



SUSTAINABILITY



REPORT



ACEA GROUP



2023

(Consolidated Non-Financial Statement
pursuant to Legislative Decree no. 54/2016,
prepared in compliance with the GRI Standards)



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LIST OF CONTENTS

LETTER TO THE STAKEHOLDERS	4
HIGHLIGHTS	6
DISCLOSING SUSTAINABILITY: METHODOLOGICAL NOTE	10

1

CORPORATE IDENTITY



GROUP PROFILE

Acea's history	20
Businesses and functions of the main Group companies	20
Context analysis and business model	22
Ownership structure and general economic indicators	32

INFORMATION REQUIRED BY THE EUROPEAN TAXONOMY

Analysis of eligibility and alignment	34
Economic and financial KPIs	37
Accounting standards and supplementary information pursuant to Regulation 2020/852	39

STRATEGY AND SUSTAINABILITY

Integrated strategy overview	51
The 2020-2024 Sustainability Plan and the operational goals	58

CORPORATE GOVERNANCE AND MANAGEMENT SYSTEMS

Corporate governance at Acea	80
Internal Control and Risk Management System	84
Management systems	95

STAKEHOLDERS AND ALLOCATION OF GENERATED VALUE

Stakeholders and their involvement	98
Distribution of the value generated by Acea	103

2

RELATIONS WITH THE STAKEHOLDERS



CUSTOMERS AND THE COMMUNITY

Acea Group customers: electricity and water services	106
Perceived quality	110
Quality delivered	116
Pricing	138
Customer care	139
Communications, events and solidarity	148

SUPPLIERS

Consolidated External Costs	155
Procurement Policies	155
Analysis of procurements and the supply chain	157
Sustainability in the selection and assessment of suppliers: from qualification to ongoing contracts	160
Health and safety along the supply chain: awareness raising and audits	162

STAFF

Acea's employees	165
Hours worked, salary and pension funds	170
Labour-management relations	172
Occupational health and safety	174
Human capital development and communications	177
Diversity, Inclusion and Welfare	184
Community life at Acea	186

SHAREHOLDERS AND INVESTORS

Economic flow to shareholders and Investors	187
Agency ratings	188
Financial disclosure	188

INSTITUTIONS AND THE COMPANY

Relations with Institutions	189
The company as a stakeholder	195

WATER COMPANY DATA SHEETS AND OVERSEAS ACTIVITIES	244
GRI CONTENT INDEX: REPORTING PRINCIPLES, UNIVERSAL STANDARDS, SPECIFIC STANDARDS AND MATERIAL TOPICS	259
INDEX OF CHARTS AND TABLES	274
ENVIRONMENTAL ACCOUNTS	277
OPINION LETTER OF THE INDEPENDENT AUDITOR	313



RELATIONS WITH THE ENVIRONMENT

ENVIRONMENTAL SUSTAINABILITY AND THE PRIMARY CHALLENGES	202
Environmental and climate risks: in-depth analysis and disclosure	203
Environmental management	204
Safeguarding of land and biodiversity	205
ENERGY BUSINESS	213
Energy production: fossil and renewable energy sources	213
Energy distribution	216
ENVIRONMENT BUSINESS	218
Waste-to-energy, composting, disposal of liquid waste and related services	218
WATER BUSINESS	222
Water quality	223
Water safety plans (WSPS)	225
Water leaks	225
Sewerage service and treatment system	226
THE USE OF MATERIALS, ENERGY AND WATER	229
The consumption of materials and energy	229
Energy saving	232
Attention to the use of water resources	233
EMISSIONS	235
Atmospheric emissions	235
WASTE	239
Waste from the Integrated Water System	239
Environment Business waste	241
Waste from distribution of electricity	242
Management and minimisation of waste produced	243

LETTER TO THE STAKEHOLDERS

2023 was characterised by renewed commitment to integrated sustainable management, confirming the growing attention of Acea management and colleagues to the construction of solid foundations for the Group's future development and the pursuit of *sustainable success*. The findings reported in the *Consolidated Non-Financial Statement* outline the meaning behind these commitments and actions taken, from strategic definition to operational management, illustrating the objectives achieved in terms of *governance*, *social* and *environmental* aspects and in favour of our stakeholders.

Governance, as a decision-making driver, was further developed in the direction of sustainability, strengthening the oversight of anti-corruption, legality and public safety topics, especially in the sectors of strategic national interest, with immediate effects on operations. To this end, for example, we should mention the approval of the *Anti-Corruption Guidelines* and the *Anti-Corruption Policy*, followed by the UNI ISO 37001:2016 certification of the anti-corruption management system, or the signing of the *National Framework Protocol to Support Legality* with the Ministry of the Interior and subsequent "Legality Protocols" between the Prefecture of Rome and Acea Ato 2 regarding the completion of major water works in the capital city.

For companies like Acea with activities that impact a wide range of stakeholders, the protection of human rights is of central importance for conducting responsible business. Bolstered by this knowledge, which is based on consolidated values and systems within the Group, the Board of Directors of Acea approved the *Human rights Policy*, which takes inspiration from the main relevant international documents and sets out its key principles in relation to our operating context, the activities managed, and the stakeholders with whom we interact on a daily basis.

The focus on the *social* aspect remains a basic principle on which Acea exercises its *corporate social responsibility*. In particular, the safety of workers, namely our colleagues and the workers of contractors, is an area of ongoing commitment. During the year, Acea Infrastructure carried out over 14,250 worksite inspections and non-conformities detected fell overall (-15% compared to 2022) and by incidence of "major" cases (7% compared to 8% in 2022), confirming the tireless commitment to countering and preventing accidents. The process of development and growth of professionals at the company is also important, outlined in the contents of the *Charter of the Person and Participation* signed with the trade unions. The initial results already see an 8.5% increase compared to 2022 in the performance for the year in question, which saw 226,222 hours of training delivered to our people.

The full integration of sustainability into industrial developments including from an *environmental* perspective is shown by the validation obtained from the *Science-Based Targets initiative (SBTi)* of our target to reduce climate-altering emissions by 2032, which we wanted to define in order to contribute to limiting the global temperature increase compared to pre-industrial levels. It is an important recognition of our conviction towards decarbonisation, which we took into account when setting out the growth guidelines forecast in the industrial planning presented in March 2024.

These significant results and commitments to governance and to social and environmental aspects are also reinforced by the promotion of sustainability in the financing systems, with the second *Green Bond* issued in the year, and by the increasingly relevant integration of sustainability indicators into remuneration incentive systems.

The *operating performance* documents Acea's path towards the energy transition and the circular economy: we need only look at the 1,047.4 GWh of electricity, 72% of which from renewable sources, and the 50 GWh of energy produced from biogas (+13% compared to 2022), the 47,534 tonnes of quality compost produced in the Environment sector (+13% compared to 2022) and the renewed recognition of the EMAS Award for energy performance improvement at the San Vittore del Lazio waste-to-energy plant. In the water sector, we are the leading national operator with excellent levels of quality of service, proven by the consistent awards granted by the national industry authority, for the performance of the Group's main companies. We are strongly committed to protecting resources, including through the containment of leaks, and to the resilience of the water system, by optimising the management of infrastructure with digitalisation and new technologies. We apply a logic of full measurement of the water resource, as seen in the increased recovery of the material from our processes, for example with the recovery of 81% of the sludge produced by the main companies in the sector (+14% compared to 2022) and 2.7 million m³ of water reused in the industrial processes by the Group's main companies (+12% compared to 2022). In terms of reuse of purified water in agriculture, a central aspect for food sustainability in the coming years, we want to be a central player in the renewal, and from this perspective we signed a Memorandum of Understanding with Coldiretti, the national association of consortia that manages and protects territory and irrigation water (ANBI), and BF S.p.A.

Acea's commitment to the future is also founded on a vision of profound *digital* upgrading that will enable new economic and social dynamics.



We integrate technological innovation and sustainability into the advanced international projects we take part in through the smartification of networks, including in partnership with key sector players. For example, the TwinEU Project, which we are developing with Enel, Terna and RSE, for the creation of a “digital twin” of the electricity grid, as well as the Areti pilot project (RomeFlex) to create a market of flexibility for the electricity grid in the capital city, accompanying the development of participatory dynamics on the energy markets. One sign of the ongoing transformation is the increase in “prosumers”, simultaneous producers and consumers of energy, con-

The Chairperson
Barbara Marinali

nected to our grids (+28% in 2023 compared to 2022). The sale of “green” electricity also promotes and proves this evolution: in 2023 we sold approximately 3,000 GWh of G.O. certified energy (+18% compared to 2022).

The findings mentioned represent extremely tangible signs of the commitment to sustainable development, in line with the SDGs of the Agenda 2030, which forms the foundation for the entire operating system of Acea, supported by our people and recognised by our stakeholders. This is our view for the future and the generation of value for the communities we serve.

The Chief Executive Officer
and General Manager
Fabrizio Palermo

HIGHLIGHTS

RELATIONS WITH THE STAKEHOLDERS

CUSTOMERS



258.6 t/year
of paper saved
thanks to the web
bill option **(+24%)**



3,000 GWh
“Green” energy
sold by Acea Energia
to customers
on the free market
(+ 18%)

over **23,100**
active prosumers on the
energy distribution network
managed by Areti
(+ 28%)

COMMUNITY



199 Water Kiosks
active: over **47 million**
litres supplied, **944 t**
of plastic/year saved
and over **2,500 t** of
CO₂ not emitted into
the atmosphere

20th Press, Out-
door & Promotion Key
Award: special award for
the institutional campaign
**Every Drop
of Water**



the educational
programme for schools
in 2022-2023
**ProteggiAmo l'Ambiente
(Let's Protect the
Environment)**, on the
digital platform
Acea EcoVillage

SHAREHOLDERS AND INVESTORS

**MIB ESG, SE Mid Italian
Index, SE European-
Utilities Index:** Acea's
inclusion confirmed in 2023



45% of total
institutional investors
ESG investors



issued the **2nd**
Green Bond
by Acea

INSTITUTIONS AND THE COMPANY



Award
IF Design Award
2023 for the **Waidy®**
Management System
(WMS)

signed the **National**
Framework Protocol
to Support Legality with
the Ministry of the Interior



Acea participated in the
ROAD Project
(**Rome Advanced District**)
to design useful solutions for
the ecological transition and
sustainable development

PERSONNEL



adopted the **Charter**
of the Person and
Participation to
strengthen trade union
relations and promote
people's engagement



226,222
hours of training
delivered in the year,
of which **91,352**
hours on Health
and Safety

53.8%
women on the Acea SpA
Board of Directors

SUPPLIERS



over **€ 1.9 billion**
the total value of the
Order 2023
and **3,500 suppliers**
involved



14,252
safety inspections
at construction sites:
lower incidence
of "major"
non-conformities



640 suppliers
assessed according
to the **Ecovadis** model
(**+89%**)

HIGHLIGHTS

RELATIONS WITH THE ENVIRONMENT

WATER

480 Mm³
of drinking water is supplied
by Acea Ato 2, Acea Ato 5,
Gori, Gesesa and AdF

798 Mm³
of waste water processed
by the Acea Ato 2, Acea Ato 5,
Gori, Gesesa and AdF treatment
plants



around **769,000**
analytical determinations
on the drinking water supplied
by Acea Ato 2, Acea Ato 5,
Gori, Gesesa and AdF

around **81%**
recovered sludge

ENVIRONMENT

50 GWh
of electricity produced (+13%
compared to 2022) by around
29,000 kNm³ of biogas
recovered

83%
of recovered ash
on total produced in the
waste-to-energy plants

320.5 GWh
electricity produced from
waste-to-energy

47,534 t
of Quality Compost
produced (+13%)





PRODUCTION AND DISTRIBUTION OF ENERGY

9,800 GWh
requested on the electricity
distribution network

333,664 2G meters
installed in the year

50% of the **territorial
protection** index (underground
HV network/total HV network)

31 km of MV cable modernised
and **73 secondary substations**
renovated for **resilience to critical
“heat waves” and “flooding” factors**

GROUP

316 GWh
of renewable energy certified **G.O.**
for the Group companies' electricity
consumption equal to around
99,580 t
of CO₂ avoided

52%
of **waste recovered**
on the total waste produced

-51%
emissions from electricity
sales (market-based) thanks
to higher volumes of certified
renewable energy sold

nearly **2.7 Mm³**
of **water used** by the Companies
comes from **recovery**



DISCLOSING SUSTAINABILITY: METHODOLOGICAL NOTE



SUSTAINABILITY PERFORMANCE: LEGISLATIVE DECREE NO. 254/2016, REGULATION 2020/852 AND GRI STANDARD

Acea publishes a report on the Group's social and environmental performance since 1999, the year when the Parent Company was listed on the stock exchange. The document, prepared annually, is drafted according to International Guidelines¹ and is verified by third parties. Since the 2017 edition, the Sustainability Report has also complied with Legislative Decree no. 254/2016², which transposed EU Directive 95/2014 into Italian law. Under the Decree, companies that meet the conditions set out in article 2 are required to publish their sustainability performance in a **non-financial statement** – individual or consolidated – which contains information: “(...) to an extent necessary for ensuring an understanding of the company's activity, its performance, results and the impact it produces, relating to environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters, which are relevant given the activities and characteristics of the enterprise (...)”³.

Acea is also subject to the reporting obligations required by the progressive application of **Regulation 2020/852**⁴ (the “European Taxonomy”), which “establishes the criteria for determining whether an economic activity can be considered environmentally sustainable” and imposes the publication of reporting on the Taxonomy “eligible” and “aligned” activities performed by the company and on the economic quantitative performance indicators (KPIs) – quota of turnover, CapEx and OpEx – attributable to them⁵. In particular, for the third year of application of the Regulation⁶, the disclosure

- 1 Also following other guidance, in 2002 Acea opted to comply with the guidelines issued by the Global Reporting Initiative (GRI), now known as the GRI Standards, applying their changes over the years.
- 2 Article 1, paragraph 1073 of the 2019 Budget Law introduced an amendment to Legislative Decree no. 254/2016, art. 3, paragraph 1, letter c, also prescribing the illustration of the methods for managing the main risks.
- 3 Legislative Decree no. 254/2016 as amended, in particular articles 2, 3, paragraphs 1, 4.
- 4 As part of the Action Plan on Sustainable Finance adopted in March 2018 by the European Commission to steer the capital market towards a more sustainable development model, Regulation 852/2020 was approved, in force since 12 July 2020. Article 1 of the Regulation – *Object and scope of application* – states: “This regulation establishes the criteria for determining whether an economic activity can be considered environmentally sustainable, in order to identify the degree of environmental sustainability of an investment”. The economic activities identified by the Regulation are considered for their substantial contribution to achieving 6 environmental objectives: climate change mitigation; adaptation to climate change; sustainable use and protection of water and marine resources; transition to the circular economy, also with reference to waste reduction and recycling; pollution prevention and control; protection of biodiversity and the health of ecosystems. The Regulation has governed the first 2 objectives, on climate change, through the “Climate Delegated Act” (Commission Delegated Regulation 2021/2139), which was supplemented, in 2022, by the “Complementary Delegated Act” (Commission Delegated Regulation 2022/1214) with the introduction of activities related to the use of gas, fossil fuels, and nuclear in the energy sector. Subsequently, in June 2023, the other 4 environmental objectives were governed through the publication of the “Environmental Delegated Act” (Commission Delegated Regulation 2023/2486), which also made changes to the “Disclosure Delegated Act” (Commission Delegated Regulation 2021/2178); furthermore, Commission Delegated Regulation 2023/2485 made amendments to the Climate Delegated Act (Commission Delegated Regulation 2021/2139).
- 5 Regulation 2020/852, art. 8, paragraphs 1 and 2, reads: “Any company subject to the requirement to publish information of a non-financial nature (...) includes (...) in the consolidated statement of a non-financial nature, information on how and to what extent the company's activities are associated with economic activities considered environmentally sustainable pursuant to articles 3 and 9 of this regulation”. (...) “In particular, non-financial companies communicate the following: a) the share of their turnover deriving from products or services associated with economic activities considered environmentally sustainable pursuant to articles 3 and 9; and b) the share of their capital grants and the share of operating expenditure relating to assets or processes associated with economic activities considered environmentally sustainable pursuant to articles 3 and 9”. The “Disclosure Delegated Act” (Delegated Regulation 2021/2178), adopted in July 2021, was “intended to specify the content, methodology and presentation of information that must be communicated by companies”.
- 6 Article 10 of the Disclosure Delegated Act (2021/2178), adopted by the European Commission in July 2021, also governed the gradual entry into force of the Regulation: for the first year of application (2022 using 2021 data), non-financial undertakings were required to “only disclose the proportion of Taxonomy-eligible and Taxonomy non-eligible economic activities in their total turnover, capital and operational expenditure and the qualitative information referred to in Section 1.2 of Annex I relevant for this disclosure” in relation to the first two climate-related environmental objectives. In 2023, for financial year 2022, the disclosure was also extended to the data related to “Taxonomy-aligned” activities, in relation to the same climate-related environmental objectives. Lastly, from 1 January 2024 (for financial year 2023), companies are required to disclose the outcomes of the eligibility analysis on the remaining four environmental objectives.

should include the outcomes of the eligibility and alignment analysis of the activities carried out by the Group related to the two climate-related environmental objectives, and eligibility only for the remaining four environmental objectives, including the related economic KPIs; however, Acea established that it would voluntarily anticipate the application of the regulation by also providing for the alignment analysis of the activities performed by the Group related to the four new environmental objectives governed.

This *Sustainability Report*, for the financial year 2023 has been prepared in accordance with the GRI Standards⁷: and is therefore called *Acea Group's 2023 Sustainability Report (Consolidated Non-Financial Statement pursuant to Legislative Decree no. 254/2016, prepared in compliance with the GRI Standards)*, taking the form of an autonomous document, as permitted by the aforementioned Legislative Decree⁸ (later in the document, "NFS" or "Sustainability Report" or "Consolidated Non-Financial Statement").

The *Consolidated Non-Financial Statement* also includes the disclosure envisaged by Regulation 2020/852 and by Commission Delegated Regulations 2021/2178 (supplemented by Commission Delegated Regulation 2023/2486), 2021/2139 (supplemented by Commission Delegation Regulations 2022/1214 and 2023/2485) and 2023/2486. The disclosure will involve the same set of Companies included in the NFS scope, considered to be significant and an adequate representation of the Group pursuant to Legislative Decree no. 254/2016 (see below for the paragraph on *Materiality, GRI Standards and scope of reporting*). The findings that emerged are reported in the chapter *Information required by the European Taxonomy*.

The *Sustainability Report*, enclosing a *Summary Note*, following its approval by the Board of Directors, is available to the supervisory body and submitted for *limited assurance* by the independent auditor, with which Acea has no joint interests or other connections and appointed in order to assess the compliance thereof with Legislative Decree no. 254/2016 and its consistency with the implemented reporting standards⁹; the *limited assurance* does not concern the information and data relating to the European Taxonomy or the requests of art. 8 of EU Regulation 2020/852 (see *Opinion Letter of the independent auditor*). The document is disseminated through publication on the institutional website at the same time as the *Consolidated Financial Statements*.

MATERIALITY, GRI STANDARDS AND REPORT SCOPE

Acea conducted a **materiality analysis cycle** in 2022 intended to **identify the main economic, governance, social and environmental** (so-called "material topics") **topics**, linked to the Group's businesses, and to **prioritise them, considering their associated impacts** (on business, natural environment, society, and stakeholders themselves), **through consultation with stakeholders and managers**. The analysis process is repeated every two or three years, or more often when the opportunity arises, and the **resulting material topics**, therefore also valid for 2023, **have strategic value** (see chart 1 and table 1).

The analysis was carried out using an updated method, taking into account the changes made to the reporting standards.

In particular, the **direct engagement of stakeholders (internal and external)** was developed, by increasing their number and introducing an online survey to evaluate ESG topics and the associated impacts, which supplemented focus groups and one-to-one interviews. To identify the **ESG aspects** with the greatest **impact on the Company** (performance, results, development, etc.), in addition to acquiring the perspective of managers, the most recurring areas in analyst evaluations were considered and **further synergy was developed with the Enterprise Risk Management Unit** in analysing critical issues and opportunities presented by the managers. Furthermore, the focus on the **impacts associated with the material topics** was emphasised and **the new criteria for evaluating their relevance** were applied: significance, extent of the impacts, remediability/probability, etc.

The materiality analysis conducted in 2022 involved the following stages:

- a **document analysis**, conducted on around 30 documents (related to the scenario, representative of stakeholder requests, strategic and internal management, etc.), led to the identification of **15 potentially relevant topics and their main areas of impact**. These topics were shared with top management and subsequently submitted for evaluation by the Group's stakeholders and managers;
- **identification of the (external and internal) stakeholders** to be involved in the analysis using the Group Stakeholder Register, carried out in collaboration with a large number of structures at the holding and the operating companies, which led to a focus on the following stakeholder categories: institutions, peers and competitors, business partners, associations, scientific community, suppliers, customers and consumer associations, employees, trade unions, the media, new generations;
- **the direct engagement of (external and internal) stakeholders**, carried out using an online **survey** to evaluate the topics (accompanied by a glossary illustrating their broadest meaning) and the associated areas of impact found in the document analysis (141 respondents), the creation of **two multistakeholder focus groups** (69 people involved) – one at business level (stakeholders identified by the operating companies) and one at corporate level (stakeholders of the holding company) – during which the impacts associated with the topics evaluated in the survey were discussed and explored, and 17 **one-on-one interviews**, mainly held with institutional stakeholders;
- **the direct engagement of Group managers** through the **survey** to evaluate the topics and associated effects and a **special meeting** attended by **36 company managers**. During the meeting, the managers, who were presented with the main results of the multistakeholder consultation, evaluated, also on the basis of several suggestions put forward by the Enterprise Risk Management Unit, the relevance of the topics proposed and the critical issues and opportunities created for the Group.

⁷ When the previous version of the Guidelines (GRI-G4) were superseded, the Global Reporting Initiative (GRI) published the GRI Standards – *Consolidated set of GRI Sustainability reporting standards 2016*. Since then, GRI has also issued updates to individual standards, without having to re-edit the entire set, of which it indicates the mandatory adoption deadlines for reporting. The last relevant update was made in the new edition of the "Universal Standards – GRI 1: Foundation 2021, GRI 2: General Disclosures 2021, and GRI 3: Material Topics 2021 – compulsory application of which began in 2023, and the changes were therefore already adopted in the previous reporting cycle. GRI 1 indicates the requirements to be followed for reporting "in accordance with the GRI Standards". For more information, go to www.globalreporting.org.

⁸ Legislative Decree no. 254/2016, art. 4 and art. 5, paragraph 3 b.

⁹ Legislative Decree no. 254/2016, under art. 3, paragraph 10, provides that: "The subject entitled to perform the statutory audit of the Sustainability Report (...) or another subject entitled to carry out the statutory audit as specifically designated" issues "a certification concerning the compliance of the provided information with the requirements under this legislative decree and the principles, methods and procedures provided under paragraph 3". Namely principles and methodologies: "provided by the reporting standard used as reference (...)".

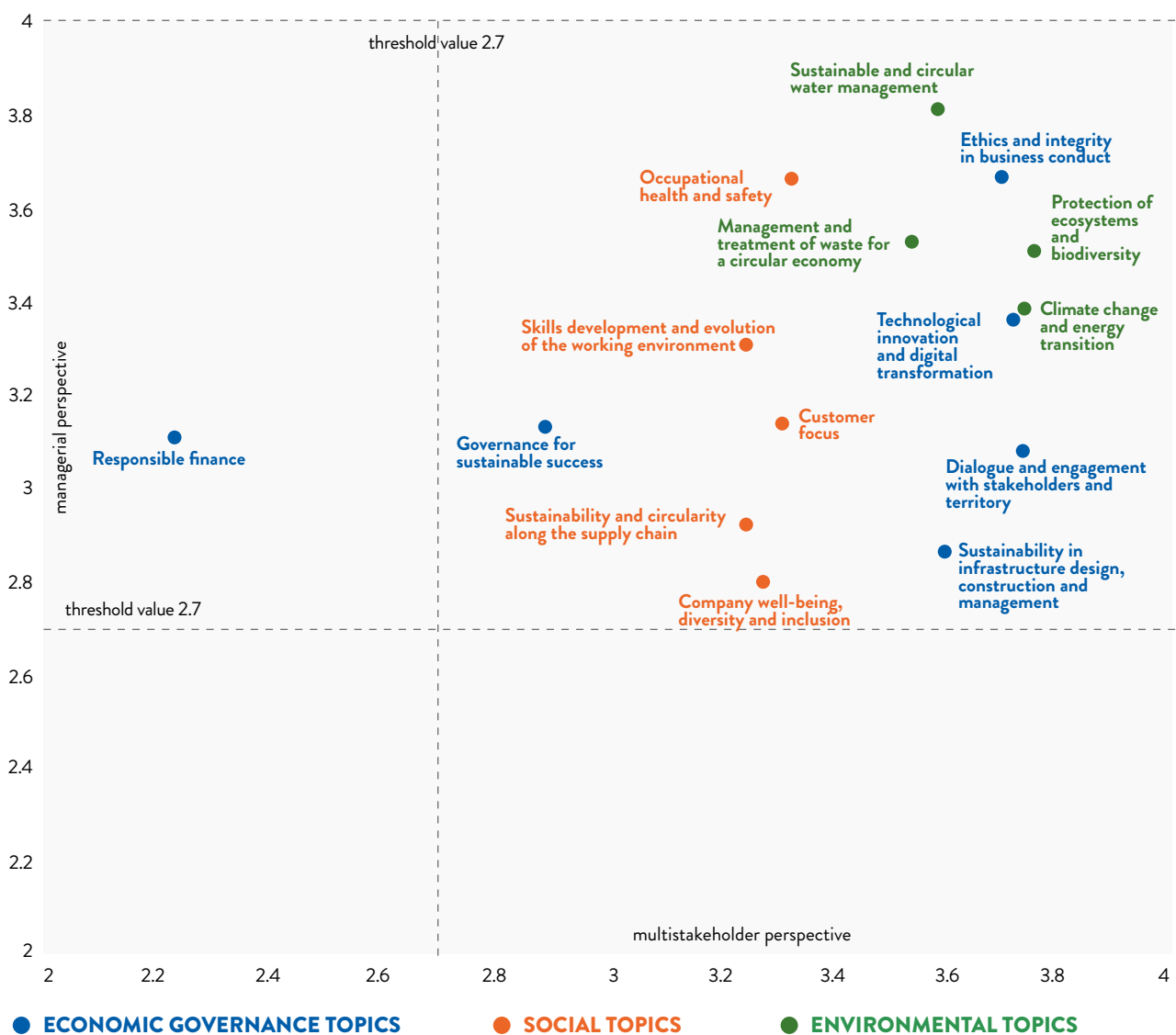
Following the focus groups, conducted by qualified facilitators, **the results were analysed** considering the opinions and contributions of stakeholders and managers in light of the impact measurement criteria defined by the GRI Standards (significance, extent, remediability, etc.), **the output was processed**, creating the **materiality matrix** and preparing **the list of material topics and associated impacts**, as perceived by the stakeholders¹⁰.

The materiality analysis process performed in 2022 and its results have been **returned** with reports dedicated **to stakeholders and managers involved** and **shared** with the **Ethics, Sustainability and Inclusion**¹¹ and **Control and Risk Committees** and the **Board of Statutory Auditors**.

The **materiality matrix** represents the topics **according to the materiality perspective of stakeholders and managers**¹². The matrix distributes **the 15 economic, governance, social and environmental topics**¹³ into **low, medium and high relevance** (prioritised on a scale from 0-4). In particular, **14 topics** are located in the **high significance area** (score 2.8-4) and **1** in the **medium significance area** (score 1.5-2.7) (see Chart no. 1).

The **positioning of the topics was determined by considering**, as a whole, **the significance evaluations** expressed by stakeholders and managers **on the impacts associated with each material topic**.

Chart no. 1 – Relevant topics for the Company and its stakeholders: Acea materiality matrix – 2023



¹⁰ The detailed list of material topics and related effects is in the Report in "Stakeholders and Their Involvement" section.

¹¹ In 2022, it was still named the Ethics and Sustainability Committee.

¹² In addition to providing the list of material topics and their associated impacts, Acea also decided to continue to represent them in a matrix (no longer required by the GRI Standards), specifically due to the greater efficacy in showing the perspective of relevance expressed by stakeholders and managers.

¹³ Each topic, mentioned briefly here, has a broader meaning, given in a glossary provided to all stakeholders involved in the analysis process. Compared to the previous reporting cycle, the material topics decreased from 19 to 15. Nevertheless, the topics *Governance for sustainable success*, *Protection of ecosystems and biodiversity*, and *Technological innovation and digital transformation*, in their broadest sense submitted to the stakeholders, now incorporate the aspects previously covered by the topics *Performance management systems for sustainability in the medium and long term*, *Integrated risk management (threats and opportunities)*, *Protection of air quality*, *Innovation of smart utility processes, infrastructure and services*, and *Business evolution through open innovation*.

Table 1 contains **the list of the material topics, in order of significance**, defined on the basis of the joint consideration of the multi-stakeholder and managerial perspective and their **correspondence with the reporting disclosures**.

Besides being a strategic reference, **the Acea Materiality Matrix** is necessary to identify which **aspects to include in greater or lesser detail**, depending on the results of prioritisation, and to **select the “specific disclosures” required by the GRI Standards**.

The drafting of this Sustainability Report **in accordance with the GRI Standards¹⁴** implies the illustration of performance according to:

- the set of **“Universal Standards”**, which include: the **reporting requirements and principles** (GRI 1: Foundation 2021), the **30 disclosures of the “General Standards”** (GRI 2: General Disclosures 2021) and the **methods for identifying and managing material topics** (disclosures envisaged by GRI 3: Material Topics 2021);
- the **individual disclosures of the “Specific Standards”** (referring to economic and governance, social and environmental issues) **related to the material topics of high significance for Acea**, selected, by virtue of such correlation and for the purpose of best representing the organisation’s main impacts, from the 85 total disclosures included in the 31 Specific Standards¹⁵.

The analysis to select the specific GRI “material” disclosures, considering their correlation with the Acea material topics of high significance and the meaning attributed to them by the International Standards¹⁶, led to the identification of **71 specific “material” disclosures, included in 23 Specific Standards, which are related to all Acea material topics of high significance**; the only material topic found to be of “medium significance” – *Responsible Finance* – is also discussed in the report, but in less depth¹⁷ (see table 1).

Table no. 1 – List of the Acea “material topics” in order of significance and GRI “specific disclosures” related to topics of high significance

TOPICS OF HIGH SIGNIFICANCE	GRI SPECIFIC DISCLOSURES
1. SUSTAINABLE AND CIRCULAR WATER MANAGEMENT	201-2; 301-1; 301-2; 302-1; 302-3; 302-4; 303-1; 303-2; 303-3; 303-4; 303-5; 304-1; 304-2; 304-3. ¹⁸
2. ETHICS AND INTEGRITY IN BUSINESS CONDUCT	201-4; 205-1; 205-2; 205-3; 206-1; 403-1; 406-1; 413-2; 416-2; 417-1; 417-2; 417-3; 418-1.
3. PROTECTION OF ECOSYSTEMS AND BIODIVERSITY	201-1; 203-2; 302-1; 302-2; 302-3; 302-4; 303-1; 303-2; 303-3; 303-4; 303-5; 304-1; 304-2; 304-3; 304-4; 305-1; 305-2; 305-6; 305-7; 306-1; 306-2; 306-3 (2016); 303-6 (2020); 306-4; 306-5.
4. CLIMATE CHANGE AND ENERGY TRANSITION	201-1; 201-2; 203-2; 302-1; 302-2; 302-3; 302-4; 302-5; 305-1; 305-2; 305-3; 305-4; 305-5; 305-6.
5. TECHNOLOGICAL INNOVATION AND DIGITAL TRANSFORMATION	201-1; 201-2; 203-1; 203-2; 301-2; 302-1; 302-2; 302-3; 302-4; 302-5; 303-1; 303-5.
6. MANAGEMENT AND TREATMENT OF WASTE FOR A CIRCULAR ECONOMY	201-2; 301-1; 301-2; 306-1; 306-2; 306-3 (2020); 306-4; 306-5.
7. OCCUPATIONAL HEALTH AND SAFETY	201-1; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-8; 403-9; 403-10; 414-1; 414-2.
8. DIALOGUE AND ENGAGEMENT WITH STAKEHOLDERS AND TERRITORY	203-1; 203-2; 303-1; 304-3; 308-2; 401-1; 403-4; 406-1; 413-1; 413-2; 414-1; 416-1.
9. SKILLS DEVELOPMENT AND EVOLUTION OF THE WORKING ENVIRONMENT	201-1; 205-2; 401-1; 401-2; 401-3; 402-1; 404-1; 404-2; 404-3.
10. SUSTAINABILITY IN INFRASTRUCTURE DESIGN, CONSTRUCTION AND MANAGEMENT	201-1; 201-2; 203-1; 203-2; 302-5; 303-1; 304-2; 304-3; 306-2; 308-2; 413-1; 413-2; 414-1; 414-2; 416-1.
11. CUSTOMER FOCUS	201-1; 201-2; 203-1; 203-2; 206-1; 303-1; 305-3; 416-1; 416-2; 417-1; 417-2; 418-1.
12. SUSTAINABILITY AND CIRCULARITY ALONG THE SUPPLY CHAIN	201-1; 201-2; 203-2; 204-1; 205-2; 301-1; 301-2; 302-2; 303-1; 303-5; 305-3; 306-1; 308-1; 308-2; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-8; 403-9; 403-10; 414-1; 414-2.
13. COMPANY WELL-BEING, DIVERSITY AND INCLUSION	201-3; 401-1; 401-2; 401-3; 403-6; 405-1; 405-2; 406-1.
14. GOVERNANCE FOR SUSTAINABLE SUCCESS	201-2; 405-1.
TOPIC OF MEDIUM SIGNIFICANCE	
15. RESPONSIBLE FINANCE	

¹⁴ Until 2021, Acea had prepared the Sustainability Report according to the *Comprehensive* option, the highest level of compliance envisaged by the GRI Standards. This option has been replaced by the change in the framework which, from 2022, provides for the possibility to prepare a sustainability report in accordance with the GRI Standards by meeting 9 “compliance requirements”, defined in GRI 1: Foundation 2021, or to prepare a report with reference to the GRI Standards and therefore one that is not fully compliant.

¹⁵ In addition to the 31 specific standards, no change has been made to the specific disclosure 306-3: Significant spills 2016, despite there being a more recent disclosure with the same numbering (306-3: Waste generated 2020).

¹⁶ The meaning attributed to the disclosures by the International Standards led, in some cases, to adapting them to the corporate reality and in others to ruling out their materiality. For example, the exclusion prevailed in the case of specific disclosures more relevant to the operations of multinational enterprises or not suited to the reality of the Group’s most significant operations.

¹⁷ The topic *Responsible Finance* is nevertheless paired with specific disclosures (201-1, 201-4, 203-1) already related to topics of high significance and, therefore, reported.

The **principle of materiality** or significance is also applied to the **definition of the “report scope”**, as envisaged both by the GRI Standards and by Legislative Decree no. 254/2016. The latter, indeed, under art. 4, states: *“To an extent necessary for ensuring an understanding of the group’s business, its performance, results and the impact it produces, the consolidated declaration includes data about the parent company, its fully consolidated subsidiary companies and covers the topics pursuant to article 3, paragraph 1”*.

The qualitative and quantitative criteria, necessary to identify the companies that ensure an understanding of the Group’s business, performance, results and the impacts it generates, were also measured in 2023, confirming their adequacy. **Qualitative** criteria highlight the significance of the role carried out by the companies for the Group’s qualifying business (namely, companies carrying out a relevant and current role in the main businesses, or due to the services they provide, and in implementation of the industrial and sustainability plans) and territoriality (namely, the operations in the geographic area in which **almost all of the turnover is generated**, the majority of the stakeholders are located and a large part of the managed assets are located). The **quantitative criteria** verify correspondence, for all companies included according to the qualitative criteria, with **high values of representation in relation to the entire scope of line-by-line consolidation** with reference to specific **economic data** (in particular: turnover, approximately 89%, CapEx, approximately 96%, and OpEx, 91%) and **socio-environmental** criteria (customers, approximately 87%, and CO₂ emissions, 94%)¹⁸.

In-depth analyses were also carried out on the Water Business, given its strategic importance, verifying, for the companies included, the level of representation on relevant data (such as drinking water dispensed, 89%, and waste water treated, 96%)¹⁹, as well as on the expanding Environment Business, detecting a coverage of 81% of waste treated, in addition to gross electricity produced (99%) and electricity distributed (97%).

As regards the companies included in the scope of line-by-line consolidation of the Parent Company in 2023 (see table 2), the analysis led to a scope proposal, presented to the competent board committees and to the Board of Statutory Auditors. As a result, the scope was completed and, once the thresholds of economic representation were verified by the CFO, **shared with top management** and finally **presented to the Ethics, Sustainability and Inclusion and Control and Risks Committees** and to the corporate control body.

In light of the above factors, the **scope for the 2023 Acea Consolidated Non-Financial Statement (NFS)**, using the scope of the 2022 NFS, for which all companies were reconfirmed, provides for the entry of Orvieto Ambiente Srl²⁰, split off from Acea Ambiente already present in the NFS scope, and of **Ecologica Sangro SpA**, a new company in the Environment Segment, operating in waste treatment and disposal, in line with the ongoing expansion of the business. The companies Fergas Solar 2 Srl and Acea Renewable 2 Srl in the Generation business area (photovoltaic energy) were also included, albeit not yet operational²¹ (see table 3)²².

Table no. 2 – Companies included in the Parent Company’s full consolidation area (2023)

COMPANY	REGISTERED OFFICE
Acque Industriali Srl	Via Bellatalla, 1 – Ospedaletto (Pisa)
Aquaser Srl	P.le Ostiense, 2 – Rome
Acea Ambiente Srl	Via G. Bruno, 7 – Terni
Orvieto Ambiente Srl	P.le Ostiense, 2 – Rome
A.S. Recycling Srl	Via dei Trasporti, 14 – Carpi (MO)
Berg SpA	Via delle Industrie, 38 – Frosinone (FR)
Cavallari Srl	Via dell’Industria, 6 – Ostra (AN)
Deco SpA	Via Vomano, 14 – Spoltore (PE)
Demap Srl	Via Giotto, 13 – Beinasco (TO)
Consorzio Servizi Ecologici del Frentano	Strada Provinciale Pedemontana km 10 – 66034 Frazione Cerratina – Lanciano (CH)
Ecologica Sangro SpA	Strada Provinciale Pedemontana km 10 Frazione Contrada Cerratina – Lanciano (CH)
Ferrocarril Srl	Via Vanzetti, 34 – Terni
Iseco SpA	Loc. Surpian n. 10 – 11020 Saint-Marcel (AO)
Meg Srl	Via 11 Settembre, 8 – San Giovanni Illarione (VR)

¹⁸ The figure relating to customers rises to 92% when the companies operating in Italy are considered.

¹⁹ The figure for drinking water dispensed rises to 97% when the companies operating in Italy are considered.

²⁰ On 1 March 2023, Orvieto Ambiente was established, wholly owned by Acea Ambiente, into which the business unit for the mechanical sorting, composting and waste disposal plant at the site in the Municipality of Orvieto was transferred.

²¹ The hypothetical inclusion in the NFS 2023 of a PV company, albeit not yet operational, is essential to highlight the importance of the business and to measure its economic KPIs for the purpose of the disclosure required by the European Taxonomy; the same companies were not included in the scope of the NFS 2022 because they had entered the scope of line-by-line consolidation in the final quarter of the year. Furthermore, it should be noted that the data relating to the production of electricity from photovoltaic plants, linked to the company AE Sun Capital Srl, 40% owned by Acea Produzione and 60% by the investment fund Equitix Investment Management and not consolidated on a line-by-line basis, will not be illustrated in the non-financial report in a different manner.

²² In light of the applied criteria, the following companies are outside of the scope of the 2023 Consolidated Non-Financial Statement: A.S. Recycling, Cavallari, Consorzio Servizi Ecologici del Frentano “Ecofrentano”, Ferrocarril, Iseco, Meg, S.E.R. Plast, Tecnoservizi, Acea Energy Management, Umbria Energy, Acea International, Consorzio Agua Azul, Consorzio Acea, Consorzio Servicios Sur, Acea Dominicana, Consorzio Acea Lima Norte, Consorzio Acea Lima Sur, Aguas de San Pedro, Acea Perú, Consorzio Acea-Acea Dominicana, Adistribuzionegas, Notaresco Gas, Acque Blu Arno Basso, AQUANTIA, Acea Molise, Sarnese Vesuviano, Acque Blu Fiorentine, ASM Terni, Agile Academy, Ombrone, Servizi Idrici Integrati, Umbriadue Servizi Idrici, A.Cities, Acea Liquidation and Litigation, Simam, Technologies for Water Services.

S.E.R. Plast Srl	Contrada Stampalone, Cellino Attanasio (TE)
Tecnoservizi Srl	Via Bruno Pontecorvo, 1/B - Roma
Acea Energia SpA	P.le Ostiense, 2 - Rome
Acea Energy Management Srl	P.le Ostiense, 2 - Rome
Acea Innovation Srl	P.le Ostiense, 2 - Rome
Umbria Energy SpA	Via B. Capponi, 100 - Terni
Acea International SA	Avenida Las Americas - Esquina Mazoneria, Ensanche Ozama - 11501 Santo Domingo
Consorcio Agua Azul SA	Calle Amador Merino Reyna 307 - Lima - Peru
Consorcio Acea	Calle Amador Merino Reyna 307 - Lima - Peru
Consorcio Servicio Sur	Calle Amador Merino Reyna - San Isidro
Acea Dominicana SA	Avenida Las Americas - Esquina Mazoneria, Ensanche Ozama - Santo Domingo
Consorcio Acea Lima Norte	Calle Amador Merino Reyna 307 - Lima - Peru
Consorcio Acea Lima Sur	Calle Amador Merino Reyna 307 - Lima - Peru
Aguas de San Pedro SA	Las Palmas, 3 Avenida, 20y 27 calle - 21104 San Pedro, Honduras
Acea Peru SAC	Cal. Amador Merino Reyna, 307 MIRAFLORES - LIMA
Consorcio Acea-Acea Dominicana	Av. Las Americas - Esq. Mazoneria - Ens. Ozama
Adistribuzionegas Srl	Via L. Galvani, 17/A - 47122 Forlì
Notaresco Gas Srl	Via Padre Frasca, s.n., frazione Chieti, Scalo Centro Dama
Acea Ato 2 SpA	P.le Ostiense, 2 - Rome
Acea Ato 5 SpA	Viale Roma snc - Frosinone
Acque Blu Arno Basso SpA	P.le Ostiense, 2 - Rome
AQUANTIA Srl	P.le Ostiense, 2 - Rome
Acea Molise Srl	P.le Ostiense, 2 - Rome
Gesesa SpA	Corso Garibaldi, 8 - Benevento
Gori SpA	Via Trentola, 211 - Ercolano (NA)
Sarnese Vesuviano Srl	P.le Ostiense, 2 - Rome
Acque Blu Fiorentine SpA	P.le Ostiense, 2 - Rome
ASM Terni	Via Bruno Capponi, 100 - Terni
Acquedotto del Fiora SpA	Via Mameli, 10 Grosseto
Agile Academy Srl	Via Mameli, 10 - Grosseto
Ombrone SpA	P.le Ostiense, 2 - Rome
Servizi idrici Integrati ScPA	Via I Maggio, 65 Terni
Umbriadue Servizi Idrici Scarl	Via Aldo Bartocci, 29 - Terni
Areti SpA	P.le Ostiense, 2 - Rome
A.Cities Srl	P.le Ostiense, 2 - Rome
Ecogena Srl	P.le Ostiense, 2 - Rome
Acea Renewable Srl	Piazzale Ostiense, 2 - 00154 Rome
Acea Liquidation and Litigation Srl	P.le Ostiense, 2 - Rome
Fergas Solar 2 Srl	P.le Ostiense, 2 - Rome
Acea Renewable 2 Srl	Piazzale Ostiense, 2 - 00154 Rome
SF ISLAND Srl	Via Cantorriovo, 44/C - Acquapendente (VT)
Acea Solar Srl	P.le Ostiense, 2 Rome
Acea Produzione SpA	P.le Ostiense, 2 - Rome
Acea Infrastructure SpA	Via Vitorchiano - Rome
Simam SpA	Via Cimabue, 11/2 - 60019 Senigallia (AN)
Technologies For Water Services SpA	Via Ticino, 9 - 25015 Desenzano Del Garda (BS)

Table no. 3 – Scope of the Acea Group Consolidated Non-Financial Statement for 2023 (pursuant to Legislative Decree no. 254/2016 and the GRI Standards)

COMPANY	REGISTERED OFFICE
Acea SpA	P.le Ostiense, 2 – Rome
Acque Industriali Srl	Via Bellatalla, 1 – Ospedaletto (Pisa)
Aquaser Srl	P.le Ostiense, 2 – Rome
Acea Ambiente Srl	Via G. Bruno, 7 – Terni
Orvieto Ambiente Srl	P.le Ostiense, 2 – Rome
Berg SpA	Via delle Industrie, 38 – Frosinone (FR)
Deco SpA	Via Vomano, 14 – Spoltore (PE)
Demap Srl	Via Giotto, 13 – Beinasco (TO)
Ecologica Sangro SpA	Strada Provinciale Pedemontana km 10 Frazione Contrada Cerratina – Lanciano (CH)
Acea Energia SpA	P.le Ostiense, 2 – Rome
Acea Innovation Srl	P.le Ostiense, 2 – Rome
Acea Ato 2 SpA	P.le Ostiense, 2 – Rome
Acea Ato 5 SpA	Viale Roma snc – Frosinone
Gesesa SpA	Corso Garibaldi, 8 – Benevento
Gori SpA	Via Trentola, 211 – Ercolano (NA)
Acquedotto del Fiora SpA	Via Mameli, 10 Grosseto
Areti SpA	P.le Ostiense, 2 – Rome
Ecogena Srl	P.le Ostiense, 2 – Rome
Acea Renewable Srl	Piazzale Ostiense, 2 – 00154 Rome
Fergas Solar 2 Srl	P.le Ostiense, 2 – Rome
Acea Renewable 2 Srl	Piazzale Ostiense, 2 – 00154 Rome
SF ISLAND Srl	Via Cantorriovo, 44/C – Acquapendente (VT)
Acea Solar Srl	P.le Ostiense, 2 Rome
Acea Produzione SpA	P.le Ostiense, 2 – Rome
Acea Infrastructure SpA	Via Vitorchiano – Rome

The scope of the *Acea Group's 2023 Sustainability Report*, albeit wider, guarantees **continuity and comparability** with the year before²³, as well as coverage of the companies **that ensure full understanding of the Group's activities** and **most significant sustainability performance**.

