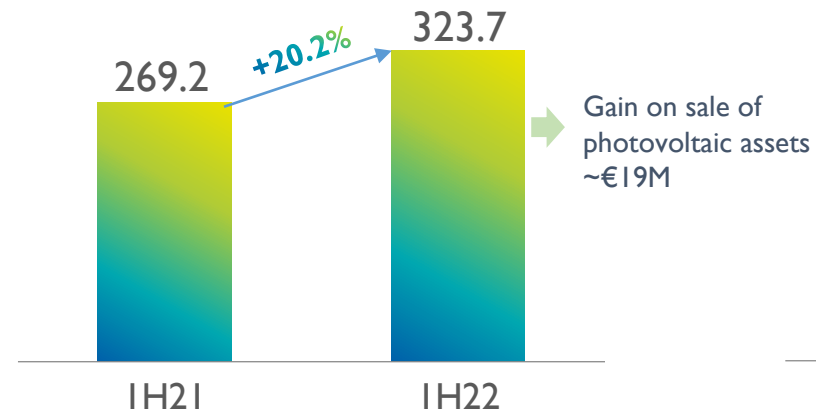
- ↑ Release from obligation for Terni plant to purchase CO2 allowances
+€11.1M

EBIT AND NET PROFIT IH 2022

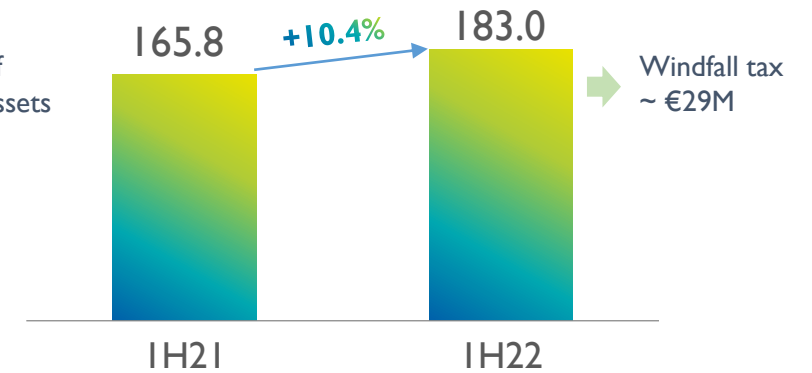
EBIT (€M)



PRE-TAX PROFIT (€M)



NET PROFIT (€M)



(€M)	1H 2022	1H 2021	% CHANGE
DEPRECIATION	285.3	259.9	+9.8%
IMPAIRMENTS	42.9	45.8	-6.3%
PROVISIONS	6.0	*3.3	+81.8%
TOTAL	334.2	309.0	+8.2%

TAX RATE IH 2022 38.8%

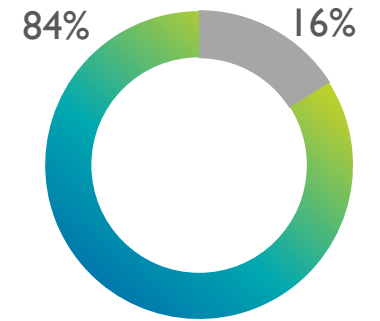
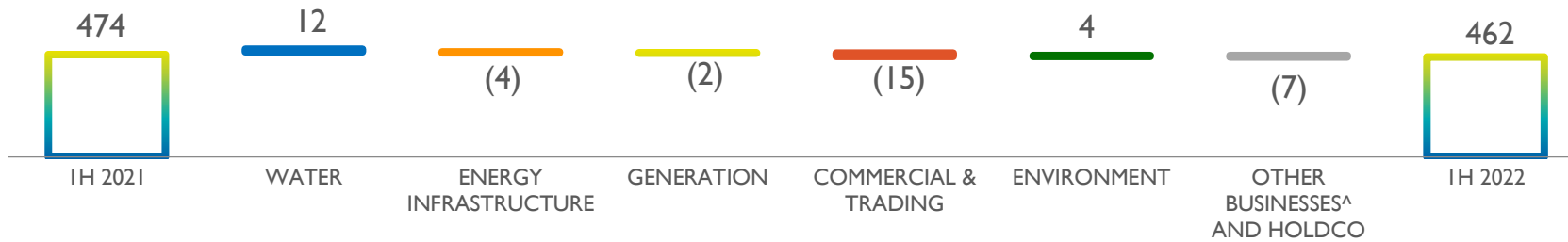
(tax rate IH 2021: 29.8%)

**NORMALISED TAX RATE IH 2022
EXCLUDING WINDFALL TAX: 30.0%**

CAPEX IH 2022

INVESTMENTS FOCUSED ON ECOLOGICAL TRANSITION AND EFFICIENCY

CAPEX (€M)



CAPEX (€M)

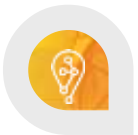


Investment in regulated businesses
Investment in non-regulated businesses



WATER

- REPAIR AND WIDENING OF WATER AND SEWER PIPES
- EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS
- WORK ON TREATMENT PLANTS



ENERGY INFRASTRUCTURE

- UPGRADE OF THE GRID
- WORK ON PRIMARY AND SECONDARY SUBSTATIONS
- INSTALLATION OF 2G METERS



GENERATION

- EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS
- CONSTRUCTION OF PHOTOVOLTAIC PLANTS



COMMERCIAL & TRADING

- CUSTOMER ACQUISITION
- E-MOBILITY PROJECTS



ENVIRONMENT

- WORK ON SAN VITTORE, TERNI AND MONTEROTONDO MARITTIMO PLANTS
- CHANGE IN SCOPE OF CONSOLIDATION



OTHER

- CORPORATE: IT PROJECTS

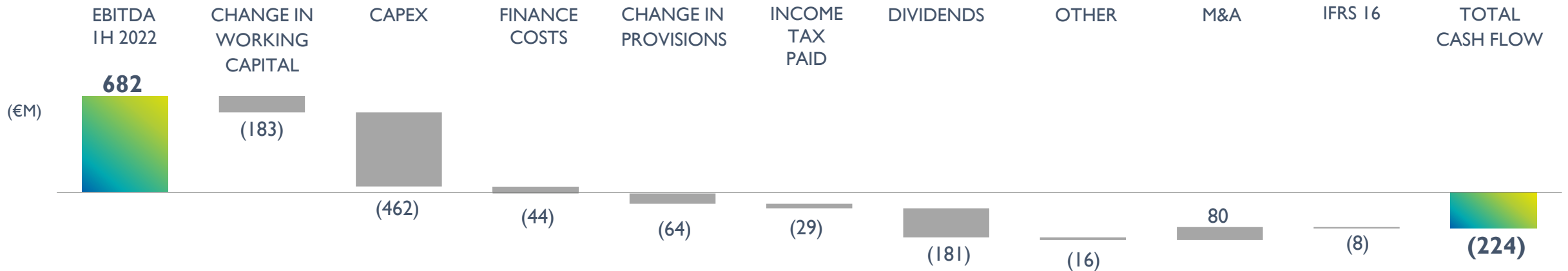
CASH FLOW IH 2022

CASH FLOW (€M)

	1H2022	1H2021
EBITDA	682	619
CHANGE IN WORKING CAPITAL	(183)	(177)
CAPEX*	(462)	(474)
FREE CASH FLOW	38	(32)
FINANCE INCOME/(COSTS)	(44)	(43)
CHANGE IN PROVISIONS	(64)	(63)
INCOME TAX PAID	(29)	(44)
DIVIDENDS	(181)	(170)
OTHER	(16)	(11)
M&A	80 [^]	(11)
IFRS 16	(8)	(12)
TOTAL CASH FLOW	(224)	(385)