Lastly, **in compliance with the principle of completeness** required under **GRI Standards**, the *2023 Sustainability Report* includes qualitative and quantitative information regarding corporate and/or environmental matters of certain companies that are **not included**

within the scope of the Consolidated Non-Financial Statement.

In particular, this data relates to the **production of electricity from photovoltaic plants** attributable to AE Sun Capital, a subsidiary not consolidated on a line-by-line basis, and **environmental and social data and information** for **overseas activities** and for the following **companies operating in the Water Business**: Acque, Publiacqua and Umbra Acque, which were **included in some Group data** and **described in a dedicated chapter** (*Water companies data sheets and overseas activities*), **giving clear evidence of their individual contribution**.

²³ It should be noted that the business areas represented in the non-financial report within the NFS 2023 are reported in continuity with the previous financial year, in that the names have simply been changed in the Group's new Strategic Plan (Environment, Water, Engineering & Infrastructure Projects, Commercial, Production, Networks & Smart Cities), approved at the end of financial year 2023, without leading to substantial changes in the scope.

DOCUMENT STRUCTURE AND DISSEMINATION

The 2023 *Sustainability Report*, in line with previous years, is divided into three main sections: **Corporate identity** – which also integrates the information required by Regulation 2020/852 –, **Relations with the stakeholders** and **Relations with the environment**, supplemented by the **Environmental Budget**. The latter **comprises about 500 items and parameters** monitored which quantify the physical flows generated by the activities: the products, factors used (resources), outbound outputs (rejects and emissions) and some performance indicators.

References to the main economic-financial data and corporate governance are consistent with those given in the *Consolidated Report* and the *Corporate Governance Report* and which may derive from the latter.

The published data and information are provided by the Companies and responsible Functions (*data owner*); they are processed – and

possibly reclassified in compliance with the reference Standards – by the internal workgroup which draws up the document and then submitted it once again to the Companies/Functions responsible for final validation, formalized by the issuing of a specific certificate.

Downstream of the audit activities by the appointed independent auditor, the report is distributed by means of storage on SDIR 1Info, **publication on the institutional website** – www.gruppo.acea.it – **and the company intranet**, as well as **the other formats provided under Legislative Decree no. 254/2016** and the implementing Consob Regulation (implemented by Resolution no. 20267 of 19 January 2018).

For further information about the Sustainability Report and its contents, it is possible to write to the following email address: RSI@aceaspa.it.

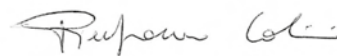
Irene Mercadante

SUSTAINABILITY PLANNING & REPORTING UNIT



Pierfrancesco Latini

RISK MANAGEMENT, COMPLIANCE & SUSTAINABILITY FUNCTION





CORPORATE
IDENTITY





GROUP PROFILE

ACEA'S HISTORY

Acea was founded in 1909 as a Municipal Electric Company (AEM) to manage and develop the electricity and water infrastructure of the city of Rome, thus playing a part in its economic and social progress. In pursuing a path of growth, the company has seized the opportunities offered by the market and the regulatory and social environment. Its expanding business and management scope has been accompanied by an evolving legal structure, with a stock exchange listing in 1999, and the ingress of qualified strategic partners.

Acea is a nationwide industrial group, active in integrated water management, electricity and gas production, distribution and sales, environmental services and activities to enable *smart communities*. The current development guidelines set out in the strategic plans are characterised **by the consolidation** of the Group's **leadership position** in the water industry and **the expansion of the regional area of interest** and its **businesses**, which range from the generation of renewable sources to the environmental supply chain and the circular economy, and from energy efficiency services to sustainable mobility.

In this context, **digitalisation, technological innovation and sustainability** are the levers that enable us to improve operating efficiency, service quality, resilience of the infrastructure, increasing the Group's capacity to generate shared value for all of our stakeholders.

BUSINESSES AND FUNCTIONS OF THE MAIN GROUP COMPANIES

Acea is **one of Italy's leading multi-utility companies** and operates in several public service sectors: **water** (integrated cycle), **environment** (energy development, recovering of material, waste processing and composting) and **energy** (production, distribution, energy sales and public lighting). It is the operator of reference **in the Rome area** for water and energy services; in the water sector, the Group is also present as an industrial partner of local management companies in some areas of **Central and Southern Italy** (from Tuscany to Campania). Development operations, in line with strategic guidelines, are concentrated in particular on the circular economy. In these areas, Acea is also present along the **Adriatic ridge in central Italy and in northern Italy**.

Table no. 4 shows some representative data of the Group, while the business areas and geographical reach of the main companies are briefly detailed in Chart no. 2.

Table no. 4 – Acea Group in numbers – 2023

PERSONNEL (number, by % consolidation)	10,220
NET REVENUE (million €)	4,649.4
INVESTED CAPITAL (million €)	7,669.8
<i>net equity debt</i>	4,846.8
<i>shareholders' equity</i>	2,823.0
TOTAL BALANCE SHEET ASSETS (million €)	11,787.1
ELECTRICITY	
generation (GWh) (gross)	1,047.37
<i>of which from renewable sources (GWh) (gross)</i>	756.9
<i>hydroelectric</i>	425.9
<i>photovoltaic</i>	134.4
<i>biogas</i>	50.1
network demand (GWh)	9,800
sales (GWh) (free and protected market)	6,386
electricity and gas customers (number)	1,543,778
WASTE-TO-ENERGY (WTE)	
electricity generation (GWh) (gross total)	320.5
waste burnt (t)	376,391
<i>SRF</i>	294,174
<i>pulper</i>	82,217
PUBLIC LIGHTING	
bulbs managed in Rome (number)	232,334
WATER (INTEGRATED WATER SERVICE)	
drinking water supplied and billed (Mm ³)	630.0
analytical checks on drinking water (number)	1,531,812
wastewater treatment (Mm ³)	978.5
inhabitants served (million)	8.8

Note: this table aims to reflect the Group's size as accurately as possible. Economic data and receivables/payables correspond to the full list of companies consolidated on a line-by-line basis; in the photovoltaic sector, due to the importance of the business, the production of the investee company AE Sun Capital, the company established with Equitix and not consolidated on a line-by-line basis, is also included; for water, in addition to the five companies in the NFS reporting boundary (Acea Ato 2, Acea Ato 5, AdF, Gori and Gesesa), the three main investee companies that are not consolidated on a line-by-line basis (Acque, Umbra Acqua and Publiacqua) are included.

Chart no. 2 – The businesses of the main Acea Group Companies in the local area



WATER

AdF manages the integrated water service in 55 municipalities of the Optimal Territorial Conference 6 Ombrone, covering the province of Grosseto and part of the municipalities of the province of Siena.

Acea Ato 2 manages the integrated water service in 106 municipalities of OTA (Optimal Territory Environment Agency) 2 Lazio Centrale - Rome.

Acea Ato 5 manages the integrated water service in 86 municipalities of OTA 5 Lazio Meridionale - Frosinone (including 2 municipalities outside the district).

Gori manages the integrated water service for 74 towns located in the Sarnese Vesuviano OTA between the metropolitan city of Naples and the province of Salerno.

Gesesa manages the integrated water service in 21 municipalities of the Sannita District Area, in the area of Benevento and its province.



ENGINEERING AND SERVICES

Acea Infrastructure^(*) provides laboratory, R&D, technical, engineering (design and works management) services in the water, energy and environmental sectors for Group companies and outside customers.



GENERATION

Acea Produzione manages the production of energy and heat with a power plant consisting of hydroelectric, thermoelectric and photovoltaic systems.

Acea Solar, a subsidiary of Acea Produzione, handles the construction of photovoltaic power plants.

Ecogena designs and manufactures cogeneration and trigeneration plants and works as an ESCo (Energy Service Company) providing energy efficiency services to internal customers (increased efficiency obligations pursuant to Ministerial Decree of 20 July 2014), and monitors technological innovation for energy savings.



ENVIRONMENT

Acea Ambiente, with plants in Lazio, Tuscany and Umbria, handles environmental management (treatment and disposal) and the production of energy from waste, waste recovery and composting.

Aquaser works in the recovery, treatment and disposal stages for sludge resulting from the treatment phase of the integrated water service.

Acque Industriali provides brokerage and liquid waste treatment services, as well as activities related to the integrated water cycle, mainly consisting of biological sludge recovery and disposal.

Berg operates in the Frosinone area and works in the chemical/physical and biological treatment of solid and liquid, hazardous and non-hazardous waste.

Demap carries out recovery and selection of plastic and plastic and metal packaging at the plant in the province of Turin.

Deco, which operates in Abruzzo, designs, constructs and manages plants for the treatment, disposal and recovery of municipal solid waste and plants for energy recovery from renewable sources. Deco also owns **Ecologica Sangro**, which operates a treatment plant and a landfill with an adjoining biogas energy recovery plant.



COMMERCIAL

Acea Energia manages the sale of electricity and gas on the (free and higher protection) market and e-mobility services.

Acea Innovation manages technological innovation and energy efficiency activities and the marketing of related services and products for the Acea Group.



ENERGY INFRASTRUCTURES

Areti plans, designs and executes the actions of modernizing and developing electricity infrastructures and manages its distribution services in the towns of Rome and Formello. In Rome it manages and develops public, artistic and cemetery lighting systems.



(*) The extraordinary shareholders' meeting of Acea Elabori SpA on 27 November 2023 resolved to change the company name to Acea Infrastructure SpA.

NB: in December of the year under review, Acea announced, with the publication of the relevant documentation, the proposed partial demerger of the business unit via spin-off into a NewCo (Acea Acqua SpA). The move involved shareholdings and 19 employees, relating to water management and activities.

THE PUBLIC NOTICE FOR THE WASTE-TO-ENERGY PLANT IN ROME

In March 2023, Acea Ambiente responded to the **public notice issued by the Municipality of Rome** to find economic operators interested in presenting *project financing* proposals for assignment of the systems hub concession relative to the design, operating authorisation, construction and management of a **waste to energy plant and correlated ancillary systems**.

Acea Ambiente submitted its expression of interest together with

important **national and international partners**, forming a business grouping with Hitachi Zosen Inova, Vianini Lavori and Suez. In November 2023, the Municipality of Rome, on the basis of the proposal submitted by Acea, **published the call for tenders** for the waste-to-energy plant, with an expiry date set at mid-May 2024. According to the contracting station timetable, the construction site must start by autumn 2024.

THE CONSOLIDATION OF THE GROUP'S GROWTH FOR EXTERNAL LINES

During the year, Acea has pursued several corporate acquisitions **of operators active in the Group's businesses**. In the environmental sector, Acea completed the acquisition of DECO in January. The Abruzzo company is active in the design, construction and management of municipal solid waste treatment, disposal and recovery plants and plants for energy recovery from renewable sources. Through **DECO**, the company **Ecologica Sangro**, which is also active in integrated waste management in the same region, also joins the Acea Group. April saw the completion of the merger between **Acea and ASM Terni**, launched last year. As a result, Acea's presence in

the capital of ASM Terni increased to 45% and the Umbrian utility acquired 20% of Orvieto Ambiente, a spinoff of Acea Ambiente. This was a boost for Umbria's first integrated multi-utility, an industrial concern active in the water, waste management, electricity production and the distribution and sale of electricity and gas. Also in April, Acea completed the acquisition of **SIMAM**, a company specialised in the engineering, construction and operation of water and waste treatment plants, environmental interventions and remediation with high-tech solutions.

CONTEXT ANALYSIS AND BUSINESS MODEL

CONTEXT ANALYSIS

Acea monitors the reference context, identifying and analysing the factors that could take on a significant role in terms of the Group's operations, such as **competitiveness, sustainability and regulatory areas** that can affect the achievement of strategic goals. In addition to these external factors, there is also the **internal context** of the Group, to be considered both in **organisational** terms and in relation to the **energy and environmental impacts**, the **development of human capital**, the **protection of workers' health and safety**, the protection of company assets, and the sustainable and responsible management of the **supply chain**.

THE ENERGY MARKET AND COMPETITORS

ARERA, with Decision 208/2022/R/eel, defined the **regulation of the Gradual Protection Service (TSG) for micro-enterprises**. The Gradual Protection Service (GPS) is activated for customers who did not choose a supplier on the free market as of 1 April 2023 and last for four years. In December 2022, the Single Purchaser published the results of the competitive bidding procedure for the identification of the operators of the Gradual Protection Service for micro-enterprises, for the period covering the years 2023 to 2027 and Acea Energia was **awarded a lot** in the territories of Avellino, Barletta-Andria, Benevento, Brindisi, Trani, Foggia, Lecce, Municipality of Naples and Salerno. The Authority, by Decision 362/2023/R/eel, then adopted the provisions on the **Gradual Protection Service with regard to**

non-vulnerable domestic customers who will be without a supplier from the date of termination of the enhanced protection service, scheduled for 1 April 2024. The date of the **end of the service assignment period** is also set for 3 years until **31 March 2027**. As regards customers on the free market, Acea Energia is consolidating its position on sustainability and environmental protection by developing its range of green commercial tariffs and offering added-value products such as boilers, air conditioning units, the Acea E-mobility App for e-vehicle charging, and the option to integrate telephony services into the energy supply contract through the partnership with WindTre.

THE INTEGRATED WATER SYSTEM AND GAS DISTRIBUTION

The water sector is the market area in which Acea intends to actively engage, evaluating and participating in new tenders for the **concession of the integrated water service** by the various contracting stations (regions, municipalities, area entities) on national territory. In fact, Acea Group can easily compete with other operators in the sector as it fulfils the necessary economic, financial, organisational, experience and certified system requirements. In the water industry, the Group has planned works on strategic infrastructure of interest for the National Recovery and Resilience Plan and has implemented a digitalisation process of the commercial procedures as well as the application of technological innovation in the management of infrastructure.

THE WASTE MANAGEMENT MARKET

The Acea Group operates its waste management services through the **management of facilities** in Lazio, Tuscany, Umbria, Marche, Veneto, Piedmont, Abruzzo and the Aosta Valley.

Acea Ambiente works structurally to support the circular economy, through the recycling and recovery of secondary raw materials, and is active in the transformation of organic waste into high quality compost and into biogas for the production of electricity, in integration with water activities for the treatment of sewage sludge, in the treatment of liquid waste, and in waste disposal and waste-to-energy.

The Group continues to maintain the plants it has acquired to consolidate its activities and positioning in the consortium systems (COMIECO, COREPLA, CORIPET, CONIP, etc.).

THE ENGINEERING AND SERVICES MARKET

As far as the technical services market is concerned, Acea Infrastructure supplies its services to the areas of interest of the Acea Group, especially in the water and environmental sectors. In particular, Acea Infrastructure provides **engineering services** – including works design, verification for project validation, works management, and construction – **analytical laboratory**, research, in the water cycle, waste cycle and energy sectors. Currently these activities are provided almost exclusively to other companies in the Acea Group (so-called “captive market”) and to a minor extent to third parties (“non-captive market”).

With regard to the non-captive market, Acea Infrastructure, seeking to expand its activities, participated in 2023 in tenders relating to districting, surveying and measuring, water and sewerage network modelling and plans, and design and works on plants. The Principals are mainly integrated water service operators who require specialised services to support the plans to rationalise and upgrade integrated water cycle networks and plants. Participation in tenders takes place as joint ventures with other companies, implementing the conduct measures provided for in the Company's Antitrust Compliance Model.

THE ENERGY EFFICIENCY MARKET

The **energy efficient building** market is regulated by Decree Law 34/2020 (“Relaunch Decree”), converted by Law 77/2020, which introduced tax benefits (110% super bonus), with the possibility of credit transfer and invoice discounts, for beneficiaries who carry out energy efficiency and seismic consolidation work on their buildings. In this area, the Acea Group – through the companies Ecogena, Acea Innovation and Acea Energia – has identified business development opportunities in the residential sector. In particular, in the year under review, Acea Innovation launched all the planned activities, 94% of which were completed in compliance with the 110% tax break timeframe. In addition to the “super-bonus”-related activities, Acea Innovation has constructed photovoltaic plants for the Rome Biomedical Campus, whose energy from renewable sources will be entirely dedicated to Policlinico self-consumption.

INSTITUTIONAL INVESTORS

The year 2023 was marked mainly by a sharp reduction in energy commodity prices, compared to the previous year. This decrease was influenced by the **decrease in energy consumption and the gradual moderation of energy supply concerns**, also in view of the entry into operation of new LNG (liquefied natural gas) import facilities, which counteracted the impact of the reduction in supplies from Russia. The fall in commodities prices led to a **dampening of inflationary dynamics**, which fell to 2.7% in the eurozone at the end of the year, compared to a peak of 8% in the first quarter of the year. This trend supported expectations of a coming inversion of restrictive monetary policies. The economy's resilience, with 2023 GDP growth in the eurozone at 0.5%, and expectations of an upcoming mitigation of restrictive monetary policies also led to a 168 bps **contraction of the BTP-Bund spread** at the end of the year.

Against this background, given the adjusted total shareholder return values, the **Euro Stoxx** rose by 19.5% in 2023 and the **FTSE Mib** appreciated by 34.4%, the latter being the best index among the eurozone's major stock lists. In currency terms, the EURO/USD appreciation was 3.1%, at 1.104. This change was essentially supported by the improved risk appetite, which generally tends to favour currencies other than the US.

SUSTAINABLE DEVELOPMENT

The year 2023 began with the entry into force of the new EU **Sustainability Reporting** Directive, which replaces the previous non-financial reporting legislation. The new framework will apply in respect of the financial year 2024 and represents a major change for companies in rethinking their commitments to contribute to sustainable development. Instead, based on the 2023 financial year, 2024 saw the entry into force of legislation for reporting only the eligibility analysis for the remaining **4 environmental objectives of the EU Taxonomy**, relating to *the sustainable use and protection of water and marine resources, transition to the circular economy, pollution prevention and control, protection of biodiversity and health of eco-systems*.

The European legislator's initiatives to promote the development of a **continental ecosystem consistent with the Green deal's ambitions** continued throughout the year, such as the Green deal industrial strategy and the initiatives implementing the “Fit for 55%” package; the Energy efficiency Directive, which sets targets for the reduction of final energy consumption by 2030 including new commitments for the public sector; the carbon border adjustment mechanism and the revision of the emissions trading scheme; the social climate fund; the update of the 2030 renewable targets directive, with a coverage target set at 45% of energy needs, and the authorisation accelerations provided for renewable installations. Citizens' awareness of the impact of their consumption patterns and their involvement in sustainable models is crucial to the just and ecological transition of the production system. To this end, the Council and Parliament have reached a provisional agreement on new rules to ban **misleading advertising related to greenwashing practices** and to provide consumers with better product information.

Also the issue of **human rights**, the protection thereof throughout the value chain and companies' duty of care on the negative, actual and potential impacts has been at the heart of the debate of the European institutions, which reached a provisional agreement on a directive on this matter at the end of 2023.

At the national level, some significant institutional acts are worth mentioning: the adoption of the national strategy for the valorisation of **Biodiversity and Ecosystems** to 2030 and the approval of the National **Climate Change Adaptation Plan**, both by the Ministry for the Environment and Energy Security, as policy tools for managing and overseeing the relationship between the environment and mankind; the approval of the new **national strategy for sustainable development**, by the Interministerial Committee for Ecological Transition, which deals with the UN 2030 Agenda goals by adapting them to the Italian context.

At regional level, too, the institutions are active in strategic planning for sustainable transition, and in this regard the Lazio Region is the first in Italy to have approved the **Regional Ecological Transition Plan (PTE)**. The PTE plans public spending for the achievement of global sustainability targets up to 2050, allocating a total of 5.9 billion from the NRRP and the PNC (4.6 billion) and from European funds (1.3 billion). There are four policy areas identified in the plan: Energy transition, agricultural transition, resource efficiency and sustainable land use. In addition to these, there are two key enablers as transversal and functional areas for the development of the first four: cultural transformation and digital transformation, which consider not only technical and sectoral aspects, but also the lifestyles, habits and mindsets of individuals and communities as an enabling condition of the overall change process.

ENVIRONMENTAL AND ENERGY SCENARIOS

The natural environment is the basic scenario in which the Group's activities are developed and, as such, it is of fundamental importance to understand the regulations and global trends that impact the same, also in relation to links between the environment and energy/climate scenarios.

In the World Economic Forum's *Global Risks Report 2023*, **environmental challenges** emerge as the main and most serious perceived threats for the next 10 years, confirming the importance of having a global vision on environmental and climate issues. In 2023, **COP28**, held in Dubai, was the venue for the first *global stocktake*, i.e. an occasion to assess the combined effect of all Nationally Determined Contributions (NDCs). In this context, the parties defined an agreement to accelerate the global transition, promoting the "transition away" formula, and including for the first time in history an explicit reference to moving beyond fossil fuels to reach climate neutrality by 2050 and agreeing to triple the amount of renewable energy and double efforts for energy efficiency. With reference to the energy situation, the IEA's *World Energy Outlook 2023* confirms the ongoing transition scenario, with growing opportunities for clean energy (+40% for investments since 2020), while also forecasting an increase in liquefied natural gas projects in 2025, to deal with worries about supplies. In line with COP28, to achieve the zero net emissions goals by 2050, the IEA confirmed that additional progress was needed, including a tripling of renewable energy production, a doubling of energy efficiency and an increase in electrification, with a reduction in methane emissions from fossil fuel operations.

2023 was a decisive year for future European environmental policies. The European Parliament also approved the **Nature Restoration Law**, the first European legislation that explicitly aims to restore nature with legally binding targets for member states. In October 2023, during the European Business & Nature Summit in Milan, companies, financial institutions, governments and representations from academia and civil society met to discuss how companies can respect the commitments in the *Kunming Montreal Global Biodiversity Framework (GBF)* adopted in 2022. The event also saw the launch of the European **Business and Nature Charter**.

In 2023, the **Taskforce on Nature-related Financial Disclosure (TNFD)** issued its final document, containing recommendations on nature aimed at organisations, sectors and value chains.

In its **Code of Ethics** the Acea Group assigns fundamental importance to principles linked to sustainability and the adoption of a climate strategy. In 2023, Acea received validation of its *Science Based Targets Initiative (SBTi)* for its emission reduction target (by 2032), in line with climate science indications. Also in 2023, the Group participated in the **Carbon Disclosure Project (CDP)** on climate altering gas emissions and published its second climate-related disclosure following the **Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)**, enriching its projects aimed at identifying risks and analysis of medium/long-term climate scenarios.

STANDARDS IN THE REFERENCE MARKETS AT A LOCAL, NATIONAL AND SUPRA-NATIONAL LEVEL

The regulatory context of the Acea Group is wide-ranging and articulated according to the specificity of the businesses handled and the variety of the frameworks within which the legal and regulatory disciplines intervene, which affect the business operations, from administrative authorisation profiles to those protecting the market and competition.

A revision of the **NRRP** was carried out during the year, as a result of which the European resources of the recovery and resilience facility earmarked for financing increased from €191.6 billion to €194.4 billion, with an increase of €2.8 billion in grants earmarked for Italy to finance the **REPowerEU** chapter, with measures focusing on strengthening energy independence and security, enhancing electricity distribution networks, accelerating renewable energy production, reducing energy demand and strengthening the skills needed for the green transition. Also with reference to the NRRP, Law 41/2023 converting Law Decree 13/2023 (so-called "NRRP Decree 3") introduced further environmental authorisation simplifications for renewable energy plants and also environmental impact assessments – EIAs.

Legislative Decree No 18 of 23 February 2023, transposing the European Directive 2020/2184/EU on the **quality of water intended for human consumption** entered into force. The standard sets out the conditions under which water intended for human consumption can be considered "healthy and clean" by revising and introducing new limits for substances that are hazardous to health (including PFAS, chromium and chlorates).

It defines hygiene requirements for materials coming into contact with drinking water and introduces a risk-based approach to ensure the safety of water intended for human consumption and to improve fair access for everyone to safe drinking water.

To cope with **the agriculture water emergency**, Law Decree No. 39 of 14 April 2023, the so-called “Drought Law Decree” provides for the option, until 31 December 2023, to reuse for agricultural irrigation purposes the purified wastewater produced by sewage treatment plants (already in operation on the date of entry into force of the Decree), subject to the submission of a risk management plan. It should be noted that **Regulation (EU) 2020/741** entered into force in June 2023, defining for the first time at European level the minimum requirements for the use of reclaimed water, i.e. urban waste water treated and then refined for agricultural purposes.

The European Commission, with Decision 2023/863/EU, allocated additional emission allowances to some member states in sectors not currently covered by the **greenhouse gas emission allowance trading scheme (ETS)**, such as **the waste sector**. In this first allocation phase, Italy and other States received additional allowances of 20 % of the total surplus for the period from 2013 to 2020, for a total of about 48 million tonnes of CO₂ equivalent. In addition, also in the year under review, the European legislator stipulated that the new EU ETS rules will come into force on 1 January 2024, bringing new monitoring and reporting requirements also for waste incinerators, with a view to future inclusion in the system, which could take place as early as 2028.

Again with regard **to the waste sector**, at national level, the Council of State, with regard to the system of **minimum plants**, i.e. those identified by each region where waste treatment is regulated both in terms of flows and tariffs, confirmed the orientation expressed by the Lombardy Regional Administrative Court, which found the regulations implemented by ARERA Resolution 363/2021/R/Ref to be unlawful. The Council of State's pronouncements reiterate the **need for central planning** and refer in particular to the National Waste Management Programme (NPRAG), a guidance instrument for the regions in waste management planning approved by Ministerial Decree No. 257 of 24 June 2022. As a direct consequence of the rulings, all the regional acts deriving from the ARERA resolution ceased to exist for the two-year period 2022-2023, although the regulatory powers remain in force for the future. Finally, the new national procurement rules came into force, with Legislative Decree No. 36 of 31 March 2023 (so-called “New Procurement Code”), which introduces the digitalisation of the entire procurement lifecycle, revises the thresholds and qualification systems with the government-stated aim of “enabling institutions and businesses to work swiftly to provide goods and services to citizens”.

REGULATION OF THE SECTOR AUTHORITY

The Regulatory Authority for Energy Networks and the Environment (ARERA) acts on Acea's business areas (energy, water and environment), regulating their operation in the definition of technical and commercial service standards and in the regulation of remuneration mechanisms for regulated entities.

With regards to **energy distribution**, ARERA defines national service standards for each regulatory cycle which regulate commercial aspects (quotes, works, supply activations/deactivations, complaints procedure) and technical aspects (service and supply continuity). 2023 represents the last year of the fifth regulatory period on the quality of distribution, measurement and transmission services. In the year under review, the new tariff Regulation framework (TIROSS), was also approved, providing for the verification of expenditure and service targets for regulated infrastructure services in the electricity and gas sectors that will apply for the period 2024-2031.

With **Resolutions 637 and 639 of 2023** regarding the **water sector**, ARERA approved the rules for the fourth regulatory period, which will come into force in 2024, with mechanisms that incentivise the efficiency of operators also through a greater emphasis on **environmental sustainability** activities, and measures also to counter the impact of ongoing climate change, by protecting water, fostering the decarbonisation of energy consumption and making infrastructure more resilient in stress situations.

The regulation of **contractual quality** and **technical quality** sets out incentive systems in the form of rewards and penalties to be awarded on the basis of the performance of the operators. In particular, with **Resolutions 476 and 477 of October 2023**, the Authority disclosed the final results of the application of the incentive mechanism of the Technical and Contractual Quality Regulation for the Integrated Water Service in the two-year period 2020-2021.

In the **environmental sector**, ARERA's activities, in line with the duties assigned by Law 205/17 (art. 1, paragraph 527) are aimed at governing the integrated management of urban waste and the individual activities associated with it, guaranteeing accessibility and usability of the service throughout the country while simultaneously ensuring service provision levels and adapting the infrastructure as a whole to achieve European objectives. The remit of the Authority falls within a **multi-level sectoral governance system**, characterised by statutory responsibilities on general targets (including the **circularity targets** set by EU legislation, and the adoption of the National Waste Management Programme - PNGR) and local (regional) responsibilities on the planning of services. In this context, **Resolution 363/2021** (so-called MTR-2) and the subsequent intra-period update, which took place with Resolution 389/2023 are relevant, introducing a first Regulation of access to end of cycle plants for the 2022-2025 regulatory period. **Resolution 387/2023** also introduced a first quality Regulation for treatment plants, specifically for monitoring technical and operational performance as well as transparency obligations toward service users.

As regards the **sale of energy and gas**, ARERA has implemented the provisions of the MITE Decree No. 164 of 25 August 2022, namely the Register of Electricity Sellers regulation.

Enrolment and retention on this register is a requirement for selling electricity on the free market and is a tool aimed at consumers as a guarantee of the seller's reliability (technical, financial and good repute) parameters.

DEVELOPMENT AND TECHNOLOGICAL INNOVATION

The Innovation Model calls for development of national and international partnerships, with players in the innovation ecosystem active in sectors of strategic interest to the Group, to activate privileged channels of access to ideas, business and technological opportunities, research and attract new talents to innovate business, processes and corporate products.

In this context, key actions include the continuation of Acea's participation in **Zero Accelerator**, to support the best innovative start-ups and SME developing technological projects and solutions in the **greentech** sector, as well as the **House of Emerging Technologies** in Rome, the first permanent living lab to develop the Smart City of the future. Acea has also joined as a partner in the **ROAD** (*Rome Advanced District*) project, the first *innovation district* for technological and sustainable innovation dedicated to new energy chains.

Acea also engages with **academia and with specific Observatories**, such as the Startup Intelligence Observatory of the Politecnico di Milano.

DEVELOPMENT OF HUMAN CAPITAL

Acea focuses on enhancing the distinctive skills of people and has continued the work of the **Acea Business School** to facilitate the development of new mindsets in managerial, governance and technical-digital fields, through the implementation of top-level training courses delivered remotely and live, enabled by partnerships with high-profile institutions (universities, business schools, research centres, professional studies, etc.). Moreover, every year Acea prepares an **Equality & Care Plan** that identifies goals and associated projects for **diversity and inclusion** and corporate **welfare**. In 2023, the "**Equality Platform**" was designed and launched. This is a physical and virtual arena for the dissemination of equality, diversity & inclusion culture and the exchange of ideas to create projects that meet the needs of people and organisations. The project will continue in 2024 with an event aimed at all users of the Equality Platform, who will also receive dedicated training.

Acea Spa has maintained the **UNI/PdR 125:2022** gender equality certification.

The Group has in place an *integrated corporate welfare system*, based on listening to employees and their needs and structure around six fundamental pillars: health, psycho/physical well-being, family, reconciliation measures, economic assistance and complementary social security. Numerous initiatives have been implemented to implement the pillars of welfare, such as preventive health campaigns, psycho-physical well-being support and parenthood support services, as well as safety for women. These areas are shared with a **Bilateral Committee**, consisting of representatives from Group companies and the Unions.

SUSTAINABLE MANAGEMENT OF THE SUPPLY CHAIN

Acea acts on the supply chain to promote **positive impacts on the various aspects of sustainability**; for example, it is committed to establishing purchasing methods that include intrinsic product characteristics and process aspects that limit **environmental impacts** and encourage the implementation of initiatives aimed at minimising waste, reusing resources and **protecting the social aspects** of the procurement of goods, services and works. Acea undertakes this route referring to **minimum environmental criteria** applicable to **green procurement**, and also contemplates rewarding, non-compulsory aspects in its tenders.

Acea recognises the value of the companies in its supply chain that have chosen **to be certified in the quality, environment, safety and energy schemes** and has launched initiatives to develop and promote companies that demonstrably apply sustainability criteria, invest in safety training for their workers and use environmentally friendly means to carry out their activities.

Acea carries out second-party verifications (through specific audits of suppliers) with the aim of raising awareness and supporting its partners in **continuous improvement**. Direct supplier engagement and review actions provide insight into emerging sustainability issues and create opportunities to jointly consider development paths. Additionally, Acea has established contractual standards that expressly require **adhesion to and compliance** with both the **Organisational Control Model 231** (if suppliers have not already provided themselves with one), and the **Antitrust and Consumer Protection Regulation Compliance Manual** - General Principles, as well as the **Anti-corruption Policy** adopted by Acea.

With a view to increased monitoring of the supply chain, Acea has used a **Group Vendor Rating** system since 2021, which also includes a **bonus indicator** for aspects related to social and environmental sustainability (**Ecovadis**), as a tool for analysing, assessing and monitoring supplier performance. The number of suppliers assessed with Ecovadis increased significantly to 640 in 2023.

SAFETY AND HEALTH IN THE WORKPLACE

The strategic approach to **safety** is implemented in the widespread dissemination of an occupational safety culture and the ability to **measure and monitor results**. To this end, Acea runs awareness-raising campaigns and has adopted an advanced risk assessment model and implemented control and mitigation measures. Awareness-raising and engagement initiatives are also directed at Acea's **contractors and sub-contractors**, who are key partners in the development of businesses along the value chain.

Acea's Occupational Safety and Health Unit is responsible for **defining occupational health and safety guidelines and policies** for the group, including coordination of the activities of the Prevention and Protection Service Managers (RSPP), ensuring the documentation and knowledge management system on health and safety, investigation and after-the-fact reporting of accidents, near misses or procedure violations, and the monitoring of accidents and safety performance.

A **Group RSPP Coordination Committee** exists to share safety performance results and pool experiences, best practices and solutions to prevent accidents in the company.

The Group has adopted a **system for collecting the safety performance** of the companies towards the Holding Company, a **software platform** for the integrated management of H&S, quality and environmental issues, in compliance with Legislative Decree No. 81/08 and ISO standards, and an **H&S Dashboard**, as tools for reporting and analysing health and safety performance.

In line with Law 4 of 15 January 2021 and the requirement to protect the psycho/physical health of its employees in the workplaces envisaged under article 28 of Legislative Decree 81/08, Acea guarantees an inclusive, integrated and centred **approach to gender perspectives to prevent and eliminate violence in the workplace**. In this sense, the **Risk Assessment Document** was updated and supplemented with regards to this aspect, with more specific risk assessments for all homogeneous groups and identification of measures intended to prevent and, if necessary, contain the risk in workplaces.

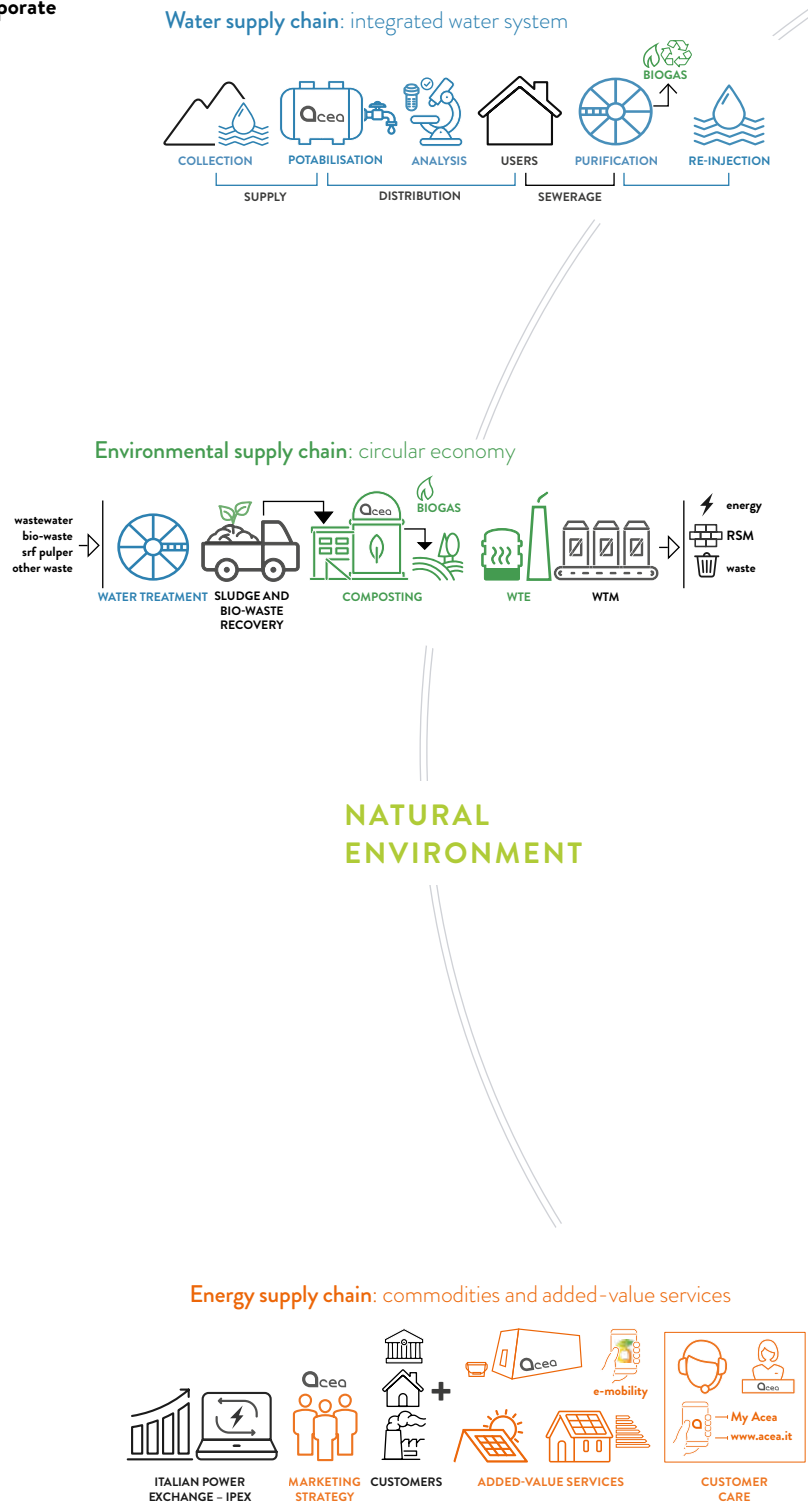


THE BUSINESS MODEL

The organisational structure (Chart 3) means that the Holding performs the role of steering and coordination of the Companies that make up the Group.

Acea SpA offers managerial support by means of management and legal, logistic, technical, financial and administrative services. Acea SpA's **organisational macro-structure** is divided into **corporate functions and departments** (see Chart 4).

Chart no. 3 – Acea's Business Model



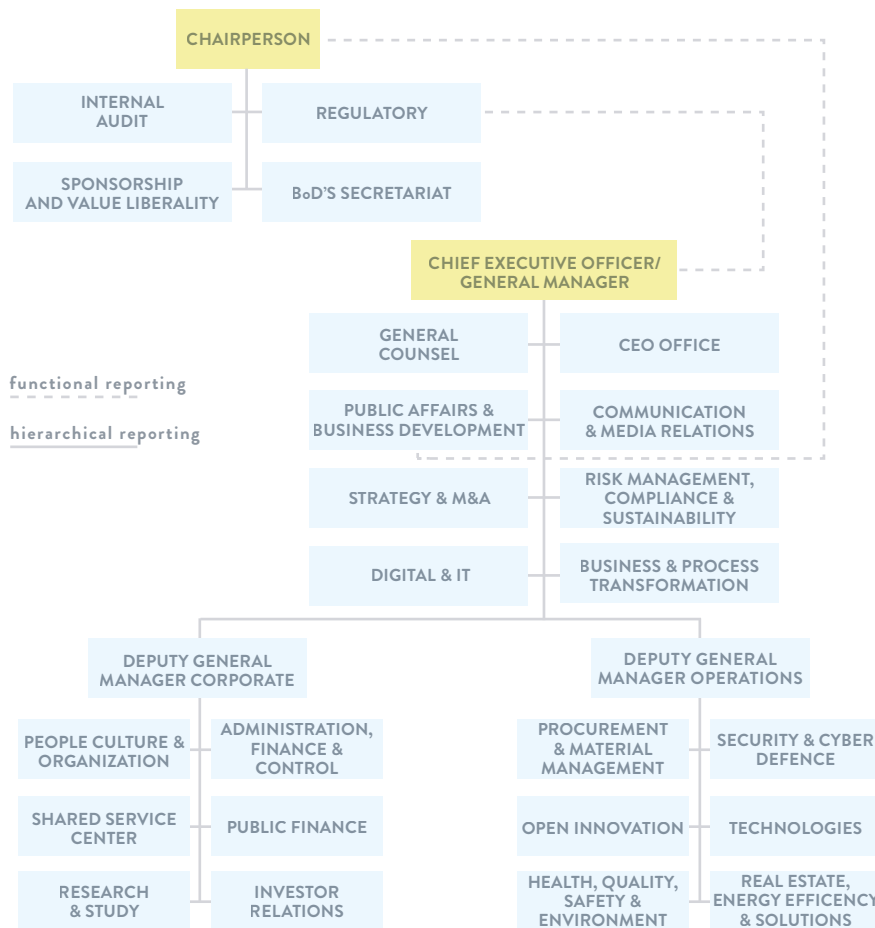
SCENARIO:
national policies, market, economy,
innovation, sustainability,...

GOVERNANCE POLICY STRATEGY

Energy supply chain: generation



BOARD OF DIRECTORS



STAKEHOLDERS

COMPLIANCE OF RISK ASSESSMENT

regulatory changes, regulatory framework, mega trends (social trends, environmental situation), ...

Energy supply chain: distribution

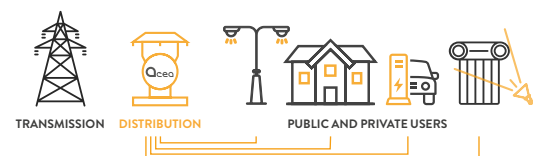
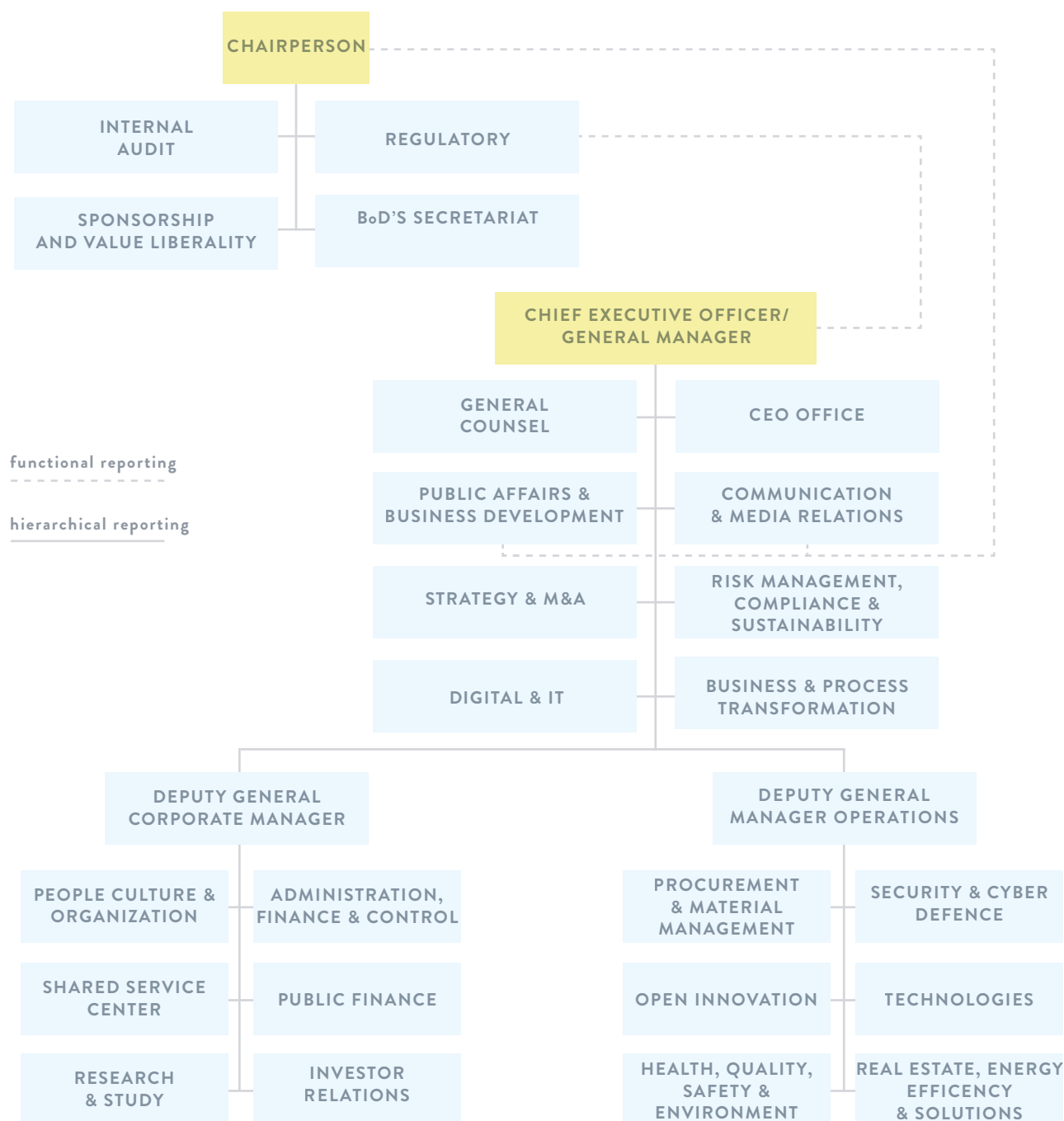


Chart no. 4 – Acea SpA organisation chart as at 31.12.2023

BOARD OF DIRECTORS

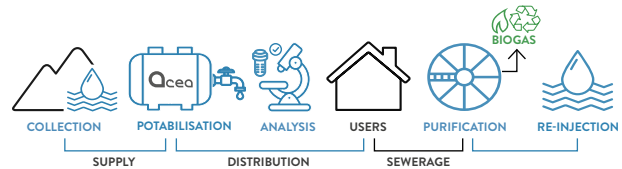


Through Companies that it has equity investments in and for which it plays the role of industrial entity of reference, the Acea Group is involved in the chains of activities shown below. The business activities are broken down in the Strategic Plan (see the section titled *Strategy and Sustainability*), which defines corporate development guidelines based on the assessments of **opportunities offered by the market**,

the **regulatory and social context** of reference, the **governance system** and a thorough **identification and weighting of the risks** that can impede the achievement of the goals. Acea Group pursues corporate management that is consistent with the principles of sustainable development and pays the utmost attention to **interactions with the natural environment** and **stakeholder relations**.