POSITIVE FREE CASH FLOW

- ▲ SALE OF PHOTOVOLTAIC ASSETS
- ▲ TECHNICAL QUALITY BONUS (WATER)
- ▼ FURTHER REDUCTION IN GENERAL SYSTEM COSTS (ARETI)
- ▼ ENERGY PRICE EFFECT
- ▼ WINDFALL TAX



RESULTS IH 2022

SOLID FINANCIAL STRUCTURE

LEVERAGE

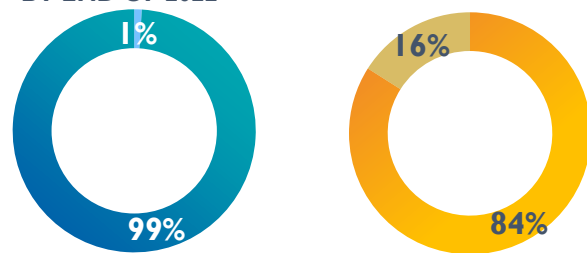
NET DEBT/ EBITDA LTM 30 JUNE 2022	NET DEBT/ EBITDA 31 DEC 2021
3.2x	3.2x

(€M)	30 June 2022 (A)	31 Dec 2021 (B)	30 June 2021 (C)	CHANGE (A-B)	CHANGE (A-C)
NET DEBT	4,212.1	3,988.4	3,932.8	223.7	279.3
Medium/long-term	4,684.7	4,792.0	4,856.5	(107.3)	(171.8)
Short-term	(472.6)	(803.6)	(923.7)	331.0	451.1

STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 30 JUNE 2022)

- DEBT FALLING DUE AFTER 2022
- DEBT FALLING DUE BY END OF 2022
- FLOATING RATE
- FIXED RATE



RATINGS

FitchRatings	BBB+ Stable Outlook
MOODY'S	Baa2 Stable Outlook*

SUATINABILITY RATINGS

CDP	«A-», leadership confirmed
standard ethics	Standard Ethics «EE» Outlook raised to «Positive»
Bloomberg	Bloomberg GEI improved to 80.67
Gaia Ratings	Gaia Ratings improved to 82/100

* Outlook changed from "Stable" to "Negative" in August 2022

IQ 2022 RESULTS



PERFORMANCE AND DELIVERY

A STRONG, RESILIENT BUSINESS MODEL

EBITDA

€318M +2%

NET PROFIT

€99M* +20%

CAPEX

€222M -3%

NET DEBT

€3,890M -3%

LEVERAGE

NET DEBT/ EBITDA LTM 3.08x



2022 GUIDANCE CONFIRMED

EBITDA
+2%/+4%
VERSUS 2021

CAPEX
BROADLY IN LINE
WITH 2021

NET DEBT
€4.2/4.3B

ARERA Resolution 183/2022 (26 April 2022)
Incentive mechanism for technical quality in the integrated water service (years 2018/2019): the water companies fully consolidated in the Acea Group have received ~€26m

RESULTS IQ 2022

KEY FINANCIAL HIGHLIGHTS

(€M)	IQ 2022 (A)	IQ 2021 (B)	% CHANGE (A/B)
CONSOLIDATED REVENUE	1,192.5	929.9	+28.2%
EBITDA	318.2	311.5	+2.1%
EBIT	153.8	155.5	-1.1%
GROUP NET PROFIT	99.4*	83.1	+19.6%
CAPEX**	222.4	228.7	-2.8%

(€M)	31 Mar 2022 (A)	31 Dec 2021 (B)	31 Mar 2021 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	3,890.3	3,988.4	3,654.1	-2.5%	+6.5%

KEY FINANCIAL INDICATORS CONFIRM
CONSTANT GROWTH TREND

AVERAGE GROUP WORKFORCE[^]

IQ 2022
7,197

IQ 2021
7,004

CHANGE
+193^{^^}

* Includes the capital gain on the sale to Equitix of a majority stake in ACEA's photovoltaic assets (~€21M).