WATER SUPPLY CHAIN: INTEGRATED WATER SERVICES

The water supply chain: starting from a careful analysis of springs and groundwater and the potential impacts of operational processes thereupon – for example, by defining and monitoring water districts and preparing water balances to protect resources and balance their vital flows with the needs of human consumption, Acea checks and guarantees the quality of water during collection and distribution in compliance with the regulatory standards envisaged for end uses.



Similarly, wastewater is collected and treated in order to return this resource to the environment in the best possible conditions for its natural cycle to resume. Maximum effort is devoted to increasing the resilience of the water infrastructure, technological innovation applied to management (e.g. remote control, sensors, satellite monitoring, etc.) and the digitalisation of processes.

ENERGY SUPPLY CHAIN: GENERATION

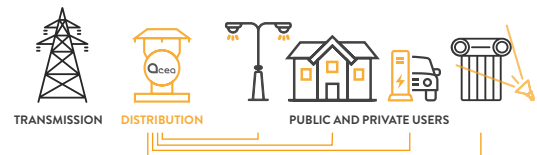
Electricity production: Through its dedicated companies, Acea generates energy from hydroelectric, thermoelectric (high-yield cogeneration) and photovoltaic power plants. In particular, Acea strategically develops its position in the solar generation segment,



including through partnership agreements with major financial operators, with the aim of significantly increasing its installed renewable capacity in the medium term.

ENERGY SUPPLY CHAIN: DISTRIBUTION

Electricity distribution: Acea supplies users with electricity thanks to a widespread distribution network that is constantly maintained, updated and developed according to resilience logics that support the growing electrification of consumption and the distributed



generation. The digital and innovative development in the services commits the Distributor to opt for smart city solutions, adopting a *demand side management* and energy efficiency outlook.

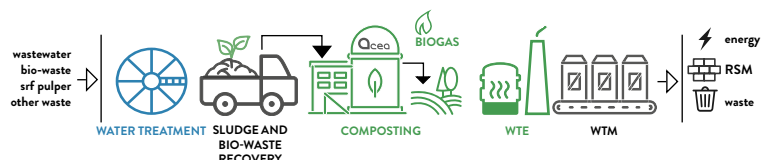
ENERGY SUPPLY CHAIN: COMMODITIES AND ADDED-VALUE SERVICES



Sale of energy, gas and added-value services: commodities (energy and gas) are purchased via bilateral contracts or exchanges on market platforms (Electronic stock exchange) where Acea Energia procures supplies for itself in order to supply clients according to its commercial policies. The Company develops relations with customers through contact channels that are increasingly more inno-

vative and digital. The promotion of commercial offers takes place through pull channels (shop, website, branches) as well as through sales agencies that are selected, trained and their commercial practices monitored. One area of development of the sector companies involves the creation of smart services, such as electric mobility, energy upgrading and widespread composting.

GENERATION AND NETWORKS: CIRCULAR ECONOMY



Efficient use of waste and the circular economy: the environmental supply chain aims at enhancing waste value through proper industrial management allowing for waste volume reduction, efficient treatment, conversion into biogas, transformation into compost, waste-to-energy production and recycling into material that is reusable in production processes. In particular, with a view to circular economy, Acea exploits the integration into water activities to recover sludge from

water purification and send it for treatment to become compost or recoverable material, while committing itself to the growth of its market position and operational capacity. Acea is committed to expanding the management of treated volumes, from selection to storage and treatment, as well as the types of material managed in the circuit of the circular economy (paper, iron, wood, liquid waste, plastic and metals) through the acquisition of new companies.

OWNERSHIP STRUCTURE AND GENERAL ECONOMIC INDICATORS

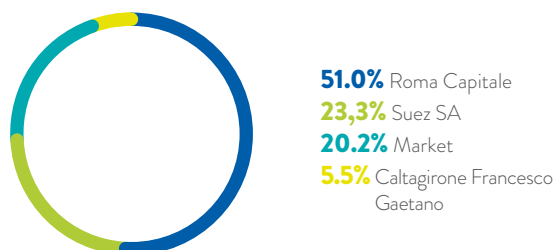
Acea SpA is listed on the Italian Stock Exchange organised and managed by Borsa Italiana. The company is listed on the FTSE Italia Mid Cap index and, as of 19 December 2022, is included on the **MIB ESG** index.

Roma Capitale is Acea SpA's majority shareholder, holding **51% of its share capital**. As at **31 December 2023**, other significant direct or indirect equity interests were held by **Suez SA** with over 23.3% and **Francesco Gaetano Caltagirone** with approximately 5.5% (see Chart 5).

The portion of free float capital on the market is 20.2%, with **institutional investors** controlling 13.6% of the share capital. As regards geographic distribution, US shareholders are the biggest group followed by Italians (see Chart 6).

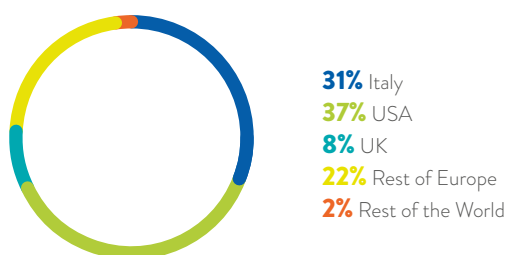
Retail investors hold 6.6% of the share capital.

Chart no. 5 – Ownership structure as at 31.12.2023



Source: CONSOB

Chart no. 6 – Geographical representation of Acea institutional investors



Note: The percentages shown in the table represent the weight of Shareholders, by geographical area, in relation to the total number of Institutional Investors.

In an environment still complicated by geopolitical turmoil, the 2023 results maintained the positive trend of the final months of 2022, showing a consolidated EBITDA (net of non-recurring items and change in scope) and growing production of operating cash flows. Revenues amounted to €4,649 million and the gross operating margin reached €1,391 million. Group profit stood at about €294 million.

Table no. 5 – The main economic and equity data of the Acea Group (2022-2023)

(in € million)	2022	2023
net revenues	5,138.2	4,649.4
operating costs	3,861	3,273
staff costs	305.1	334.5
external costs	3,556.1	2,938.4
income/(expense) from non-financial investments	27.9	14.4
gross operating margin (EBITDA)	1,305	1,390
gross operating margin (EBIT)	565.9	612.3
financial management	(85.7)	(136.5)
investments management	17.8	(0.6)
profit/(loss) before tax	498	475
income tax	186.8	147.7
net profit/loss	311.2	327.4
profit/loss attributable to third parties	31	33.5
net profit/(loss) of the Group	279.7	293.9

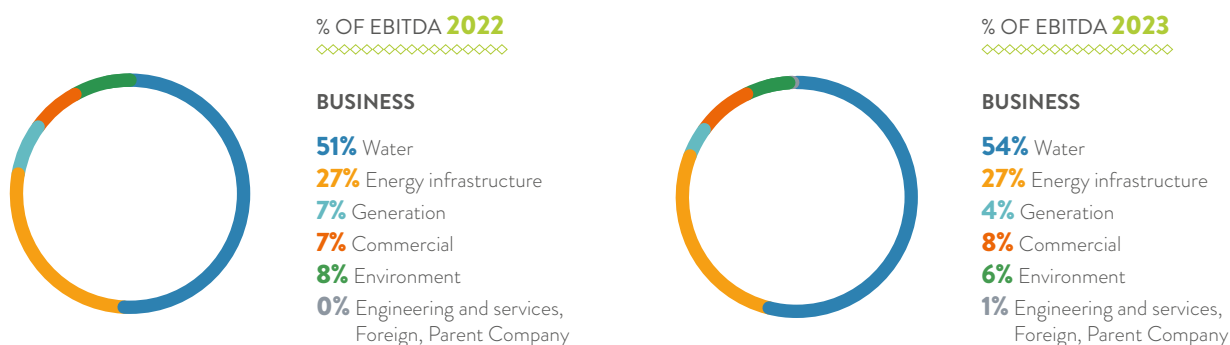
Consolidated revenues in 2023 amounted to **€4,694,4 million**, down by about 8.6% (€5,138 million in 2022) due to prices in the energy markets. **External costs** are down by 17.4% to about **€2.94 billion** (€ 3.55 billion in 2022), and are mainly affected by the costs of electricity procurement on the free market and in greater protection, and services and tenders largely related to *energy efficiency and smart services projects*.

The **gross operating income (EBITDA)** of **€1,391 million is up** from €1,305 million in 2022 (approx. +7%), with regulated activities contributing 87%.

The businesses contributed to the overall value of EBITDA, as follows:

- **Water** accounted for 54%, with €743.9 million, an increase of 11.2% over 2022 (€669 million) due to investment-related growth and changes in scope;
- **Energy infrastructure** accounted for 27%, with € 375.4 million, up 6.6% from the previous year (€ 352.2 million) due to a focus on costs and investment development;
- **Production** accounted for 4%, with €53.9 million, a 13% increase compared to the previous year (€89.8 million). The trend felt the sharp drop in prices on the energy markets (average SNP in 2023 was 127 euro/MWh compared to 304 euro/MWh in 2022);
- **Commercial and trading** accounted for 8%, with €129.3 million, up 43.7% (€90 million in 2022) due to improved margins from energy sales on the free market and the input of Acea Innovation;
- **Environment** accounted for 6%, with €84.4 million, a 17% increase compared to the previous year (€101.6 million). The result is due to lower prices for energy sold with WtE and lower margins from composting; these effects are partially offset by changes in the scope of consolidation.

The contribution to Group EBITDA is competed by the segments **Engineering and Services**, **Foreign** and the **Parent Company**.

Chart no. 7 – Contribution of the businesses to overall EBITDA (2022-2023)

The **operating result (EBIT)** was **€612.3 million** (+8.2% on 2022). The value was affected by the increase in amortisation and depreciation of investments for the period as well as a decrease in bad

debts, attributable to high collection performance and, in the water sector, to some extraordinary items and the favourable conclusion of some credit transactions.

INFORMATION REQUIRED BY THE EUROPEAN TAXONOMY

As noted in *Communicating Sustainability - Methodological Note*, to which reference should be made, 2024 marked the third year of application, in the context of non-financial reporting for 2023, of the provisions introduced by the “European Taxonomy” approved with **Regulation 2020/852**²⁴ and included in the the **Sustainable Finance Action Plan (SFAP)** launched by the European Commission in 2018²⁵. The objective of the Taxonomy is to identify the “degree of environmental sustainability” of an investment²⁶, increasing the transparency of the market to the benefit of consumers and investors. The Taxonomy is centred on **six environmental goals** — climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, including waste reduction and recycling, pollution prevention and control, and protection and restoration of biodiversity and ecosystems — and introduces an international **classification system to identify environmentally sustainable economic activities**.

In 2021, the European Commission adopted the “*Climate Delegated Act*”²⁷ that governs the **first two climate goals** (climate change mitigation and climate change adaptation), establishing the technical screening criteria for economic activities that can contribute

substantially to their achievement without causing significant damage to the remaining environmental goals. In 2022, the Commission, through the “*Complementary Delegated Act*”²⁸, amended the Climate Delegated Act by introducing activities and related technical screening criteria for energy generation from **nuclear and natural gas**. In 2023, the “*Environmental Delegated Act*”²⁹ was published, governing the remaining four environmental goals (sustainable use and protection of water and marine resources, transition to a circular economy, prevention and reduction of pollution, and protection and restoration of biodiversity and ecosystems). This delegated act also made some changes to the models to be used for the publication of key performance indicators (KPIs) of non-financial undertakings. Also in 2023, the Delegated Regulation 2023/2485 was published, making further amendments to the *Climate Delegated Act*, both in terms of new activities and in terms of technical screening criteria.

As a result of this extension, **the Taxonomy now identifies 16 sectors** that include a total of **153 economic activities**³⁰. Of these activities, 101 contribute to the **climate change mitigation** goal (87 of which also contribute to the climate change adaptation goal and 2 also contribute to the transition to a circular economy goal).

24 Official Journal of the European Union, Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088. The Regulation is implemented through the gradual adoption of Delegated Acts.

25 See the Sustainable Growth Action Plan, European Commission, COM (2018) 97 final and the Strategy for financing the transition to a circular economy, European Commission, COM (2021), 390 final.

26 See article 1 of EU Regulation 852/2020 and Assonime Circular no. 1 of 19 January 2022, *the European Regulation on the taxonomy of environmentally sustainable activities: disclosure requirements for companies*.

27 In particular, the *Climate Delegated Act*, European Commission, C (2021) 2800 final, adopted on 4 June 2021 and entering into force on 1 January 2022.

28 The *Climate Delegated Act*, European Commission, C (2022) 631, adopted on 15 June 2022 and entered into force on 1 January 2023.

29 The *Environmental Delegated Act*, European Commission, C (2023) 2486, adopted on 27 June 2023 and entered into force on 1 January 2024.

30 It is worth noticing that 153 instead of 155 activities are indicated, because two activities, both present in the CCM/CCA goals and in the EC goal, with the same title/description, but with different numerical codes (respectively activities 7.1. and 7.2. of the CCM/CCA goals and 3.1 and 3.2 of the EC goal) are considered by the EU Taxonomy Compass of the European Commission website as the same activities and therefore counted only once.

A total of 106 economic activities contribute to the **climate change adaptation goal** (87 of which also contribute to the climate change mitigation goal and 2 also contribute to the transition to a circular economy goal). Six activities contribute to the **sustainable use and protection of water and marine resources** goal. Twenty-one activities contribute to the goal of **transition to a circular economy** (two of which two also contribute to the climate change mitigation and adaptation goals). Six activities contribute to the **pollution prevention and reduction** goal. Finally, two activities contribute to the **protection and restoration of biodiversity and ecosystems** goal.

For the financial year 2023, non-financial undertakings subject to the regulation, such as Acea, are required to publish information³¹ on the **percentage proportion of quantitative economic performance indicators (KPIs)** - turnover, capital expenditure (CapEx) and operating expenditure (OpEx) - **attributable to the economic activities managed that are eligible and aligned³² or not aligned to the Taxonomy**, with reference to the activities already regulated for the first two climate goals. Furthermore, with regard to the **four new environmental goals** and the activities introduced by the 2023 legislation on the two climate goals, the Regulation requires the publication only of the turnover percentage, and **Taxonomy-eligible and ineligible CAPEX and OpEx** without verification of compliance with the technical screening criteria.

However, as reported in the *Methodological Note*, despite the absence of a regulatory requirement, **Acea decided to carry out the alignment analyses also for the four new environmental goals**, and for the activities added to the two climate targets in 2023; it also published the relevant qualitative and quantitative information.

ANALYSIS OF ELIGIBILITY AND ALIGNMENT

During 2023, Acea carried out the preparatory activities to comply with the disclosure obligations under the *Disclosure Delegated Act*, carrying out a **transversal and synergic project** involving the Administration, Finance & Control Function, the Risk Management, Compliance & Sustainability Function and the companies within the scope of the *consolidated non-financial statement*³³. In particular, the **eligibility analysis** was updated for the year under review in order to identify the Group's fully executed activities that match those listed and described in Annexes I and II of the *Climate Delegated Act* - respectively pertaining to mitigation and adaptation climate objectives - and taking into account the *Complementary Delegated Act* and the *Environmental Delegated Act*.

This analysis led to an increase in the scope of eligibility identified the previous year, from **22 activities** attributable to **five sectors** identified by the Regulation, to **24 activities** attributable to **six sectors**³⁴.

Of the eligible activities, **16** can contribute to the achievement of **both mitigation and adaptation** climate goals, **2** can contribute **only to mitigation**, **3** can contribute to **sustainable use and protection of water and marine resources**, **2** can contribute to **transition to a circular economy** and **1** can contribute to **pollution prevention and control**.

The increase in the number of eligible activities is due to the introduction of the four new environmental goals and related activities published during 2023, compared to which the group's eligibility analysis has been updated.

Furthermore, in compliance with the provisions of the Regulation, the **alignment to the Taxonomy of Acea's eligible activities** was analysed to identify the Group's environmentally sustainable activities according to three sets of criteria:

- **criteria for substantial contribution**³⁵: for each eligible activity, verification of compliance with the technical thresholds has been carried out in order to establish its substantial contribution to the achievement of the reference goal;
- **Do No Significant Harm (DNSH) criteria**³⁶: analysis of the technical and regulatory requirements to ensure that the activity not only substantially contributes to at least one Taxonomy goal but also does not cause any significant harm to any of the other environmental goals;
- **minimum safeguards**³⁷: analysis to verify that the activities that contribute substantially to at least one environmental goal and do not cause significant harm to the others are carried out in compliance with the minimum social safeguards set out in the Human and Employment Rights Regulation.

The **technical screening criteria for a substantial contribution** identify quantitative thresholds that establish the limits within which an activity can be considered environmentally sustainable and/or describe the qualitative characteristics that make an activity aligned without the need to meet specific technical thresholds.

For **DNSH criteria**, these may consist of **specific provisions** or **general "recurring" criteria**. In the first case, the requirements are specific to the activity under analysis and limited checks must be carried out. The recurring criteria, on the other hand, are set out in the six Appendices to supplement the annexes governing each objective, and refer mostly to compliance with European or national standards or to carrying out assessment activities.

31 The *Disclosure Delegated Act*, European Commission, C (2021) 4987 final, 2021, adopted in July 2021 and entering into force on 30 December 2021, defined the reporting methods that must be adopted by parties falling within the scope of application of the Regulation.

32 Including partial alignment.

33 See *Disclosing sustainability: methodological note* for the process of defining the scope and the list of companies therein. Note that these Companies, identified for their adequate representation of the performance and the impacts generated by the Group (pursuant to Italian Legislative Decree no. 254/2016), cover, with reference to the KPIs set out by Regulation (EU) 2020/852, over 89% of the turnover, 96% of the CapEx and 91% of the OpEx of the full list of consolidated companies.

34 In particular, the activities managed by the Group, considered eligible, fall under the following sectors: Energy; Water supply, sewerage, waste treatment and remediation; Transport; Construction and real estate; Professional, scientific and technical activities; Information and communication.

35 Articles 10, 11, 12, 13, 14, 15, 16, 19 of Regulation (EU) 2020/852.

36 Article 17 of Regulation (EU) 2020/852.

37 Article 18, section 1 and 2 of Regulation (EU) 2020/852, specifically, OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work and the International Bill of Human Rights.

The Group has adopted two approaches for the DNSH analysis: for the specific criteria, the capacity of each individual activity to meet the requirements was evaluated, while for “recurring criteria” (the Appendices), the best practices available for each business were considered in order to guarantee, where possible, compliance with the requirements for each eligible activity.

To complete the alignment analysis of the Taxonomy-eligible activities, Acea verified the compliance with the **minimum safeguards** which introduce into the assessment of the environment sustainability of an economic activity, the minimum human and employment rights protections required, as established by the relative international standards³⁸ (see box).

VERIFICATION OF COMPLIANCE WITH THE MINIMUM SAFEGUARDS

Italian human and employment rights law governs these principles and their relative specific aspects such as privacy, health and safety, corruption, fair competition, tax and environmental protection. As well as acting in compliance with the national laws in force, Acea also conducts its business according to a sustainable and inclusive growth strategy, operating in line with the Universal Declaration of Human Rights, the ILO Conventions and the principles issued by the United Nations Global Compact, of which it is a signatory. This commitment is directly reflected in the Group *Code of Ethics*, drafted with the involvement of internal expertise and external business ethics experts and approved by the Acea Board of Directors on 9 November 2022. The Code represents the set of principles and rules of conduct at the basis of the Organisational, Management and Control Model, which apply to “everyone who, in any capacity, directly or indirectly, permanently or temporarily, in Italy or abroad, operates in the interests of Acea and its subsidiaries”, to which business practices can be traced “towards all stakeholders”. It is stated that: “Acea considers as inalienable in the definition of its values the UN Universal Declaration of Human Rights for the respect of natural and universal rights, the International Labour Conventions and Recommendations issued by the International Labour Organization (ILO), such as those relating to fair treatment and non-discrimination, the protection of child labour, the fight against forced labour, the freedom to form trade unions and the right to collective bargaining, the European Union’s Charter of Fundamental Rights, and the Italian Constitution”. In 2023, Acea decided to **underline its commitment to the protection of people’s basic rights**, in order to promote awareness of and further safeguard the issue, by **adopting the Human Rights Policy**, which was approved by the Board of Directors on 14 December.

The Human Rights Policy, to be understood as a benchmark consistent with the Group Code of Ethics and with the same sphere of influence, is based on the main international documents on the matter; it sets out 20 principles, within the areas of “work” and “Community, Society and Environment”, with relevance to operating context, activities managed and stakeholders, and defines the dissemination, implementation and monitoring arrangements to be implemented for its full effectiveness. The Policy also refers to the prescriptive, organisational and operational tools (such as policies, guidelines, procedures, structures in charge, management and control systems, etc.) already existing in the Group and covering the various human rights-related areas, providing them with a common reference framework. These areas are also fully consistent with the provisions of the minimum safeguards under Article 18 of Regulation 2020/852 and the *Final Report on Minimum Safeguards*, published by the Sustainable Finance Platform.

The protection of human rights is therefore formalised in the value documents in force – Code of Ethics and Human Rights Policy – which also provide for a confidential and reserved channel for reporting alleged breaches of the principles referred to therein (*Whistleblowing Platform*) and are supported by a collegiate body – Ethics

Officer – which manages the reporting system and monitors compliance with the values. As already mentioned, there are also additional internal legislative instruments and operational structures covering the different aspects of human rights. These include but are not limited to:

Organisation, Management and Control Model: a management system pursuant to Legislative Decree 231/2001 that identifies the procedures developed to mitigate the risk of offences committed by directors, managers or employees in the interest or to the advantage of the Group, which is constantly being revised and updated. The Code of Ethics, the Organisation, Management and Control Model and the relative Oversight Committee each represent an essential component of a broader and more structured **Internal Control and Risk Management System (ICRMS)** adopted by Acea.

Antitrust Compliance and Consumer Protection Guidelines, Organisational Regulations for Antitrust Compliance and Unfair Business Practices and the **Antitrust and Consumer Protection Regulation Compliance Manual:** rules and safeguards to prevent and counteract anti-competitive behaviour and to protect the principle of fair competition and the consumer, which must be observed by Group personnel, business counterparties, suppliers and partners.

Customer Experience Measurement and Monitoring Procedure: aimed at regulating customer satisfaction survey procedures; in 2023 Acea obtained the certification of compliance with the ISO10004:2018 guidelines for monitoring and measuring customer satisfaction.

Anti-corruption policy, with an updated version approved in March 2023: a system of rules, controls and safeguards for the prevention of active and passive bribery offences in the public and private sectors, supported by the Corruption Prevention Management System, for which Acea obtained **certification under ISO 37001:2016, in September 2023.**

Privacy Governance Guidelines: guidelines for implementing policies to protect the personal data of employees, customers, suppliers, shareholders, *stakeholders*, partners and persons whose personal data are processed by the Group, and who ensure the application of the General Data Protection Regulation (GDPR).

Management and Sustainability Systems Policy, Quality, Environment, Energy and Safety Management Systems: to promote a culture of quality, respect for the environment, occupational health and safety and energy saving.

Equality, Diversity & Inclusion Committee, Equality, Diversity & Inclusion Policy, Diversity & Inclusion Plan and Dashboard: initiatives for assessing risks and actions to be taken to promote diversity, inclusion and equal opportunities, including the gender pay gap issue; employees are also invited to submit their requests and proposals on the subject. In 2022 Acea obtained UNI/PdR 125:2022 certification on gender equality, confirmed also in 2023.

Employee and Participation Charter: a protocol signed between

38 Please also consult the Final Report on Minimum Safeguards, published by the Platform on Sustainable Finance in October 2022.

Acea and the trade unions in May 2023 aimed at developing and enhancing the company's professionalism and individual and collective wellbeing, and investing in people's skills and competencies and promoting the quality and stability of work.

Health and safety management system, QASER questionnaire, vendor rating, supplier performance measurement procedure, Ecovadis model: tools for managing people's health and safety, both inside the organisation – specialist training, risk assessment and

continuous monitoring – and outside the Group, with contracted works and services, aimed at overseeing every stage of the supplier-company relationship, including the assessment of suppliers' performance on punctuality, quality and safety indicators, and in relation to ESG criteria.

Tax Management Procedure: outlines and regulates the roles and responsibilities of the parties involved as well as the tax management auditing activities³⁹.

Based on the analyses, in 2023 Acea identified, out of a total of **24 eligible activities, 13 fully aligned activities, 6 partially aligned activities**⁴⁰ and **5 non-aligned activities**.

There follows a sector breakdown of the activities that are eligible and aligned with the environmental goals of the taxonomy. Note that in the 16 cases where the Group's activity is eligible for the goals of both mitigation and adaptation to climate change, **the mitigation goal was deemed prevalent**. The results of the analysis of alignment with the climate change adaptation goal, as required by regulatory updates, are reported in Section A.1 of Tables 1 and 6, 8 and 10.

In particular, as regards the **Water** sector:

- for climate change *mitigation and adaptation goals*, 2 activities under the “*Water supply, sewerage, waste treatment and remediation*” sector of the *Climate Delegated Act* are confirmed as eligible. After verification of the substantial contribution and DNSH criteria, one activity is fully aligned with the *climate change mitigation goal* while the other is partially so. However, none of the sector's eligible activities are aligned with the *climate change adaptation goal*. The CapEx associated with the “*Recovery of materials from non-hazardous waste*” activity, coupled with the climate change mitigation goal, have been enhanced as part of a **CapEx plan** aimed at expanding Taxonomy-aligned economic activities. Acea Ato 2 also planned the construction of a treatment plant for the sand from the treatment processes and from the sewage network cleaning, which will make it possible to recover up to 70% of the solid input material. Total CapEx sustained during the year was €415 million, while total investments over the course of the Plan will amount to approximately €8 million. The plant is expected to be completed by 2024 and therefore the aligned economic activity will be expanded, in line with the Regulation, within a period of less than five years;
- with regard to the goal of *Sustainable use and protection of water and marine resources*, three activities were eligible, of which one was aligned, one partially aligned and one not aligned;
- Finally, with regard to the *Transition to a circular economy* goal, the activity identified was found to be eligible but not aligned.

With reference to the **Environment** sector, which is concerned mainly with waste treatment:

- with regard to climate change *mitigation and adaptation goals*, five activities were eligible, with three from the “*Water Supply, Sewerage, Waste Treatment and Remediation*” sector, one from the “*Energy*” sector and one from the “*Construction and Real Estate*” sector. Of these, 4 were aligned with the *climate change mitigation goal* and one was partially so. Regarding the *climate change adaptation goal*, 3 activities were partially aligned and 2 were not aligned;
- An activity eligible for the *Transition to a circular economy* goal was identified and found to be non-aligned;
- Finally, one activity was found to be eligible and unaligned for the *Pollution Prevention and Control* goal.

In line with 2022, the **Generation** sector is eligible for 8 activities (2 of which contribute only to the *climate change mitigation goal*, while the others also contribute to the *climate change adaptation goal*). Consistent with the segment's core business – electricity generation – these activities are mainly attributable to the “*Energy*” sector (4 activities), but also to “*Construction and Real Estate*” sector (2 activities) “*Transport*” (1 activity) and “*Professional, Scientific and Technical Activities*” (1 activity). Of these, 6 were fully aligned with the *climate change mitigation goal*, and 2 were not. No eligible activities, however, were aligned with the *climate change adaptation goal*.

The **Energy Infrastructure** sector is eligible for 3 activities included in the *Climate Delegated Act*, two of which relate to “*Construction and Real Estate*” and one to the “*Energy*” sector. Both activities in the “*Construction and Real Estate*” sector are fully aligned with the *climate change mitigation goal* but not aligned with the *climate change adaptation goal*. In contrast, the “*Energy*” sector is partially aligned with both climate goals.

The **Engineering and Services** sector – engaged in research, innovation, design and laboratory work for Group companies⁴¹ – is eligible for an activity of the “*Water Supply, Sewerage, Waste Treatment and Remediation*” sector of the *Climate Delegated Act*. This activity is fully aligned for the *climate change mitigation goal* but not for that of *adaptation*.

39 In the Final Report on Minimum Safeguards, published in October 2022 by the Platform on Sustainable Finance, the topic of taxation considered the OECD Guidelines for Multinational Enterprises and was considered relevant to risk management purposes. In view of this, while not directly applicable to Acea given the nature of its business, the matter is also discussed here (see also the chapter on Institutions and Business for more details).

40 Partial alignment may occur when some group companies are aligned with a certain activity and others are not, or when, for different group companies, the activity meets the technical screening criteria for only a proportion of plants /structures.

41 Intercompany activities are removed from the accounting of the KPIs, in accordance with the Regulation.

Finally, the **Commercial** sector is eligible for four activities under the *Climate Delegated Act*, two of them in “*Construction and Real Estate*”, one in “*Water Supply, Sewerage, Waste Treatment and Remediation*”⁴², and one in “*Transport*”. In relation to the *climate change mitigation* goal, two are fully aligned and one is partially aligned. However, no activities were found to be in line with the *climate change adaptation* goal. It should be noted that the core business of electricity sales, which accounts for 43 % of 2023 Group turnover, is excluded, as these sales are not currently included in the activities listed in the taxonomy.

In general, with respect to the disclosure published on the 2022 data, the following should be noted:

- With regard to the **Water** sector, part of the eligibility and/or alignment share was transferred from the *Climate Change Mitigation* goal to the *Sustainable Use and Protection of Water and Marine Resources and Transition to a Circular Economy* goals;
- for the year under review, Activity 7.3 “Installation, maintenance and repair of energy efficiency equipment” was not aligned, unlike the previous year, with the *climate change mitigation* goal due to non-fulfilment of the “*Do Not Significant Harm*” criterion as regards the *pollution prevention and control* goal, due to a change in the Regulation in 2023. In particular, the amendment led to a tightening – subsequent failure to exceed – the criteria set out in Appendix C of the *Climate Delegated Act* of June 2023.

ECONOMIC AND FINANCIAL KPIs

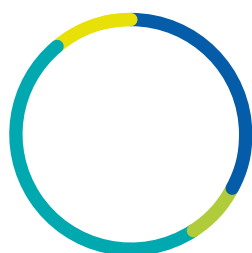
In accordance with the applicable reporting obligations, and in line with the “Accounting standards and supplementary information pursuant to Regulation 852/2020”, the Group has calculated the percentages of **turnover, CapEx and OpEx related to its Taxonomy-aligned activities, and eligible but not aligned activities** (see Tables 6, 8, 10 and 12 for details). Also, as a result of the amendments made by the *Environmental Delegated Act*, supplementary Tables 7, 9 and 11 were introduced, indicating the eligibility and alignment percentages for each environmental goal.

In this context, Acea considers it important to underline that the percentages reported **do not represent a summary of the Group’s sustainability performance**, as set out in this document, but correspond to the specific reading required by Regulation 2020/852 in relation to the environmental goals defined therein. As such, these indicators should be considered limited to the purposes of the Taxonomy and separate to the broader scope of the ESG sustainability initiatives promoted by the Group.

Considering the Group’s economic performance as at 31 December 2023, **aligned turnover** amounted to **33%** of the total, while eligible but not aligned turnover was **8%**. **72%** of Acea’s total **CapEx** is aligned (**8%** eligible but not aligned) with the Taxonomy, while **69%** of **OpEx** is Taxonomy-aligned (**7%** eligible but not aligned). Please note that a residual part of the three KPIs (**11%** of turnover, **4%** of total CapEx and **9%** of OpEx considered under the Taxonomy⁴³ and attributable to the companies outside the reporting boundary of the NFS) is not subject to assessment.

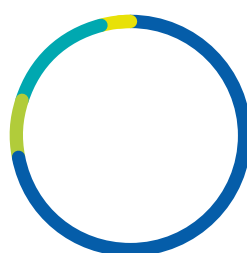
Chart no. 8 – Percentage turnover, CapEx and OpEx attributable to Group activities that are aligned, eligible but not aligned, not eligible and not assessed

Turnover
€4,649 million of which
€1,543 million aligned



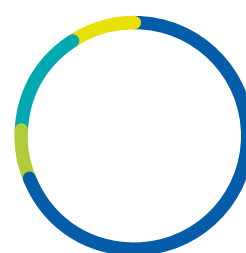
33% Aligned
8% Eligible but not aligned
48% Ineligible
11% Not assessed

CapEx
€1,168 million of which
€837 million aligned



72% Aligned
8% Eligible but not aligned
16% Ineligible
4% Not assessed

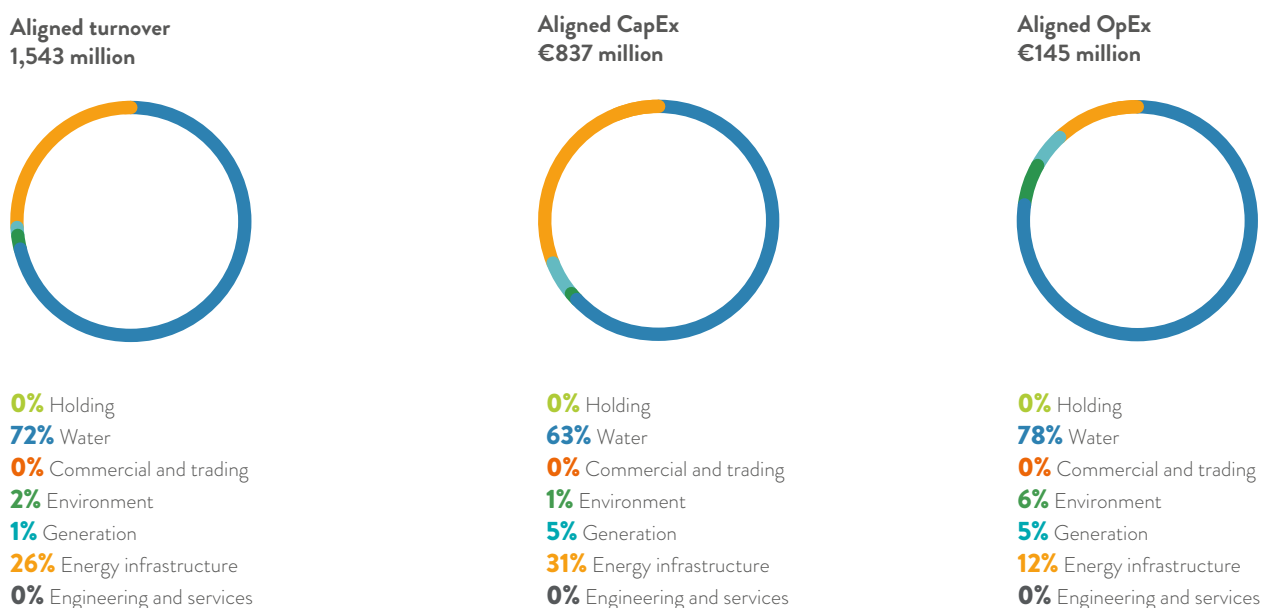
OpEx
€210 million of which
€145 million aligned



69% Aligned
7% Eligible but not aligned
15% Ineligible
9% Not assessed

⁴² For the operation of the mini composting plants (Smart Comp), linked to the Composting of organic waste.

⁴³ The above values of Turnover, CapEx and OpEx are in accordance with the guidance provided by the Disclosures Delegated Act and calculated in line with the accounting standards section.

Chart no. 9 – Taxonomy-aligned CapEx, OpEx and Turnover percentage shares, by business

The reading of the data by business highlights the specific contributions to the group alignment, in particular:

- of the Group's total 2023 turnover of **€4,649 million**, **€1,897 million** is attributable to **eligible** activities and **€1,543 million** of this is **aligned** to the Taxonomy. The businesses that contribute the most to alignment are **Water**, with **72%** of total turnover aligned (1,104 million) and **Energy Infrastructure** with **26%** (400 million);
- out of total Group **CapEx** in 2023 **considered for the purposes of the Taxonomy**, which amounted to **€1,168 million**, **€922 million** are attributable to **eligible** activities, of which **€837 million** are **Taxonomy-aligned**. The businesses that contribute most to alignment are **Water** and **Energy Infrastructure**; in particular, investments in **Water**, with **63%** of the total CapEx aligned (530 million) and **31%** of **Energy Infrastructure** (262 million);

- of the Group's total 2023 **OpEx considered for Taxonomy purposes**, amounting to **€210 million**, **€160 million** is attributable to **eligible** activities and **145 million** of this is **aligned**. Once again, the businesses contributing most to alignment are **Water**, with **78%** of the total OpEx aligned (113 million) and **Energy Infrastructure** with **12%** (17 million).

Acea has drawn up a **Green Financing Framework** and, on the basis of this, in January 2023 issued a **Green Bond**, totalling **€700 million** to support initiatives focused on **four main areas**: water resource management; energy efficiency; circular economy; and green energy. With regard to the KPIs on capital expenditure and turnover set out above, there is a contribution from **green bond issues for the year 2023** amounting to **€219 million** or 19% of eligible CapEx.



ACCOUNTING STANDARDS AND SUPPLEMENTARY INFORMATION PURSUANT TO REGULATION 2020/852

This section explains the **accounting policy**, i.e. the method for constructing the **percentages of turnover, CapEx and OpEx** associated with the eligible and aligned activities that the Group has defined on the basis of the indications shown in Annex 1 of Delegated Act (EU) 2021/2178.

For the purposes of allocating the amounts of **turnover, CapEx and OpEx** to the eligible and aligned activities, Acea has defined a clear and viable hierarchy of sources, used with respect to the quantitative and qualitative reporting requirements. Specifically, Acea has reconstructed the indicators using the information reported in the general, business and regulatory accounts: the percentage of KPIs relating to each individual economic activity is calculated on the total turnover, investments and total ordinary costs relating exclusively to the types of OpEx provided for by the European Taxonomy.

For the calculation of the **eligible turnover** the numerator used was the portion of consolidated net revenue generated by the sale of products or services, including intangible, associated with economic activities eligible for the Taxonomy, and the denominator was the total net revenue⁴⁴.

Net turnover was identified by using the data of the consolidated financial statements prepared according to international accounting standards and making reference to the provisions of IAS1, section 82, lett. a).

Specifically, to create the indicator, the items “Revenue from sales and services” and “Other revenue and proceeds” of the consolidated income statement were used as reference; no amounts connected to economic activities included in the Taxonomy conducted for the Group’s internal consumption are present.

For the calculation of **the eligible CapEx** the numerator used was the portion of capital expenditure posted to the assets of the consolidated financial statements associated with eligible activities and defined based on the criteria under point 1.1.2.2. of the Delegated Act) and the denominator was the total capital expenditure quantified on the basis of the criteria under point 1.1.2.1. of the Delegated Act.

In particular, the denominator includes the increases to the tangible and intangible assets during the year considered before amortisation, write-down and any revaluation, including those deriving from recalculations and reductions of value and excluding fair value changes.

For the purpose of creating the indicator, the capital expenditure was identified using data from the consolidated financial statements, with reference to the provisions of a) IAS 16 “Property, plant and equipment”; b) IAS 38 “Intangible assets” and c) IFRS 16 “Leasing”. The values reported do not include amounts associated with economic activities included in the Taxonomy relative to expenditure capitalised according to d) IAS 40 “Investment property” and

e) IAS 41 “Agriculture” since these are not applicable for the Group.

For the calculation of the **eligible OpEx**, the numerator used was the portion of operating expenses associated with the eligible activities and defined on the basis of criteria under point 1.1.3.2 of the Delegated Act and the denominator was the total operating expenses quantified on the basis of the criteria under point 1.1.3.1. of the Delegated Act.

The latter includes direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets.

For the creation of the indicator, the operating expenses were identified using data from the consolidated financial statements, prepared according to international accounting standards. Specifically, the items “Personnel costs” and “External costs” included in the Consolidated Income Statement were used as reference (pro rata). With respect to the provisions contained in the Delegated Act, when defining the eligible operating costs, Acea considered all daily maintenance and necessary costs to ensure the continued and effective functioning of the assets, meaning that the operating expenditure included all maintenance expenses of the assets, including the portions of costs for the purchase of materials, services and personnel costs directly attributable to the maintenance activity. Specifically, for the OpEx KPI, only non-capitalised direct costs related to research and development, building renovation measures, short-term lease, maintenance and repair as well as any other direct expenditure related to the day-to-day maintenance of property, plant and equipment, either by the company or by third parties to whom these tasks are outsourced, necessary to ensure the continuous and effective operation of these assets, were considered in accordance with the Regulation.

In addition to the provisions of the legislation, the Group also decided to calculate and represent the “normalised” turnover, CapEx and OpEx KPIs, i.e. using as denominator the consolidated values net of the non-assessed portion, attributable to the Companies not included in the NFS scope (equal to 11% of the turnover, 4% of the CapEx and 9% of the OpEx).

In line with the Models for Key Performance Indicators (KPIs) for non-financial undertakings contained in Annex II of the Delegated Regulation (EU) 2021/2178, the **proportion of turnover, CapEx and OpEx** of the Acea Group in 2023 **from products or services associated with Taxonomy-aligned economic activities** are reported below.

44 Pursuant to art. 2, point 5 of Directive 201334/EU.

Table no. 6 – Acea Group's share of Turnover from products or services associated with Taxonomy-aligned economic activities⁴⁵
- disclosure for 2023⁴⁶

Financial year 2023		Year		Substantial contribution criteria			
Economic activities	Code	Turnover	Share of Turnover year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
A. TAXONOMY ELIGIBLE ACTIVITIES							
A.1 Environmentally sustainable activities (Taxonomy-aligned)							
Supply of fresh water	WTR 2.1	659,736	15.85	N/EL	N/EL	Yes	N/EL
Urban waste water treatment (*)	WTR 2.2	441,406	10.61	N/EL	N/EL	Yes	N/EL
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	198	0.00	N/EL	N/EL	N/EL	Yes
Electricity generation using solar photovoltaic technology	CCM 4.1	1,498	0.04	Yes	No	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5	1,958	0.05	Yes	No	N/EL	N/EL
Electricity generation from bioenergy	CCM 4.8	2,028	0.05	Yes	Yes	N/EL	N/EL
Transmission and distribution of electricity (*)	CCM 4.9/ CCA 4.9	388,892	9.34	Yes	Yes	N/EL	N/EL
District heating/cooling distribution (*)	CCM 4.15	7,548	0.18	Yes	No	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions (*)	CCM 5.5	11,731	0.28	Yes	No	N/EL	N/EL
Anaerobic digestion of sewage sludge (*)	CCM 5.6	2,318	0.06	Yes	No	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7	10,990	0.26	Yes	Yes	N/EL	N/EL
Composting of bio-waste	CCM 5.8	75	0.00	Yes	No	N/EL	N/EL
Material recovery from non-hazardous waste	CCM 5.9	-	0.00	Yes	No	N/EL	N/EL
Capture and use of landfill gas	CCM 5.10	452	0.01	Yes	Yes	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2,003	0.05	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	-	0.00	Yes	No	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 / CCA 7.5	10,985	0.26	Yes	No	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	1,556	0.04	Yes	Yes	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	54	0.00	Yes	No	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1,543,430	37.09	10.62	0.00	26.46	0.00
of which enabling		403,490	9.70%	-	-	-	-
of which transitional		-	0.00	-	-	-	-
A.2 Activities that are Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned activities)							
Treatment of hazardous waste	PPC 2.2	954	0.02	-	-	-	-
Urban waste water treatment (*)	WTR 2.2	181,763	4.37	-	-	-	-
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	-	0.00	-	-	-	-
Sorting and recovery of materials from non-hazardous waste	CE 2.7	4,713	0.11	-	-	-	-
Provision of IT/OT (information technology/operational technology) data-based solutions for loss reduction	WTR 4.1	181	0.00	-	-	-	-
Transmission and distribution of electricity (*)	CCM 4.9 / CCA 4.9	28	0.00	-	-	-	-
District heating/cooling distribution (*)	CCM 4.15	4,564	0.11	-	-	-	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	-	0.00	-	-	-	-
Collection and transport of non-hazardous waste in source segregated fractions (*)	CCM 5.5	2,204	0.05	-	-	-	-
Anaerobic digestion of sewage sludge (*)	CCM 5.6	-	0.00	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	152,860	3.67	-	-	-	-

45 For activities marked with an asterisk (*), partial alignment is reported.

46 Note that the values of activities 5.1, 5.3 of the *Climate Change Mitigation* goal, highlighted in 2022, are no longer shown in the table, because after the 2023 analysis, activities 2.1 and 2.2 of the *Sustainable use and protection of water and marine resources* goal were valued. For 2022, the aligned turnover portions were 5.1 = 14.56% and 5.3 = 8.16%, and eligible and unaligned turnover was 5.3 = 3.62%.