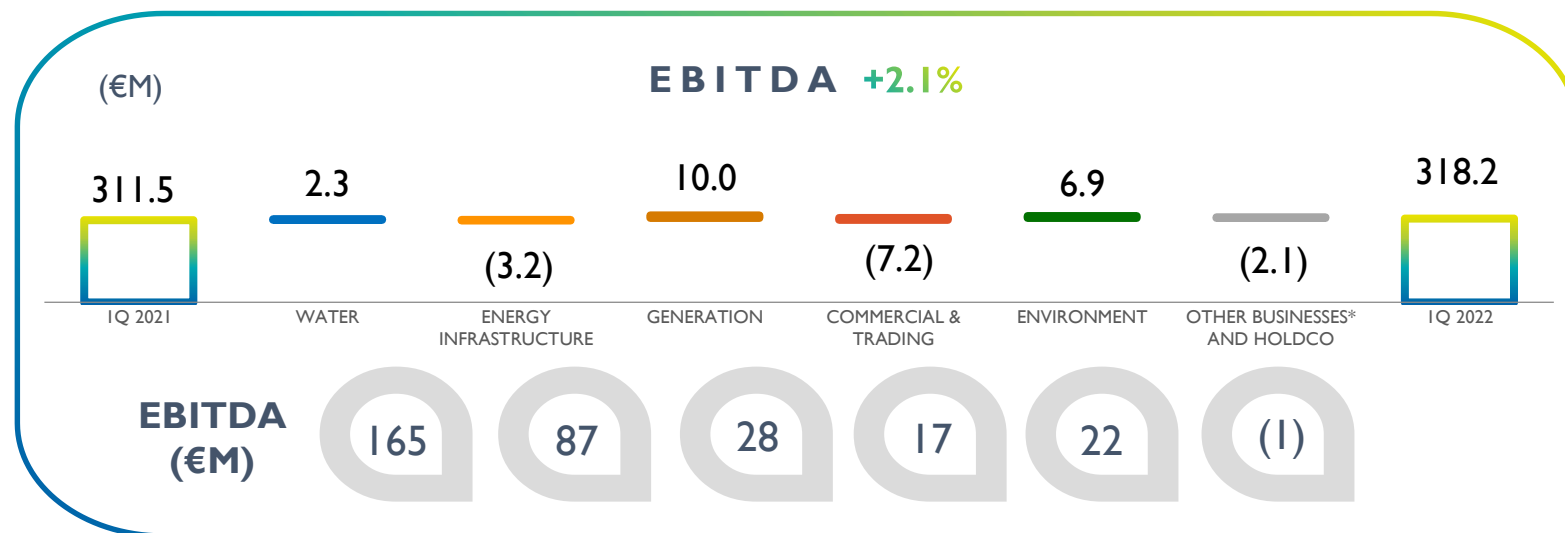
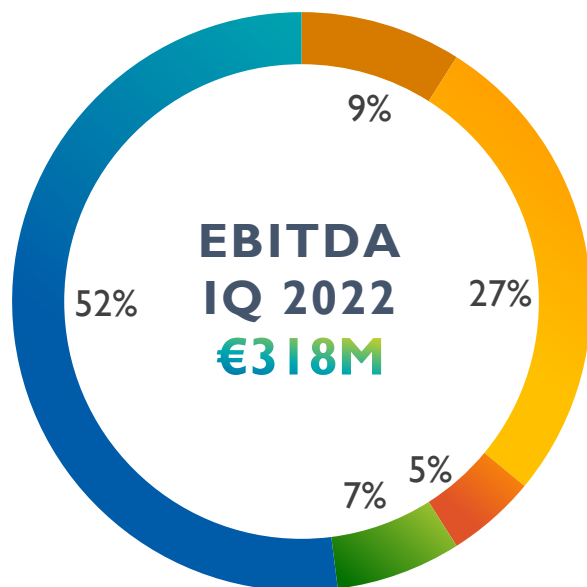
** Net of grant-funded investment

[^] Excluding employees in the Overseas segment.