Financial year 2023	Year		Substantial contribution criteria				
Economic activities	Code	Turnover	Share of Turnover year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
Turnover of activities that are taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned activities) (A.2)		353,282	8.49	3.98	0.00	4.37	0.11
A. Turnover of activities eligible for the taxonomy (A.1+A.2)		1,896,712	45.58	14.60	0.00	30.83	0.12
B. TAXONOMY NON-ELIGIBLE ACTIVITIES							
Turnover of activities not eligible for the taxonomy		2,264,931	54.42				
Total (A+B)		4,161,644	100%				

NB: for the reconciliation of turnover with the Group's consolidated figure, the unvalued portion must be added to the total (A+B)

Table no. 7 – Eligibility percentage and alignment for each environmental goal (Turnover KPI)

Turnover percentage/total turnover		
	Aligned to taxonomy by goal	Eligible for taxonomy by goal
CCM	10.62%	14.60%
CCA	0.00%	0.00%
WTR	26.46%	30.83%
CE	0.00%	0.12%
PPC	0.00%	0.02%
BIO	0.00%	0.00%

Table no. 8 – Acea Group's share of capital expenditure (CapEx) from products or services associated with Taxonomy-aligned economic activities⁴⁷ - disclosure for 2023⁴⁸

Financial year 2023	Year		Substantial contribution criteria				
Economic Activities	Code	CapEx	Share of CapEx year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
A. TAXONOMY ELIGIBLE ACTIVITIES							
A.1 Environmentally sustainable activities (Taxonomy-aligned)							
Supply of fresh water	WTR 2.1	352,327	31.79	N/EL	N/EL	Yes	N/EL
Urban waste water treatment (*)	WTR 2.2	171,561	15.48	N/EL	N/EL	Yes	N/EL
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	75	0.01	N/EL	N/EL	N/EL	Yes
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	31,933	2.88	Yes	No	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	2,721	0.25	Yes	No	N/EL	N/EL
Electricity generation from bioenergy	CCM 4.8 / CCA 4.8	375	0.03	Yes	Yes	N/EL	N/EL
Transmission and distribution of electricity (*)	CCM 4.9 / CCA 4.9	224,486	20.26	Yes	Yes	N/EL	N/EL
District heating/cooling distribution (*)	CCM 4.15 / CCA 4.15	3,619	0.33	Yes	No	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions (*)	CCM 5.5 / CCA 5.5	283	0.03	Yes	No	N/EL	N/EL
Anaerobic digestion of sewage sludge (*)	CCM 5.6 / CCA 5.6	4,543	0.41	Yes	No	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7 / CCA 5.7	3,106	0.28	Yes	Yes	N/EL	N/EL
Composting of bio-waste	CCM 5.8 / CCA 5.8	76	0.01	Yes	No	N/EL	N/EL

47 For activities marked with an asterisk (*), partial alignment is reported.

48 Note that the values of activities 5.1, 5.2, 5.3 and 5.4 of the Climate Change Mitigation objective, highlighted in 2022, are no longer shown in the table, since, after the 2023 analyses, activities 2.1 = 20.26%, 5.2 = 8.80%, 5.3 = 16.23% and 5.4 = 0.72% and those of eligible and unaligned turnover were 5.3 = 3.68% and 5.4 = 1.96%.

DNSh criteria
 (“Do not significant harm”)

Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Turnover percentage aligned (A.1.) or eligible (A.2.) to the taxonomy, year 2022	Enabling activity category	Transition activity category
Yes/No N/EL	Yes/No N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
0.02	0.00								3.94		
0.02	0.00								36.91		

DNSh criteria
 (“Do not significant harm”)

Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of CapEx aligned (A.1.) or eligible (A.2.) with the taxonomy, year 2022	Enabling activity category	Transition activity category
Yes/No N/EL	Yes/No N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/EL	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/EL	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/EL	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	5.93	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	N/EL	~	~
N/EL	N/EL	No	Yes	Yes	Yes	Yes	Yes	Yes	18.70	A	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.05	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.03	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.75	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.05	~	~

1 and 2.2 of the “Sustainable use and protection of water and marine resources goal” were valued. For 2022, the CapEx portions aligned were

Financial year 2023		Year		Substantial contribution criteria			
Economic Activities	Code	CapEx	Share of CapEx year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
Material recovery from non-hazardous waste	CCM 5.9 / CCA 5.9	1,715	0.15	Yes	No	N/EL	N/EL
Capture and use of landfill gas	CCM 5.10 / CCA 5.10	325	0.03	Yes	Yes	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	2,710	0.24	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	296	0.03	Yes	No	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 / CCA 7.5	36,989	3.34	Yes	No	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	295	0.03	Yes	Yes	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	-	0.00	Yes	No	N/EL	N/EL
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		837,436	75.57	28.29	0.00	47.27	0.01
of which enabling		264,777	23.89	-	-	-	-
of which transitional		-	0.00	-	-	-	-
A.2 Activities that are Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned activities)							
Treatment of hazardous waste	PPC 2.2	51	0.00	-	-	-	-
Urban waste water treatment (*)	WTR 2.2	82,649	7.46	-	-	-	-
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	35	0.00	-	-	-	-
Sorting and recovery of materials from non-hazardous waste	CE 2.7	510	0.05	-	-	-	-
Provision of IT/OT (information technology/operational technology) data-based solutions for loss reduction	WTR 4.1	1,014	0.09	-	-	-	-
Transmission and distribution of electricity (*)	CCM 4.9 / CCA 4.9	-	0.00	-	-	-	-
District heating/cooling distribution (*)	CCM 4.15 / CCA 4.15	110	0.01	-	-	-	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30 / CCA 4.30	1,686	0.15	-	-	-	-
Collection and transport of non-hazardous waste in source segregated fractions (*)	CCM 5.5 / CCA 5.5	57	0.01	-	-	-	-
Anaerobic digestion of sewage sludge (*)	CCM 5.6 / CCA 5.6	528	0.05	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	3	0.00	-	-	-	-
CAPEX of Taxonomy-eligible but non-environmentally sustainable activities (non-Taxonomy-aligned activities) (A.2)		86,643	7.82	0.22	0.00	7.55	0.05
A. Head of Taxonomy eligible activities (A.1+A.2)		924,079	83.38	28.5	0.00	54.82	0.06
B. TAXONOMY NON-ELIGIBLE ACTIVITIES							
CAPEX of activities not eligible for taxonomy		184,138	16.62				
Total (A+B)		1,108,217	100%				

Table no. 9 – Percentage of eligibility and alignment for each environmental goal (CapEx KPI)

Total CapEx/CapEx share		
	Aligned to taxonomy by goal	Eligible for taxonomy by goal
CCM	28.29%	28.50%
CCA	0.01%	0.30%
WTR	47.27%	54.82%
CE	0.01%	0.06%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

DNSH criteria

("Do not significant harm")

Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of CapEx aligned (A.1.) or eligible (A.2.) with the taxonomy, year 2022	Enabling activity category	Transition activity category
Yes/No N/EL	Yes/No N/EL	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	Yes/No	%	A	T
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	~	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.45	A	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	A	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	2.89	A	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	A	~
N/EL	N/EL	Yes	Yes	Yes	Yes	Yes	Yes	Yes	0.00	A	~
0.00	0.00	Yes	Yes	Yes	Yes	Yes	Yes	Yes	75.60	~	~
~	~	~	~	~	~	~	~	~	~	A	~
~	~	~	~	~	~	~	~	~	~	~	T
~	~	~	~	~	~	~	~	~	N/EL	~	~
~	~	~	~	~	~	~	~	~	N/EL	~	~
~	~	~	~	~	~	~	~	~	N/EL	~	~
~	~	~	~	~	~	~	~	~	N/EL	~	~
~	~	~	~	~	~	~	~	~	N/EL	~	~
~	~	~	~	~	~	~	~	~	0.00	~	~
~	~	~	~	~	~	~	~	~	0.01	~	~
~	~	~	~	~	~	~	~	~	0.26	~	~
~	~	~	~	~	~	~	~	~	0.01	~	~
~	~	~	~	~	~	~	~	~	0.00	~	~
~	~	~	~	~	~	~	~	~	N/EL	~	~
0.00	0.00								5.93		
0.00	0.00								81.54		

Table no. 10 – Acea Group's share of operating expenses (OpEx) from products or services associated with Taxonomy-aligned economic activities⁴⁹ - disclosure for 2023⁵⁰

Financial year 2023	Year					Substantial contribution criteria	
Economic Activities	Code	OpEx	Share of OpEx year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
A. TAXONOMY ELIGIBLE ACTIVITIES							
A.1 Environmentally sustainable activities (Taxonomy-aligned)							
Supply of fresh water	WTR 2.1	62,047	32.35	N/EL	N/EL	Yes	N/EL
Urban waste water treatment (*)	WTR 2.2	50,047	26.09	N/EL	N/EL	Yes	N/EL
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	38	0.02	N/EL	N/EL	N/EL	Yes
Electricity generation using solar photovoltaic technology	CCM 4.1 / CCA 4.1	3,005	1.57	Yes	No	N/EL	N/EL
Electricity generation from hydropower	CCM 4.5 / CCA 4.5	2,984	1.56	Yes	No	N/EL	N/EL
Electricity generation from bioenergy	CCM 4.8 / CCA 4.8	219	0.11	Yes	Yes	N/EL	N/EL
Transmission and distribution of electricity (*)	CCM 4.9 / CCA 4.9	16,135	8.41	Yes	Yes	N/EL	N/EL
District heating/cooling distribution (*)	CCM 4.15 / CCA 4.15	692	0.36	Yes	No	N/EL	N/EL
Collection and transport of non-hazardous waste in source segregated fractions (*)	CCM 5.5 / CCA 5.5	98	0.05	Yes	No	N/EL	N/EL
Anaerobic digestion of sewage sludge (*)	CCM 5.6 / CCA 5.6	445	0.23	Yes	No	N/EL	N/EL
Anaerobic digestion of bio-waste	CCM 5.7 / CCA 5.7	7,984	4.16	Yes	Yes	N/EL	N/EL
Composting of bio-waste	CCM 5.8 / CCA 5.8	11	0.01	Yes	No	N/EL	N/EL
Material recovery from non-hazardous waste	CCM 5.9 / CCA 5.9	-	0.00	Yes	No	N/EL	N/EL
Capture and use of landfill gas	CCM 5.10 / CCA 5.10	236	0.12	Yes	Yes	N/EL	N/EL
Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	402	0.21	Yes	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 / CCA 7.4	-	0.00	Yes	No	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5 / CCA 7.5	632	0.33%	Yes	No	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	9	0.00	Yes	Yes	N/EL	N/EL
Professional services related to energy performance of buildings	CCM 9.3	23	0.01	Yes	No	N/EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		145,006	75.6	17.14	0.00	58.44	0.02
of which enabling		17,201	8.97	-	-	-	-
of which transitional		-	0.00	-	-	-	-
A.2 Activities that are Taxonomy-eligible but not environmentally sustainable (not taxonomy-aligned activities)							
Treatment of hazardous waste	PPC 2.2	39	0.02	-	-	-	-
Urban waste water treatment (*)	WTR 2.2	10,733	5.60	-	-	-	-
Production of alternative water resources for purposes other than human consumption (*)	CE 2.2	-	0.00	-	-	-	-
Sorting and recovery of materials from non-hazardous waste	CE 2.7	405	0.21	-	-	-	-
Provision of IT/OT (information technology/operational technology) data-based solutions for loss reduction	WTR 4.1	-	0.00	-	-	-	-
Transmission and distribution of electricity (*)	CCM 4.9 / CCA 4.9	14	0.01	-	-	-	-
District heating/cooling distribution (*)	CCM 4.15 / CCA 4.15	436	0.23	-	-	-	-
High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30 / CCA 4.30	2,584	1.35	-	-	-	-
Collection and transport of non-hazardous waste in source segregated fractions(*)	CCM 5.5 / CCA 5.5	29	0.02	-	-	-	-
Anaerobic digestion of sewage sludge(*)	CCM 5.6 / CCA 5.6	-	0.00	-	-	-	-
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	345	0.18	-	-	-	-

49 For activities marked with an asterisk (*), partial alignment is reported.

50 Note that the values of activities 5.1, 5.3 of the Climate Change Mitigation goal, highlighted in 2022, are no longer shown in the table, because after the 2023 analysis, activities 2.1 and 2.2 of the "Sustainable use and protection of water and marine resources" goal were valued. For 2022, the aligned OpEx portions were 5.1 = 39.29% and 5.3 = 20.23%, and eligible and unaligned turnover was 5.3 = 10.07%.

Financial year 2023		Year				Substantial contribution criteria	
Economic Activities	Code	OpEx	Share of OpEx year 2023	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular Economy
		(€000)	%	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL	Yes/No N/EL
OpEx of activities that are Taxonomy-aligned but not environmentally sustainable (not taxonomy-aligned activities)		14,586	7.60	1.78	0.00	5.6	0.21
A. Operating expenses of Taxonomy-eligible activities (A.1+A.2)		159,592	83.20	18.92	0.00	64.04	0.23
B. TAXONOMY NON-ELIGIBLE ACTIVITIES							
OpEx of Taxonomy non-eligible activities		-	%				
Total (A+B)		-	100%				

Table no. 11 – Eligibility percentage and alignment for each environmental goal (OpEx KPI)

	Portion of OpEx/OpEx totals	
	Aligned to taxonomy by goal	Eligible for taxonomy by goal
CCM	17.14%	18.92%
CCA	0.00%	0.00%
WTR	58.44%	64.04%
CE	0.02%	0.23%
PPC	0.00%	0.02%
BIO	0.00%	0.00%

As indicated in the previous table, Acea is also eligible in the context of one of the six activities regarding **energy production from nuclear and fossil fuels**, regulated by the Complementary Delegated Act: this is **activity 4.30** "High-efficiency co-generation of heat/cool

and power from fossil gaseous fuels"⁵¹ which, following the analyses performed, was found **not to be aligned**; the table below, simplified with respect to the standard model in Annex III of the Delegated Act, shows the relative KPIs for turnover, CapEx and OpEx.

Table no. 12 – Taxonomy-eligible but not aligned nuclear and fossil gas related economic activities

Economic activities		amount and proportion					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount (€k)	%	Amount (€k)	%	Amount (€k)	%
Turnover							
(...)							
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of turnover	-	0.00	-	0.00	-	0.00
(...)							
7	Amount and proportion of other taxonomy-aligned economic activities	1,896,712	45.58	1,896,712	45.58	-	0.00
	not referred to in rows 1 to 6 above in the denominator of turnover						
8	Total amount and proportion of taxonomy-aligned economic activities in the denominator of turnover	4,161,644	100	4,161,644	100	-	0.00
CapEx							
(...)							
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of CapEx	1,686	0.15	1,686	0.15	-	0.00
(...)							
7	Amount and proportion of other taxonomy-aligned economic activities	922,393	83.23	922,393	83.23	-	0.00
	not referred to in rows 1 to 6 above in the denominator of CapEx						
8	Total amount and proportion of taxonomy-aligned economic activities in the denominator of CapEx	1,108,217	100	1,108,217	100	-	0.00
OpEx							
(...)							
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of OpEx	2,584	1.35	2,584	1.35	-	0.00
(...)							
7	Amount and proportion of other taxonomy-aligned economic activities	157,008	81.85	157,008	81.85	-	0.00
	not referred to in rows 1 to 6 above in the denominator of OpEx						
8	Total amount and proportion of taxonomy-aligned economic activities in the denominator of OpEx	191,807	100	191,807	100	-	0.00

51 Activity 5 pursuant to Annex III, Standard templates for the disclosure referred to in Article 8(6) and (7) of Delegated Regulation (EU) 2022/1214 of the European Commission.

STRATEGY AND SUSTAINABILITY

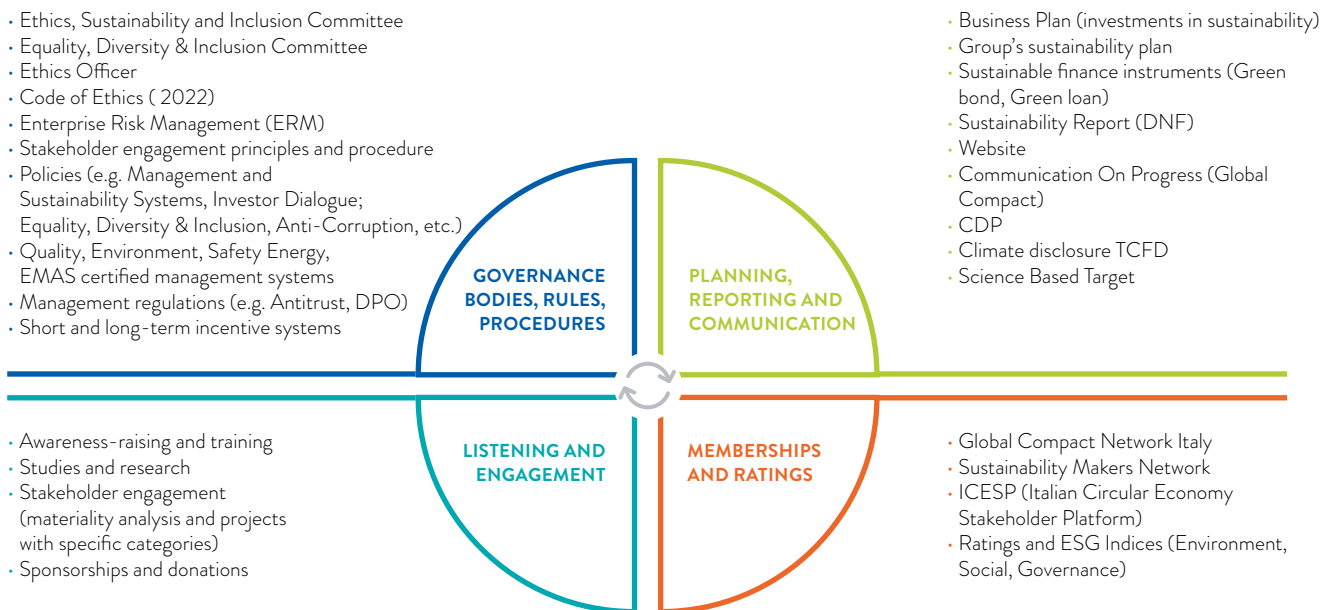
INTEGRATED STRATEGY OVERVIEW

The relationship between industrial strategy and sustainability is recognized starting with the Acea Group's Code of Ethics, where it is highlighted that: *“Acea intends to conduct its business while respecting the principles of sustainable development and contributing to the pursuit of the UN Sustainable Development Goals (2030 Agenda) and as they are implemented at European (Green Deal) and national level. Acea also operates in line with the principles issued by the United Nations Global Compact, to which Acea has formally and substantially subscribed. Acea is aware that the services it provides underpin the fundamental rights of individuals and the influence, even indirect, that its activities have on people's living conditions, on the economic and social development of the areas in which it operates, and on the general*

*well-being of the community. That is why it plans its investments and conducts its business to pursue sustainable success in the medium to long term (...) Acea works to integrate care for the social and environmental aspects of its business with corporate growth strategies (...)”*⁵².

Acea manages its activities guided by the pursuit of **“sustainable success”** and to this end adopts appropriate policies, management systems, planning and reporting tools. Equally important for continuous improvement towards sustainability are opportunities to discuss, listen and share projects with stakeholders such as **institutions, experts, companies, customers, suppliers and all other interested parties** (see Chart 10).

Chart no. 10 – Sustainability tools



Acea's commitment is appreciated by external observers, analysts specialised in ESG and the market. This is evidenced by Acea's good ranking in the **Integrated Governance Index** (see the chapter *Corporate governance and management systems*), the Group's rating in Bloomberg's **Gender Equality Index**, with a 2022 **score of 81.58**,

the awards received in the field of innovation (see the chapter *Institutions and business*), its positioning in the **CDP-Carbon Disclosure Project** assessments, and the ratings issued by ESG analysts (see the chapter *Shareholders and investors*).

52 Acea Group Code of Ethics (2022 edition), Sustainability, Responsibility to Stakeholders and Environmental Protection, in the section Core Values and Principles

ACEA'S COMMITMENT TO COUNTERING CLIMATE CHANGE: VALIDATION OF SBT OBJECTIVES

In September 2023 Acea obtained from *Science Based Targets initiative* (SBTi) the **validation of its direct and indirect greenhouse gas emission reduction targets** to 2032, compared to the base year 2020. The international organisation assessed Acea's goals in line with the "Well below 2°C" trajectory, the goal established in the 2015 Paris Accords to limit the increase in global temperature with respect to pre-industrial levels.

This decision represents an important acknowledgement of the decarbonisation process begun by the Group to support the energy transition. The set targets are: to reduce **emissions per MWh of**

energy produced by 56% (scope 1), reduce **indirect emissions from electricity use by 32% (scope 2)**, reduce **emissions from energy production and energy procurement and resale by 56%**, and to reduce **by 30% the emissions from gas** distributed and sold to customers.

Science Based Targets initiative is an international network comprising CDP (Carbon Disclosure Project), the UN Global Compact, the World Resources Institute and the WWF. It promotes best practices for science-based decarbonisation target setting and independently evaluates targets proposed by companies.

ACEA CONFIRMED AS A 2023 SUSTAINABILITY LEADER

Acea was confirmed **as one of the 240 most sustainable Italian companies**, categorised by turnover size, in research conducted by Sole24Ore and Statista. Some 1,500 companies were evaluated against **45 environmental, social and governance indicators**. The

analysis produced a score for each of the 3 aspects assessed (in each of these, the best company received the maximum score of 100) and the list of "Leader" companies was published in the Sole24Ore *Sustainability Leader* dossier.

INSTITUTIONS AND ACEA FOR THE PROTECTION OF LEGALITY AND THE ENVIRONMENT IN STRATEGIC WORKS LOCALLY

The commitment to strengthen the **the fight against potential corruptive conduct and the risk of infiltration** by organised crime in corporate sectors of strategic national importance is the subject of the **National Framework Protocol for the protection of legality** jointly signed in July by **Acea** and the **Ministry of the Interior**.

The scope of the agreement includes the nationwide strengthening of cooperation in the field of public safety and legality, also in view of Acea's commitment in the implementation of **important infrastructure works**, such as the Peschiera aqueduct works and the NRRP implementation projects. The three-year protocol will cover the territories in the country where the Group companies operate; the latter will sign **partnership protocols with the Prefectures** on the basis of the Framework Protocol. The implemented Agreement will envisage innovative prevention measures including: new digital monitoring systems for large-scale construction sites, control of the external environment in

which works take place and prevention activities to ensure correct handling of the waste disposal process.

In September, as part of the implementation of the Framework Protocol, four "**Legality Protocols**" were signed between the **Prefecture of Rome and Acea Ato 2** to further protect safety and legality and to counter criminal infiltration at **construction sites for major water works in the capital**. The provisions will apply to all entities in the business chain and to all contractual arrangements, including those already in existence. In addition, extensive monitoring activities are planned for operators who become involved in any stage of the project, the related financial flows and the safety conditions of the construction sites and the workers employed. In the Prefecture, a "table" is set up to monitor labour flows; it will also include an official of the Territorial Labour Inspectorate and representatives of the most relevant construction trade unions.

In July 2023, **the Board of Directors approved the Strategic guidelines underlying the finalisation of the new Business Plan** and the development prospects for the core business sectors in the coming years.

The **current 2020-2024 Business Plan**, was defined taking into account **five key mega trends** that mark the forward development of Utilities: **sustainability and the circular economy, customer centrality, energy transition, innovation and digitalisation** and **better market competitiveness**.

In particular, the **Business Plan** has divided the **Group's growth guidelines** into **5 strategic pillars summarised** by the acronym **GRIDS**:

- **Growth**: Growth driven by the regulated market;
- **Renewables**: investment in renewables;
- **Innovation**: investment in new innovative services;
- **Delivery**: Results exceeded targets;
- **Sustainability**: increasing focus on the environmental impact and circular economy.

The total business investments, envisaged in the Plan, amount to **€4.3 billion**.

MAIN ACTIONS AND STRATEGIC OBJECTIVES OF THE 2020-2024 BUSINESS PLAN BY BUSINESS AREA

business area

strategy

WATER

Development of a Smart Water Company for sustainable use of water by improving the quality and efficiency of the service
Expansion through participation in new tenders in other territories.

- installation of **smart water meters** and **districting** of the network
- virtuous path of **water resource protection with reduction of losses**
- **rationalisation of small treatment plants**
- **optimisation of network performance** through the **Water Management System**
- **securitisation of supply** with work on the **strategic Peschiera and Marcio aqueducts**



NETWORKS

Major player in the energy transition with enabling projects for increased electrification and integration of distributed generation.

- investments for **network resilience** with interventions on specific substations
- **network digitisation** through remote control and IoT solutions
- network maintenance to improve **service continuity**
- **2G smart meter** installation
- new **Network Service** Management Centre



ENVIRONMENT

Consolidation of the market towards the circular economy including in a "one-stop-shop" logic.
Accelerated closing of the waste cycle in Central Italy.

- **consolidation of core business** in energy recovery (WtE) and disposal of unsorted waste and organic fraction
- strengthening **Waste to Material (WtM) supply chains in view of the circular economy** (e.g. plastic, paper)
- further **development in the special waste sector**, also in **synergy with the Group's water** (e.g. sludge) and WtE (e.g. ash) **activities**
- development of **industrial synergies**



ENGINEERING AND SERVICES

Development of a building oriented company for turnkey management of construction and engineering activities.

- focus on **core engineering activities**
- construction of plants through the **internalisation of construction activities** in an EPC perspective
- **reducing construction time** and strengthening **laboratory activities**
- development of a **research centre**



ENERGY (COMMERCIAL AND TRADING)

Commercial growth in central and southern Italy, also supported by the elimination of greater protection and "digital" offers. Development of a Services-Based Company to strengthen customer relations and enhance Acea Group brands.

- reinforcement in the **reference territories** and **growth in Central and Southern Italy**
- **cross-selling and up-selling opportunities** from full market liberalisation and a **push for dual fuel offerings**
- commercial strategy focused on **digital channels, including through a new customer management platform**
- developments of the **segment and mobility** with installation of **columns** and **value-added services**
- **energy efficiency services** offer
- **Smart Comp** installation with system managed remotely through an IoT platform developed by Acea
- installation of residential **photovoltaic** and **solar thermal** systems



GENERATION

Growth of the PV portfolio to seize opportunities from the energy transition and decarbonisation process.

- growth in **generation from renewable sources** to seize opportunities offered by the **decarbonisation process**, whether through the construction of **new PV plants** in industrial and agricultural areas and through M&A transactions



In line with the industrial development guidelines, the **2020-2024 Sustainability Plan**, divided into a **governance level**, intended to consolidate the integration of sustainability into the Company's governance, **and into five operating macro-objectives**, split into **127 targets by 2024** and their KPIs, shows **the unique traits assumed by sustainability for the Group**, in the practical management of production and organisational processes and in relations with stakeholders (see boxes and charts 11 and 12). The 2020-2024 Sustainability Plan was defined with the **involvement of the organisational structures** (internal departments of the Parent Company and Operating Companies⁵³), taking into account the **material topics for 2019** defined by engagement with stakeholders, and remaining in line with the objectives of the **European Green Deal** and the

Agenda 2030 Sustainable Development Goals that are relevant to Acea's businesses. Following the **update of the materiality analysis** in 2022, it was **verified** and confirmed **that it remains in line with the most relevant issues emerging from listening to multistakeholders**.

The investments envisaged in the **2020-2024 Business Plan related to sustainability targets** totalling **€2.1 billion**. In 2023, the **progress of the targets**, illustrated in detail in the following section, **as well as the amount of investments made in the year** was monitored, which, as at 31 December 2023, was around **€290 million**; in total, in the 2020-2023 four-year period, the Business Plan investments related to sustainability targets amounted to around **€1.5 billion**.

THE GOVERNANCE LEVEL OF THE SUSTAINABILITY PLAN 2020-2024: CROSS-CUTTING OBJECTIVES FOR INTEGRATION

governance areas	strategy
SUSTAINABILITY IN THE RISK ASSESSMENT	<ul style="list-style-type: none"> consideration of material ESG topics in the risk management model; assess risks and impacts on safety and the environment and mitigate them, including by adopting certified management systems
SUSTAINABILITY IN THE STRATEGY	<ul style="list-style-type: none"> highlighting the total value generated by the Group with an integrated reading of economic and sustainable development
SUSTAINABILITY IN THE REMUNERATION POLICY	<ul style="list-style-type: none"> enhancing the objectives aimed at promoting sustainability impacts by integrating them into the performance management models
CF SUSTAINABILITY CULTURE SPREAD	<ul style="list-style-type: none"> involving internal and external stakeholders in the matter by disseminating the "sustainability culture"
FCR SUSTAINABILITY FOR SHAREHOLDERS AND INVESTORS	<ul style="list-style-type: none"> integrating financial with ESG elements in communications and relations with shareholders and stakeholders
SUSTAINABILITY IN THE REGULATION SECTOR	<ul style="list-style-type: none"> identifying sustainability topics in the evolving trends of national and European regulations
SUSTAINABILITY IN THE MANAGEMENT OF PEOPLE	<ul style="list-style-type: none"> developing an advanced, collaborative labour-management relations model that meets new social needs
SUSTAINABILITY IN PROCUREMENT	<ul style="list-style-type: none"> promoting sustainability along the supply chain, while being mindful of the relevant best practices

⁵³ A target to increase the amount of energy produced from biogas (renewable source) was also defined for the Company Deco, which entered into the NFS reporting boundary in 2022.

THE OPERATIONAL LEVEL OF THE 2020-2024 SUSTAINABILITY PLAN: SPECIFIC FEATURES OF THE 5 MACRO-OBJECTIVES

macro objective

strategy

PROMOTING A FOCUS ON THE CUSTOMER



- increasing the **technical and commercial quality** of the **services**, while **consolidating digital services**;
- improving the **customer experience** and the **contact channels** so that they fully meet customers' needs;

ENHANCING STAFF FOR THE GROUP'S GROWTH



- **training, employee involvement** and increasing **organisational well-being**, including the protection and promotion of **diversity**;
- enhancing sustainability in **performance management systems**;

QUALIFYING PRESENCE IN THE REGIONS AND PROTECTING THE ENVIRONMENT



- increasing **resilience of water and electricity infrastructure** to ensure security of supply, adaptation to climate change and support for energy transition;
- **limiting impacts** on the natural environment, protecting the land and biodiversity and using resources more efficiently;
- streamlining and **contributing** to the **decarbonisation of the energy system**, with the increase of production from renewable sources and the consequent reduction of CO₂ emissions;
- reducing the **city's environmental impacts** through smart green services for customers and the **development of circular economy initiatives**;
- promoting sustainability along the **supply chain**, raising awareness of customers and students on sustainability issues, with a structured approach to **stakeholder involvement**;

PROMOTING HEALTH AND SAFETY ALONG THE VALUE CHAIN



- **disseminating the culture of safety and prevention** along the **internal and external value chain**;
- increasing **verification and control activities** and actions to ensure the health and safety of customers;

INVESTING IN INNOVATION FOR SUSTAINABILITY



- applying **innovative technologies** for network management (digitisation, remote control, IoT) in a **smart city** perspective and in other production and organisational processes;
- developing synergies in **research** and **innovation** for **knowledge sharing** as well as **project implementation**, including in association with start-ups and scientific partnerships.



Chart no. 11 – The 2020-2024 Sustainability Plan in numbers

127 targets



**PROMOTING A
FOCUS ON THE
CUSTOMER**

18 targets (14%)



**ENHANCING
STAFF FOR
THE GROUP'S
GROWTH**

15 targets (12%)



**QUALIFYING
PRESENCE IN THE
REGIONS AND
PROTECTING THE
ENVIRONMENT**

58 targets (46%)



**PROMOTING
HEALTH AND
SAFETY ALONG
THE VALUE CHAIN**

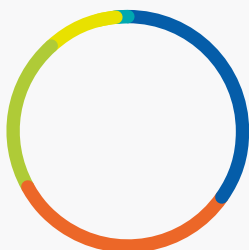
14 targets (11%)



**INVESTING IN
INNOVATION FOR
SUSTAINABILITY**

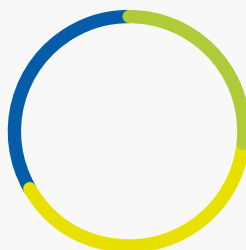
22 targets (17%)

€ 2.1 billion invested
from 2020-2024 related
to sustainability targets



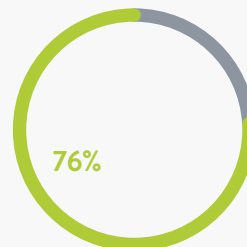
€ **723.5** million Acea Ato 2
€ **670.5** million Areti
€ **444.9** million Acea Ambiente
€ **212.0** million Acea Produzione
€ **29.3** million Acea Innovation

100% of material topics covered
(high and medium relevance)
15 material topics

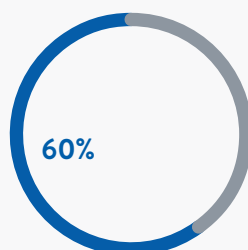


4 Environmental
6 Social
5 Governance

96/127 targets related
to the SDGs



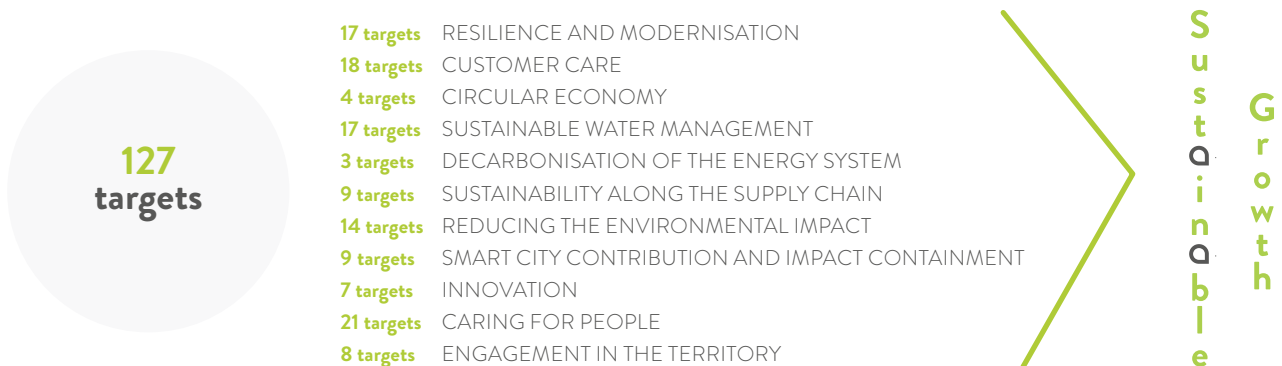
76/127 targets
in line with the Green Deal



- 16 1. Guaranteeing the supply of clean, economical and secure energy
- 34 2. Mobilising the industry for a clean and circular economy
- 2 3. Building and renovating with a focus on energy and resource efficiency
- 4 4. Accelerating the transition to sustainable and intelligent mobility
- 19 5. Preserving and restoring ecosystems and biodiversity
- 12 6. Working towards "zero pollution" for a toxin-free environment

Note: Each target can be related to multiple material topics, SDGs and Green Deal objectives

Chart no. 12 – The sustainability strategy guidelines



The **Management and Sustainability Systems Policy**⁵⁴ adopted by Acea also sets out the **principles, values** and **commitments** made by the Group, and is an **integral part of the Management Systems** in accordance with ISO 9001, ISO 14001, ISO 45001 and ISO 50001 (see also the section *Management Systems*). The Policy sees the following values as **fundamental elements for sustainability**:

- promotion of a **culture of quality**;
- **respect** for the **environment** and **preservation of ecosystems**;
- **fighting climate change**;
- the **development of people** and **safety at workplace**;
- the **efficient management of resources**;
- the **assessment of the risk and the economic, social and environmental impacts**;
- participation in the **well-being of the community** and the development of an **ongoing dialogue with stakeholders**;
- the promotion of creativity and **technological and organisational innovation**.



54 The Policy, updated in November 2020, can be found on the institutional website, www.gruppo.acea.it.

THE 2020-2024 SUSTAINABILITY PLAN AND THE OPERATIONAL GOALS

The **2020-2024 Sustainability Plan**, as already mentioned, **acts on governance and operational levels**, identifying 8 cross-cutting objectives aimed at incorporating sustainability into the governance of the company and 5 macro-objectives for the Group. The **5 operational macro objectives** are broken down into **15 frameworks for action**, **25 operational objectives**, as illustrated in the figure, and **127 objectives for 2024** and **related KPIs** that allow the **progressive achievement thereof to be monitored**. Details of the Plan, the KPIs and the actions during the year are shown below; these are described briefly and where necessary described in more detail in the document. It is envisaged that **the Plan will be updated periodically**, especially at an operational level, so that **consistency with changes to the management and strategic industrial guidelines** of the Group is ensured.



Acea is committed to the adequate integration of sustainability in corporate governance by:

- the consideration of material ESG issues in its business risk management model; the assessment of safety and environmental risks and impacts of its activities with the aim of keeping them under control and reducing them also through the adoption of certified management systems;
- the integrated reading of economic, financial and sustainability data so as to present the overall value generated by the Group;
- the enhancement of corporate sustainability objectives within management performance models;
- the dissemination of a “sustainability culture” through initiatives of awareness and engagement of internal and external stakeholders;
- the integration of financial aspects with the Group's sustainability objectives and ESG (Environmental, Social, Governance) aspects in its communication and relations with shareholders and investors;
- the reading of evolutionary trends of regulations both at a national and European level with respect to issues related to sustainability in the areas the company works in;
- the development of an advanced labour-management relations model able to meet new social needs and focused on the well-being of the company and employees;
- sustainable supply chain management, implementing the best procedures in the fields of supply management and circular procurement.

OPERATING LEVEL THE 5 MACRO-OBJECTIVES (*)

1 PROMOTING A FOCUS ON THE CUSTOMER



Improving communication with customers

- Developing web presence and digital channels in compliance with the Group's communication and positioning needs

Improving the quality of services

- Improve the sales quality of services
- Improving the technical quality of services

2 ENHANCING STAFF FOR THE GROUP'S GROWTH



Professional enhancement, training and development of skills

- Enhancing and boosting Human Capital skills
- Investing in the development and improvement of the staff assessment and recruitment system

Involving people in the Group's identity

- Boosting the level of engagement of the company population
- Defining and promoting an employer branding plan

Organisational inclusion and well-being

- Identifying and improving the organisational well-being of the entire company population
- Enhancing diversity and promoting inclusion

3 QUALIFYING PRESENCE IN THE REGIONS AND PROTECTING THE ENVIRONMENT



Reducing the environmental impact

- Planning and implementing actions aimed at fighting climate change (mitigation and adaptation)
- Promoting an efficient use of resources, thus facilitating circular economy
- Taking initiatives to protect the territory and limit impacts on the natural environment
- Enhancing certified environmental and energy management systems

Improving sustainability along the supply chain

- Implementing sustainability logics in procurement procedures

Contributing to the well-being of the community

- Promoting activities with positive impact on the collectivity and on the territories where the company works

Consolidating relations with the territory

- Contributing to create awareness on social and environmental matters
- Facilitating the engagement of stakeholders in company projects with the aim of creating shared values

4 PROMOTING HEALTH AND SAFETY ALONG THE VALUE CHAIN



Health and safety at workplace for Group workers

- Promoting a culture of health and safety at workplace

Health and safety at workplace for contractors and subcontractors

- Creating awareness among contractors on health and safety at workplace

Health and safety of the communities with which the Group operates

- Ensuring the health and safety of the customers of the reference territory for the various services provided

5 INVESTING IN INNOVATION FOR SUSTAINABILITY



Organisational innovation

- Promoting "smart" processes and working methods

Technological and process innovation

- Promoting the resilience of the urban territory and innovation from a smart city perspective
- Implementing remote control systems and remote interventions
- Applying new technologies in leak detection and other operations

Creating and promoting knowledge

- Developing research projects in partnership with other relevant departments

(*) Each objective is divided into multiple targets and KPIs in the detailed Plan to which reference is made.

2020-2024 SUSTAINABILITY PLAN TARGETS: KPIs AND ACTIONS FOR 2023



MACRO-OBJECTIVE NO.1 PROMOTING A FOCUS ON THE CUSTOMER

OPERATIONAL OBJECTIVES	TARGETS TO 2024 FUNCTIONS/COMPANIES OWNING THE PROCESS	KEY PERFORMANCE INDICATORS	2023 ACTIONS
SCOPE OF ACTION 1: IMPROVING COMMUNICATION WITH CUSTOMERS			
Developing web presence and digital channels in compliance with the Group's communication and positioning needs	Ensuring alignment between the structure of the website and corporate communication needs in terms of effectiveness, transparency and quality of content, recognised through prominent positions in sector rankings. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Digital media)	Acknowledgements in sector analyses/rankings during the year: Yes/No= Yes Annual target reached	Fortune Italia honoured Acea with the Best in Communication 2023 award for the efficacy and quality of media communication with which it recounts the group's values and projects. It is back in the .wikipedia and .sustainability rankings with very good scores (in the latter, its total score places it among the best 10 companies). In 2023, the institutional website content – stories, news, events and some sections (the environment area in particular) – was updated or completely renewed. In addition, a Link Building Digital PR scheme was launched to increase the quality traffic on the site and to improve its search engine rankings. The press release section was reorganised with content categorised via a new tagging system for easy reference.
	Creation of a website for Areti with effective, useful information intended for users of electricity distribution (intermediate target to 2021). ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Digital media)	Site realisation: Yes/No= Yes Targets to 2021 reached	Targets to 2021 reached with the creation of the website.
	Consolidation of presence on social channels with increased brand awareness through effective and engaging communication. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Digital media)	No. social media channel followers reporting year > no. social media channel followers reporting year -1= 117,517>95,069 Annual target reached	In 2023, social media content was constantly updated, based on an editorial plan for each channel. Communication focused on sustainability, innovation and people's value. The Group's events and sponsorships have also been enhanced through targeted initiatives. Emphasis was placed on direct interaction with the community and local areas, with the posting of empathetic and timely replies to user comments. Attention was also given to the operational management of the Areti LinkedIn page and the Acea Energia Instagram and Facebook accounts.
	Encourage customers to use digital channels and reach, every year, 25% of Acea Energia's consumer and micro-business customer base with at least 1 access per year to the reserved area. ACEA ENERGIA	Customers who have logged in at least 1 time in the last 12 months/"consumer" and "micro-business" customer base= 401,703/1,112,877, equal to 36.1% (average across the two markets: 32.4% Free Market and 41% Protected Market) Annual target reached	Acea Energia continues its policy of digitalisation and simplification, aimed at improving communication with its customers and offering more innovative services that are closer to their needs. With this in mind, the site received a complete makeover in 2023, and processes for customers were streamlined and their user experience improved. Measures were also taken to update and implement new functionalities of the MyAcea Energia App and will be completed in 2024.
	Creating at least one communication campaign per year intended for customers regarding the use of the MyAcea and online payment of bills app (reducing the impact of producing paper bills, reducing times, reducing movements, etc.). ACEA SpA - COMMUNICATION & MEDIA RELATIONS (communication planning)	Implementation of a communication campaign: Yes/No= No	The "bill 2.0" campaign, carried out on behalf of Acea Energia, will start in January 2024.

SCOPE OF ACTION 2: IMPROVING THE QUALITY OF SERVICES

Improve the sales quality of services	<p>Improving the real time measurement of the customer experience through the Net Promoter Score (NPS) based on indicators of courtesy/professionalism and perceived service quality. NPS annual target: courtesy/professionalism indicator > 70%; perceived service quality indicator > 50%.</p> <p>ACEA ENERGIA</p>	<p>NPS courtesy/professionalism indicator = 87.3% NPS perceived service quality indicator = 68.7% (average between the two markets: Free 64.8% and Protected 82.3%) Annual target achieved</p>	<p>In 2023, Acea Energia developed in-house monitoring of micro team operators in Qlik. Reporting ensures that the supplier receives constant feedback, allowing it to identify the best practices of the best performing teams and to set up training for the most ineffective teams. Specific tags were also developed on the Free Market IVR to identify particular problems and further improve the customer management and problem resolution process.</p>
	<p>Ensure access to the digital service point within 5 working days of booking.</p> <p>ACEA ATO 2 and ACEA ATO 5</p>	<p>Average waiting days for branch appointment (< of 5 days) = Acea Ato 2: 2.2 days; Acea Ato 5: 3.6 days. Annual target reached</p>	<p>During 2023, Acea Ato 2 monitored the performance KPIs of digital service points and Waidy Points; Acea Ato 5 continues to adopt systems and technological solutions to improve communication and make digital contact channels more effective.</p>
	<p>Improving the quality of metering systems by replacing 21,000 meters per year.</p> <p>ACEA ATO 5</p>	<p>No. of meters replaced/No. of meters to be replaced = 6,569/21,000, equal to 31% of the annual target</p>	<p>By 31.12.2023, 6,569 meters had been replaced.</p>
	<p>Replacing some 317,000 meters to improve the quality of measurement systems.</p> <p>GORI</p>	<p>No. of meters replaced/No. of meters to be replaced = 96,101/317,000, equal to 30% (54,431 in 2020, 13,257 in 2021, 12,919 in 2022, 15,494 in 2023)</p>	<p>In 2023, 15,494 user meters were replaced with internal resources and dedicated contracts. The slow progress of replacement is affected by reprogramming of some services.</p>
	<p>Improvement in the management of appointments with the end customer for technical/commercial services and reduction of unfulfilled appointments by 20% (2019 figure: 11%), with the introduction of new operating methods (single freephone number and additional services) that facilitate direct and personalised contact.</p> <p>ARETI</p>	<p>Missed appointments/total appointments in year of reporting < missed appointments/total appointments in year 2019 = 3,008/22,077 equal to 13.6% > 11.45% of 2019</p>	<p>In 2023, the ARIA project was started in order to improve the process. It involves new digital solutions to automatically issue notifications of confirmed appointments, while also allowing the customer to reschedule appointments directly from the Areti site. An outbound campaign was also launched during the year, to again contact the customer to confirm the scheduled appointment and verify the case details.</p>
Improving the technical quality of services	<p>Implementing in the design of strategic water infrastructure works (Marcio - Peschiera Aqueducts) of devices, criteria, recognised protocols for the maximization of benefits in sustainable terms (benefits for the protection of the territory, landscape, economic development). Getting Envision certification on at least one strategic works project.</p> <p>ACEA ATO 2 AND ACEA INFRASTRUCTURE</p>	<p>Preliminary assessment of the Marcio and Peschiera aqueducts projects with positive results: Yes/No = Yes on Peschiera Aqueduct (in 2020) Envision certification obtained on the design of at least one strategic work (Marcio and/or Peschiera Aqueducts) = No</p>	<p>New Peschiera Upper Section Project: pursuant to Art. 44 of the former Decree Law 77/2021, L.108/2021, the authorisation process is under way. New Marcio Aqueduct Project: the authorisation process, initiated pursuant to Article 44 of former Decree Law 77/2021, L.108/2021, has been completed. With protocol memo no. 0525021 of 10/08/2023, the Contracting Authority (Acea Ato 2) issued the Final Assessment of the Services Conference that includes the EIA measure (MASE-MIC Decree no. 376 of 2/08/2023). Sustainability aspects have been integrated into the executive design drawings and tender documents. The tender was awarded in July 2023.</p>
	<p>Increase the Group's operational capacity in the execution of works (from design to construction), implementing the contracts managed by Acea Infrastructure in EPC Contract up to amounts > € 55M to 2024, with the consequent improvement in the quality of works (centralised coordination of the entire process, reduction in time, optimisation of costs, standardisation of processes).</p> <p>ACEA INFRASTRUCTURE</p>	<p>Obtaining SOA certification for Acea Elabari: Yes/No = Yes (*) Annual amount of construction activities managed under EPC Contract = €12.1 mln (*) SOA certificate updated on 10/4/2022 (three-year interim expiry on 10/4/2025 and five-year expiry on 10/4/2027)</p>	<p>5 Engineering, Procurement and Construction (EPC) contracts launched and 3 EPC contracts completed.</p>

Improving the technical quality of services	<p>Increase in treatment capacity in 13 municipalities by building 8 new treatment plants and upgrading 5 existing ones: +6.9 times more population equivalent (PE) treated than in 2019.</p> <p>ACEA ATO 5</p>	<p>Purification potential in PE/ purification potential in PE in 2019 (target scope)= 18,400/8,000, equal to an increase of +2.3 times PE</p>	<p>In 2023, works on the Monte San Giovanni Campano Colli and Anagni San Bartolomeo sewage treatment plants were nearing completion, and those on the Villa Latina Gargaro site were in the planning phase. Work was also scheduled on the Arce/Fontana Liri plant and the tender for works on the Pontecorvo Capoluogo sewage treatment plant was launched.</p>
	<p>Increase in the capacity and efficiency of Acea Ato 2's purification plants through upgrades at 10 plants (+39% of population equivalent treated compared to the 2019 figure, equal to 164,175 PE) and the decommissioning/centralisation of 36 treatment plants, which will affect approximately 188,000 PE.</p> <p>ACEA ATO 2</p>	<p>Purification capacity in PE/ purification capacity in PE in 2019 (target perimeter= 170,171/164,175 equal to +3.7%</p> <p>Decommissioned/centralised treatment plants= 21 (7 in 2020, 6 in 2021, 4 in 2022 and 4 in 2023)</p> <p>PE affected by the centralisation of sewage treatment plants = 129,000 (15,730 in 2020, 26,540 in 2021, 17,100 in 2022 and 69,630 in 2023)</p>	<p>In 2023, the decommissioning of the treatment plants at Giustinianella, Palmarola, Trigatoria and Case e Campi was completed.</p>
	<p>To expand the treatment capacity and cover the sewage service through 21 interventions on the plants (17 to expand the treatment capacity and 4 to cover the service): + 6% of population equivalent treated and + 6% of users covered by the purification service compared to 2019 data (equivalent to 314,422 PE treated and 184,882 users covered by the service, respectively).</p> <p>AdF</p>	<p>Purification capacity in PE/ purification capacity in PE in 2019= 66,571/314,422, equal to +2.1%</p> <p>% users covered by the purification service/% users covered by the purification service in 2019= 3,864/184,882, equal to +2.1%</p>	<p>In 2023, 10 works authorisation procedures were underway; two plants (the new Arcidosso sewage treatment plant and the Montalcino connection to the Torrenieri sewage treatment plant) are in the commissioning phase (including works and functional and technical-administrative testing), 1 is in the executive design phase and 1 is under construction.</p>
	<p>Replacing 40 of the current 361 thermal substations serving the remote-heating network (11%), for greater service efficiency and service reliability.</p> <p>ACEA PRODUZIONE</p>	<p>No. thermal substations replaced/total district heating substations= 40/361, equal to 100% (of which 30 in 2020, 5 in 2021 and 5 in 2023)</p> <p>Target to 2024 reached</p>	<p>Replacement completed; the target was reached on 31/10/2023.</p>
	<p>Replacement/installation of 18 valves on the district heating distribution network to perform out-of-service interventions, thus reducing the impact on serviced utilities</p> <p>ACEA PRODUZIONE</p>	<p>No. of valves replaced or installed/No. valves to be replaced or installed= 12/18 (of which 8 in 2020 and 4 in 2021)</p>	<p>The target completion tasks, already at an advanced stage, were postponed in favour of other priorities.</p>
	<p>Compared to 2019 base levels, reducing the troubleshooting times of Public Lighting systems in line with the zonal prioritisation defined considering the relevance of the area (e.g. aggregation sites): critical - 6 h; high - 15 h; average - 19 h; low - 23 h.</p> <p>Base levels measured in 2019 by relevance: CRITICAL - 1 day and 12 h, HIGH - 1 day and 7 h, MEDIUM - 1 day and 11 h and LOW - 1 day and 11 h.</p> <p>ARETI (Public Lighting)</p>	<p>CRITICAL relevance HIGH relevance MEDIUM relevance LOW relevance</p>	<p>The target and related KPIs are currently being revised to take into account the updated operating methods.</p>



MACRO-OBJECTIVE NO. 2 EMPOWERING PEOPLE FOR THE GROUP'S GROWTH

OPERATIONAL OBJECTIVES	TARGETS TO 2024 FUNCTIONS/COMPANIES OWNING THE PROCESS	KEY PERFORMANCE INDICATORS	2023 ACTIONS
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SCOPE OF ACTION 1: PROFESSIONAL ENHANCEMENT, TRAINING AND DEVELOPMENT OF SKILLS

Enhancing and boosting Human Capital skills	<p>Unroll at least one training initiative per year on sustainability issues (e.g. circular economy, SDGs, Green Deal) aimed at 100% of the company population, with the aim of increasing the number of people involved each year.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of initiatives activated/ initiatives to be activated per year= 4/1</p> <p>No. of employees involved in reporting year > no. of employees involved in reporting year - 1= 1,255 < 4,259 in 2022</p>	<p>In 2023, four webinars were held as part of the "Being Sustainable" cycle, open to any interested company personnel. An e-learning "Sustainability Awareness" course and an e-learning and experiential course was provided, aiming to strengthen the community of sustainability professionals and guide them to UNI PDR 109 certification.</p>
	<p>Raise the level of digitisation through the implementation of at least 1 awareness/skills orientation campaign/ course per year targeting 100% of the company's population, with the aim of involving at least 10% of employees per year (about 500 employees arc Plan).</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of campaigns launched= 28 courses/at least 1 year</p> <p>No. of persons involved/total number of persons informed: entire workforce</p> <p>Annual target reached</p>	<p>In 2023, 9 digital path courses, 5 vocational courses (on digital and energy transition) and 14 e-learning courses were provided under the New skills Fund.</p>
Investing in the development and improvement of the staff assessment and recruitment system	<p>Support Active Ageing policies by carrying out at least two initiatives a year that stimulate the transfer and enhancement of skills between the different generations in the company, involving a greater number of people each year than the previous year.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of initiatives to be launched/ initiatives launched= 2/2</p> <p>No. of persons involved in reporting year > no. of persons involved in reporting year -1= 1,152<1,263</p>	<p>The "Passaggio in Acea" scheme was created, aimed at the sharing of colleagues' professions. Two webinars were held as part of the Corporate Family Responsibility 2023 project: <i>New professions, evolving skills and the impact across generations</i>, which examined the impact that new professions can have on relations within organisations and how generational exchange can create value in response to these changes; the second, <i>Leadership: a private or a work matter?</i>, examined the topic of leadership and how it can evolve and be applied today in relation to and between different generations.</p>
	<p>Promote in external selection processes the use of tools dedicated to a structured evaluation of the candidate (tests, screening through artificial intelligence and machine learning, virtual tests) enhancing talent and promoting inclusion.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of external selection processes activated through dedicated tools/total external selection processes activated = 107/107</p> <p>Annual target reached</p>	<p>Acea augmented its agreements with university placements and master's degrees to help new graduates into work and participated in 12 Career Days in 2023, meeting hundreds of students in the process. Greater use was made of selective tools to enhance individual skills and develop individual characteristics. These included challenges, logic, motivation and personality tests, video interviews and business cases. Greater is made use of various job portals (such as Indeed, Monster, Almalaurea, StepsConnect) to post ads and reach target candidates even in particularly complex territories, and the use of social media channels such as LinkedIn, Instagram and Tik Tok for attraction and recruiting purposes has continued.</p>
	<p>Progressive extension of objectives aimed at promoting sustainability impacts to the entire population with respect to MBO assessed with performance management systems.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of resources with sustainability target in MBO/ total resources in MBO = composite target: 602/602, equal to 100%</p> <p>Annual target reached</p>	<p>In the MBO incentives scheme, a component open to the entire company workforce registered for the scheme was confirmed; the component is linked to the economic and financial targets at Group level and a composite (four criteria) sustainability target.</p>

SCOPE OF ACTION 2: INVOLVING PEOPLE IN THE GROUP'S IDENTITY

	<p>Ensuring that 100% of the company population is informed of the strategic choices, mission and policies of the Group, and increasing the feeling of aggregation and belonging to the Group, implementing at least 6 initiatives/year to this end.</p> <p>ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Communication)</p>	<p>% of company workforce reached by the information= 100% No. of initiatives launched in the year/no. of initiatives to be launched= 8/6 Annual target reached</p>	<p>A number of initiatives were implemented in 2023, including: three meetings of the "Connessi con Acea" (Connected with Acea) scheme, hosted by 11 associations as part of the "Le Giornate solidali di Acea" (Acea Solidarity Days) initiative. Four blood donation days under the "Fai del bene facendoti del bene" (Do good by doing yourself good) initiative, with the involvement of colleagues in solidarity activities for the Community of Sant'Egidio. The Acea Photo Contest was launched in May, aimed at increasing engagement and knowledge of Acea's businesses and was followed by numerous other initiatives in support of the People, Culture and Organisation Department.</p>
Boosting the level of engagement of the company population	<p>Increase the sense of belonging to the company by carrying out at least 2 initiatives per year with a social impact on the territory involving the Group employees concerned and informing 100% of the employees about these initiatives.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. initiatives activated/total initiatives to be activated= 4/2 Annual target reached</p>	<p>During the year, 16 colleagues were spokespersons in the "GenerAzione 2030" alternating School work project, which involved about 400 students in classes IV and V in 13 schools in Lazio, Tuscany, Umbria and Campania. In an effort to promote successful female role models in science subjects and to encourage younger people to pursue STEM qualifications, dedicated videos were made for sharing during the career days organised with the Group's female engineers.</p> <p>Acea took part in the Labor Dì event promoted by the Acli del Lazio, giving guidance to local high school leavers and supporting them in their path towards the world of work. During the event, Acea also participated in motivational speeches, presenting its group and current opportunities.</p> <p>The food support project "Taxi Solidale", continued in the Rome area, in collaboration with the ACLI of Rome.</p>
Defining and promoting an employer branding plan	<p>Implement at least one initiative per year, identified through internal surveys and aimed at strengthening the employer brand identity, involving 100% of the company population.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>Implementation of internal investigations: Yes/No= No No. of initiatives activated/No. Of initiatives to be activated= 1/1 No. of employees who responded to surveys and/or joined initiatives/no. of employees involved= 440/6.729</p>	<p>Based on the responses of the "Diversity according to us" survey administered in 2022, the "Antarctic mindset - lessons of Daily life" webinar was held. The witness promoted and shared the message that it is possible to act and support female leadership in highly technical professional environment historically dominated by men.</p>

SCOPE OF ACTION 3: ORGANISATIONAL INCLUSION AND WELL-BEING

Identifying and improving the organisational well-being of the entire company population	<p>Designing and developing a training course related to organisational well-being, also aimed at mitigating any effects of work-related stress (Legislative Decree 81/01), addressed to a significant sample of Acea SpA employees, equal to about 10% of the Acea SpA corporate population.</p> <p>Acea SpA - HEALTH, QUALITY, SAFETY & ENVIRONMENT (Safety at Work)</p>	<p>Designing the training course: Yes/No= Yes No. of trained employees/Total employees (Acea Spa target scope)=100/703, equal to 14% Target to 2024 reached in 2021</p>	<p>2024 Target achieved in 2021.</p>
	<p>Involve the entire company population in at least 2 information initiatives, also envisaging periodic follow-ups (surveys) and/or prevention campaigns aimed at promoting primary and secondary prevention, correct lifestyles and psychophysical well-being.</p> <p>ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)</p>	<p>No. of information actions with regular follow-ups (surveys) and/or prevention campaigns carried out/No. Of information actions and/or prevention campaigns to be carried out= 8/2 No. of participating employees/ total company workforce= 1,346 (*)/6,729 (*) the figure may include employees who have joined more than one initiative</p>	<p>In 2023, the following programmes were run: "Preveni con Acea" (4 days of breast, dermatological and endocrinological screening); "Wellness" a (platform that offers facilitated conditions for doing sports in a network of structures, live streaming courses and nutritional courses); blood donation days and a women's self-defence course. 8 company welfare days for all new hires (welfare day). The "Race for the cure" and "Safe Cup" events were mounted, with the Acea team taking part. The "Sostegno Donna" (Women's support) assistance channel is also active.</p>

Identifying and improving the organisational well-being of the entire company population

Improving welfare services in the area of health care and supplementary pensions and developing at least 2 information campaigns per year aimed at 100% of employees to increase awareness of the services offered by the company.

ACEA SpA – PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)

No. of information campaigns carried out/No. of information campaigns to be carried out= **2/2**
No. of employees participating in welfare services/company workforce= **690(*)/6,729**
(*) the figure may include employees who have taken part in more than one initiative
Annual target reached

In 2023, the complementary pension campaign was held, with an event centred on health insurance services (telemedicine and telepharmacology, medical check-up deals and dental care).

Improving work-life balance for parents and care givers by promoting 3 initiatives per year to support employees with children and elderly parents.

ACEA SpA – PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)

No. of initiatives activated/total initiatives to be activated= **4/3**
Annual target reached

Four initiatives were organised in 2023: conventions with universities, including colleges online and throughout the country, the Acea Summer Camp, a 3-day obstruction removal course, and an additional convention that includes mobility and the option of access to a family care services platform.

Inform 100% of employees about 2 initiatives/year aimed at raising awareness of diversity and inclusion issues.

ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)

No. of employees informed/No. Of employees to be informed= **6,729/6,729**
No. initiatives activated/No. initiatives to be activated= **6/2**
Annual target reached

Corporate Family Responsibility also continued in 2023. This is a structured programme of webinars and in-depth videos aimed at spreading a culture more open to people's diversity and specificities. Five videos have been made and shared on the intranet with the support of Welfare Come te and WeWorld, investigating the topics of work-life balance, care sharing and gender stereotypes. The "Equality Platform" for the dissemination of the Equality, Diversity & Inclusion culture was designed and launched; for the occasion, a call to action to the entire company population was launched through a communications campaign via email and the Group intranet news. Over 100 people joined the initiative.

Enhancing diversity and promoting inclusion

Designing and developing a training action consisting of in-depth studies on specific diversity-related topics. The aim of the project is to share knowledge aimed at the cultural growth of resources.

ACEA SpA - PEOPLE CULTURE & ORGANISATION (Talent acquisition & people development)

Training action planning: Yes/
No= **Yes**
No. of employees involved in training project/No. of employees to be involved= **200/200**
Target to 2024 reached

200 licenses were issued to colleagues with young children, allowing them to use a self-development platform for enhancing and strengthening parental skills. The platform offers webinars, coaching courses and training activities for developing the soft skills useful for parenting and encouraging their application also in the workplace. The aim of this self-development tool is to empower people, particularly mothers, who often find it more difficult in resuming work effectively or combining child care with work.

Ensure supervision of the process of integration and reintegration of sensitive resources with congenital and acquired disabilities in the company.

ACEA SpA - HEALTH, QUALITY, SAFETY & ENVIRONMENT

Cases handled by the disability unit: Yes/No= **Yes**
Annual target reached

Support for sensitive resources continues via the service point; in 2023 the following activities were also carried out: a low risk course (pursuant to legislative Decree 81/08 for sensitive people; two in-depth training sessions on emergency and disability, one as part of the "Emergency management - knowledge and awareness" course and the other, aimed at emergency and disability teams, as part of the context of the "Psychology of emergencies" course.



MACRO-OBJECTIVE NO. 3 QUALIFYING PRESENCE IN THE REGIONS AND PROTECTING THE ENVIRONMENT

OPERATIONAL OBJECTIVES	TARGETS TO 2024 FUNCTIONS/COMPANIES OWNING THE PROCESS	KEY PERFORMANCE INDICATORS	2023 ACTIONS
SCOPE OF ACTION 1: REDUCING THE ENVIRONMENTAL IMPACT			
Planning and implementing actions aimed at fighting climate change (mitigation and adaptation)	Acquisition/construction of photovoltaic plants for a total of 747 MW of installed power with consequent expected reduction of the emission intensity index of plants managed by Acea Produzione up to 40 g CO ₂ /kWh (-55% compared to 89 g CO ₂ /kWh in 2019). ACEA PRODUZIONE	MW installed/MW to be installed= 101/747 (*) gCO ₂ /kWh produced (and percentage reduction compared to 2019)= 76.1 gCO₂/kWh (-14,5%) (*) capacity includes the plants of the non-consolidated investee company	The installed PV capacity is increasing gradually and is affected by the plant authorisation processes.
	Reducing energy (electricity and gas) consumption of the company headquarters and other offices through energy efficiency measures with expected savings of over 900 MWh (232 MWh for the headquarters and 700 MWh for the Data Center) compared to pre-construction consumption (equal to 3,320 MWh/y for the headquarters and 4,115 MWh/y for the Data Center) and, for the company headquarters, savings of 13,800 Sm ³ compared to pre-construction consumption (equal to 118,500 Sm ³ /y). ACEA SPA - REAL ESTATE, ENERGY EFFICIENCY & SOLUTION - ENERGY EFFICIENCY & ENVIRONMENTAL SOLUTION	MWh pre-construction – MWh post-construction= 7,435 - 6,675 = 760 MWh Sm ³ pre-construction – Sm ³ post-construction= 118,500 - 119,885 = -1,385 Sm³	In 2023, solar window films were installed on the south wall of the staircase. There was an increase in methane gas consumption due to the increased use of the premises.
	Implementing energy leakage reduction interventions on the grid (voltage change, low-leakage transformers, etc.) and other efficiency enhancement interventions that will enable achieving around 8,500 MWh energy savings, around 2,677 tonnes of reduction of CO ₂ emissions and saving around 1,589 TOE over the course of the Plan. ARETI	MWh saved/MWh net distributed = 514/9,195,590 MWh (for a total of 4,155 MWh saved, of which 1,770 in 2020, 1,127 in 2021 and 744 in 2022) t of CO ₂ unemitted= 1,496 (637 in 2020, 406 in 2021, 268 in 2022 and 185 in 2023) (*) TOE saved= 738 (331 in 2020, 211 in 2021, 139 in 2022 and 57 in 2023) (*) calculation made with the 2019 location-based conversion factor, the same one used in the target definition	During 2023, 105 MV/LV transformers were replaced with ultra-low-loss TRs and the LV voltage changeover was carried out for 16,575 withdrawal points.
	Reduction by around 200 tonnes of CO ₂ emissions through vehicle fleet renewal with the introduction of electric cars. ARETI	t di CO ₂ unemitted= 77 (5.2 in 2020, 26.6 in 2021, 24.1 in 2022 and 21.1 in 2023) (*) (*) value net of energy consumed, calculated with the 2019 location-based conversion factor, the same as the one used in setting the target	The savings achieved through the introduction of electric vehicles are being monitored.

**Planning and
implementing actions
aimed at fighting
climate change
(mitigation and
adaptation)**

Increasing the resilience of the electrical system through maintenance/ network development projects with a consequent reduction of the intervention risk index (IRI) by 70% and the involvement of approximately 3,800 secondary substations by 2024.
ARETI

N. SSs involved in interventions= **2,425 (635 in 2020, 1,099 in 2021, 485 in 2022 and 206 in 2023)**
Cumulative percentage change in IRI (post-intervention value/ pre-intervention value))= - **4,5%, equal to - 67% cumulated with 2020-2021-2022 values (*)**
(*) ratio between the change in the IRI associated with the projects concluded in the years 2020-2021-2022-2023 included in the Resilience Plan and the pre-intervention IRI on the part of the network concerned

Work on substations and lines continued in 2023 to improve network resilience.

Optimising biogas cogeneration (44,000 MWh of energy generated from biogas/year) in 3 compost plants, with consequent increase in green energy produced, and converting the Aprilia plant for the production of biomethane.
ACEA AMBIENTE AND DECO

MWh/year from renewable biogas = **50,000 MWh**
Aprilia plant conversion: Yes/ No= **No**

In 2023, the ordinary management of the Orvieto, Monterotondo Marittimo, Aprilia and Deco plants continued. Also included are the work carried out by Ecologica Sangro in the production of biogas from the landfill at Località Cerratina di Lanciano (CH). The authorization procedure for the production of biomethane at the Aprilia plant is under way.

Increasing the resilience of the aqueduct system serving Rome and the Metropolitan City through new strategic works on the Peschiera and Marcio Aqueducts: achievement of 28% progress of the works on the Peschiera Aqueduct and completion (100%) of the authorisation phase for the works on the Marcio Aqueduct.
ACEA ATO 2

% progress of construction work on Peschiera Aqueduct= **0%**
% progress project/authorisation phase Marcio Aqueduct= **100%**

The introduction of the new Procurement Code (Legislative Decree 36/23) has led to the need to review the Technical Specifications and Tender Specifications for the Peschiera aqueduct project. The review will be completed by January 2024 and the call for tenders for works on the Peschiera aqueduct is also expected to be published in 2024. For the Marcio Aqueduct (First LOT), the authorization process and the process of awarding the works, for which the integrated procurement contract was concluded, have been completed.

Designing and constructing 11 strategic works in order to increase the water supply safety and the resilience of the aqueduct system serving ATO 2 Central Lazio and the surrounding OTAs.
ACEA ATO 2

No. of Works initiated: **5**

Integrated procurement contracts were concluded with contractors for 4 works (financed under RRP), and executive design activities were initiated. The renovation and renovation of the Monte Mario Water Centre are also being completed.

Developing a quality-quantity assessment programme for at least 60% of the sewerage system serving the City of Rome to orient actions and mitigate the effects of parasitic water/rainwater and improving the resilience of systems to exceptional weather events.
ACEA ATO 2

km verified sewerage system/ km total managed sewerage system= **876/2,646, equal to approximately 33% (of which 271 in 2020, 571 in 2021 and 34 in 2022)**

During 2023, an organisational structure for sewerage districting plan was created and a dedicated methodology was developed. A report on the parasitic waters of the south Rome sewage treatment plant has been submitted to the competent bodies of the Metropolitan City of Rome and further studies are being carried out.

Defining an annual water supply plan to cover 10 Municipalities (equal to 48% of inhabitants served) which includes climate and regional development predictions in order to identify needs more quickly and improve the service: maximum difference between the volume actually supplied and the volume predicted by the model less than 30%.
AdF

No. of municipalities covered by Water Supply Plan = **9/10**
% inhabitants served covered by Water Supply Plan/ inhabitants served in 2019= **177,358/386,123, equal to 45.9%**
Water supplied in the municipalities within the scope of the Plan (Mm³)/needs identified through forecast models (Mm³) = **19.685 /19.451 (deviation 1.2%)**

During 2023, the Supply Plan was applied to 4 more municipalities than in 2022 (for a total of 9); the Plan includes a monthly disbursement model per municipal area, classified by user categories; a rainfall data and source monitoring dashboard; a remote reading data dashboard for user curves; and a model for forecasting flow rates.

Contributing to the decarbonisation of the energy system through upgrades to the anaerobic digestion sections of the treatment plants in Rome North and Rome East, necessary for the transformation of the biogas produced on site into biomethane for subsequent feeding into the gas network of 1 MSm³ of biomethane.

ACEA ATO 2

% work progress upgrading Roma Nord and Roma Est= **100%**
Sm³ of biomethane fed into the grid

The works for the upgrading sector on the sewage treatment plants in North and East Rome has been completed. The authorisation phase is now underway.

Increasing efficiency of the Company's electricity consumption through the completion of management and structural interventions in the integrated water service plants, with expected increased energy efficiency equal to 12 GWh, 5% of which certified by Energy Efficiency Certificates (white certificates).

ACEA ATO 2

% attainment of target t= **145%, equal to approximately 17.4 GWh (1.86 in 2020, 2.61 in 2021, 3.18 in 2022 and 9.75 in 2023)** The figure for 2022 has been adjusted following consolidation.
EEC Certified GWh/ Total efficient GWh= **0**

In the course of 2023, energy efficiency measures were carried out (e.g. replacement of motors at the Terranova Water Centre, in energy management improvements at the Cecchina Water Centre, oxygen adjustment in tanks with an automatic regulation system at the Sant'Angelo sewage treatment plant in Subiaco). The documentation for the approval of EECs is still being studied at the GSE (C.I. La Storta), which in October 2023 received the first report of the sewer districting project carried out on Genzano Romano.

Overall 2% reduction in total electricity consumption by Acea Ato 5 (2019 figure: 77,707 MWh) through greater efficiency of 10 plants related to the water network and 1 to the water treatment network.

ACEA ATO 5

kWh saved estimated from efficiency improvement/ consumption 2019= **2,695,548/77,707,000, equal to 3.5% (410,600 in 2020, 456,663 in 2021, 811,670 in 2022 and 1,016,615 in 2023)**
Target to 2024 reached

In 2023, 12 water sites were made more efficient (e.g. wells, pumps); the Monte San Giovanni Campano sewage treatment plant in Ceccano was decommissioned, making an estimated saving of 1,016,615 kWh/year.

Planning and implementing actions aimed at fighting climate change (mitigation and adaptation)

Increasing customer awareness of the sustainability of electricity consumption through specific initiatives aimed at promoting and increasing the purchase of "green" energy.

ACEA ENERGIA

Awareness-raising activities: Yes/No= **Yes**
MWh of green energy sold to free market customers (reporting year)> MWh of green energy sold to free market customers (previous year)= **3,000,000> 2,536,000 (*)**
(*) the 2023 figure is estimated

In 2023, communication activities were implemented to raise awareness of energy saving and to increase consumer awareness. Energy-saving educational materials were created and disseminated through digital touchpoints: a dedicated page on the acea.it website, digital campaigns and 3D animated videos for social campaigns were created. Printed materials such as flyers were also prepared for end customers. Acea Energia also continued to promote web billing, extending the existing service and making it smarter and more customer-oriented to encourage the elimination of paper use and the reduction of CO₂ emissions.

Reducing the consumption of primary energy sources by business customers through the manufacture of combined electrical and thermal energy production plants for a total electrical power of 6 MW and expected savings of approximately 1,500 TOE/year.

ECOGENA

MW installed: **2**
TOE saved: **60**

With the completed construction of a 2 MWe trigeneration plant, scouting work and procedures to select potential customers for the construction of cogeneration or trigeneration plants carried on. Ecogena is now back in the final selection for a contract for the construction of an additional 3.3 MWe plant.

Maintaining full use of "green" energy to meet the internal electricity needs of the main Group Companies, equal to around 400,000 MWh/year and over 140,000 tonnes of CO₂/year avoided.

ACEA ENERGIA AND ACEA SPA - ENERGY EFFICIENCY & ENVIRONMENTAL SOLUTIONS

MWh domestic consumption) supplied with green energy = **363,135 (*)**
t of CO₂ avoided= **124,555 (*)**
(*) 2023 figures are estimated; the calculation of emissions avoided was done with the 2019 location-based conversion factor, the same as the one used in setting the target. For companies in the NFS scope, the figure is 316,135 MWh, or 108,430 tonnes of CO₂ avoided.

The Group's major companies continue to procure green energy for their consumption in 2023, for a total of about 363 GWh (equivalent to about 125,000 thousand tonnes of CO₂ avoided).

Planning and implementing actions aimed at fighting climate change (mitigation and adaptation)	Carrying out energy efficiency improvements at the “Saltatoi” and “Luco” water pumping stations, which are particularly energy intensive, with the aim of reducing the specific consumption of electricity by 30% and 4% respectively compared to the pre-construction consumption in 2019 (Saltatoi 1.92 kWh/m ³ ; Luco 1.28 kWh/m ³). AdF	(Consumption kWh/m ³ reporting year / consumption kWh/m ³ pre-construction at Saltatoi plant)-1= 1.15/1.92 kWh/m³ for a reduction of 40% Consumption kWh/m ³ reporting year / consumption kWh/m ³ pre-construction at Luco plant)- 1= 0	In 2023, at the “Saltatoi” plant, work continued on the monitoring of energy savings resulting from the improvement of the EnPI indicator (kWh/m ³) post-intervention. For the “Luco” pump, the new pumping system was installed and the setting up of the savings detection measuring instruments started.
	Design of a quali-quantitative monitoring network of the main local aquifers, hydrogeological analysis, measurements and physical modelling of them and installation of 5 flow gauges, aimed at sustainable resource management and improved prediction of deficits due to climatic variations. GORI	% of progress on network design= 100% % of progress in carrying out hydrogeological analysis, measurements and physical aquifer modelling = 50% No. of flow meters installed/no. flow meters to be installed= 5/5	Collaboration continued in 2023 with DISTAR - Department of Earth, Environmental and Resource Sciences of the University of Naples Federico II, to conduct studies on the quality of groundwater in the Sarnese Vesuviano district.
Promoting an efficient use of resources, thus facilitating circular economy	Reducing lost volumes of water by 27% compared to 2019 (2019 figure: 308.5 Mm ³ in lost volume) including through the installation of 2,500 pressure and flow gauges for remote monitoring of the water districts. ACEA ATO 2	Reduction in % volume of lost water resources compared to 2019= 19%, reaching 249 Mm³ of lost volume (*) No. of installed pressure and flow meters = 1,979 (354 in 2020, 641 in 2021, 455 in 2022 and 529 in 2023) (*) estimated figures are consistent with the calculation methods referred to by the Authority and exclude the municipalities of Civitavecchia and Percile, in order to keep the scope equivalent to 2019 and to allow verification of the achievement of the improvement targets.	In 2023, two regulation hubs (at Fregene and Castelverde) were built and 529 meters installed.
	Reducing lost volumes of water by 29.5% compared to 2019 (2019 figure: 92.8 Mm ³ in lost volume). ACEA ATO 5	% reduction in lost volume of water compared to 2019= 27.5%, reaching 67.3 Mm³ of lost volume	Efficiency enhancement activities were carried out in the four main municipalities (Cassino, Ferentino, Frosinone and Sora) and districting activities were carried out in nine municipalities for a total districted network of about 405 km.
	Reduction in lost volumes of water by around 26% compared to 2019 (2019 figure: 27.4 Mm ³ in lost volume) through district planning interventions and systematic water leak searches. AdF	% reduction in lost volume of water compared to the 2019= 24.1%, reaching 20.8 Mm³ of lost volume (*) estimated figures	In 2023, interventions were carried out on over 227 km of network for the creation of new remotely controlled water districts, 28,705 meters were installed, and 2,036 km of network was expected. A total of 508 spot checks for anomalies in respect of administrative losses were carried out with a success rate of over 70%.
	Reducing lost volumes of water by 20% compared to 2019 (2019 figure: 10 Mm ³ in lost volume) GESESA	% reduction in lost volume of water= 2%, reaching 9.8 Mm³ of lost volume	The interventions during the year allowed a slight reduction in volumes lost.
	Reducing lost volumes of water by 33% compared to 2019 (2019 figure: 101.0 Mm ³ volume lost) including by replacing 148 km of deteriorated pipelines. GORI	% reduction in lost volume of water= 64%, reaching 36.2 Mm³ of lost volume km of pipeline replaced/ km of pipeline to be replaced= 147.4/148 (49 in 2020, 14 in 2021, 4.4 in 2022 and 80 in 2023) Target to 2024 reached	During 2023, the districting of all municipalities in the REACT EU lots was completed.

Promoting an efficient use of resources, thus facilitating circular economy	Constructing plants for electricity/thermal energy production (1 biogas cogeneration plant, 2 photovoltaic plants, 1 mini-hydroelectric plant) at Integrated Water Service sites to cover internal consumption for approximately 2,700 MWh _e of electricity and 2,500 MWh _t of thermal energy produced per year, equal to a total of approximately 1,550 tCO ₂ per year avoided. AdF	Plant Construction: Yes/No= No kWh _e electricity produced and consumed on-site kWh _t thermal energy produced and consumed on-site t of CO ₂ avoided	Work on the biogas co-generator continues according to schedule; the procedure for the awarding of contracts for the photovoltaic and hydroelectric plant is underway.
	Carrying out projects to recycle purified wastewater mainly for irrigation or for production processes up to 8 Mm ³ /year of reused wastewater. ACEA ATO 2	Mm ³ /year of wastewater reused= 2.1	During 2023, the drafting of the first version of the Risk Management Plan was completed, concerning water from the Fregene sewage treatment plant to be reused for irrigation purposes was completed; also, the discharge authorisation with the limit for reuse for the CoBIS sewage treatment plant was obtained. Reuse continues in plants already equipped with an industrial network.
	Manufacturing a treatment plant for the sand from the treatment processes and from the sewage network cleaning, which will make it possible to recover up to 80% of the solid input material. ACEA ATO 2	Progress of work execution schedule/expected completion times= in line with programme schedule (50%) Material recovered/incoming material	Construction of the plant started in 2023.
	Increasing the overall waste treatment capacity to around 2,900,000 tonnes (equivalent to around 120% more with respect to the 2019 data). ACEA AMBIENTE	t total authorised capacity reporting year/t total expected capacity in 2024= 2,519,990/2,900,000, equal to 87% t waste treated/waste treated (2019 figure)= 1,765,735/1,145,526, equal to 154% more (*) data from scope of consolidation	The management of the acquired facilities continues; the Pontedera and San Jacopo facilities have been closed. It is expected that from 2026 the approval capacity for the SvdL 397,200 t/yr plant, with the construction of line IV, will increase to 447,200 t/yr (an increase of 50,000 t).
Taking initiatives to protect the territory and limit impacts on the natural environment	Facilitating the circular economy process and strengthening the waste-to-material chain thanks to the recovery of raw and secondary materials from the waste input of dedicated plants (target by 2024: 88% RSMs recovered). ACEA AMBIENTE	t MPS and other waste/t waste input = 264,121 (of which MPS 60,978 and 203,143 waste recovered)/329,314 or 80.2% (*) (*) data from scope of consolidation	The management of the acquired plants continues.
	Raising customer awareness about the use of the digital channels, with the objective of reaching 60% of active users associated with MyAcea and increasing the adoption of web bills: around 400,000 users with digital billing (equal to around 60 t/year of paper saved). ACEA ATO 2	No. of associated users on MyAcea/total active users of Acea Ato 2 = 392,242/759,268, equal to 51.7% No. of web bills active = 447,124 t paper saved per year = 84.3	Developments for integration with the new Salesforce CRM system continued throughout 2023.
	Increasing the adoption of web bills, reaching around 50,000 users who have chosen the digital bill option (over 250% more compared to the 2019 data, equal to 14,218) with expected paper savings of around 9 t/year. ACEA ATO 5	No. of web bills active= 58,670, which is 313% more than in 2019 t paper saved per year= 7.1	During 2023, the competition "Switch to digital billing and win" was launched for Acea Ato 5 customers; they could access the competition after activating the digital bill.
	Promoting the digitisation of processes and raising customer awareness about the use of the digital channels with the objective of increasing the number of users with web billing by 229% compared to 2019: around 368,000 digital bills (equal to around 11.04 t/year of paper saved) in relation to 92,000 users. AdF	No. users with web bill / No. users with web bill active in 2019= 98,760/28,192, i.e. 250% more No. of users with web bill active= 98,760 t paper saved per year= 11.3 Target to 2024 reached	In 2023, an integrated, always-on communication campaign was launched on the main touchpoints (print, social, adv, online newspapers and interactive online banners). The digitalisation and re-engineering of business processes to activate the web billing at the same time also continued, with campaigns targeted at specific customer clusters to promote the switch to web billing.

Taking initiatives to protect the territory and limit impacts on the natural environment

Increasing the number of web bills to 25% of total users (57,142 users in 2019), for around 3 t of paper saved.
GESESA

No. of web bills active= **10,400**, equal to about **18.3% of users**
t paper saved per year= **1.7 t**

Communication campaigns continued, encouraging customers to opt for web billing; items on the web billing option were also included in other business processes.

Increasing the use of web bills: around 150,000 users with digital billing (over 150% more than the 2019 figure of 58,500 users) equal to around 21 t of paper saved per year.
GORI

No. of web bills active= **249,664**
t paper saved per year= **33.0**
Target to 2024 reached

In 2023, a one-to-one communication action was carried out to encourage subscription to the web billing service and a campaign was carried out in December to encourage activation of web billing among users with an email address but without the service active; this initiative resulted in approximately 15,000 registrations in December alone.

Increasing the use of web bills: 400,000 users with the digital bill option (equivalent to around 60 t of paper saved/year).
ACEA ENERGIA

No. active supplies with web billing option= **687,120 (548,004 Free Market and 139,116 Protected Market)/400,000**
tt paper saved per year= **121.2**
Target to 2024 reached

In 2023, Acea Energia also carried out customer education activities on the advantages of adopting the web billing service. At the end of the year, the new web bill was launched, with optimised service in terms of graphics and content. It was also smarter and more customer-oriented: a customised web page offering a navigable extract of the bill.

Increasing the digitisation of processes, specifically in sales relations on the free market: 80% of contracts digitised, equal to 14 t/year of paper saved.
ACEA ENERGIA

% of contracts digitalised= **71.5%**
t paper saved per year = **24.5**

Digitally subscribed contracts continue to grow, reducing the use of paper and confirming the increasingly tangible commitment to digitalisation (around 72% in 2023, +25% compared to 2022). In 2023, the Acea.it website was completely redesigned and the processes available to customers were optimised, thus improving the user experience.

Removing 200 pylons by modernisation of the electrical supply system as well as high voltage transmission.
ARETI

No. of pylons removed/No. of pylons to be removed= **158/200 (22 in 2020, 48 in 2021, 49 in 2022 and 39 in 2023)**

A further 39 pylons were removed, also in the Parco di Veio, Tenuta di Castel Porziano, Statale Litorale Romano and Decima Malafede Nature Reserves.

Contributing to the recovery of the ecosystem and the protection of biodiversity, through functional interventions to remove pollution from the hydrographic basin of the Sarno river, including the construction and/or restoration of function of the sewerage network and the consequent collection and treatment of the area's inhabitants (around 70,500) and the elimination of 78 illegal discharges into the environment.
GORI

No. of illegal discharges eliminated/no. of illegal discharges to be eliminated= **24/78**
Inhabitants covered by sewage treatment service/inhabitants in target scope= **80.027 covered for purification**

During 2023, 24 discharges were eliminated and a total of 80,027 inhabitants were covered.

Increasing treatment efficiency by 6.2% in terms of reduction of BOD₅ on 7 treatment plants being upgraded (purification efficiency of the BOD₅ in 2019 equal to 86.7%).
ACEA ATO 5

$[(BOD_{5in} - BOD_{5out} / BOD_{5in}) \text{ reporting year} - (BOD_{5in} - BOD_{5out} / BOD_{5in}) \text{ year 2019}] * 100 = [(300 - 29.3) / 300 - ((300 - 40) / 300)] * 100 = 3.6\%$

In 2023, work on the Anagni Ponte Piano sewage treatment plant continued and work was planned on the Veroli La Moletta plan, for completion in 2024.

Increasing purification efficiency by 4% with respect to the 2019 figure (year of acquisition of treatment plants > 100,000 inhabitants equivalent treated) in terms of reducing SST of all plants managed (equal to 85% in 2019).
GORI

$(SST_{in} - SST_{out} / SST_{in}) \times 100 = 91\%$, which is **6% higher than in 2019**
Target to 2024 reached

Management interventions continued in order to identify further actions to enhance purification efficiency. New interventions are being considered to optimise the quality of waste output.

Reducing waste from the thermal renewal processes (Terni and San Vittore del Lazio plants) by building a treatment and recovery plant for 100% of the ash produced.
ACEA AMBIENTE

Plant construction: Yes/No= **No**
t recovered ash/t produced ash

In 2023, the project was suspended due to the negative outcome of related technical and economic evaluations.

Taking initiatives to protect the territory and limit impacts on the natural environment	Reducing the annual amount of dehydrated/dried sludge leaving the treatment plants managed by Acea Ato 2 by 45% (compared to 2019 volumes equal to 70,505 tonnes) by means of actions aimed at improving the efficiency and industrialisation/innovation of sludge lines. ACEA ATO 2	% reduction = 17.7	The Roma Sud thermal dryer was built and put into operation.
	Design and installation, following a feasibility study, of a sludge dryer at a treatment plant, in order to reduce the amount of dehydrated/dried sludge produced by the treatment plants managed by Acea Ato 5 by 75% (compared to 2019 volumes, equal to 11,352 tonnes). ACEA ATO 5	Design progress (0-100%) = 5%. Implementation progress (0-100%) % reduction	In 2023, the construction of the solar dryer was temporarily suspended.
	Reduction of the annual amount of sludge disposed of by the treatment plants managed by AdF by 40% (compared to 2019 volumes, equal to 8,975 tonnes) through the construction of the sludge centralisation plant in Grosseto San Giovanni. AdF	Plant construction: Yes/No = Yes % reduction = 1.4 This figure is affected by the suspension of centralisation activities and the acquisition of the Terrarossa plant by the Tuscan Water Authority (AIT) in May 2023.	The centralisation of sludge at the Grosseto San Giovanni sewage treatment plant was suspended during the first half of 2023. In May 2023, the Terrarossa plant (Monte Argentario-Orbetello) with a capacity of 60,000AE, which produced 796 tonnes of sludge, was also acquired for AdF management. This caused delays in the pursuit of the target.
	240 t reduction of non-dehydrated sludge, equal to 35% of the volumes recorded in 2019 (700 t), thanks to the use of centrifuges for sludge dehydration. GESESA	% reduction of non-dehydrated sludge = 24%	The system configurations of the plants currently under management remained unchanged during 2023 compared to the previous year.
Enhancing certified environmental and energy management systems	Obtaining and maintaining ISO 14001 certification for companies with an environmental impact in the scope of the NFS. Obtaining and maintaining ISO 50001 certification for energy-intensive companies (>10,000 TOE equivalent) in the scope of the NFS. ACEA SPA -HEALTH, QUALITY, SAFETY & ENVIRONMENT - INTEGRATED CERTIFICATION SYSTEMS	ISO 14001 certified companies/ companies in scope = 17/20 ISO 50001 certified companies/energy-intensive companies in scope = 8/8(*) (*) only energy-intensive companies are considered	Almost all of the operating companies accounting for the Group's major impacts are ISO 14001 certified; all of the eight most energy-intensive companies have obtained ISO 50001.
SCOPE OF ACTION 2: ENCOURAGING SUSTAINABILITY ALONG THE SUPPLY CHAIN			
Implementing sustainability logics in procurement procedures	Achievement of an average of 26 points (20 points for Acea Ato 5) of technical scores referring to green/sustainable criteria (i.e. certifications, high efficiency engines, reuse/ recycling/ recovery of materials used, plastic reduction, eco-friendly product design, eco-friendly packaging, etc.) in tenders carried out with the most competitive bid for the procurement of supplies and services. ACEA ATO 2; ACEA ATO 5; ARETI	Sum of green/sustainable score awarded* tender starting amount/total tender amount for calls carried out with the most competitive bid for the supply of supplies and services = Acea Ato 2: 17.83 Areti: 26.31; Acea Ato 5: 29.0	Green/sustainable criteria were included in the tenders published with the most competitive bid. For example, the criteria concern the possession of environmental certifications, the use of eco-friendly vehicles and energy efficiency requirements.
	Guaranteeing self-assessment in terms of quality, environment, safety, energy and social responsibility (QESER), where relevant, for 100% of the suppliers registered in the qualification systems relating to the Single Regulations for Goods and Services and Works. ACEA SPA - PROCUREMENT & MATERIAL MANAGEMENT	No. of self-assessed QASER suppliers /Total qualified suppliers of qualification systems related to the Single Regulation for Goods and Services and Works = 315/315 Annual target reached	100% of suppliers registered with qualification systems pertaining to the Single Goods, Services and Works Regulations filled out a QASER self-assessment questionnaire in 2023. The internal unit in charge offers information support to economic operators during the qualification process.

Implementing sustainability logics in procurement procedures	Dissemination of good practice in terms of green purchases through the inclusion of environmental sustainability criteria in the Technical Specifications approved by the A&L Department and used for the purchase of materials by the centrally managed Group companies. ACEA SPA - PROCUREMENT & MATERIAL MANAGEMENT	No. of validated technical specifications with sustainability criteria/no. of validated technical specifications= 109/112 Annual target reached	During 2023, 112 technical specifications for materials were validated for procurement by Group companies, and sustainability criteria were introduced in 109 specifications.
	Implementing the Vendor Rating model on the Group's new tender portal which will involve around 1,000 suppliers over the course of the Plan, integrating it with the Sustainability aspect; a portion of the suppliers will also be assessed and monitored on environmental performance (Ecovadis project). ACEA SPA - PROCUREMENT & MATERIAL MANAGEMENT	Vendor Rating model implementation: Yes/No= Yes No. of suppliers rated through vendor rating/no. of suppliers in target scope= 900/1.000 No. of suppliers involved in the Ecovadis project/no. of suppliers assessed through vendor rating= 640/900	In 2023, the continuous monitoring of supplier performance via the Board platform continued, and the number of suppliers assessed under the EcoVadis sustainability rating increased.
	Application of rewarding criteria of sustainability (health and safety, energy and environment, where applicable) in 80% of the calls for tenders and contracts for Works, Goods and Services, assigned with the most competitive bid. ACEA SPA - PROCUREMENT & MATERIAL MANAGEMENT	No. of calls for tenders and contracts with rewarding criteria of sustainability/no. of calls for tenders awarded with the most competitive bid= 93/124 , equal to 75%	In 2023, support activities continued for service companies during the drafting of technical specifications, including the identification of sustainability award criteria and the relative "weight" to be assigned.

SCOPE OF ACTION 3: CONTRIBUTING TO THE WELL-BEING OF THE COMMUNITY

Promoting activities with positive impact on the collectivity and on the territories where the company works	Consolidation and improvement of relations with the local community through the creation of a museum dedicated to Acea and the organisation of at least 5 cultural events/communications initiatives related to the core business, which also envisage the development of industrial sites and facilities of the Group's companies. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Cultural initiatives and Historical Archive, Events Management)	Acea Museum Construction: Yes/No= Yes - target reached in 2021 No. of events held= 0/5 No. of industrial sites/plants developed= 6	There were 5 visits to hydroelectric plants of Acea Produzione and one visit to an Acea Ato 2 plant, with a total of about 150 people involved. The Acea Immersive Museum (MIA) has been active since the end of 2021 and is constantly being updated.
	Installing 55 Water Kiosks in the territory managed by AdF for dispensing chilled natural or sparkling water to the public and tourists, favouring the reduction of plastic bottle use and CO ₂ emissions. AdF	No. of Water Kiosks installed = 31 (of which 7 in 2021, 14 in 2022 and 10 in 2023) Litres of water supplied in the year= 2,671,541 (1,522,778 sparkling, 1,148,763 natural) t plastic saved= 53 t of CO ₂ not emitted= 155	In 2023, 10 Water Kiosks were installed for a grand total of 31 in the managed territory.