^{^^} Increase primarily due to wider scope of consolidation in the Environment segment.

RESULTS IQ 2022

EBITDA



- WATER
- ENERGY INFRASTRUCTURE
- ENVIRONMENT
- GENERATION
- COMMERCIAL & TRADING

CHANGES IN SCOPE OF CONSOLIDATION

EBITDA (€M)	Change
MEG	+0.5
S.E.R.PLAST	+0.1
DECO	+1.8
ECOLOGICA SANGRO	+1.1
PHOTOVOLTAIC	+1.2
CONSORCIO ACEA LIMA SUR	+0.1
TOTAL	+4.8

CASH FLOW IQ 2022

CASH FLOW (€M)

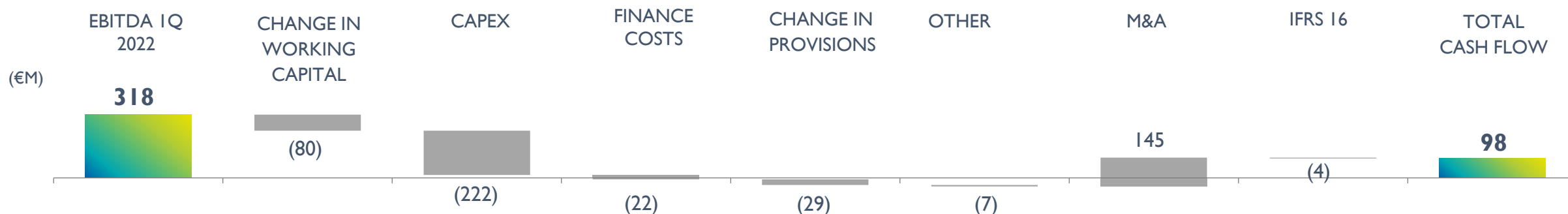
	IQ 2022	IQ 2021
EBITDA	318	312
CHANGE IN WORKING CAPITAL	(80)	(128)
CAPEX	(222)	(229)
FREE CASH FLOW	15	(46)
FINANCE INCOME/(COSTS)	(22)	(23)
CHANGE IN PROVISIONS	(29)	(23)
OTHER	(7)	(6)
M & A	145*	(8)
IFRS 16	(4)	-
TOTAL CASH FLOW	98	(105)

POSITIVE FREE CASH FLOW: €15M

IMPROVED WORKING CAPITAL MANAGEMENT

TOTAL CASH FLOW: €98M

BENEFITTING FROM IMPACT OF PHOTOVOLTAIC ASSETS TRANSACTION



RESULTS IQ 2022

SOLID FINANCIAL STRUCTURE

(€M)	31 Mar 2022 (A)	31 Dec 2021 (B)	31 Mar 2021 (C)	CHANGE (A-B)	CHANGE (A-C)
Net debt/(funds)	3,890.3	3,988.4	3,654.1	(98.1)	236.2
Medium/long-term	4,484.6	4,792.0	4,949.2	307.4	(464.6)
Short-term	(594.3)	(803.6)	(1,295.1)	(209.3)	700.8

LEVERAGE

NET DEBT/
EBITDA LTM
31 Mar 2022

3.08x

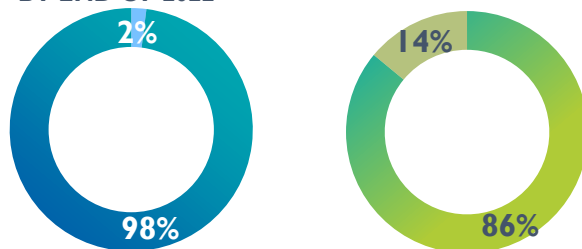
NET DEBT/
EBITDA
31 Dec 2021

3.17x

STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 31 MARCH 2022)