SCOPE OF ACTION 4: CONSOLIDATING RELATIONS WITH THE TERRITORY

Contributing to create awareness on social and environmental matters	Support or management of at least 10 awareness initiatives per year and promotion of socially useful campaigns (prevention of cancer, women's rights, promoting diversity) or of socio-environmental importance (including the promotion of sport). ACEA SpA - SPONSORSHIP AND VALUE LIBERALITY	No. of initiatives supported and/or managed= 24/10 Annual target achieved	The many initiatives supported in 2023 include, non-exhaustively, the Acea Run Rome Marathon, the San Valentino Marathon in Terni, Pink Basket Terni, Sport Rugby Perugia, Volley Group Roma, ASD Amicacci National A Series Wheelchair Basketball Championship (Coppa Italia-Supercoppa-European Cups); Circolo Ferma Terni Paralympic Fencing World Championship; in the social field support to the Terres des Homes Foundation Italy; Fiaba Onlus; Susan G. Komen Italia Carovana della Prevenzione for the community. Among the projects for young people were the Acea Camp and the Volleyball School tournament.
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Contributing to create awareness on social and environmental matters	Planning and implementing awareness campaigns aimed at compulsory school age students present in the territory where the companies of the Group work, as concerns responsible use of natural resources (at least 10,000 students and other users per year). ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Communication)	No. of students and other users involved per year/no. of students and other users to be involved= around 2,000	The educational event, which premiered in November 2022, had a second slot in February 2023 and included a contest and final award-giving event. The three winning institutions received a voucher for the purchase of teaching materials.
	Creating at least 1 campaign per year or awareness initiatives addressing saving water, energy and environmental protection targeting the collectivity. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Communication planning) and Group companies	No. of campaigns or initiatives carried out in the year= 1 Annual target achieved	In 2023, Acea ran an institutional campaign for Acea Ato 2 water saving, which involved 10 press releases, 30 million impressions, 3,800 posters, 17 large formats.
Facilitating the engagement of stakeholders in company projects with the aim of creating shared values	Undertaking the "Acea Group Stakeholder Engagement Project" (stakeholder mapping, methods and operating tools) intended to improve the integration of stakeholder engagement into business processes and activities and to disseminate the stakeholder engagement culture by organising at least 1 initiative per year, including in support of stakeholder engagement of the companies/areas. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (stakeholder and perceived quality) in collaboration with the main operating companies	Stakeholder mapping status in the Group (0/100%)= 100% Definition of methodology and tools (0/100%)= 100% No. of stakeholder engagement initiatives implemented in the year= 13 Target to 2024 reached	Target reached in 2022 with the completion of the "Acea Group Stakeholder Engagement Project".
	Implementation of the project for the creation of a "Water Museum" in the Rieti area. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Cultural initiatives and Historical Archive)	Creation of "Water Museum" Yes/No= Yes Target to 2024 reached	The idea, conceived before the pandemic as a physical museum, was then redesigned and in 2022 resulted in the opening of a virtual and diffuse museum. Totems were installed around the Rieti region to connect to a virtual Acea Museum, which includes an in-depth look at the world of water.
	Completion of at least 3 projects per year for the redevelopment and upgrading of urban areas, metropolitan areas and territories where the Group works through public and artistic lighting. ACEA SpA - SPONSORSHIP AND VALUE LIBERALITY in partnership with Areti and other Group Companies	No. of initiatives carried out in the year= 2/3	In 2023, the lighting of the reopened "Domus Tiberiana" site and the lighting of the Waldensian Church in Rome were completed. In addition, 23 temporary public lighting systems of monuments or institution headquarters were installed to help raise public awareness on special anniversaries.



MACRO-OBJECTIVE NO. 4 PROMOTING HEALTH AND SAFETY ALONG THE VALUE CHAIN

OPERATIONAL OBJECTIVES	TARGETS TO 2024 FUNCTIONS/COMPANIES OWNING THE PROCESS	KEY PERFORMANCE INDICATORS	2023 ACTIONS
SCOPE OF ACTION 1: HEALTH AND SAFETY AT WORKPLACE FOR GROUP WORKERS			
Promoting a culture of health and safety at workplace	Consolidating the downward trend in the Group's accident indices (SI, FI). Acea SpA - HEALTH, QUALITY, SAFETY & ENVIRONMENT (Safety at Work)	SI, FI in reporting year \leq reporting year -1= SI: 0.26 - FI: 5.61 \geq SI: 0.23; FI: 5.22	The commitment to accident prevention continued in 2023: 12 Accident Committees were assembled to investigate accidents, with the involvement of the Companies concerned, and five meetings were held with the RSPPs of the Group Companies to coordinate activities in order to improve safety performance. For World Security Day, a workshop on near misses was held; an awareness-raising video on security issues was produced and screened at all the training courses taking place.

Promoting a culture of health and safety at workplace	Carrying out at least one health and safety awareness campaign each year involving 100% of Group employees (NFS scope of operating companies). ACEA SpA – HEALTH, QUALITY, SAFETY & ENVIRONMENT in collaboration with COMMUNICATION & MEDIA RELATIONS (Internal Communications)	No. of employees involved/no. of employees to be involved	The visuals for the launch of the communication campaign were designed and prepared, and the first initiatives (survey and dedicated App) for implementation in 2024 were planned.
	Obtaining and maintaining ISO 45001 certifications for the companies in the NFS scope and, for Acea SpA, obtaining the Biosafety Trust Certification, while assessing the possibility to extend it to the operating companies. ACEA SPA -HEALTH, QUALITY, SAFETY & ENVIRONMENT - INTEGRATED CERTIFICATION SYSTEMS	ISO 45001 certified companies/companies in the scope= 19/20 (*) Attainment of Biosafety Trust Certification: Yes/No= Yes (*) the denominator excludes photovoltaic companies not relevant for the certification scheme	19 operating companies have ISO 45001:2018 certification; Acea Energia still has the Biosafety Trust Certification.
	Involving 100% of Acea SpA employees in the “Vademecum” project intended to explore issues of health, safety and well-being, and raise awareness about the correct use of PPE for protection against infection from COVID-19, training and information about infection risks in line with the objectives of the Biosafety certification (2020). Acea SpA – HEALTH, QUALITY, SAFETY & ENVIRONMENT (Safety at Work)	Employees trained on risks from biological agents/total employees (Acea SpA target scope)= 100% Target to 2024 reached in 2021	Target achieved in 2021 with the conclusion of the training programmes on Safety and measures to limit the spread of Covid-19.

SCOPE OF ACTION 2: HEALTH AND SAFETY AT WORKPLACE FOR CONTRACTORS AND SUBCONTRACTORS

Creating awareness among contractors on health and safety at workplace	Creating awareness among contractors on health and safety, implementing a programme of supplier checks (24 per year) and carrying out engagement initiatives (video tutorials on safety best practice). ACEA ATO 5	No. of checks carried out/no. of checks to be carried out= 745/24 Involvement initiatives: Yes/No= Yes Annual target reached	Carried out 745 inspections of contractors for Safety aspects and also Environment and Quality aspects.
	30% increase in the number of inspections (12,481 in 2019) intended to check the application of safety standards and procedures on the contracts assigned to the control of the Procurement Safety Unit and creating awareness among suppliers on the culture of safety. ACEA INFRASTRUCTURE	No. of inspections as at 31/12/2023 /no. of inspections as at 31/12/2019= 14,252/12,481 = 14.19% more	During 2023, 14,252 safety inspections were carried out at the construction sites.
	Defining and implementing a Supplier Engagement Plan (at least 5 initiatives over the 2020-2024 Plan), in synergy with the Group companies, on health and safety issues also by producing more detailed reporting on the injury prevention performance of contractors. Acea SpA – HEALTH, QUALITY, SAFETY & ENVIRONMENT (Safety at Work)	Engagement Plan definition: Yes/No= Yes No. initiatives activated/No. initiatives to be activated= 2/5 No. of reports received/No. of contractors involved= 100%	The collection of data on accidents happening to contractors working on Acea jobs was started, via quarterly feedback for safety performance reporting. The data was transmitted and compiled by the company RSPPs and approved by employers. The data submitted covered a total of 14,877 employees in companies undertaking the main works and services in the year.
	Up to 70% increase in the percentage of contracts inspected for daily safety checks out of the total contracts that could be inspected by the Procurement Safety Unit (45% in 2019). ACEA INFRASTRUCTURE	Average contracts inspected/average contracts that could be inspected = 86/164, equal to 52%	During 2023, an average of 86 contracts were inspected out of an average of 164 inspectable ones, representing a 7% increase compared to the 2019 figures.

SCOPE OF ACTION 3: HEALTH AND SAFETY OF THE COMMUNITIES WITH WHICH THE GROUP OPERATES

Ensuring the health and safety of the customers of the reference territory for the various services provided	Drawing up risk prevention/mitigation plans according to the guidelines of the Water Safety Plan for 100% of the population served by the aqueduct systems managed by Acea Ato 2. ACEA ATO 2	Population served by aqueduct systems with WSPsA/total population served by Acea Ato 2 = 3,619,974/3,993,230 equal to 90.65%	Work on the implementation of the Water Safety Plans of the municipalities of Grottaferrata, Palestrina and Rignano Flaminio was completed.
	Drawing up risk prevention/mitigation plans according to the guidelines of the Water Safety Plan for 2 sources serving 15% of the population served. ACEA ATO 5	Population served by sources with WSPs/population served = 11%	In 2023, the WSP for the Anagni Tufano source was developed.
	Developing and implementing the Water Safety Plan (WSP) model on 150 of the 265 Water Supply Zones (WSZs), covering 55% of the population served. AdF	WSP with WSP/WSZ model totals= 78/265 Population served by water systems with WSP/total population served by AdF (year 2019)= 163,444 /386,123, equal to 42.3%	The implementation of WSPs continued. A dedicated management application was also developed for managing WSPs, featuring an integrated quality monitoring data analysis dashboard. The Improvement Plan for the reduction of priority risks underlying investment planning is being finalised.
	Risk Prevention/Mitigation Plans are being prepared in accordance with the Water Safety Plan guidelines, applicable to 100% of the supply sources/population served of 3 target municipalities. GORI	Population served by sources with WSP/total population served (in 3 target municipalities)= 100% Target to 2024 reached	As planned, the WSP was executed at the Municipality of Siano, Castel San Giorgio, Braccigliano.
	Drawing up risk prevention/mitigation Plans according to the guidelines of the Water Safety Plan for sources that serve at least 55% of the total population. GESESA	Population served by sources with WSP/total population served	As a result of the investment freeze imposed by the Government Agency (EIC) in 2023, the activities were postponed.
	Reducing laboratory analysis response times by 25% (compared to 2019) through implementation of analytical screening and/or high automation (robotics and early warning) and/or high-tech techniques. ACEA INFRASTRUCTURE	% reduction (reporting year response times/ 2019 response times)= 25.5% (9.99 days/ 13.41 days) No. of survey techniques/ systems introduced= 4 Target to 2024 reached	The control of laboratory activities via the dashboard for monitoring and identifying critical activities and defining corrective actions is now continuous. A pre-prototype of an automated robot for the determination of SST in wastewater has been developed and tested. A version of a robotic arm for the execution of operations has been approved. In cooperation with the Istituto Superiore di Sanità, a microplastics analysis method was tested on real samples of water for human consumption, surface water and sea water. The method has been successfully applied in the analysis of marine waters under the international SEA-CARE project.

MACRO-OBJECTIVE NO. 5 INVESTING IN INNOVATION FOR SUSTAINABILITY

OPERATIONAL OBJECTIVES	TARGETS TO 2024 FUNCTIONS/COMPANIES OWNING THE PROCESS	KEY PERFORMANCE INDICATORS	2023 ACTIONS
SCOPE OF ACTION 1: ORGANISATIONAL INNOVATION			
Promoting "smart" processes and working methods	Consolidating and incrementing the % of employees each year who work remotely and preparing at least one survey per year to monitor expectations and satisfaction in relation to the process. ACEA SpA - PEOPLE CULTURE & ORGANISATION (Time Management)	% of employees in smart working in reporting year > % of employees in smart working in reporting year - 1= 63% in 2023 (67% in 2022) No. of surveys activated= 0	The use of smart working was structured and defined by a special trade union agreement, renewed in August 2023 and subsequently extended to December 2023. No dedicated surveys were conducted among employees during 2023.
	Launching at least two co-working spaces per year. ACEA SpA - REAL ESTATE, ENERGY EFFICIENCY & SOLUTIONS	No. of co-working spaces activated/no. of co-working spaces to be activated= 2/2 Annual target reached	Co-working spaces are available at Acea headquarters and at the Talent Garden in Via Ostiense.



SCOPE OF ACTION 2: TECHNOLOGICAL AND PROCESS INNOVATION

Promoting the resilience of the urban territory and innovation from a smart city perspective	Equipping 1,000 IP supports with video cameras, communication devices and/or environmental sensors. ACEA SpA - SMART SOLUTIONS INFRASTRUCTURES	No. of poles equipped with intelligent equipment	In 2023 activities continued for the development of an innovative technological solution intended for the creation of a “smart pole”, in a “smart city” perspective. Prototypes of various versions of the device were produced and delivered, and tests and certifications were made to obtain appropriate evaluations before the start of production.
	Optimise of IP infrastructure maintenance through the progressive application of Advanced Analytics systems, working towards coverage, by 2024, of 50% of the interventions identified by the system. ARETI (Public Lighting)	No. of maintenance interventions carried out/ total interventions identified with application of Advanced Analytics= 240/200 Target to 2024 reached	The dashboard was released in 2022 with the capability to create a criticality ranking of the whole IP plant fleet (based on pre-verification drivers, network failures, reminders, magnitude, geographical criticality and estimation of the plant's age). The system was used to perform 200 interventions identified as priorities, all of which were carried out.
	Smart services applied to the organic fraction of waste: industrialisation and installation of 150 local composting systems for the transformation of organic fraction in compost. ACEA INNOVATION	No. of structures installed/no. of structures to be installed= 5/150	In June 2023, a contract was signed for the activation of a small-scale smart comp for the Carabinieri, and in December 2023 a new agreement was signed with Thales Alenia Space for the installation of a large composting bin in early 2024.
	Contributing to making urban sites more sustainable through the offer of services intended to reduce environmental impact: - thermal insulation systems (termed thermal coats) and other energy efficiency services (100 apartment blocks); - photovoltaic and solar thermal residential systems (around 1,000 installations). ACEA INNOVATION	No. of apartment blocks involved in interventions/No. of apartment blocks envisaged = 215/100 (of which 21 in 2021, 184 in 2022 and 10 in 2023) No. of PV and solar PV systems installed/no. systems to be installed= 183/1,000 (of which 21 in 2021, 159 in 2022 and 3 in 2023)	In 2023, a further 10 interventions were started for the construction of more sustainable buildings, making a total of 215 interventions, and an additional three residential PV plants were installed.
	Installation of at least 2,200 electric vehicle charging points and development of a platform for the management of mobility services. ACEA INNOVATION and ACEA ENERGIA	Columns installed /columns to be installed= 571/2,200 (of which 200 in 2021, 223 in 2022 and 148 in 2023) No. of Acea Energia customers who used the platform in the year= 7,638 (customers with electronic payment method)	During 2023, 148 electric charging infrastructure units were installed for private and public use. Over 7,600 users used the Acea e-mobility app, which can be used to quickly locate the closest charging point (including those managed by other operators), reserve it, check the car's charging status in real time and pay for the service. Acea Innovation also manages the car sharing service at the Luiss University of Rome, with 894 annual rentals.
Implementing remote control systems and remote interventions	Giving visibility to collaborations with start-ups through the organisation of events/initiatives, also in synergy with universities, institutions, etc. ACEA SpA - COMMUNICATION & MEDIA RELATIONS (Events Management)	No. of events/initiatives carried out= 4 Annual target achieved	In 2023, Acea helped mount the “Arte nell'acqua” exhibition in collaboration with the European Tourism Centre and the Ministry of Culture. Acea also organised the Aquae event in collaboration with the University of Rome Foro Italico. The company again took part in Ecomondo and was present with an exhibition space at Anci, the National Association of Italian Municipalities.
	In collaboration with start-ups, innovative SMEs, universities, research centres, hubs, business incubators and other innovation players, developing innovative projects linked to the Group's core and non-core businesses, for at least 100 innovative proposals/year analysed, 10 trials/year (PoCs) launched and 1 industrialised process/year. ACEA SpA – Technologies function	No. of innovative ideas/proposals analysed= 500 Trials initiated (PoC)= 4 Projects industrialised = 1	During 2023, 4 innovative experiments and 1 industrialised project were launched. There was also participation in four programmes (Zero Accelerator, House of Emerging Technologies, ROAD and the Startup Intelligence Observatory of the Politecnico di Milano). Some 500 innovative proposals were also analysed.
	Installation of 400,000 smart meters. ACEA ATO 2	No. of smart meters installed/ no. of smart meters to be installed= 38,380/400,000, equal to 9.6% (25,063 in 2020, 2,795 in 2021, 5,964 in 2022 and 4,558 in 2023)	During 2023, Acea Ato 2 continued the installation of approximately 4,558 NB-IoT Add-on devices, such as Proteus.

Implementing remote control systems and remote interventions	Installation of 188,000 smart meters by 2024 which allow for remote readings, covering 80% of AdF users (equal to 231,690 in 2019). AdF	No. of smart meters installed/ No. of smart meters to be installed= 166,227/188,000, (82,626 in 2020, 5,168 in 2021, 47,893 in 2022 and 31,996 in 2023), equal to 88.4% No. of smart meter users/no. of AdF users (year 2019)= 161,964/231,690, equal to 70%.	About 32,000 smart meters were installed during 2023, of which about 29,000 were for replacements and about 3,000 new poses.
	Replacing around 1,300,000 electronic meters with second generation (2G) devices, following a customer communications campaign about the electronic meter replacement plan. ARETI	No. of 2G meters installed/ No. of 2G meters to be installed= 982,409/1,300,000 (59,275 in 2020, 316,176 in 2021, 273,294 in 2022 and 333,664 in 2023), equal to 76%. Customers reached by the campaign ≥ customers whose meters were replaced= 1,015,393 ≥ 982,409	The major replacement plan to replace 1G meters with 2G meters continued during the year, and specific information was sent to the affected customers.
	Implementing broadband connectivity on an optical fibre network owned by the company (or any other broadband connection) serving the operation of the power supply network covering all 70 Primary Substations (PSs) and 250 Secondary Substations (SSs). ARETI	No. of PSs connected to broadband/70 PSs= 67/70, equal to 64% (14 in 2020, 10 in 2021, 6 in 2022 and 37 in 2023) No. of SSs connected to broadband/250 SSs= 431/250, equal to 99.6% (7 in 2020, 91 in 2021, 151 in 2022 and 182 in 2023)	The implementation of broadband interventions continued in 2023.
	Remote control of 100% of public lighting systems. ARETI (Public Lighting)	No. of remote controlled IP control panels/total IP control panels= 4,182/4,323, equal to 97% (1,145 in 2020, 885 in 2021, 300 in 2022 and 145 in 2023)	In 2023, a further 145 remote control panels were activated.
	Extending the current remote control system with the aim of reaching a total of 460 plants remotely (2019 figure: 278 plants connected via TLC). ACEA ATO 5	No. of remotely controlled systems/no. of systems to be remotely controlled = 457/460, equal to 99.3% (9 installed in 2021, 64 in 2022 and 62 in 2023)	In 2023, a further 62 remote controlled systems were installed.
	Remotely controlling at least 72% and 15% of MV and LV lines respectively of all MV/LV remotely controlled Secondary Transformer Substations (medium and low voltage side). ARETI	No. of remote-controlled MV/LV transformer SSs / total remote-controlled SSs on medium voltage side= 8.667/12.985, equal to 67% No. of remote-controlled SSs /total remote-controlled SSs on low voltage side with MV/LV transformation = 581/11,797, equal to 5%	During 2023, remote-controlled systems were activated on secondary transformer substations.
	Remote control/measurement of 100% of the purification plants with capacity > 2000 PE (equal to 13 plants), 100% of the sewerage lifting plants (13 plants) and 100% of the aqueduct plants of the Cities of Benevento and Telesse Terme (29 plants). GESESA	No. of treatment plants >2,000 PE remote-controlled/no. of treatment plants >2,000 PE total= 13/13 No. of remote-controlled sewage pumping plants/total sewage pumping plants= 6/13 No. of remote-controlled aqueduct systems/total aqueduct systems= 19/29	Work was suspended during the year under review.

Applying new technologies in leak detection and other operations	Expanding the analytical survey spectrum on the matrices managed (waste, water, emissions) with reference to new contaminants reported by the scientific community and the regulator. ACEA INFRASTRUCTURE	No. of investigations launched = 4 Annual target achieved	In 2023, three analytical methods were implemented for the detection of PFAS (perfluoroalkyl substances) in the sediment, sludge and landfill leachate matrices, and an additional method was applied to the analysis of benzotriazoles in waste water.
	Implementing modelling methods, developing platforms and testing highly innovative techniques to support management and decision-making processes. ACEA INFRASTRUCTURE	No. of techniques implemented = 1 No. of implemented methodologies = 3 No. of platforms created = 1 Annual target achieved	SIFT-MS technology for immediate measurement of volatile substances was field-tested for long-term monitoring at source, boundary and receptor, with tracking of the time trend of the detected concentration of chemicals causing the odour. Smart Odour's odour abatement efficiency calculation algorithms were extended, validated and made operational.
	Application of new IoT technologies and advanced sensors with the installation of 300 sensors for the development of remote monitoring systems for water and sewerage networks. GORI	No. of sensors installed/no. of sensors to be installed = 316/300 (95 in 2020 and 221 in 2021) Target to 2024 reached	Target for 2024 achieved in 2021 with the installation of peripherals with NB-IoT and LoRa transmission systems on the water and sewerage networks.

SCOPE OF ACTION 3: CREATING AND PROMOTING KNOWLEDGE

Developing research projects in partnership with other competent organisations	Developing the research hub (Campus Grottarossa) by reinforcing collaborations/framework agreements with the scientific community on research, technological innovation and environmental sustainability, promoting synergies with the academic and institutional world and start-ups in order to identify development opportunities and applications for the Group. ACEA INFRASTRUCTURE	No. of projects financed with Acea participation = 5 (of which 2 projects presented) No. of scientific partnerships formalised = 6 No. scientific publications or presentations at major conferences = 15 Annual target reached	In 2023, the PROMISCES project continued and the "COSMOS" and "URBI et ORBI" research projects, drawn up in collaboration with the CNR, qualified for funding under the FISA (Italian Fund for Applied Sciences) call. A proposal was also submitted for two projects, dealing with advanced hydrogen production and recovery of bio-based plastics. There were also five webinars on environmental and regulatory topics, eight presentations at national and international public events (ICEE, RENTECH and ECOMONDO) and seven studies for publication in national and international journals.
	Promoting innovation with at least 4 initiatives per year, internal and external, intended to promote scouting, idea generation, entrepreneurship and the culture of innovation, involving at least 200 people from the Acea Group. ACEA SpA – Open Innovation function	No. of persons involved = 90 No. of initiatives completed/No. initiatives to be completed = 3/4	During 2023, the InnovAction project, started in 2022, was concluded and a thematic panel on energy communities was launched. Acea also took part in the ROAD project.

CORPORATE GOVERNANCE AND MANAGEMENT SYSTEMS

CORPORATE GOVERNANCE AT ACEA

The governance model adopted by Acea complies with the recommendations of the *Corporate Governance Code* and with the principles of **transparency, balance and separation between guidance, management and control activities**.

The Acea SpA Board of Directors **establishes the strategic guidelines of the Group** and is responsible for corporate governance. Within the Council, three committees were set up with a proposal and advisory function: the **Control and Risk Committee**, the **Appointments and Remuneration Committee** and the **Ethics, Sustainability and inclusion Committee**⁵⁵.

There is also a **Related-Party Transactions Committee**, in implementation of CONSOB regulations, composed of independent Directors, and a **Committee for the Region**, which is entrusted with investigative, advisory and monitoring tasks, particularly for the management of sponsorships and donations granted by Acea, in compliance with the Company's prerogative rights and the regulatory and legal constraints applicable to individual subsidiaries, aimed at ensuring the development of healthy and virtuous relations with the regions in which the Group operates.

Lastly, the **Board of Statutory Auditors** performs supervisory duties, according to the traditional model in force.

Chart no. 13 – Activities of the Corporate Governance Committees

COMMITTEE	COMPOSITION	TASKS
CONTROL AND RISKS	At least 3 Independent Directors or, alternatively, Non-Executive Directors with an independent majority, from whom the Chairman is chosen 12 MEETINGS IN 2023	Issues a prior opinion to the BoD regarding the definition of the Guidelines for the Internal Control and Risk Management System for the Group companies, including those relevant for medium/long-term sustainability , so that they are correctly identified, measured, managed and monitored. Supports the assessments and decisions of the Board of Directors on these issues. Assists the Board of Directors, together with the competent Function and in consultation with the statutory auditor and the Board of Statutory Auditors, in assessing the correct application of legislation in force and standards adopted, for the drafting of non-financial reporting . For the matters within its remit, monitors the adequacy and effective implementation of the Code of Ethics .
APPOINTMENTS AND REMUNERATION	At least 3 Non-Executive Directors with an independent majority, from whom the Chairman is chosen 13 MEETINGS IN 2023	Provides opinions to the Board of Directors regarding its composition: size, adequacy of skills, compatibility of positions . Proposes the remuneration policy for Directors and Executives to the Board of Directors, promoting medium-long term sustainability .
ETHICS, SUSTAINABILITY AND INCLUSION	At least 3 Non-Executive Directors with an independent majority, from whom the Chairman is chosen 13 MEETINGS IN 2023	In a proactive and advisory manner, supports the Board of Directors in the context of corporate ethics and environmental, social and governance topics . Promotes the integration of sustainability into the corporate strategy and culture . Oversees the key sustainability issues related to mandatory sustainability reporting, business activities and stakeholder interactions. Examines the guidelines of the Sustainability Plan and, once approved by the Board of Directors, supervises its monitoring. Checks the adequacy and implementation of the Code of Ethics . Promotes a culture of diversity and fighting discrimination in the company.

During the year, the directorates, functions and organisational units overseeing relevant issues such as Communication & Media Relations, Technology & Solutions, Risk Management, Compliance & Sustainability, People Culture & Organisation, Ethics Officer, etc.

were **regularly convened by the relevant inter-board committees**. In addition, measures taken to develop and improve knowledge on **sustainability issues** include opportunities for Directors to keep up to date, through speeches by company or external experts or the

⁵⁵ The Committee, previously the Ethics and Sustainability, was renamed in May 2023.

presentation of documentary reports. In this regard, for example, discussions were held on adapting the **functioning of the Ethics, Sustainability and Inclusion Committee** in the light of the regulatory changes currently underway. Inductions were held for the business sectors relevant to Acea, and these included information on **risks and sustainability**; in-depth studies were conducted **on some of the sustainability-related activities implemented by the Company**, including the expected regulatory changes, **and on specific projects, such as the definition of the Human Rights Policy**.

The company is managed by the **Board of Directors**, which can have from 7 to 13 members depending on the decision of the Shareholders' Meeting. Board members remain in office for three financial years and can be re-elected. The method for selecting the members of the Board guarantees **gender representation**, an adequate number of **Directors representing minorities** and **Independent Directors** in accordance with the law⁵⁶.

The current Board, appointed in April 2023, consists of 13 directors, of whom, as at 31 December 2023, seven were women. Referring to the date of first appointment to the Board of Directors,

on average, directors have a term of office of approximately 1 year and 9 months at the end of 2023.

The Board of Directors met twenty-four times during the year.

The Chief Executive Officer/General Manager is the sole **Executive Director**.

In accordance with the *Corporate Governance Code*, **Acea carries out a board evaluation annually**, availing of an external advisor in order to assess the adequacy of the **dimension, composition and function of the BoD and its internal Committees**, as well as the issues discussed.

The **Report on Corporate Governance and Shareholders' Structure**, available on the institutional website (www.gruppo.acea.it), provides information on the Directors of Acea SpA: **CVs, gender, independence qualifications, directors' interests and transactions with related parties**, attendance at meetings of the Board and Committees of which they are members, and any positions held in other companies. This *Report* also sets out the process for the appointment and replacement of Board members, governed by the Articles of Association, as amended at the Shareholders' Meeting of 18 April 2023.

Table no. 13 – Structure of the Board of Directors and Committees of Acea SpA (as at 31.12.2023)

	Role in the BoD	Appointments and Remuneration Committee	Control and Risks Committee	Ethics, Sustainability and Inclusion Committee	Executive director	Independent director
Barbara Marinali	Chairperson					X
Fabrizio Palermo	CEO				X	
Nathalie Tocci	Director	Member				X
Elisabetta Maggini	Director		Member	Chairperson		X
Massimiliano Capece Minutolo Del Sasso	Director	Chairperson	Member	Member		X
Alessandro Caltagirone	Director					X
Angelo Piazza	Director	Member				X
Alessandro Picardi	Director		Chairperson			X
Luisa Melara	Director			Member		X
Vincenza Patrizia Rutigliano	Director	Member		Member		X
Francesca Menabuoni (*)	Director		Member			
Antonino Cusimano	Director		Member			X
Antonella Rosa Bianchessi	Director			Member		X

(*) Director Thomas Claude Devedjian resigned on 31 October 2023. Director Francesca Menabuoni was appointed to replace Director Thomas Claude Devedjian at the Board meeting of 10 November 2023.

THE ROLE AND POWERS OF THE BOARD OF DIRECTORS IN ACEA

The **duties lying with the Board of Directors** pursuant to the law provisions, the Articles of Association and in compliance with the recommendations provided in the *Corporate Governance Code* include:

- definition of the strategic direction;
- economic and financial coordination of the Group's activities;
- definition of the guidelines of the Internal Control and Risk Management System (SCI GR), nature and level of risk compatible with the Company's strategic objectives, including **significant risks for medium-long term sustainability**;
- establishing the Committees required by the *Corporate Governance Code* and appointing their members;
- adopting the *Organisation, management and control model* as pursuant to Legislative Decree no. 231/01;
- assessing the adequacy of the organisational, administrative and accounting structure of Acea and its strategic subsidiaries;
- interacting with the shareholders, encouraging their participation and enabling them to exercise their rights;
- evaluating the independence of its non-executive members at least on a yearly basis.

⁵⁶ Pursuant to art. 147-ter., para. 4 of Legislative Decree 58/98, so-called Finance Act (TUF), the minimum number of independent Directors must be 1 in the case of a BoD up to 7 members, 2 in the case of BoD exceeding 7 members. During the year the BoD verified that the Directors met the conditions required to qualify as independent. As at 31/12/2023, 11 Directors are effectively independent.

FUNCTIONS OF THE CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The **Chairman** is the legal representative of the Company and is vested with powers of signature. He/she also convenes and chairs the Board of Directors and Shareholders' meetings. The Chairman supervises the secretariat of the Board of Directors of the Parent Company and oversees the proceedings of the Board of Directors, ensuring the timeliness and completeness of the meeting and pre-meeting information; ensures that appropriate information flows are in place between Acea and the Group companies in order to monitor the consistency between the strategic guidelines and the performance; verifies the implementation of the resolutions adopted by the Board of Directors and the rules and principles of Corporate Governance, also in implementation of the powers reserved to the Board of Directors. He also presides over the topics of **corporate social responsibility**.

The **Chief Executive Officer** is entrusted with the day-to-day and extraordinary management of the Company. He/she has signing powers for the company and legal and procedural representation and any other powers delegated to him/her within the limits of the law and the By-laws. He/she draws up proposals on annual budgets and multi-year business plans for submission to and approval of the Board of Directors, ensuring and verifying compliance with management guidelines.

The Chairperson and the Chief Executive Officer may jointly implement acts reserved for the Board of Directors concerning contracts, purchases, participation in tenders, issue of sureties, appointment of members of the Board of Directors and Boards of Statutory Auditors of the most significant subsidiaries and affiliates when the urgency of the matter does not allow their convocation, informing the Board at its first subsequent meeting, which shall establish the existence of proven urgency and need.

MANAGEMENT AND COORDINATION OF THE ACEA GROUP

The **Acea Group Management and Coordination Regulation**, approved by the Board of Directors of Acea SpA, defines the general rules that regulate **governance relations** between the Parent Company and the **Companies directly or indirectly controlled by it** and subject to its **management and coordination**. The Regulation establishes the Acea Group's organisational guidelines and code of conduct, aimed at guaranteeing and guiding the management of the subsidiary Companies **towards common Group objectives**, consistent with the **strategic guidelines defined by the Parent Company**, to achieve a more effective **risk monitoring process** to maximise shareholder value, as well as to ensure effective **focus on stakeholders** in the areas in which Acea operates.

When conducting its business, the Parent Company seeks to **balance the interests involved**, drawing inspiration from the principle of "compensatory advantage", according to which individual transactions must be examined and assessed *ex ante* by each Company in the light of any other advantage (real or potential) derived by the same Company from the pursuit of Group interests and policy. The transactions carried out by each Subsidiary **must therefore not be considered solely in the interest of the Company itself, but in the broader context** of the economic, asset-related and financial expectations, directly or indirectly deriving from the economic, asset-related and financial strategies of **the entire Group**.

INTEGRATED GOVERNANCE INDEX 2023 AND ACEA POSITIONING

The **Integrated Governance Index (IGI)** is a well-established and accredited analysis that assesses the evolution of companies in relation to **developments in sustainable corporate governance**. The questionnaire underlying the index, now in its eighth edition in 2023, is addressed to the top 100 Companies listed on the Italian Stock Exchange, to the Companies that publish a Non-Financial Statement pursuant to Legislative Decree no. 254/2016, and to the top 50 non-listed financial and industrial Companies in the Mediobanca classification. The **questionnaire** consists of **an ordinary area, divided into ten areas of analysis**, and **an extraordinary area, which varies each year**, and explores particularly significant issues. The topics investigated by the ordinary area range from adherence to the *Corporate Governance Code* to variable remunera-

tion linked to ESG aspects, from *purpose* to *ESG digital governance*. **Acea**, in its seventh year of participation, **achieved a score of 60.90**, (on a scale of 0-100), ranking 16th out of a total of 98 respondents and recording an improvement in score and equal ranking despite the increased number of participants (in 2022, it scores 60.45 and ranked 16th out of 86 respondents). In particular, the areas in which Acea shows significantly better performance, compared to the sample of listed companies, are **Board and Sustainability Committees, Human Resources and Finance**. The aspects in which, for the edition under review, there are areas for improvement considering current trends are **Purpose, Materiality and Stakeholders** and **integration of ESG into strategies**.

In accordance with current legislation, the Ordinary and Extraordinary **Shareholders' Meeting may be called up by the Board of Directors and at the request of shareholders** representing at least 5% of the share capital. Furthermore, in compliance with such provisions, the shareholders representing at least 2.5% of the share capital may request the addition of new topics be added to those to be discussed and submit resolution proposals for matters already included in the agenda of the Meeting.

Shareholder participation is facilitated by technology-based interactions (electronic notice of proxies; notice of call posted on the website). Prior to the date set for the meeting, the shareholders may submit enquiries regarding topics on the agenda, also by email. There are no shares with limited voting rights or devoid of such right⁵⁷.

Except for the shareholder Roma Capitale, restrictions shall apply to the voting right of shares exceeding 8% of the share capital, as laid down by the Articles of Association. Neither shareholders' agreements nor special rights of veto or in any way affecting the decision-making process exist other than as a result of the equity interest held.

A number of **managerial committees** are operational in the Parent Company. They oversee specific aspects of business or represent forms of coordination and policy sharing, **facilitating decision-making processes** and increasing the capacity for prompt and coordinated integrated responses, such as the Executive Committee, the Equality, Diversity & Inclusion Committee, and the Purchasing Committee.

TOP MANAGEMENT REMUNERATION DETERMINATION PROCESS

A **Remuneration policy** is in place in Acea concerning top management, directors tasked with specific duties and executives holding key positions. The remuneration system regarding these individuals is based on a **clear and transparent process**, with a key role being played by **the Appointment and Remuneration Committee** which formulates proposals regarding the remuneration Policy and the **Board of Directors** of the Company which approves them. The role of the two main corporate governance bodies ensures the observance of rules which avoid producing conflicts of interest and ensuring clarity through adequate information.

The Shareholders' Meeting, pursuant to art. 2389 of the Civil Code, may decide not to intervene in determining the remuneration of the executive directors and members of the Committees, or may establish the maximum threshold, leaving the Board to decide on how to allocate it. It also resolves in favour of or against (binding resolution, pursuant to article 123-ter of the Consolidated Law on Finance, paragraph 3-ter), the first section of the Remuneration Report (paragraph 3 of the same article) and in favour of or against

(non-binding resolution, pursuant to article 123-ter of the Consolidated Law on Finance, paragraph 6) the second section of the Remuneration Report (paragraph 4 of the same article). The Board of Directors determines the remuneration of the Chairperson, Chief Executive Officer and other Directors with specific duties, on proposal by the Appointments and Remuneration Committee, and also the remuneration due to the members of the Committees within the Board of Directors and the remuneration of the Executives with strategic responsibilities. The BoD, unless the Shareholders' Meeting has already done so, determines the breakdown of the overall remuneration among the individual Board members.

Lastly, it should be noted that the remuneration for the members of the Board of Directors, to be determined by the Shareholders' Meeting at the time of renewal of the Board of Directors, was set at € 45,000 at the Shareholders' Meeting of 18 April 2023.

For more details see the Report on the remuneration policy and on the fees paid – 2023 available on the website www.gruppo.aceait.

Under the regulations in force (CONSOB Issuers' Regulations), the *Report on the Remuneration Policy and on the Fees Paid* must include information on the shareholdings of members of the Board of Directors and Board of Statutory Auditors, General Managers and other Executives with strategic responsibilities; therefore, the shares held at the end of the reference year are reported, as well

as details of those purchased and/or sold during the year. There are no specific requirements for the ownership of shares by Acea SpA Directors, but under Acea's Internal Dealing regulation, in line with market abuse regulations, transactions must comply with certain obligations (over-the-limit transactions and blackout periods).

⁵⁷ With the exception of 416,993 own shares (corresponding to about 0.2% of the total shares) for which the right of vote is suspended pursuant to art. 2357-ter Civil Code. See also the *Report on corporate governance and the shareholders' structure*.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

Acea's Internal Control and Risk Management System (SCIGR), which plays a central role in the Group's governance structure, consists of a set of people, tools and organisational structures intended to:

- **identify the risks** that can affect the pursuit of the objectives established by the Board of Directors;
- encourage **the taking of conscious decisions** that are consistent with the company's objectives, within the context of a knowledge of the risks and the level of tolerance to them, legality and company values;
- **safeguard the company's assets, the efficiency and effectiveness of its processes, the reliability of the information** provided to corporate bodies and the market and compliance with internal and external regulations.

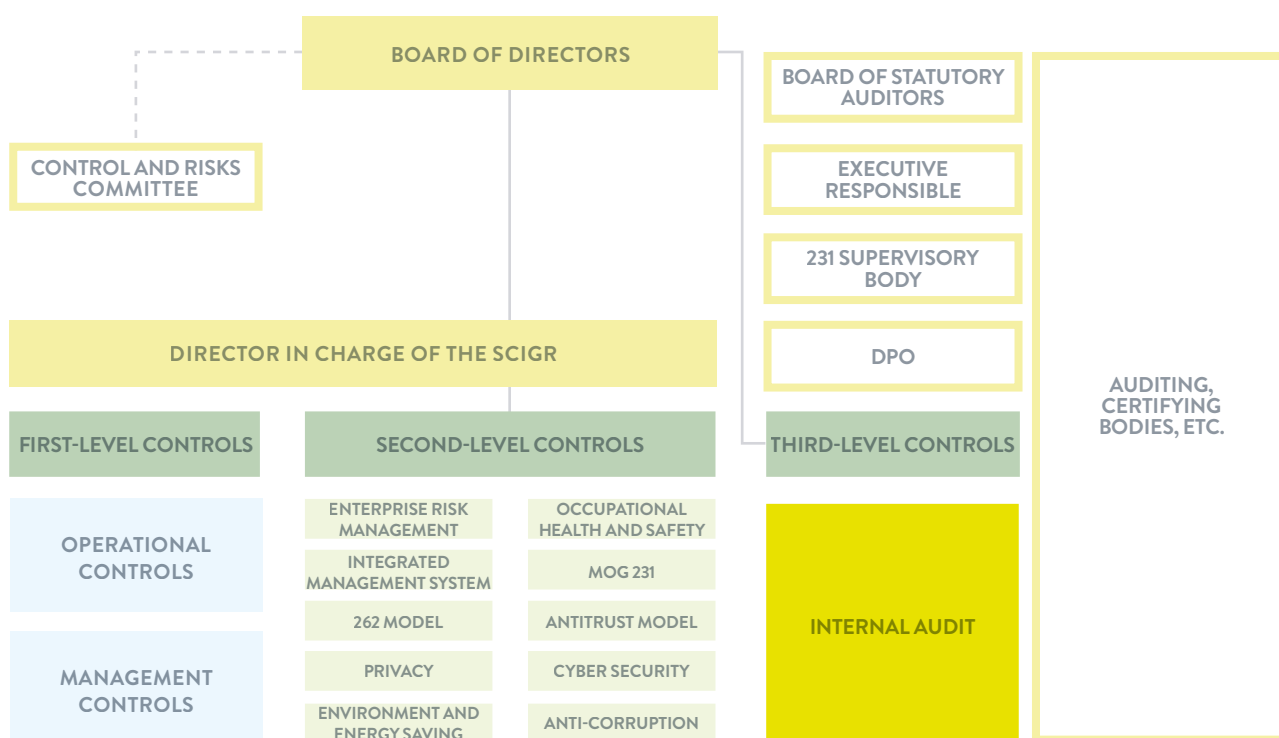
The **Internal Control and Risk Management System Guidelines** promote the sound management of the Group in line with the corporate objectives through a process of **identification, measurement, management and monitoring of the main risks** and the activation of information flows to ensure sharing and coordination

between the various actors involved. The Guidelines take into account the recommendations of the *Corporate Governance Code* of Borsa Italiana and are inspired by existing *best practices*, in particular **COSO – Internal Control – Integrated Framework** (*Committee of Sponsoring Organisations of the Treadway Commission*) and are intended to:

- provide guidance **to ensure that the main risks** related to the Acea Group, including **medium to long-term sustainability risks**, are **properly identified, measured, managed and monitored**;
- **identify principles and responsibilities** with regards to governing, managing and monitoring risks linked to company activities;
- Provide for **control activities** at all operational levels and identify tasks and responsibilities to ensure coordination between the main subjects involved in the System.

Risk management is a **transversal process**, with **responsibilities spread over all the company bodies**: the Board of Directors and the internal Board Committees, the Director in charge of the SCIGR (coinciding with the Chief Executive Officer), the Board of statutory Auditors, all managers and employees, the Executive Responsible, the second-level principals within the risk Management, Compliance & Sustainability function, the Supervisory Body and the Internal Audit function.

Chart no. 14 – The architecture of the SCIGR



Employees and operating structures responsible for risks and their daily management

Corporate functions which supervise management of certain risks through control and monitoring

Functions which ensure and independently check the SCIGR's adequacy

Chart no. 15 – The main actors of the SCIGR

	BoD: determines the guidelines of the SCIGR so that the main risks for Acea and its subsidiaries are identified, measured and managed
	Appointed Director: implements the SCIGR guidelines and takes care – also by using the Audit and Risk Management, Compliance & Sustainability Departments – of the identification of the main corporate risks, subjecting them periodically to the BoD
	Internal Board Committees: ensure appropriate advisory, proposal and investigation work to support the Board of Directors' assessments and decisions on the SCIGR
	Board of Statutory Auditors: monitors the legislative and procedural conformity and the correctness of the administration
	Company personnel: intervenes with various responsibilities, from management to employees, in maintaining an effective risk identification and management process, operating in accordance with procedures and performing line control activities
	Financial Reporting Manager: is responsible for establishing and maintaining the Internal control system for financial reporting
	Risk Management, Compliance & Sustainability- ERM: defines the risk assessment and prioritisation methodology, and coordinates the management of the periodic Risk Assessment process
	Oversight Committee: has powers of initiative and action regarding the operation of the 231 Model
	Specific oversight structures: e.g. the DPO, who supervises the corporate organisation's compliance with EU Reg 679/2016; the Anti-Corruption Officer responsible for coordinating, developing, and maintaining the Corruption Prevention Framework and Management System, the Antitrust Contact responsible for designing, implementing, and monitoring the Antitrust Compliance Programme
	Internal Audit: carries out independent audits on the operations and suitability of the SCIGR using an audit plan (risk based) approved by the BoD and monitors the execution of the action plans issued following the audits performed

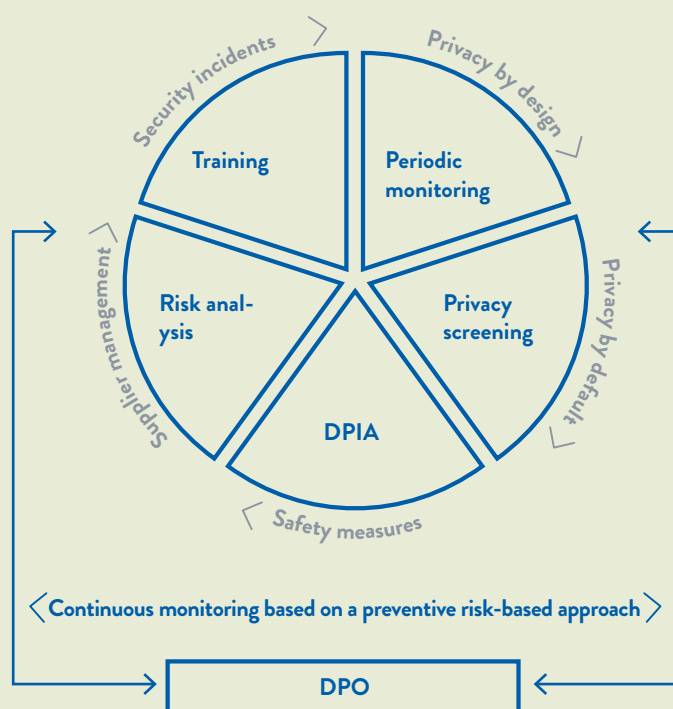
The Parent Company's internal control structures **constantly monitor and adapt** their operating models in order to oversee the relevant risks in the best manner possible.

Table no. 14 – Models and controls

Models and controls	Oversight areas
Guidelines of the Management and Control Model pursuant to Law 262/2005	Risks connected with the Group's Financial Reporting
Privacy Governance Guidelines	risks concerning the protection of personal data in compliance with EU Regulation 2016/679 (GDPR) and other national and European provisions and definition of the privacy model
Antitrust Compliance Programme	risks arising from the breach of antitrust law and consumer law, and the development of a business culture to ensure the protection of competition and the consumer
Oversight of Cyber Security	cyber risk, also in compliance with EU Directive 2016/1148 on European Information Systems and Networks (NIS)
Oversight of ISO45001 and ISO14001	occupational health and safety risks and environmental risks
Organisation, Management and Control Model pursuant to Legislative Decree 231/2001	risk of commission of administrative offences and crimes in the areas covered by Legislative Decree 231/2001
Anti-Corruption Compliance Programme	risk of commission of bribery offences (active or passive)

THE ACEA “PRIVACY GOVERNANCE MODEL”

Acea operates a **Group Privacy Governance Model** in compliance with the EU Regulation 2016/679 on data protection (GDPR), in which roles, responsibilities and implementation methods of the basic principles of privacy protection regulations are identified, using a **preventive risk-based** approach supported by **continuous monitoring** and periodic reviews.



This Model is also implemented in the Subsidiaries and is annually reviewed and adjusted to strengthen its application effectiveness (**Control Framework**).

Acea oversees **several emerging areas** with **an impact on privacy**, such as data security management and **smart working** compliance. In 2023, work was completed on the programme of **risk analysis**, including IT risks, for the processing of data in the parent company's register. Specific analyses are carried out on potentially high-risk processing operations such as **DPIA** (Data Protection Impact Assessment), **LIA** (Legitimate Interest Assessment) and **TIA** (Transfer Impact Assessment), depending on the case, in order to assess the multiple interests and impacts that affect both the data controller and the rights of the data subjects, including in relations with third parties. For outsourced activities, specific contractual tools were adopted to govern personal data processing and continuous monitoring of *procurement* activities is ensured.

The following were also carried out in 2023:

- an **in-company awareness** campaign on key *data protection concepts*; mini-training videos posted on the company intranet;
- an online **training** campaign for *privacy specialists*, to provide expertise on GDPR and the Group Privacy Governance Model;
- a **second GDPR compliance pilot project for suppliers**, appointed as data controllers, in order to comply with the obligations of supervision and control over the processing of personal data for the Acea Group;
- a privacy support activity implementing the **Whistleblowing legislation**.

ANTITRUST COMPLIANCE PROGRAMME

Compliance with antitrust law and adherence to **consumer protection legislation** are core values for the Acea Group, which for years has had an **Antitrust Compliance Programme** to prevent unlawful conduct. The Programme, also implemented in the Subsidiaries, makes it possible to make use not only regulatory developments, but also the insights available from the application practices of the national and European Competition Authorities and the guidance of case law, thus helping to strengthen the internal control system and refine compliance strategies with a view to risk prevention and continuous improvement.

Acea provides its subsidiaries, through the “**Antitrust Compliance and Consumer Protection Guidelines**”, with guidelines for the im-

plementation, within a common framework, of their specific Antitrust Compliance Models. In December 2023, by resolution of the Board of Directors, Acea also approved **the updating of the “Antitrust and Consumer Protection Regulation Compliance Manual”**, which is the main regulatory tool of the Antitrust Compliance Programme. In addition to reporting the main elements of the regulations provided to protect Competition and Consumers, the Manual sets out the relevant cases and conducts and the main rules of conduct to be observed by all addressees, and recalls and applies the principles of the Acea Group **Code of Ethics**, which enshrines the protection of competition and consumers as founding values of Acea's and the Group's Companies' business.

CYBER RISK, INFORMATION ASSETS AND ICT SYSTEMS

The **development of digitalisation** in the management of essential infrastructures and services continues to drive the evolution of the business environment, and concomitantly creates a need to effectively address the growth of **cyber threats**.

According to the most recent figures, Italy has witnessed a steady increase in **cyber attacks**, with an **86% increase** in the first half of 2023 compared to 2018. The frequency and severity of attacks have increased, due also to the Russia-Ukraine conflict, **and in the year under review Italy experienced a significant increase** in cyber crime incidents (+40%) compared to 2022, which was above the global average. The European Union has continued to contribute to the development of industry legislation and the National Cybersecurity regulatory Authority (ACN) is operational nationally.

Cybersecurity and skills development are crucial in all areas of Information Security, so a continuous improvement process is underway, fuelled by analysis of the external environment and the *lessons learned* from the various incidents.

During 2023, the Acea **Cyber Security Unit** continued to consolidate its role as **linchpin for the security of the Group's operating companies**. New strategies, goals, technologies and processes were set in the IT, OT and IoT sectors, based on a holistic and unified

approach to security. **Real Time Security Monitoring and Incident Management** capabilities have been increased tenfold, in response to the challenges of the current geopolitical environment that continues to influence the cyber landscape. The **Vulnerability Management** was further strengthened, emphasising vulnerability research and mitigation, together with the **Security by Design** process, which is crucial for defining cybersecurity requirements in business-oriented technology projects. The development of **Cyber Threat Intelligence** has led to a significantly increase in the volume of information managed, allowing the integrated monitoring of the "cyber climate". Other interventions aim to improve the Group's *cyber resilience*, such as the **Cyber Legal** area, with a regulatory monitoring service to identify cybersecurity legislative initiatives that directly impact the Acea environment.

In 2023, the **awareness & training** campaign to raise individual cybersecurity awareness and skills continued, as did Acea's participation in the **European ECHO programme** (*European network of cybersecurity centres and competence hub for innovation and operations*), which contributes to the security of digital infrastructures at European level.

PROTECTION OF PHYSICAL AND DIGITAL ASSETS AND MANAGEMENT OF INTERNAL RISKS

The mission of the **Security & Cyber Defence** function is to protect **tangible and intangible corporate assets**, and to ensure the definition, implementation and control of activated policies for the **physical protection** of the Group's real estate assets. It also oversees the Security Operations Room (Control Room), the security and reception staff and video surveillance/intrusion systems, and coor-

dinates **the implementation of business continuity and emergency management plans**.

Finally, the Function cooperates with the competent structures and Group Companies in coordinating the correct performance of **activities required by judicial authorities, security institutions and law enforcement agencies**.

Within the framework of the **Internal Control and Risk Management System**, Group companies adopt their own **Organisation, management and control models pursuant to Legislative Decree no. 231/2001** to prevent the risk of certain crimes or administrative offences committed in their interest or benefit by senior management or subject to the management or supervision of the latter. The development of the Models is preceded by a **mapping of the business areas concerned** (so-called "risk areas") and the **identification of sensitive activities and potential offences**. The Models are promptly **updated** in the event of changes in the organisational arrangement or activities carried out, or following the introduction of new offences in the catalogue of predicate offences.

In 2023 Acea SpA carried out a **complete revision of the Model** as regards the risk assessment methodology, in order to **bring it into line with the other methodologies used in the company** (e.g. ERM, antitrust, anti-corruption), and reworked the Special Section using a "process driven" approach to make the document more usable and

facilitate its application. The new Acea Spa model will constitute the reference framework for the models of the Group companies.

The **Supervisory Body (SB)**, envisaged as an essential actor by Legislative Decree 231/2001, **has full and autonomous powers** of initiative, intervention and control **in the functioning, effectiveness of and compliance with the specific Models**. An organisational control mechanism is active in the **Internal Audit Function** and ensures, for the companies that have mandated it, the verification and monitoring of certain processes that are instrumental under the Decree, i.e. in whose scope the **conditions or means** for the commission of a multiplicity of offences could be created, on behalf of the Supervisory Board of the subsidiaries.

The adoption of the principles and the observance of the rules provided by the company's *Code of Ethics* – an integral part of the 231 Model and the Internal Control System – are also relevant for preventing the offences referred to in the Decree.

ANTI-CORRUPTION COMPLIANCE PROGRAMME

The Group is pursuing the implementation of an **anti-corruption compliance programme**, which was launched via the definition of a Group framework. The first pillar of the framework (Values and Regulatory System) includes the **Acea Group's Anti-corruption Guidelines**, adopted by the Board of Directors of Acea SpA. It standardises and integrates the anti-corruption compliance measures already widespread within the internal Regulatory System (Code of Ethics, 231 Model, regulatory system, etc.) into an organic framework of rules and principles aimed at countering the risks of unlawful practices. The Anti-Bribery Guideline regulates roles, responsibilities and control activities relating to anti-corruption, such as the principles of conduct to be observed in sensitive areas that may be most exposed to corruption

The **Internal Audit** function carries out the controls envisaged in the **Audit Plan**, approved by the Board of Directors and subject to the opinion of the Control and Risk Committee. The Plan is drawn up **on the basis of the analysis and prioritisation of the main risks for Acea and its subsidiaries**, carried out during the *Risk Assessment*, also thanks to the monitoring carried out by the corporate Functions responsible for second-level controls. In 2023, **around 99% of the Plan activities** concerned **corporate processes deemed as exposed to the risks as per Legislative Decree no. 231/2001**, amongst which the crimes regarding **corruption**, the **environment**, and in violation of **injury prevention laws and the laws**

risk, the applicable controls and the information and reporting flows relating to the implementation and monitoring of the framework. The Guidelines apply to the **Group Companies and to suppliers, partners, business associates and more generally all parties who act in the name and on behalf of Acea** or the Group Companies, or the parties they come into contact with in the course of their business. In each company, an "Anti-Corruption Manager" (ACM) is appointed to ensure compliance oversight for the prevention of corruption. The role also reports to the corporate control bodies. The Parent Company also implemented a **Corruption prevention management system**, which obtained **UNI ISO 37001:2016** certification in 2023 and adopted a specific Anti-Corruption Policy, approved by the Board of Directors in March.

safeguarding occupational health.

With regard to audits of processes **related to corruption risks**, there are, in particular, periodic audits of sponsorships, consulting, personnel selection, purchasing and payments, and out-of-court settlements for all subsidiaries that adopted the Model pursuant to Legislative Decree no. 231/2001.

As required by the professional standards of the **Institute of Internal Auditors (IIA)**, the audits also assess the specific fraud risks of the process analysed and test the operation of the related controls. With reference to **detection audit** activities, **23 Key Risk Indicators** have been adopted for the purchasing area, which are analysed periodically.

REPORTS RECEIVED ON THE CODE OF ETHICS AND THE ROLE OF THE ETHICS OFFICER

The Code of Ethics, revised and updated in 2022, is conceived to allow the **widespread dissemination of Acea principles and values** to all the Companies and people of the Group. The Code incorporates references to principles and standards underlying the strategic initiatives for the Group, in particular with regard to **sustainability** and the valorisation of issues such as the safeguarding of **human rights** in every operating context, including the supply chain; **people's involvement** and **organisational wellbeing; inclusion**; the safeguarding of **ecosystems and biodiversity**; the commitment to **climate change** mitigation and adaptation; dialogue with **stakeholders**; and the promotion of sustainability with regard to **suppliers**.

In November 2023, the Board of Directors of Acea SpA adopted the new "**Acea Group Whistleblowing Policy**", in compliance with Legislative Decree no. 24 of 10 March 2023, transposing EU Directive 2019/1937, and with the indications of the "**Guidelines on the protection of persons who report breaches of Union law and protection of persons who report breaches of national regulatory provisions**" approved by ANAC Resolution no. 311 of 12 July 2023. Acea has a consolidated **system for receiving and managing reports** ("Whistleblowing"), which can be used **both by employees and external parties**, in connection with the commission of administrative, accounting, civil or criminal offences, non-compliance with the law, internal rules and the Code of Ethics, as well as issues related to the Internal Control System, Corporate Reporting, the company's administrative liability (Legislative Decree no. 231/2001), fraud and conflicts of interest. The system **ensures the highest degree of confidentiality and privacy** in the processing of reports, to protect the whistleblower, the reported person and the persons involved.

The "**Comunica Whistleblowing**" company IT platform uses an

advanced encryption system for communications and its database to guarantee compliance with required regulatory standards (Legislative Decree no. 24/2023), **confidentiality** for whistleblowers, secure filing of documents sent and uploaded to the system and confidential management of analysis and other processes.

The reports related to alleged violations of the *Code of Ethics* and the SCIGR of the Group companies are sent **to the Ethics Officer, the autonomous collegial body within the Group that manages the system for reporting alleged violations** due to non-compliance with the law, the internal regulations and the *Code of Ethics* and monitors observance of the values of transparency, legality, fairness and ethical integrity in relations with all stakeholders. The Ethics Officer also prepares **periodic reports** on the main findings to company top management and the supervisory bodies.

In 2023, with reference to the scope under review⁵⁸, the **Ethics Officer received 42 reports**, of which 15 related to alleged breaches of the *Code of Ethics*, 14 concerned alleged breaches of the SCIGR and 13 related to other cases (commercial complaints, reports of alleged unauthorised water and electricity connections, etc.) and therefore, these were qualified under the procedure as "**not relevant**". As regards the acquisition channels, 20 reports were received through the "Comunica Whistleblowing" platform, 15 by ordinary mail, 5 by the Ethics Officer's email address and 2 by email to entities other than the Ethics Officer.

The **24 "relevant" reports** concerned: 11 Human resources, 4 Supplier relationships, 2 potential conflicts of interest, 2 Privacy, 1 Health, Security and Environment (HSE), 1 Procurement, 1 Business, 1 Corporate assets and 1 other areas.

58 Gori and ADFare excluded with their own reporting systems; please refer to the sustainability reports prepared by the companies for further information.

At the end of the investigations, 15 reports were assessed as “unjustified”, 1 was “filed” as “unsubstantiated and unverifiable”, and 1 was “suspended”, pursuant to the Whistleblowing procedure, as the Company had filed a complaint with the competent authorities with reference to the reported facts.

Regarding the remaining 7 reports outstanding, the preliminary verifications and ascertainties have been completed by the Technical Secretariat, which will then suggest that the Ethics Officer assess them, pursuant to the procedure in force, with 2 of them to be “filed” as generic and unsubstantiated, 1 as “justified” with improvement actions partly already implemented by the Company and 4 as “unjustified”.

Note that, following the publication of press articles in February 2023 relating to alleged conduct contrary to the provisions of the company’s *Code of Ethics*, the Board of Directors instructed the Ethics Officer to carry out the necessary investigations. It was found that the matters investigated did not constitute breaches of

the *Code of Ethics* and were classed as unjustified.

Failure to comply with the Code of Ethics by employees may result in disciplinary measures, as defined in the Code itself and in the OMC Model 231 adopted by Group companies, such as fines or suspension from service which may affect remuneration.

The Ethics Officer is **tasked with supporting** the company departments appointed to **Code of Ethics training**, by promoting **communication programmes and activities intended for their maximum dissemination**, in addition to the Ethics and Sustainability Committee in monitoring the adequacy and implementation of the *Code of Ethics*, for the matter within its remit. To this end, the Ethics Officer may propose that the Committee issue or amend any guidelines and operating procedures to reduce the risk of breaches of the *Code of Ethics* and indicate whether they should be updated. In 2023, the Ethics Officer periodically monitored the **use of training on the Code of Ethics** and on *Whistleblowing*.

HUMAN RIGHTS POLICY

The protection of human rights is of central importance in responsibly-run business, especially for **companies whose activities affect a wide range of stakeholders**. Institutions and civil society are increasingly asking organisations to take **more responsibility for the protection of human rights**. This trend is fuelled also by evidence highlighted in the press, not only in relation to developing countries or countries with limited democratic structures. The matter is also carefully considered by markets and analysts as an **aspect of risk management** of organisations. Strengthened by this awareness, which is **based on the Group’s already consolidated values and systems**, including the Code of Ethics, the Equality, Diversity and Inclusion Policy, stakeholder engagement principles and tools, as well as the occupational health and safety management systems, the **Acea Board of Directors approved the Human Rights Policy** in

December 2023.

The Policy, which refers to the international and national regulatory framework, sets out **20 principles** relating to human rights in two fundamental contexts: the internal **work environment** and the wider outside **community and the environment**. It is directed at the members of the management and control bodies of Acea SpA and other Group companies, including those abroad, as well as managers, employees, collaborators and suppliers contractually linked to the Group for any reason, with regard to their activities and within the limits of their responsibilities. The implementation of the Policy rests on a structured governance process through which Acea undertakes training and dissemination actions, monitoring of risks and impacts, and reporting through the “*Comunica whistleblowing*” platform.

INTEGRATED ANALYSIS AND RISK MANAGEMENT METHOD

Thanks to the **ERM Programme**, based on the **COSO framework** “*Enterprise Risk Management (ERM) - Integrating with Strategy and Performance*” 2017, the Acea Group is **improving the integrated vision and proactive management of risks**. The aim of the ERM process is to:

- represent the **type and significance** (probability and economic -financial and/or reputational impact) **of the main risks, also with impacts on sustainability**, that may jeopardize the achievement of the Group’s strategic and business objectives;
- addressing response strategies and subsequent additional mitigation actions.

The methodology and tools used to identify risks and assess their severity consistently at Group level through the **established Risk Model**, are developed with increasing attention towards **ESG aspects**. During the *risk assessment* process, carried out at least annually, the “*risk owners*” identify risk scenarios related to **Acea’s**

material issues and pinpoint possible impacts and the control measures to manage and mitigate them. The results of the ERM Process are also taken into account when **planning actions to mitigate risks and seize opportunities** by Group companies with certified Management Systems.

The **Group Risk Assessment Report** provides the Board of Directors of Acea SpA and the Committees with a summary view of the Group’s overall risk profile and how it evolves over time. At the request of the supervisory and/or administrative bodies, the Risk Management, Compliance & Sustainability Function may be called upon to produce specific reports associated with *risk assessments* on particular areas, including ESG topics, in line with the methodology and ERM framework.

The ERM process involves constant interaction between the ERM Unit of the Parent Company’s Risk Management, Compliance & Sustainability and the *focal points* of the corresponding Units in the operating companies (see Chart 16).

Chart no. 16 – The ERM Unit and the corporate focal points

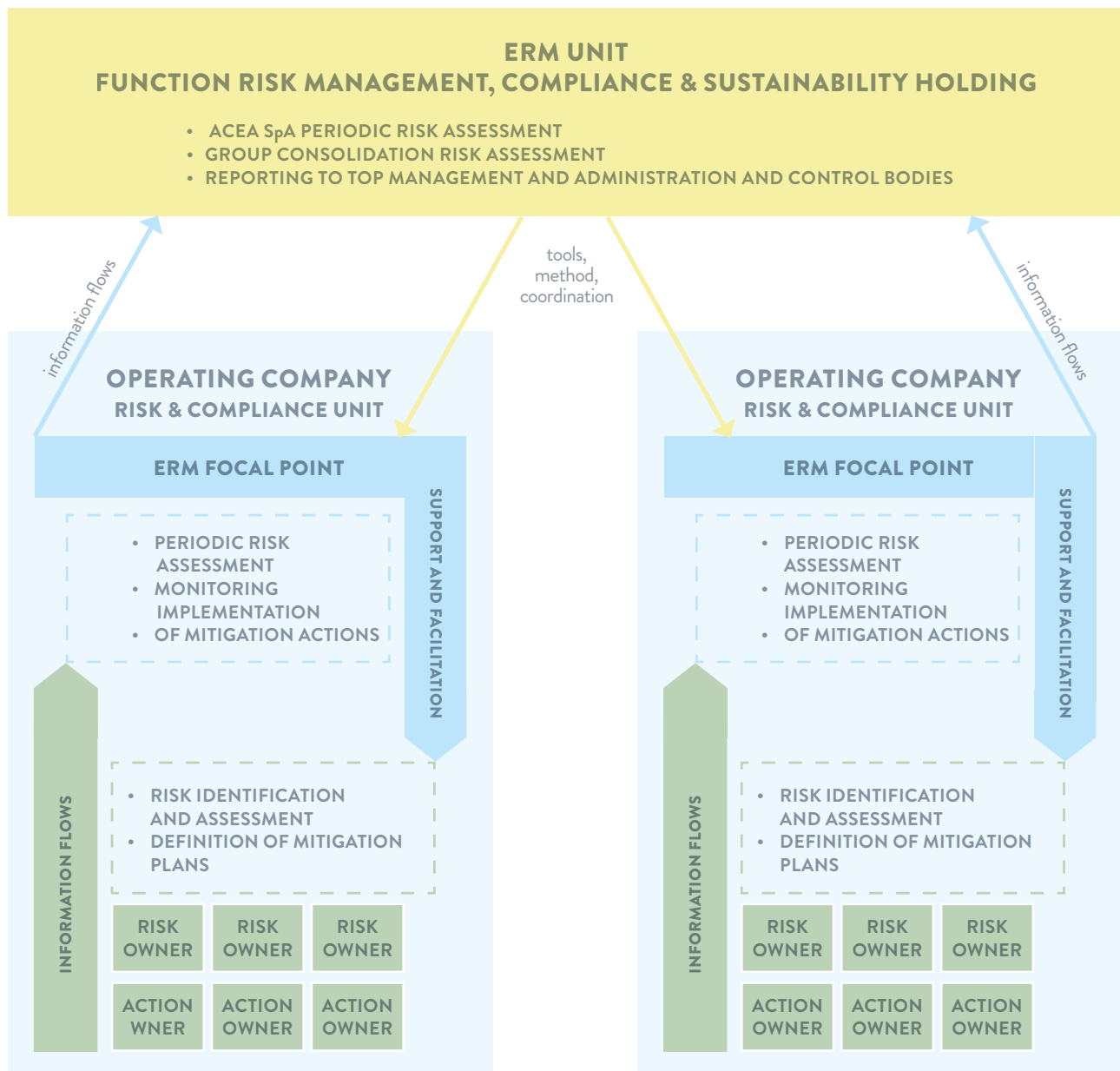


Table no. 15 – Acea material topics, risks and management methods

Highly significant material topic and related risk	Potential impact on Acea	Potential impact on stakeholders	Risk management approach and associated impacts
SUSTAINABLE MANAGEMENT OF THE WATER RESOURCE CYCLE adverse natural events and/or climate change (*); authorisation delays impacting on optimal management conditions	economic/financial reputational	natural environment, communities/citizens, inhabitants served by the water service, ecosystem innovation and research/business partners/scientific communities/membership bodies, institutions	<ul style="list-style-type: none"> • Policies, processes and procedures (relations with institutional representatives and authorisation bodies) • Dedicated organisational structures • Focus of investments • Regular adjustment of rate cards • Business Continuity and Maintenance Plans • Water safety plans (WSPs) • Water network districting • Specialist studies and analyses (ISO 17025) • IT security systems
BUSINESS ETHICS AND INTEGRITY conduct contrary to binding regulations, internal rules and standards of reference	economic/financial reputational	communities/citizens, inhabitants served by the water service, Areti users, Acea Energia customers, shareholders and investors, employees, suppliers/production chain, innovation and research ecosystem/business partners/scientific community/associate bodies, institutions	<ul style="list-style-type: none"> • Policies, processes and procedures (Code of Ethics - Organisation, Management and Control Model 231/2001 - whistleblowing system, Antitrust Compliance Programme) • People and organisation (training and communication plans) • Monitoring and periodic reporting
PROTECTION OF ECOSYSTEMS AND BIODIVERSITY exceeding the emission limits envisaged by laws and authorisation decrees; failure to achieve the dissemination objectives of consumption from renewable sources; impacts on environmental balance conditions caused by plants that unexpectedly do not comply with legal limits	economic/financial reputational	all stakeholders	<ul style="list-style-type: none"> • Policies, processes and procedures (ISO 14001 and EMAS) • People and organisation (dedicated structures and training) • Focus of investments • Monitoring and support tools • Specialist studies and analyses • Periodic reporting • Upgrade service plans • Remote control and remote management applications
CLIMATE CHANGE AND ENERGY TRANSITION failure to build sustainable plants and to adapt operating practices to the evolution of climate change and to achieve the dissemination objectives of consumption from renewable sources (production of energy from renewable sources, resilience of the electricity grid, availability of water)	economic/financial reputational	all stakeholders	<ul style="list-style-type: none"> • Policies, processes and procedures (ISO 50001, ISO 14001, UNI 11352 and EMAS) • Dedicated organisational structure • Specialist studies and analyses • Focusing investments (interconnecting districts) • Periodic reporting
TECHNOLOGICAL INNOVATION AND DIGITAL TRANSFORMATION operational inefficiency due to technological and innovative inadequacy; cyber risk/Operational Technology (*)	economic/financial reputational	all stakeholders	<ul style="list-style-type: none"> • Policies, processes and procedures (dialogue with institutional counterparts) • Monitoring and periodic reporting • People and organisation (training and skill consolidation) • IT security systems
MANAGEMENT AND TREATMENT OF WASTE FOR A CIRCULAR ECONOMY failure to comply with regulations; obstacles in the waste treatment and delivery market (*)	economic/financial	natural environment, community/citizens, new generations, suppliers/production chain, innovation and research ecosystem/business partners/scientific communities/associate bodies	<ul style="list-style-type: none"> • Policies, processes and procedures (ISO 14001 and EMAS) • People and organisation (dedicated structures and training) • Periodic reporting • Audits on customers/suppliers/partners • Consolidation through corporate acquisitions (M&A) • Monitoring and control plans • Innovative waste handling solutions
OCCUPATIONAL HEALTH AND SAFETY accidents at work, risk of spreading disease	economic/financial reputational	employees	<ul style="list-style-type: none"> • Policies, processes and procedures (ISO 45001, ISO 39001) • People and organisation (dedicated structure, training and communication plans) • Supplier checks • Extraordinary maintenance on plants serving the offices, office sanitisation • Monitoring and periodic reporting

DIALOGUE AND ENGAGEMENT WITH STAKEHOLDERS AND TERRITORY

tensions with stakeholder representatives in the region with negative effects on the development of activities (*)

economic/financial
reputational

all stakeholders

- Policies, processes and procedures
- People and organisation (*stakeholder engagement* oversight activities, training and skill consolidation)
- Dialogue with counterparties

SKILLS DEVELOPMENT AND EVOLUTION OF THE WORKING ENVIRONMENT

lack of adequacy both in terms of skills and composition of company workforce

economic/financial
reputational

employees

- Policies, processes and procedures (remuneration and incentive policies)
- People and organisation (dedicated structures and training)
- Performance evaluation system
- Monitoring and periodic reporting

SUSTAINABILITY IN INFRASTRUCTURE DESIGN, CONSTRUCTION AND MANAGEMENT

environmental and social impacts from inadequate and failed design, construction and/or management of plants/ networks (*)

economic/financial
reputational

natural environment, communities/citizens, new generations, inhabitants served by the water service, Areti users, Acea Energia customers, shareholders and investors, suppliers/production chain, innovation and research ecosystem/business partners/scientific community/membership bodies, institutions

- Policies, processes and procedures (application of sector *best practice*)
- Periodic monitoring of project implementation programmes and reporting
- People and organisation (training and skill consolidation)
- Implementation of specific applications
- Maintenance plans and actions for securing infrastructure

CUSTOMER FOCUS

failure to reach service quality levels; difficulty in meeting customer expectations (*)

economic/financial
reputational

communities/citizens, inhabitants served by the water service, Areti customers, Acea Energia customers

- Policies, processes and procedures
- Dedicated organisational structure
- Periodic reporting (analysis of customers and services)
- Regulatory framework and reference legislation monitoring
- Investment in customer care software

SUSTAINABILITY AND CIRCULARITY ALONG THE SUPPLY CHAIN

failure to audit the procurement process; failure of suppliers to comply with the requirements (health and safety, environmental, anti-corruption)

economic/financial
reputational

suppliers/production chain, ecosystem innovation and research/business partners/scientific communities/membership bodies

- Policies, processes and procedures
- Quality monitoring of work and goods/services received
- Qualified suppliers register
- Specialist *benchmark* studies and analyses

CORPORATE WELFARE, DIVERSITY AND INCLUSION

increased absenteeism rate; negative company climate; possible lawsuits by employees

economic/financial
reputational

employees

- Policies, processes and procedures (Equality Manifesto, Human Rights Policy, Employee and Participation Charter)
- Persons and organisation (UNI/PDR Gender Equality Certification 125:2022)
- Training and communication plans
- Corporate welfare initiatives (e.g. flexible benefits, health check-ups)

GOVERNANCE FOR SUSTAINABLE SUCCESS

non-compliance with Legislative Decree no. 254/2016; inadequacy of the internal regulatory system with respect to the guidelines of the *Corporate Governance Code*

economic/financial
reputational

Shareholders and investors, employees, institutions

- Policies, processes and procedures (updating and verification of information systems and the organisation)
- Tax control framework
- Board committees (Ethics and Sustainability, Control and Risks)
- Certification of data managers and *reporting assurance* by the auditor
- Monitoring and periodic reporting

- ECONOMIC GOVERNANCE TOPICS - SOCIAL TOPICS - ENVIRONMENTAL TOPICS

Note: the complete list of stakeholders includes: natural environment, communities/citizens, new generations, inhabitants served by the companies of the Water area within the NFS reporting boundary, Areti users (energy distribution), Acea Energia customers (protected market, free market, gas), shareholders and investors, employees (companies in the NFS reporting boundary), suppliers/production chain, innovation and research ecosystem/business partners/scientific community/membership bodies, and institutions.

(*) Risks marked with an asterisk correspond to the main emerging risks that may have a significant impact on the Acea Group.

The **Global Risks Report 2024**, a World Economic Forum document published in January 2024, confirms that over the next ten years, attention will remain on **climate** risks, broken down into specific impact scenarios. The top four risks are considered to be: **extreme weather events, critical changes to earth systems, biodiversity loss and ecosystem collapse, natural resource scarcity**.

Acea is attentive to the **monitoring of climate issues** and its initiatives, such as the progressive implementation of the analysis of climate-related risk factors, in line with the recommendations of the

Task Force on Climate-related Financial Disclosures, have resulted in an **improvement in its ranking** in the CDP assessment (formerly the *Carbon Disclosure Project*), moving from B to A-. For more details, see in the *The relationship with the environment*, the paragraph entitled *Risks: Insights and Disclosure*.

The response to the CDP Questionnaire includes an assessment of risks and opportunities related to activities, over the **the short, medium and long term**. Table 16 shows the main findings.

Table no. 16 – Risks and opportunities related to climate change: CDP evidence

RISKS

Drivers	Risk type and description	Industrial areas affected	Time frame	Potential financial impacts
TRANSITION Risks arising from the ongoing transition to a decarbonised economic system (e.g. regulatory, technological, market)	Legislative/Regulatory These risks may manifest in the following ways: higher carbon tax policies and white certificates; changes to incentive schemes; tightening of the values linked to the Emission Trading Scheme (both in terms of emissions allowed and the cost of actual emission allowances); regulatory developments that require the reduction of impacts in the conduct of business operations.	Energy production (thermoelectric and waste-to-energy) Electricity grid management Water management	short-medium-long	Increased direct costs Increase in indirect (operating) costs Decrease in asset value or useful life of assets
	Technology Technological evolution may impose the reconversion of the design of processes in order to make them less polluting (for example replacing existing plants or parts thereof with other low-emission technologies).	Energy production (thermoelectric and waste-to-energy) Electricity grid management Water management	medium	Increased direct costs Increase in indirect (operating) costs Decrease in asset value or useful life of assets
	Legal These include risks related to the worsening of legal and economic sanctions for failure to comply with technical quality and performance standards in the electricity and water services (fines and incremental compliance costs).	Electricity grid management Water management	medium-long	Legal action Sanctions
	Market Commercial risks can be attributed to a failure to adapt Group companies' products/services to the new needs of customers – who are more attentive to sustainability issues – or to rising poverty, also caused by climate change, which alters consumer/customer habits; or it can also be due to higher demand for certain components related to ecological transition investments, with impacts on procurement and prices.	All businesses and Commercial in particular	medium-long	Reduction in turnover
	Reputational Reputation risk derives from a negative perception of the company's image by its stakeholders as a result of negative events/conditions associated with climate change (e.g. interruption in services caused by the scarcity of water or by extreme weather events).	The Acea Group	short/medium term	Reduction in revenue due to (disrupted services, loss of customers)

PHYSICAL Risks arising from the physical effects of climatic events (acute if related to episodic phenomena, or chronic if related to long-term changes)	Acute Extreme weather events such as thunderstorms and lightning, heavy rainfall and cloudbursts place stress on the resilience of the electricity grid (interruption to power supply) but also create difficulties in the normal management of over-abundance of water in the water service: cloudbursts can also cause a temporary service disruption in wastewater treatment plants or the entire sewerage network service. Heat waves cause peaks in demand for energy/water on the electricity distribution grid/water network. Drought events are analysed for impacts on service.	Electricity grid management Water management Energy production	short- medium- long	Increased capital expenditures reduced revenue
	Chronic The reduction in rainfall can have a negative impact on the electricity distribution service, the production of electricity by the hydroelectric plants and the availability of water for human consumption, thus causing an increase in energy consumption for the withdrawal of water. The risk of more frequent lightning strikes can cause interruptions to the distribution of electricity and thus economic damage.	Electricity grid management Water management Energy production Environment Segment	short- medium- long	Increased direct costs Decrease in revenue due to reduced production capacity
OPPORTUNITIES				
Drivers	Opportunity type and description	Industrial areas affected	Time frame	Potential financial impacts
Circular economy	Promotion of circular economy models and waste recovery projects, for example with waste-to-energy processes combined with material recovery (for example: bottom and fly ash recovery).	Environment Segment	medium	Decrease in indirect (operating) costs
Development of photovoltaic plants	Diversification of production facilities with the acquisition and/or construction of photovoltaic plants that, in addition to receiving incentives for the feeding of electricity produced into the grid, allow balancing any reductions in hydroelectric production.	Energy production; technological innovation	medium	Increased revenue due to an increase in customers
Increase in network resilience	Investments to improve the resilience of the electricity grid promoted by ARERA.	Distribution of electricity	medium	Increased revenues and reduced operating costs
Market and services	Opportunities arising from the change in energy demand related to changes in peak ambient temperatures and the increase of the average temperature, with an impact on price growth and volumes sold.	Energy sales	short/ medium term	Increased revenues from increased demand for products and services

Moreover, in 2023, following the second year of the initiative aimed at identifying, selecting and analysing the most relevant climate risks for the main Group companies, the **Acea Group 2022 Climate Disclosure**⁵⁹ was published according to the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**. In this context, the continuous improvement effort for developing awareness on the subject continued, with an increase in the number of water companies involved and the range of risks investigated

(physical and/or transition), and with improved reporting practices. For more details see the Box – *Climate reporting according to the TCFD approach in The Relationship with the Environment*.

Lastly, in relation to the management of **operational risks in case of emergency** and the **preventive and operational initiatives defined by the Group companies**, refer to the chapter *Institutions and the Company* (paragraph *Plans for emergency management*).

59 The document is available online at the website www.gruppo.acea.it.

ANALYSIS OF POTENTIAL ENVIRONMENTAL RISKS

companies that operate in the **water, infrastructure and energy generation and environment** sectors and have ISO 14001:2015 certified Environmental Management Systems, identify **potential negative environmental impacts generated by their activities** in relation to specific events or occurrences.

In the **water** sector, the main risks relate to: acute or chronic climatic phenomena or seismic events, causing structural failure or malfunctioning of plants and systems, and from there leading to water shortages or accidental pollutant spills; inefficient operational water resource management, with leaks and consequent excessive consumption; water stress; possible overrunning of resource control parameters with environmental impacts; inadequate work done on the sewage network with contamination of soil and water bodies; risk of fires and explosions at biogas production plants with emissions into the atmosphere.

In the **energy infrastructure** area, the main risks relate to: the presence of overhead and underground installations and possible impacts on the land and subsoil; generation of waste and its impact on ecosystems; generation of electromagnetic fields and related radiation; transformer plant maintenance with contamination of the soil and subsoil with hazardous materials; and plant maintenance

and construction, with impacts in terms of the production of special waste.

In power **generation** activities, the main risks relate to routine plant operation or the occurrence of critical events, such as fires or explosions, accidental pollutant spills or exceedance of threshold values of emissions (into the atmosphere, surface water and sewage); structural failures of hydraulic works resulting from critical natural events (such as high-intensity earthquakes and/or millenary rainfall), which could have effects on territory downstream of plants (such as flooding).

In the **environmental** sector, the potential risks relate to plant management, with hazardous substance spills and consequent contamination of the soil and aquifers or surface water, or with excess emissions into the atmosphere or into water; waste treatment not in compliance with regulations, leading to repercussions on plant operations; accidental fires that may lead to disrupted operations and pollution of the surrounding areas; failure to invest in or maintain on plants, with subsequent impact on company management due to delays in issuing authorisations; noise, smells and dust produced during extraordinary plant maintenance with consequent environmental exposure.

MANAGEMENT SYSTEMS

A system of *internal rules* govern all the Group's operating processes, in general and in specific management areas. The Holding Company carries out its **management and coordination** activities via its internal regulatory system, guaranteeing **autonomy and accountability** to the Group Companies.

The regulatory system comprises the following hierarchical levels:

- **ethical principles, codes and regulations:** these set the corporate governance rules, ethical principles, rules of good conduct, regulations and values that Group companies and different stakeholders must adhere to;
- **Group guidelines:** these identify the principles of conduct and control and the best practices to be adopted for the macro-processes of governance and compliance and for operating the business process model; the Parent Company uses these processes to direct, coordinate and control the Group Companies;
- **operating procedures and instructions:** they govern how a process is carried out operationally, by identifying roles, information flows and responsibilities, and are particularised through instructions.

The **Integrated Certification Systems** Unit within the Health, Quality, Safety & Environment Function of the Parent Company defines the methods and standards of reference for **the implementation of QESE (Quality, Environment, Safety and Energy) certified management systems**, as well as for further certifications and accreditations of interest to the Group, and operates in synergy with the same Units of the Operating Companies. These Units collaborate with the Energy Manager for the development and management of the **Energy Management System** and with the Head of the

Prevention and Protection Service (RSPP) and the emergency coordinator for the **Workplace Health and Safety Management System**. The management of health, safety and environmental emergencies is handled by means of a specific procedure.

The **Energy manager**, in the parent company and in the operating companies, and of the **Mobility manager** have consolidated roles in responding to requests, including regulatory demands, for the optimal management of internal energy use and staff mobility. Their tasks include detecting **systemic efficiencies and savings** that can produce **positive external outcomes**, such as the reduction of consumption and greenhouse gas emissions, optimisation of workers' routes and travel times, with **positive impacts** also on **road safety and urban traffic**. The parent company's energy manager coordinates the companies' energy managers and is responsible for promoting **energy efficiency**, reducing consumption and impacts and optimising the Group's energy spending.

The management systems constitute a second-level **tier of the risk management internal control system**. The results of the annual verifications carried out by the auditors are also examined by the **control bodies**.

In 2023 Acea SpA obtained **ISO 37001:2016 Anti-Corruption Management System** certification and attestation of compliance with the **ISO 10004 Customer Satisfaction Guidelines** for the definition and implementation of processes to monitor and measure customer satisfaction, based on the sampling of activities carried out for some Group Companies.

Chart no. 17 – The certified integrated management system

In 2023, **the main operating companies** present in the scope of reporting **adopted certified management systems** (see table No. 17). In particular, **of the 20 main operating companies**, which represent the biggest ESG impacts of the Group, **100%** have **quality** certification; **85%** have **environmental** certification (100% of companies in the Environment sector and 80% in the Water sector);

95% have **safety** certification; **40%** have a certified **energy** management system (100% of the energy-intensive companies). The **Acea Ambiente** plants in Terni and San Vittore del Lazio, the **Orvieto Ambiente** plant, the **Acque Industriali** site in Pagnana (Empoli), the **Berg** company plant and the **Deco** sites are **EMAS-registered**.

Table no. 17 – Certified management systems in the Acea Group (as at 31/12/2023)

	Quality (ISO 9001)	Environment (ISO 14001)	Safety (ISO 45001)	Energy (ISO 50001)	Other
Acea SpA	X	X	X	X	UNI/PdR 125:2022 ISO 37001:2016
WATER					
Acea Ato 2	X	X	X	X	
Acea Ato 5	X	X	X	X	
Gesesa	X	X	X	X	
Gori	X	X	X		
AdF	X		X		
ENGINEERING AND SERVICES					
Acea Infrastructure	X	X	X		UNI CEI EN ISO/IEC 17025:2005 Accreditation of analysis laboratories UNI CEI EN ISO/IEC 17020:2012 Accreditation of inspection bodies BIM UNI/PdR 74:2019 system certification and BIM UNI 11337-7 professional certification: 2018 UNI/PdR 78:2020
ENERGY INFRASTRUCTURES					
Areti	X	X	X	X	
GENERATION					
Acea Produzione	X	X	X		
Ecogena	X		X	X	UNI CEI 11352:2014

	Quality (ISO 9001)	Environment (ISO 14001)	Safety (ISO 45001)	Energy (ISO 50001)	Other
ENERGY (commercial and trading)					
Acea Energia	X	X	X		Biosafety Trust Certification
Acea Innovation	X				
ENVIRONMENT					
Acea Ambiente	X	X	X	X	EMAS
Aquaser	X	X	X		ISO 39001:2016
Acque Industriali	X	X	X		EMAS
Berg	X	X	X		EMAS
Demap	X	X	X		
Deco	X	X	X		EMAS SA 8000
Ecologia Sangro	X	X	X		
Orvieto Ambiente	X	X	X	X	EMAS

The companies with certified management systems **carry out an annual Management Review** to assess **the effectiveness of the systems**, propose possible improvements and verify the progress of activities. On these occasions, in the presence of Top Management and the first line of managers of the Companies in question, the results of the auditors' annual checks are shared, covering elements such as: policy; context analysis and **materiality analysis** at Group level; **Group sustainability targets** and their monitoring; **risk assessment**; process performance; **significant environmental and energy aspects**; changes in legal requirements and those relating to **occu-**

pational health and safety and **environment and energy**; **supplier performance**; **customer satisfaction** levels; complaints analysis; **accidents and injuries**. **The results of the review for 2023**, finding no criticalities, **confirmed the adequacy and efficiency of the management Systems**.

In line with the current *Management Systems and Sustainability Policies*, Acea **monitors the objectives required by the Management system in an integrated manner with the objectives of the 2020-2024 Sustainability Plan** approved by the Board of Directors.

ACEA SPA'S ISO 37001 CERTIFICATION

In 2023 Acea SpA **obtained ISO 37001:2016 certification**, having passed the audits required by the Certification Body. The management system is a flexible tool that provides a systemic approach to **preventing and combating corruption**. It aims to effectively combat the problem, which is governed by the articles of the **Criminal and Civil Codes**, and provides a guide for implementing,

maintaining, updating and improving a system designed to **promote transparency in business processes**, by implementing **actions to reduce the risk of corruption** in organisations and, consequently, reducing exposure to liability, also in terms of the application of the sanctions provided for by Legislative Decree 231/2001.

GENDER EQUALITY IN ACEA (UNI/PdR 125:2022): A JOURNEY OF CONTINUOUS IMPROVEMENT

Also in 2023, Acea **confirmed its UNI/PdR 125:2022 certification**, the national gender equality standard, which sets guidelines to support **women's empowerment** within corporate career paths. This demonstrates the Company's commitment to **Equality, Diversity & Inclusion** and its ability to take concrete measures to reduce the gender gap in growth opportunities, equal pay, parenting and work-life balance.

The continuance of the certification highlights the work done in recent years on these issues, also due to the **higher score obtained in 2023**, as a result of improved results in the various areas under analysis. The Certification Body, in fact, found a **95/100** level of compliance, with the fulfilment of 30/31 indicators, reaching 100% in 5 of the 6 areas covered.

STAKEHOLDERS AND ALLOCATION OF GENERATED VALUE

STAKEHOLDERS AND THEIR INVOLVEMENT

Stakeholders are the various entities that help **achieve the company's goals** and are the **direct or indirect recipients of the value created and also of the impacts generated** by the company's activities, based on a principle of mutual influence.

Acea is committed to developing relationships of trust and adopting an inclusive and proactive approach to stakeholders. It aims to enhance the outcomes of dialogue and debate, in line with the commitments of the **Management and Sustainability Systems Policy**, with the principles expressed in the **Code of Ethics** and the **Human Rights Policy**, adopted in 2023, and with the **Stakeholder Engagement Principles and Values**.

In the stakeholder engagement process, the **identification** phase identifies the subjects involved in and/or affected by the company's activities, assessing the level of mutual influence at both qualitative and quantitative levels. The **analysis** phase examines **the interactions** between the company and the stakeholders and between different categories of stakeholders in order to develop opportunities for dialogue (**engagement**) and shared responsibilities. Finally, the **management** phase **establishes the responses** to the identified needs of stakeholders or the company itself, in order to pursue the achievement of the company's objectives while also meeting stakeholder expectations.

Chart no. 18 – Stakeholders and their involvement



STAKEHOLDER ENGAGEMENT IN THE ACEA GROUP

Stakeholder engagement is essential if the Group is to truly create shared value and at the same time benefit from how stakeholders contribution to the business, making legitimate demands and expressing views that enhance Acea's ability to prevent and manage risks and identify opportunities.

In 2023, **Acea's Stakeholder and Perceived Quality Unit** continued its work of integrating stakeholder engagement within the Group's strategies, processes and business activities, also for the purpose of reporting and for leveraging the best practices implemented.

The **awareness-raising and further study process** undertaken is aimed at disseminating stakeholder engagement culture in the various corporate contexts, while making use of relevant skills and tools, and increasing awareness of its strategic role. The **Intranet** section was renewed during the year. Dedicated to stakeholder engagement, it helps systematise and share processes, tools and in-depth materials and also foster greater internal participation. During the year, further **mini-videos for the stakeholder engagement aware-**

ness module launched in 2022 were published, aiming to publicise the methodology and modalities of stakeholder engagement and to stimulate and strengthen the proactivity of Acea Group people.