- DEBT FALLING DUE AFTER 2022
- DEBT FALLING DUE BY END OF 2022
- FLOATING RATE
- FIXED RATE



RATINGS

FitchRatings

BBB+

Stable Outlook

MOODY'S

Baa2

Stable Outlook**

SUSTAINABILITY RATINGS



CDP

«A-», leadership confirmed



Standard Ethics
«EE», «positive» outlook*



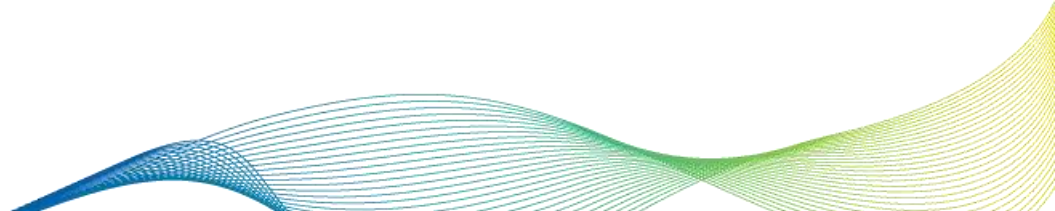
Bloomberg GEI
improved to 80.67



Gaia Ratings
improved to 82/100

REGULATORY FRAMEWORK

- **Water**
 - **Electricity distribution**
 - **Environment**
-



TARIFF REGIME FOR THE THIRD REGULATORY PERIOD (2020-2023)

ARERA Resolution 639/2021 – 2022/2023 period

- **WACC: 4.8% (previously 5.2%)**
- **Real risk-free rate cut from 0.5% to 0.13%.**
- **Water Utility Risk Premium held at 1.7%.**
- **Cost of Debt reduced from 2.8% to 2.4%.**
- **Level of inflation to be applied to allowed costs in 2021 equal to 0.1% and in 2022 equal to 0.2%.**
- **RAB deflator for 2021 is 0.5% and 0.4% for 2022.**

EXPIRY OF CONCESSIONS

ATO2 Lazio Centrale (Acea ATO2)	2032
ATO5 Frosinone (Acea ATO5)	2033
ATO3 Regione Campania (Gori)	2032
ATO4 Alto Valdarno (Nuove Acque)	2027
ATO2 Basso Valdarno (Acque)	2031
ATO3 Medio Valdarno (Publiacqua)	2024
ATO6 Ombrone (Acquedotto del Fiora)	2031
Municipality of Lucca (Geal)	2025
ATO1 Perugia (Umbra Acque)	2031
ATI4 Umbria (Umbriadue Servizi Idrici)	2031



ARERA Resolution 614/2021 – “Rate of return on invested capital for infrastructure services in the electricity and gas sectors for the period 2022-2027»

- Confirmation of regulatory period of 6 years (2022-2027), with an interim review after 3 years.
- Increase in Beta for electricity distribution and transmission and gas transmission.
- Increase in taxation from 28% to 29.5%.
- Reduction in weight of new Debt in the period 2022-2024 from 50% to 33.3% and from 2025 from 75% to 66.6%.
- Revised method for calculating Risk-Free Rate.

Areti’s concession expires in 2030

ELECTRICITY DISTRIBUTION REGULATORY PERIOD WACC: SIX YEARS 2022-2027

▪ **WACC FOR 2022-2024: 5.2%**

REGULATORY PERIOD WACC: SIX YEARS 2016-2021

- *WACC for 2016-2018 5.6%*
- *WACC for 2019-2021 5.9%*

WACC FOR OTHER ACTIVITIES

ELECTRICITY TRANSMISSION

Electricity transmission WACC 2019-2021: 5.6% **WACC 2022-2024: 5.0%**

GAS NETWORKS

Gas transport WACC 2020-2021: 5.7% **WACC 2022-2024: 5.1%**

Gas distribution WACC 2020-2021: 6.3% **WACC 2022-2024: 5.6%**

Gas storage WACC 2020-2021: 6.7% **WACC 2022-2024: 6.0%**

MAIN ARERA RESOLUTIONS:

614/2021 Rate of return on invested capital for infrastructure services in the electricity and gas sectors for the 2022-2027

635/2021 Determination of tariff components for general system costs for 2022 + Warm home discount scheme and related additional component Jan-Mar 2022

536/2021 Work on improving the resilience of distribution networks eligible for rewards and penalties (2021-2023 Plan)

537/2021 Rewards and penalties for work on improving the resilience of electricity distribution networks completed in 2020

604/2021 Method of compensating for settlement items deriving from objections to two-year statute of limitations raised by final users and sellers

358/2021 Confirmation of cap of €250 per EEC and additional payment of €10 per EEC.

547/2021 Determination of the additional one-off component of €7.26 per EEC for each certificate handed over at the end of the year of obligation 2020



ARERA RESOLUTION 363/2021 (MTR-2) – REGULATORY PERIOD 2022-2025

- The earlier method has been confirmed for the regulatory period 2022-2025, after a number of changes designed to encourage its application, promote economic and environmental efficiency targets and limit discretionary behaviour by local authorities. The changes have introduced an **initial attempt to regulate access plants involved in closure of the cycle**.
- The scope of application covers **treatment plants used in the «recovery and disposal» of all urban waste**, regardless of how it is subsequently classified. **Recycling chains**, managed by recycling consortia and other entities, are, on the other hand, **not addressed**.
- **Regional planning** has been given a decisive role in **defining plants involved in closure of the cycle**, operating in structurally rigid markets (insufficient capacity to meet demand for treatment), **as «minimum»**. These plants will be subject to **revenue caps**: the prices applied in 2021 (which will form the basis for the entire regulatory period) will be adjusted on the basis of allowable costs in accordance with ARERA's method. A cap on annual tariff increases has also been introduced.
- Vice versa, plants not classified as «minimum» as part of the planning process will be considered **«additional»**: these plants **will not be subject to regulated tariffs**, but will only be subject to disclosure requirements.
- In order to drive development of the circular economy, MTR-2 also introduces a number of **environmental components targeting waste producers**, with incentives to reduce waste flows and penalties for waste sent to landfill.
- In a later resolution (68/2022/R/rif dated 22 February 2022), ARERA determined, in line with the approach adopted when setting the TIWACC for the energy sectors, the WACC for the regulatory period 2022-2025 – save for any intra-period adjustments – as 6% for facilities not integrated into the waste cycle (the WACC for the integrated cycle is instead 5.6%).

DISCLAIMER

THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES.

THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ACEA S.P.A.'S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS. BECAUSE THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, ACTUAL FUTURE RESULTS OR PERFORMANCE MAY MATERIALLY DIFFER FROM THOSE EXPRESSED THEREIN OR IMPLIED THEREBY DUE TO ANY NUMBER OF DIFFERENT FACTORS, MANY OF WHICH ARE BEYOND THE ABILITY OF ACEA S.P.A. TO CONTROL OR ESTIMATE PRECISELY, INCLUDING CHANGES IN THE REGULATORY FRAMEWORK, FUTURE MARKET DEVELOPMENTS, FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF FUEL AND OTHER RISKS.

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PURSUANT TO ART. 154-BIS, PAR. 2, OF THE LEGISLATIVE DECREE N. 58 OF FEBRUARY 24, 1998, THE EXECUTIVE IN CHARGE OF PREPARING THE CORPORATE ACCOUNTING DOCUMENTS AT ACEA, FABIO PARIS – CFO OF THE COMPANY - DECLARES THAT THE ACCOUNTING INFORMATION CONTAINED HEREIN CORRESPOND TO DOCUMENT RESULTS, BOOKS AND ACCOUNTING RECORDS.