In 2023, the **first Report on the Group's Stakeholder Engagement Performance** was published, summarising the main projects/initiatives carried out during the previous year by departments, corporate functions and companies. The report will be replicated annually. Stakeholder Engagement activities are managed in line with the international standards of reference (**AA1000** Stakeholder Engagement Standard and **Global Reporting Initiative**).

An **internal survey was conducted with Stakeholder Engagement contacts**, aimed at obtaining a true picture of the consolidation of knowledge and skills acquired so far and the needs still to be met. The survey helped to map out the most appropriate measures to support the company structures as they build better relationships with internal and external stakeholders.

Chart no. 19 – Stakeholder mapping



The most significant evidence of Acea's interactions with the main stakeholder categories in 2023 is provided below.



CUSTOMERS

Acea is one of **Italy's leading multi-utility companies in terms of territory and customers served**, with over **1.5 million energy and gas sales customers**, over **1.6 million energy distribution withdrawal points** and around **2.8 million water users**, representing **8.8 million inhabitants served** in Italy.

The market's evolution towards demand for **innovative, green solutions** is met by the Group through increasingly specific and wide-ranging offers, such as the Acea Energia offer of **100% sustainable light and gas**, which led to an 18% increase in green energy sold on the free market in 2023. Also on offer are **electric mobility** services, enhanced by an interoperability agreement with Plenitude in the year under review. In 2023, **all Group companies** that manage customer relations focused on **improving the customer experience during the use of digital channels** (web areas, apps, chat, digital counters) and worked on targeted communications. Awareness-raising initiatives also continued, such as Acea Ato 2's **water-saving campaign** – *Ogni goccia d'Acqua* – which received the 20th Press, Outdoor & Promotion Key Award. Acea adopts initiatives to help keep maintain customer loyalty, for example by **training sales agents** that operate on behalf of the Company and **checking their work**. The company also conducts nurtures relations with **Consumer Associations**. The company has long turned to the ADR body for the out-of-court settlement of disputes. In 2023, **288 requests** were received for the managed companies, a decrease of 19% compared to 2022.



INSTITUTIONS

For Acea, as a provider of essential public services that are mainly subject to **regulation by the public authorities**, the relationship with institutions is of fundamental importance both for planning and performing the company activities. In this context, in concert with the relevant institutions, the Group continued actions to develop the infrastructure works within its remit, also within the framework of the National Recovery and Resilience Plan (NRRP).

Acea is active in the prevention and management of critical events, and, in emergencies, provides support to **the competent public health, civil protection and public safety authorities**, for example through the water companies' **emergency management plans**, shared with **local institutions** (such as Prefectures, Local Health Authorities, Area Management Bodies), or through the electricity companies, which are essential for restarting the system after National Transmission Grid outages or for the re-powering of utilities of **strategic or social importance**.

In 2023, given Acea's important role in the construction of major infrastructure works, the company signed a **National Framework Protocol for the protection of legality** with the Ministry of the Interior to strengthen cooperation on public safety and legality, with a view to bringing social and economic benefits.

Acea participates in **research centres, standard-setting bodies and industry associations**, acting as promoter or contributing to research and experimentation in the businesses in which it operates. Acea also takes part in international programmes (**Horizon2020**), for example through the **PlatOne, BeFlexible, Flow and LIFE TURBINES** projects.



COMPANY

Acea, seizing the opportunities emerging from the market and its operating context, is guided along a path of full sustainability integration in its strategic choices, as also indicated by the Italian *Corporate Governance Code*. The Business Plan and the Sustainability Plan currently in place are both projected to run over the 2020-2024 horizon, and investments to 2024 amount to €4.3 billion, of which **€2.1 billion relate to sustainability targets**.

The **performance management system**, as an integrated governance instrument in the long term (LTIP) and in the medium term (MBO), provides for a **composite sustainability indicator**, which includes targets aligned with the Group's business and sustainability plans.

For Acea, **monitoring the innovation ecosystem** is crucial for access to ideas, business and technology opportunities, so the Group has therefore set up collaborations with specialised partners, including Startup Intelligence and Zero Accelerator.

In 2023, **Acea won the iF DESIGN AWARD 2023**, in the Service Design category, for the **Waidy® Management System (WMS)** project, the technological platform designed by Acea in collaboration with NTT DATA Italia. The system facilitates the management of water resources throughout their life cycle.

Also in the same year, Acea obtained **ISO 37001:2016** (Management System for the Prevention of Corruption) certification.



SHAREHOLDERS AND INVESTORS



The relationship with the **capital markets** guarantees the best conditions thanks to a careful diversification of sources. About 84% of medium- to long-term debt comes from **bond placements**. With reference to bank loans, Acea mainly borrows from **institutional operators**, such as **EIB** and **Cassa di Risparmio di Roma**, worth around 11%, whose mission is to **support strategic infrastructure**. Acea reported a **14.1% stock market increase**. The value of each share rose from €12.92 on 30 December 2022 to €13.83 on 30 December 2023 (the last stock exchange session of the year) corresponding to a market capitalisation of **€2,945 million** (€2,752 million in 2022). The ratings agencies Moody's and Fitch **confirmed the long and short-term rating**.

"Sustainable investors" have an evident interest in Acea, holding **6.1%** of the share capital and representing about **45% of the total amount of institutional investors**.

Acea has launched the following **sustainable finance** instruments: two **green bonds**, the first for €900 million and the second, issued in 2023, for €700 million, and a **sustainability rating-linked credit line** for €200 million.

Acea is included in the **MIB ESG** index, supervised by Euronext, and in the **SE Mid Italian Index** and the **SE European Multi-Utilities Index**, by Standard Ethics.



SUPPLIERS



The value of the Order for Goods, Services and Works in 2023 remains stable at about **€1,9 billion** and involves more than **3,500 suppliers**. A **70% portion of the total volumes in the year**, which were managed centrally, were procured via **competitive tendering procedures**.

In October 2023 a **Contracts Protocol** was signed between Acea and the trade unions to ensure the highest levels of **legality and efficiency in the handling of contracts**, to **strengthen the protection of occupational health and safety** and to support **stable, quality employment**.

The end of the year saw the updating of the **Single Regulation for Qualification Systems of European relevance** (Works and Goods and Services), **introducing**, among the **specific requirements** from suppliers wishing to qualify in certain Lists, a **cyber security self-assessment questionnaire** developed by Acea and called "ACEA - Third Party Cyber Security Assessment Tool", aimed at identifying supply chain cyber risks.

Acea Infrastructure's Work Safety Unit is responsible for managing and supervising the **safety of contracted works and services** for the main Group companies, as a basic measure for increasing worker protection and preventing accidents. It has carried out **14,252 worksite safety inspections**, whose results confirm a **constant decline** in the percentage of "**serious non-compliances**" (7%) out of the total number of non-compliances detected.

The **Group's Vendor Rating** project continued, with the purpose of assessing and monitoring supplier performance on punctuality, quality and safety indicators (index formulated in 2023 on 900 suppliers). The **Ecovadis model** was adopted, evaluating supplier companies on the basis of **21 CSR criteria**, such as environment, labour and human rights, ethics and sustainability in purchasing, with **640 suppliers assessed during the year (+89%** compared to 2022). The average score achieved was 61.9/100 (compared to an Italian average of 45/100 and a utilities sector average of 56.5/100).



EMPLOYEES



Employees are the company's most important asset. Acea is committed to fostering the best conditions of **stability**, promoting **safety**, developing a sense of **cohesion** and **participating** in the corporate mission. In 2023, the total staff of the companies within the scope of reporting was numbered **6,729 people**, of which **24% women**. **99%** of the company workforce has a **permanent employment contract**. The professional structure is composed as follows: 60.1% are employees, 30.2% are workers, 8.1% are executives and 1.5% are managers. **Incomers** totalled **216 people**, 30% of whom were aged 30 or under. A total of **267 people left**, 61% of them being over 50 years old.

In 2023, the **Employee and Participation Charter** was signed with the trade unions, the **Code for Responsible Companies to Support Natality** was signed, promoted by the Ministry of Family, Natality and Equal Opportunities, and the **Equality Platform** was launched, conceived as a physical and virtual place for the dissemination of the **Equality Diversity & Inclusion culture**.

Aimed at increasing and enhancing internal sustainability skills, the **Sustainability Professionals** course was designed and implemented during the year for the certification of professionals in line with discipline-specific practice.

In 2023 Acea also obtained **gender equality certification** (UNI/PdR 125:2022) and received certification from **Top Employers Italia**.



ENVIRONMENT



Countering rising **global temperatures** and the related effects of **climate change**, **land use**, and declining **biodiversity** represent the main challenges faced by the world at large. Acea operates in a context of interdependence between the environment, the territory and the community.

It duly takes into account the UN Sustainable Development Goals and plays a significant role as an **actor in ecological transition**, implementing development projects for the circular economy, promoting the use of renewable energy sources, increasing the resilience of electricity and water distribution infrastructures, protecting water resources and promoting technological innovation applied to processes. In 2023, Acea published the **second Group climate-related disclosure**, in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures, and obtained **validation of its climate-driven emissions (GHG) from Science Based Targets initiative (SBTi)**.

The Group pursued its climate change **mitigation and adaptation strategy** with **energy efficiency improvements** within the companies, promoting the **reuse of purified wastewater** as process water within the plants. It developed a plan to **increase production from renewable energy sources** with the dual aim of achieving high **efficiency in internal end-use** and in energy **process use**, and with the further goal of **reducing carbon intensity**.

The environmental indicator related to **local area protection**, representative of the underground high-voltage network part of the total operating network, also improved to 50% in 2023. Similarly, energy losses on the grid improved to about 6.2% of the total input. There was an improvement in the indicators relating to **management of the companies' final outputs**: the amount of waste recovered out of the total waste produced rose to 52%; in the water sector in particular, the volume of sewage sludge recovered increased significantly to 81% (from 66% last year).



COMMUNITY



Acea pursues its own commitment to corporate social responsibility through a range of community initiatives, from promoting sport and supporting social and cultural campaigns to providing aid in health crises. Continued support was given to **hospital facilities**, in particular, the Policlinico Umberto I, where a new cancer centre has been under construction since 2022, with completion due in 2024. **New generations and schools** have always been a priority focal area for the Group. In 2023 the commitment to students continued with the creation of the **Acea Scuola - ProteggiAmo l'ambiente** educational programme and with other initiatives such as **Volley Scuola - Trofeo Acea** and **Acea Camp**, which combine the dissemination of the **educational value of sport** through sports practice, and **raising awareness of social issues** such as bullying, safety, respect for the environment. Attention was given also to the more mature generations: during the year, the **Acea per la Comunità** (Acea for the Community) project was mounted, sponsored by the Municipality of Rome, for the benefit of **members of the senior citizens' centres in Rome and Province**. The aim was to make them more aware of their own consumption, both with a view to saving and safeguarding resources and to raising awareness of the social water bonus and how to use digital channels.

In **sports**, Acea links its name in a major way with the **Rome Marathon – Acea Run Rome The Marathon**. This is the running event with the biggest following and participation by Italian and foreign athletes in our country. Among the year's main supported events in terms of **cultural initiatives**, was the **Atlante femminile** photographic exhibition at the MAXXI Museum. Finally, Acea, as a private partner, once again joined with the **Fondazione Teatro dell'Opera di Roma** in sponsoring the 2023 edition of the **Festa del Cinema** at the Auditorium Parco della Musica in Rome. It also supported numerous other initiatives taking place in the various territories where the Group operates.

MATERIAL TOPICS AND IMPACTS PERCEIVED BY STAKEHOLDERS

With the final **materiality analysis**, carried out in 2022 and still referenced in 2023, particular emphasis was placed on identifying the **main impacts perceived in association with the high and medium materiality issues** of the Acea Group. The evidence found, in terms of the highest impact areas for stakeholders and current/potential main impacts, both positive and negative, is summarised in Table 18.

Table no. 18 – Main impacts perceived by stakeholders, associated with 2023 material issues with high and medium significance

MATERIAL TOPICS	most significant areas of impact for stakeholders	main (actual/potential) ● negative and ● positive impacts perceived by stakeholders
SUSTAINABLE AND CIRCULAR WATER CYCLE MANAGEMENT	infrastructure and network optimization, to increase their resilience and secure their water supply	<ul style="list-style-type: none"> ● reduced access to high-quality water due to system inefficiencies related to water stress and extreme weather events ● safeguarding the water supply through the development of new infrastructural and technological solutions
	evolution towards a circular water resource management model (including water reuse, sewage sludge recovery and reuse, etc.)	<ul style="list-style-type: none"> ● failure to reduce pressures on water resources due to limited reuse of treated water ● contribution to the improvement of environmental and social contexts by strengthening solutions for the circular management of water resources (reuse for different purposes of purified water, sludge, etc.)
ETHICS AND INTEGRITY IN BUSINESS CONDUCT	compliance of company performance with industry standards	<ul style="list-style-type: none"> ● deterioration of contextual conditions (quality of life, relations between the company and stakeholders, etc.) due to non-compliance, disputes and litigation ● greater guarantee of access to high-quality services that meet standards
	promotion of ethical values, including combating unlawful conduct and corruption, throughout the value chain	<ul style="list-style-type: none"> ● weakening of action to promote ethical principles in the relevant contexts due to bureaucratic-administrative barriers and cultural resistance ● contribution to the development of a healthy socio-economic system guided by ethical principles and respect for rules;
PROTECTION OF ECOSYSTEMS AND BIODIVERSITY	reduction of pressure on ecosystems (e.g. reduced emissions, efficient use of natural resources, reduction of land use, etc.) to protect ecosystem health and preserve natural cycles	<ul style="list-style-type: none"> ● inability of infrastructures to adapt to their host ecosystems ● increased awareness of the impact of activities on biodiversity and the ecosystem through the development of specific analysis models
	interventions aimed at protecting the ecosystems in areas in which the company operates (protection of springs, natural heritage, protected areas and animal and plant species, etc.)	<ul style="list-style-type: none"> ● failure to formalise specific commitments to protect biodiversity and ecosystems ● development of synergies with scientific partners and institutions to monitor biodiversity-rich areas and create ecological corridors

CLIMATE CHANGE AND ENERGY TRANSITION	adoption of energy models with a low environmental impact (generation from renewable sources, energy efficiency, cogeneration, green energy consumption, etc.)	<ul style="list-style-type: none"> ● slow development of low environmental impact solutions due to bureaucratic and authorisation constraints ● contribution to the sustainable development of regions and socio-economic contexts through climate action
	development of value-added services related to energy transition	<ul style="list-style-type: none"> ● low scalability of green technologies for the community ● improvement of environmental and social contexts through the development of decarbonisation solutions in different contexts (smart cities, sustainable mobility, building efficiency, etc.)
TECHNOLOGICAL INNOVATION AND DIGITAL TRANSFORMATION	development of innovative and environmentally sustainable services and products in response to the changing needs of the environment and people	<ul style="list-style-type: none"> ● increased inequalities caused by services provided in a predominantly digital mode (elderly, poorly digitised population, etc.) ● improvement in the quality of life of the community through the availability of services and products in line with emerging needs
	creation of an high-quality, open and interconnected innovation and research ecosystem	<ul style="list-style-type: none"> ● missed opportunities for innovative development due to lack of qualified skills and dedicated investment ● contribution to social progress and cultural growth
MANAGEMENT AND TREATMENT OF WASTE FOR A CIRCULAR ECONOMY	management and reduction of waste produced by communities through its energy and material recovery (e.g. compost)	<ul style="list-style-type: none"> ● possible community resistance to new facilities ● contribution to the resolution of critical issues related to mass waste production
	strengthening of secondary raw material recovery chains from waste materials (plastic, paper, etc.)	<ul style="list-style-type: none"> ● possible challenges in the proper management of supply chains ● reduction of environmental changes caused by the use of raw materials
OCCUPATIONAL HEALTH AND SAFETY	building safe and secure working environments, starting with accident prevention	<ul style="list-style-type: none"> ● occurrence of occupational accidents, with possible effects on public safety ● increase in safety and consequent improvement of service levels
	promoting a culture of safety at work along the supply chain (procurement, etc.)	<ul style="list-style-type: none"> ● weakened action of promoting a culture of workplace safety in less well-equipped contexts such as small and very small businesses ● contribution to the improvement of the occupational health and safety conditions of supplier personnel
DIALOGUE AND ENGAGEMENT WITH STAKEHOLDERS AND TERRITORY	responses to multi-stakeholder requirements, with shared value projects and co-design initiatives	<ul style="list-style-type: none"> ● increased disputes with stakeholders due to their ineffective involvement in projects with a high impact on the region ● synergetic development of projects and initiatives that better respond to genuine stakeholder needs
	specific identification and consideration of minorities and vulnerable stakeholders	<ul style="list-style-type: none"> ● insufficient implementation of initiatives for families and businesses in economic difficulty that reflect the challenging context (high bills, inflation, etc.) ● community support through the promotion of targeted initiatives, also in synergy with local institutions and associations (new forms of poverty, energy crisis, etc.)
SKILLS DEVELOPMENT AND EVOLUTION OF THE WORKING ENVIRONMENT	promotion of meritocratic working contexts able to optimise and increase skills and abilities	<ul style="list-style-type: none"> ● resistance to cultural and professional change ● increase in skills, greater job satisfaction and creation of new jobs
	adoption of new work models capable of responding to the needs of digital transformation, also with agile logic, based on collaboration and flexibility	<ul style="list-style-type: none"> ● shortage of new key skills (tech jobs, etc.) ● improvement of work/life balance and work contexts
SUSTAINABILITY IN INFRASTRUCTURE DESIGN, CONSTRUCTION AND MANAGEMENT	creation of high-quality and environmentally and socially sustainable infrastructures and projects	<ul style="list-style-type: none"> ● possible implementation difficulties caused by a lack of design models and expertise that incorporate sustainability ● development of a long-term design approach, capable of incorporating sustainability and "just transition" logics
	adoption of a design approach that integrates the genuine needs of stakeholders and promotes the acceptance of projects and infrastructures by the community	<ul style="list-style-type: none"> ● reduced social acceptability of infrastructures due to inadequate management of participatory processes ● contribution to sustainable regional development
CUSTOMER FOCUS	availability of easily accessible and customised customer care services, also thanks to the increasing use of digital channels	<ul style="list-style-type: none"> ● decrease in the level of customer trust due to lack of clear communication and transparency ● improvement of the customer experience and relationship with the company
	availability of services in line with emerging customer needs and lifestyles	<ul style="list-style-type: none"> ● insufficient attention to the growing difficulties faced by customers in the current context (war, energy crisis, high bills, inflation, etc.) ● increasing sustainability in practices and consumption styles

SUSTAINABILITY AND CIRCULARITY ALONG THE SUPPLY CHAIN	implementation of procurement processes that prioritise the use of products and services that combine quality, eco-compatibility (recycled, reusable, etc.) and social responsibility	<ul style="list-style-type: none"> ● possible exclusion of small and very small businesses that are less structured in terms of sustainability ● reduction of the socio-environmental impact of goods and services
	increasing supply chain certification, also in relation to social aspects (protection of employment rights, human rights, quality of supplies, etc.) and environmental aspects (emissions, pollution, etc.)	<ul style="list-style-type: none"> ● increased initial burdens on suppliers who are required to make greater commitments to sustainability ● support for the promotion of sustainability among suppliers
COMPANY WELL-BEING, DIVERSITY AND INCLUSION	creation of inclusive and diverse models and workplaces that respect people	<ul style="list-style-type: none"> ● failure to reduce cultural and organisational barriers to promoting diversity ● development of social and professional inclusion paths and projects
	promotion of a workplace culture oriented towards preserving the well-being of people within the organisation and respecting their private lives (welfare, work/life balance initiatives, etc.)	<ul style="list-style-type: none"> ● reduced effectiveness of promotion initiatives due to cultural resistance caused by a "traditional" view of work ● development of the concept of well-being, which is extended to workers, the community and the region ("all-round" well-being)
GOVERNANCE FOR SUSTAINABLE SUCCESS	long-term value creation through the integration of sustainable success (social and environmental dimensions) into strategic objectives, management remuneration policies and internal control systems	<ul style="list-style-type: none"> ● incomplete and non-transparent information available to stakeholders ● effective incentive systems linked to sustainability targets;
	construction of governance models capable of developing long-term strategies that consider sustainability guidelines	<ul style="list-style-type: none"> ● greenwashing ● lasting contribution to the social, environmental and economic development of the local context
SUSTAINABLE FINANCE	promotion of environmental and social elements in business financing decisions (Green Bonds, etc.)	<ul style="list-style-type: none"> ● lack of development of socio-economic contexts due to difficulties in managing public funding ● increased investments in sustainable development (ecological transition, social inclusion, etc.)

DISTRIBUTION OF THE VALUE GENERATED BY ACEA

The overall economic value generated by the Acea Group in 2023 is **€ 4,702.5 million** (€ 5,209.9 million in 2022). Below is a breakdown of the above figure amongst the stakeholders: 62.4% to **suppliers**, 18.8% to the **company** as resources to be withheld; 7.1% to **employees**; 4.7% to **shareholders** in the form of

dividends; 3.7% to **financiers** in the form of interest on capital provided; 3.2% to the **public administration**⁶⁰ in the form of taxes paid and 0.1% to the **community** by way of sponsorships and donations for events and similar endeavours.

Table no. 19 – Economic value directly generated and distributed (2022-2023)

(in € million)	2022	2023
total economic value directly generated	5,209.9	4,702.5
distribution to stakeholders		
operating costs (suppliers)	3,549.8	2,933.7
employees	305.1	334.5
shareholders (*)	212.1	220.9
financiers	111.7	176
public administration	186.7	147.7
community	6.3	4.7
company (total retention value)	838.2	885

Table no. 20 – Breakdown of value generated by stakeholder (2022-2023)

	2022 (%)	2023 (%)
suppliers	68.1	62.4
employees	5.9	7.1
shareholders	4.1	4.7
financiers	2.1	3.7
public administration	3.6	3.2
community	0.1	0.1
company (total retention value)	16.1	18.8

(*) Includes dividends for the financial year proposed by the BoD, any dividends from reserves and minority interests.

60 The amount paid to the public administration net of public contributions which Acea receives (equal to € 23.3 million) is € 124.4 million

2

RELATIONS
WITH THE
STAKEHOLDERS

Acea Photo Contest
Federica Pacassoni (Acea Ato 2)
Employee Children's Award,
"Our People" Section





CUSTOMERS AND THE COMMUNITY

SCOPE

Data pertaining to the volume of customers, apart from the Companies Acea Energia, Areti, and, in the water segment, to the Companies Acea Ato 2, Acea Ato 5, Gesesa, Gori and AdF also includes data related to Umbria Energy and other water companies (Acque, Publiacqua, Umbra Acque) – that are not included in the NFS scope – highlighting

the single contribution for the sole purpose of providing a “global” dimension. Data pertaining to perceived quality, delivered quality, tariffs, customer care and communication activities relates to the operating Companies – Acea Energia, Areti, Acea Ato 2, Acea Ato 5, Gesesa, Gori and AdF – and the Parent Company – as recalled in the text.

ACEA GROUP CUSTOMERS: ELECTRICITY AND WATER SERVICES



Over **1.5 million** customers for energy and gas



Over **1.6 million** withdrawal points for electricity distribution



Over **2.7 million** water user accounts in Italy (of which more than 961,400 in Lazio), equal to around **8.8 million** inhabitants served (4.4 million in Lazio)



There are more than **23,100** (+28%) active prosumers on the energy distribution network managed by **Areti**



Social bonuses for **electricity, gas and water** (national and local) have respectively generated savings of **71** and **22.2 million euro** for the entitled customers/users

According to the latest data from the Regulatory Authority for Energy, Networks and Environment (ARERA)⁶¹, **Acea Energia** is **Italy's seventh largest operator** in terms of volumes of electricity sold on the final market, with a market share of 2.9%, and **fifth**, with a 3.3% market share, for **energy sold to households** (“domestic customers”). The company is also **Italy's second largest operator** in terms of volumes sold to customers of the **greater protection service**, with a market share of 6.1%, in **tenth** place in terms of volumes sold to the **free market**, with a share of 2.6%, continuing to be placed in the “major sellers” category (sales between 5 and 10 TWh).

Contracts managed by the Group for electricity and gas (free market and greater protection service⁶²), totalled **1,543,778** at 31 December 2023, an **increase of around 9% with respect to 2022**, in particular involving the free market gas segment and the electricity free market segment (mass market); the latter was positively impacted by the approximately 95,000 “gradual protection” customers

(in the “micro-enterprise” category) acquired by Acea Energia following the awarding of a lot through the auctions which are part of the progressive liberalising of the electricity sales market, which were held in 2022 (see table no. 21).

Areti, holder of the ministerial concession for the **distribution of electricity** in the territory of Rome and Formello, is **Italy's third largest operator** in terms of **total volumes of energy distributed**, with 3.5% of the market share (the second largest “domestic” operator, with a 4.6% share, and third “non-domestic”, with a 3.2% share) and is also **Italy's second largest operator** in terms of **withdrawal points**⁶³. As at 31 December 2023, it manages **1,659,276 withdrawal points**. The growth of the customer base, which generally shows slight increases or decreases (+0.6% in 2023), is due both to urban expansion and disposals resulting, for example, from discontinued operations (see Table no. 21).

⁶¹ See the *Annual report on the status of services and activities carried out, 2023 edition* (on 2022 data), *Structure, pricing and quality in the electricity sector*, available online on the website of the Authority (ARERA).

⁶² The relevant national Authority accurately defines the energy market segments. See the ARERA website.

⁶³ See the *Annual report on the status of services and activities carried out, 2023 edition* (on 2022 data), *Structure, pricing and quality in the electricity sector*, available online on the ARERA website.

CONSTANT INCREASE IN “PROSUMERS” CONNECTED TO THE ACEA NETWORKS: +28% IN 2023

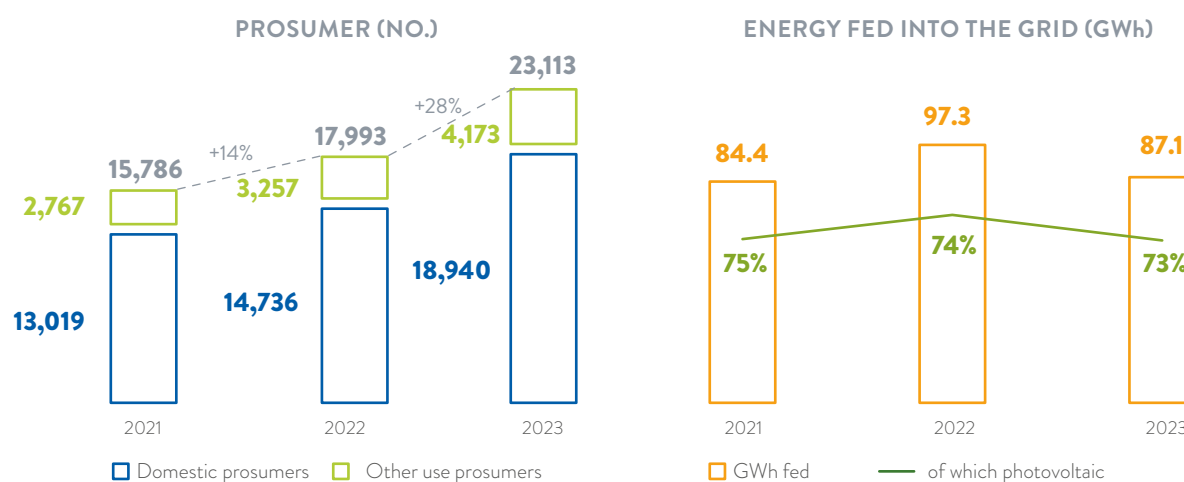
A **prosumer** is at the same time a **producer and consumer of energy**; it partially or totally ensures its own energy supply and transfers any surplus produced to the grid. These entities play an **increasingly important and widespread role**, interacting with both the distributor and the entity in charge of selling/collecting energy. **Acea responds adequately to the evolution of the energy model**, by developing the capacity of connection, transmission and distribution systems.

At 31.12.2023, there were **23,113 prosumers** active on the energy distribution network managed by Areti: this **figure**, compared to the 17,993 prosumers recorded in 2022, **shows annual growth of 28%**, greater than the percentage increase recorded between 2022

and 2021. This trend indicates **the evolution**, now under way, **in the energy production/consumption model**, which could support the development of “Energy Communities”.

The largest number of prosumers (18,940) are qualified as “domestic prosumers”, i.e. customers with residential user contracts who are also small-scale energy producers, and **4,173 are qualified as “other uses”**, i.e. non-domestic users (businesses, professional firms and artisans). **About 13,000** of the prosumers on the Acea network **are fed Acea Energia customers**. **The energy fed into the grid** by these entities in 2023 is **87.13 GWh**, of which **about 73% is from photovoltaic sources**.

Chart no. 20 – Prosumer trend (no.) and energy fed into the grid (GWh) – 2021-2023



ELECTRICITY AND GAS SOCIAL BONUS: SAVINGS OF AROUND € 71 MILLION FOR ELIGIBLE ACEA ENERGIA CUSTOMERS

The **electricity and gas social bonus** is envisaged for customers with **economic difficulties** and customers who, due to their **health status**, require energy-intensive medical equipment. This mechanism **underwent regulatory changes in recent years**⁶⁴, which introduced, among other things, automatic application **to citizens/households who are eligible** for electricity and gas social bonuses due to economic difficulties⁶⁵ (while the bonus for physical problems continues to be managed by municipalities and/or CAF). These changes led, in 2023, to another **significant increase in the number of users of the bonus (electricity and gas) and to the amounts recognised**. In particular, in 2023, **151,196 Acea Energia customers benefited from the electricity bonus** (greater protection service and free

market), ⁶⁶ (around 39% more than the 108,909 customers in 2022), with **economic savings generated for eligible customers** of around **€ 53.8 million**. In detail, 150,029 bonuses were paid for economic hardship (99% of the total) and 1,462 for physical hardship (state of health), making a total of 151,491, which is higher than the number of beneficiary customers as one customer may benefit from both subsidies.

Similarly to the electricity bonus, ARERA provides for the “**GAS bonus**”, with similar procedures. **The number of customers eligible for this bonus in 2023 was 54,523** (29,752 in 2022), representing economic savings equal to about **€ 16.8 million**.

⁶⁴ As of Decree Law no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019, which introduced the automatic recognition of the social bonus for financial hardship. For 2023, implementing Law no. 197 of 29 December 2022, the ISEE threshold was raised to € 15,000 for the purposes of accessing the electricity and gas bonus and the contribution value was redetermined in consideration of the ISEE figure. Additionally, as a consequence of Decree Law no. 34 of 30 March 2023, from April to 31 December 2023, the ISEE threshold for large families with four or more dependent children was increased from € 20,000 to € 30,000. Relative to the bonus for physical hardship, implementing the provisions of the Prime Ministerial Decree of 15 March 2023, a special one time contribution was provided to those already receiving the bonus as at 31 December 2022.

⁶⁵ In order to obtain the bonus for economic hardship, it is sufficient to present the DSU each year (Dichiarazione Sostitutiva Unica - Single Substitute Declaration) and obtain an ISEE certificate; if the household meets the conditions that entitle it to the bonus, INPS, in compliance with privacy regulations, sends the necessary data to the Integrated Information System (IIS), managed by Acquirente Unico company, which cross-checks the data received with those relating to electricity supplies, enabling the automatic payment of the bonus to those entitled.

⁶⁶ For customers with financial hardship and health problems reference is made to the number of customers who benefited from the bonus at least once during the year.

Overall, during the year, **the bonus system (both electricity and gas) resulted in savings of over € 70.6 million for Acea Energia customers who benefited from it** (this figure in 2022 was € 60.6 million). In the territory served by the **distribution network** managed by **Areti**, which refers to customers served by both Acea Energia and other sellers, in 2023 there was **a total of 157,157 customers eligible for the electricity bonus** (155,333 for financial hardship, 1,824

for physical hardship), recording an increase of around 24% in the number of those eligible (126,584 eligible for the bonus in 2022). The major changes recorded in the year should be considered mainly in relation to the legislative amendment of the ISEE threshold value for accessing the benefits (from € 12,000 for 2022 to € 15,000 for 2023) and the expansion of the subsidies to those receiving national income.

Acea is also **Italy's leading integrated water service operator** (catchment, supply, purification, wastewater collection and treatment) in terms of population covered, with around **2.8 million connected users** and **8.8 million inhabitants served** (see Table 21). Within the area of Rome and province alone, managed by Acea Ato 2, there are more than **759,000 users** and a served population equal to nearly **4 million people**. Starting from this area – OTA 2-Central Lazio – over

time the Group has expanded its activities, becoming the reference operator also in the province of Frosinone (Lazio), in the provinces of Pisa, Florence, Siena, Grosseto, Arezzo and Lucca (Tuscany), in the areas from the Sorrento peninsula to the areas around Vesuvius in the provinces of Naples and Salerno and the province of Benevento (Campania) and Perugia and Terni (Umbria). Moreover, the Group operates in a number of South American countries.

NATIONAL WATER AND SUPPLEMENTAL SOCIAL BONUS FOR ACEA GROUP COMPANIES: TOTAL SAVINGS OF OVER € 22.2 MILLION FOR BENEFICIARIES

The **social water bonus**, implemented by ARERA, provides for a **discount for the supply of water to domestic users under ascertained socio-economic hardship**, based on specific thresholds of the ISEE indicator and calculated according to family numbers (per capita basis), applying the discounted tariff to the quantity of water required to satisfy the protected amount (about 50 litres/inhabitant/day). **Area Governing Bodies may introduce or confirm further measures of protection** for users in financially vulnerable conditions, granting a local **"supplementary water bonus"**. From 1 January 2021 the national water social bonuses for financial hardship were **automatically recognised for eligible citizens/households**, without requiring submission of an application⁶⁷. Over the last three years, the Authority has established regulations for application methods, quantification criteria and payment of the bonus to those eligible, as well as the activities and roles played by various actors. The automatic recognition of the bonus involves an exchange of information flows between the Water Operator, Acquirente Unico SpA (the manager of the Integrated Information System) and INPS, assigning to the Operators the **responsibility of processing the personal data**⁶⁸ required to identify the users and pay the bonuses. Verification of the adequacy of privacy safeguards is carried out progressively, allowing for information to be sent to individual Managers once completed; the regulations became fully operational in 2023. At the end of December, with its resolution 622, the Authority amended certain methods used to update and quantify

the social bonuses, which will take effect in 2024.

In 2023 **Acea Ato 2**, already fully operational as from 2022, paid **national water bonuses to 239,259 users**, for a **value of around € 10.6 million** and **supplementary water bonuses (local) to 3,047 users** for a **value of € 647,941**.

Acea Ato 5, already fully operational as from 2022, paid **national water bonuses to 16,207 users** during the year in question, generating total economic savings for its beneficiaries of around **€ 2.2 million**.

AdF, with reference to the national water bonus, began to receive information from Acquirente Unico in May 2023 (for bonuses relative to 2021, 2022 and 2023). Therefore, at 31 December 2023 it had paid this type of bonus to **20,377 users**, for a value of around **€ 4.1 million** and continued to pay the **supplementary water bonus to 4,549 users**, for a total of **€ 560,378**.

Gori, fully operational as from 2022, paid the national water bonus to **102,054 users**, for a value of **around € 3.3 million**.

Gesesa began receiving information from Acquirente Unico to pay the national water bonus in May 2023 (for bonuses relative to 2021, 2022 and 2023) and, at 31 December 2023, had paid national water bonuses to **19,939 users**, for a value of **829,377**.

Considering all the figures for national and supplementary water bonuses, when applied, for the water companies in the scope of consolidation, **the system generated total economic savings for beneficiaries of over € 22.2 million**.

67 Pursuant to Decree Law no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019.

68 Resolution 366/2021/R/com.

Table no. 21 – Acea Group customers (energy and water sectors) (2021-2023)

	u. m.	2021	2022	2023
ENERGY AND GAS SALES (Acea Energia and Umbria Energy)				
standard market service	no. of withdrawal points	690,806	637,724	502,719
free market EE - mass market (*)	no. of withdrawal points	393,182	426,963	638,007
free market EE - large customers	no. of withdrawal points	94,698	108,246	96,736
free market gas	no. of redelivery points	228,148	247,785	306,289
total	no. of supply contracts	1,406,834	1,420,718	1,543,778
ENERGY DISTRIBUTION				
domestic customers, low voltage	no. of withdrawal points	1,338,868	1,348,757	1,358,347
non-domestic customers, low voltage	no. of withdrawal points	298,736	298,399	298,026
customers at medium voltage	no. of withdrawal points	2,851	2,862	2,897
customers at high voltage	no. of withdrawal points	6	6	6
total	no. of withdrawal points	1,640,461	1,650,024	1,659,276
WATER SALE AND DISTRIBUTION (main water Companies of Acea Group)				
Acea Ato 2 (*)	no. of users	705,607	753,407	759,268
Acea Ato 5	no. of users	201,878	202,209	202,195
Gori	no. of users	533,662	534,263	536,937
Gesesa	no. of users	57,404	57,470	56,343
AdF (***)	no. of users	233,440	234,089	235,057
Acque	no. of users	329,973	342,259	344,208
Publiacqua (****)	no. of users	402,363	404,757	408,095
Umbra Acque	no. of users	234,850	235,946	237,075
total	no. of users	2,699,177	2,764,400	2,779,178
Acea Ato 2	population served	3,705,995	3,791,167	3,993,230
Acea Ato 5	population served	455,164	450,434	450,991
Gori	population served	1,395,841	1,392,279	1,395,695
Gesesa	population served	110,316	110,093	109,310
AdF (****)	population served	380,463	377,648	378,331
Acque	population served	734,898	735,059	761,481
Publiacqua (****)	population served	1,234,292	1,230,993	1,230,993
Umbra Acque	population served	493,960	490,272	489,264
total	population served	8,510,929	8,577,945	8,809,295

(*) The 2023 figure for withdrawal points in the free market electricity mass market includes 95,069 gradual protection withdrawal points (micro-enterprise category).

(**) The 2022 figure was adjusted following consolidation; this also led to the recalculation of the total no. of users; the 2023 figure includes an estimated portion relative to newly acquired municipalities.

(***) The 2023 figures for aqueduct, sewers and purification, as in previous years, were calculated using the criteria established in determination ARERA 5/2016, nonetheless also including the number of aqueduct exempt users.

(****) The 2022 figures were adjusted following consolidation; this also led to the recalculation of the total no. of users.

(*****) Figures for 2023 refer to the latest ISTAT population update in October 2023.

PERCEIVED QUALITY



Surveys of customer and public satisfaction with services delivered: **more than**

39,747 people interviewed



Overall opinion in 2023

on the services provided (score 1-10):

- electricity service “sales”(MV and LV): **7.4** and “distribution”: **7.4**
- public lighting service: **6.5**
- water service in Rome, Fiumicino and province: **7.6** and **7.2** in Frosinone and province: **6.2**
- in Sarnese Vesuviano: **6.6**
- in Benevento and province: **6.6**
- in Grosseto, Siena and province: **7.5**

The **Stakeholder and Perceived Quality Unit** of the Parent Company coordinates the process of measuring customer and citizen satisfaction for the services provided in the electricity, water⁶⁹ and public lighting sectors. In 2023, quality surveys were also carried out with reference to the district heating service. The Unit works in concert with the operating companies that manage the services and support top management in analysing the data collected.

The **customer satisfaction surveys** (“quality perceived”) are carried out with support from a market research company, selected through tender procedures. Most of the surveys are **distributed evenly throughout the year** so as to generate frequent results that allow the Group companies to intervene promptly, where necessary, on the provision of the services and communication. Additionally, the new continuous survey method for customers who contact Acea (call back)⁷⁰ makes it possible to minimise the impact of any seasonal peaks on the results.

Reports on the results of surveys for **the total sample surveyed** are produced at the end of the half, therefore in this report **annual figures are presented as the average of the 2023 half-yearly surveys**.

As in past years, surveys on the perceived quality of the service are mainly carried out using **CATI methodology**⁷¹ and, to a lesser extent, **CAWI methodology** (online surveys), above all in relation to the perception of the general aspects of the services and digital channels.

For the first time, **the data reported integrates the information coming from the two collection methods** (CATI and CAWI⁷²); for this reason, to ensure comparability between the two years, the results for 2022 were modified using the same criteria, illustrating **the following main indicators**:

- the overall **judgement** on the general quality of the service (**scale of 1 to 10**), where 1 means very bad and 10 means very good, which expresses an **instinctive evaluation** by customers;
- **overall opinions on individual aspects of the service** (**scale of 1-10**);
- the **percentages of satisfaction with the items**, or quality factors, selected within each aspect of the service, according to the importance attached to them by the respondents.

In 2023, a total of **39,747 people were interviewed** about the quality of the services provided by Acea Energia, Areti – both for the distribution and public lighting service – Acea Ato 2 (Rome and Fiumicino and province), Acea Ato 5, Gori, Gesesa and AdF. The **overall opinions** expressed on each service, as an average of the two six-monthly surveys, fall **within 6.2 and 7.6** (see the charts below and the tables at the end of this paragraph).

⁶⁹ As regards water services, the main results of the customer satisfaction surveys carried out by Acea SpA and reported here concern the customers of the companies Acea Ato 2 (Rome and Fiumicino and province) and Acea Ato 5 (Frosinone and province) operating in the Lazio area, Gesesa and Gori, both operating in Campania, and AdF, operating in Tuscany.

⁷⁰ Interviews on “contact channels” are aimed at selected customers, using the “call back” method, from among those who have used the services (toll-free numbers for commercial information or fault reporting, website, branch, technical intervention, chat channels and digital service points) immediately before the first entry and consented to be contacted again.

⁷¹ Computer Assisted Telephone Interviewing of a stratified sample based on variables and representative of the universe of reference, following a structured questionnaire. Depending on the sample, the statistical error varies between +/- 2.5% and a maximum of +/- 4.2% and the level of significance is 95%.

⁷² Online interviews (CAWI) generally obtain more critical evaluations with respect to those collected via telephone; possible reasons include the absence of the common tendency towards social acceptability which (positively) influences interviews managed by an operator.

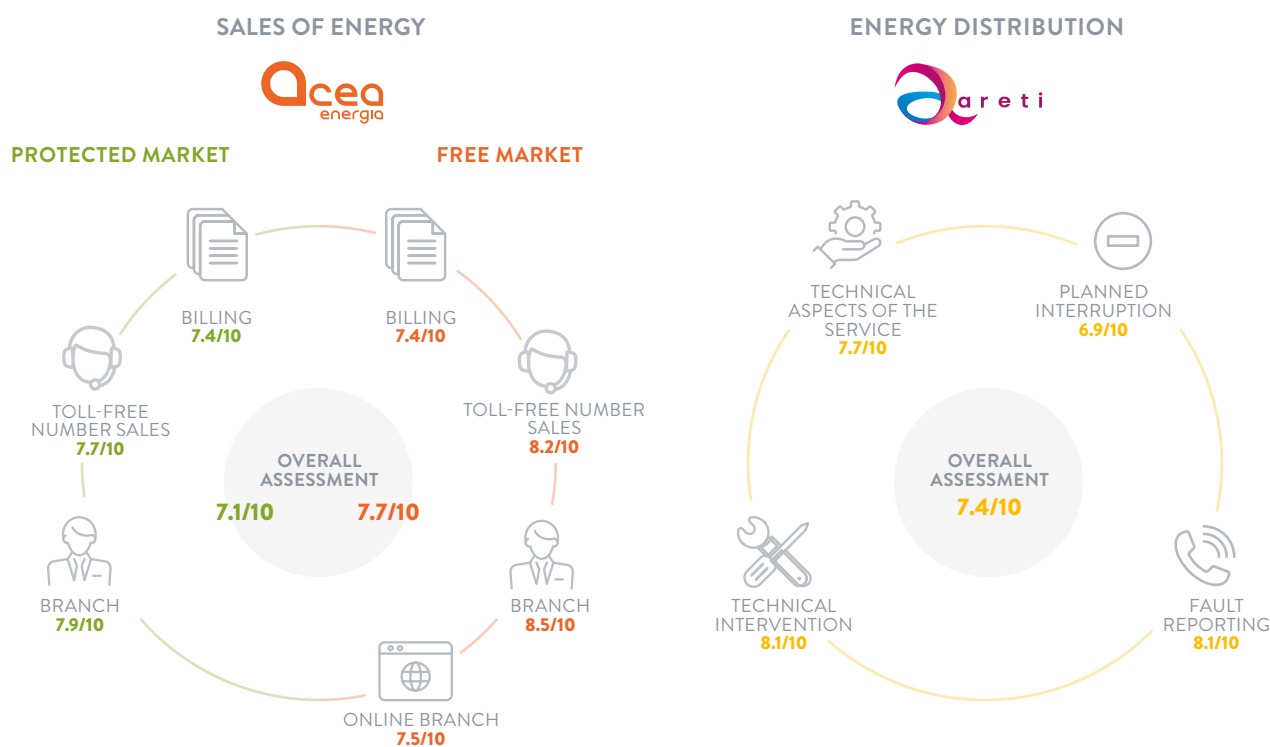
The **overall opinions** expressed on the **electricity service and the main aspects** into which it is divided indicate, for **Acea Energia sales**, positive evaluations and above average satisfaction (rating >7/10), both for the service in general (7.1/10 for standard market customers and 7.7/10 for free market customers) for “billing” for both segments, on the toll-free sales number for greater protection and the reserved area on the website (online branch) for the free market; the other aspects all fall within the range of complete satisfaction (ratings >8/10). For **distribution**, managed by **Areti**, the overall rating was 7.4/10, with service aspects receiving ratings ranging from 6.9/10 for scheduled interruptions to 8.1/10 for fault reporting and technical intervention. Residents of Rome were interviewed about the **Public Lighting service** for all areas. The overall opinions on the service and its aspects are confirmed to be of average satisfaction (rating of 6-7/10), with ‘fault reporting’ receiving the highest ratings (8.2/10), an improvement with respect to 2022.

As regards the **water service** (sale and distribution of water), the satisfaction of **customers of Acea Ato 2** (Rome and Fiumicino and province) and **Acea Ato 5** (Frosinone and province), in the Lazio area, **customers of Gori** and **Gesesa**, operating in Campania, and customers of **AdF**, operating in Tuscany, was measured. The **overall opinion** on the service provided by **Acea Ato 2 in Roma and Fiumicino** was 7.6/10; all aspects of the service monitored were in the range of complete satisfaction, close to or greater than 8/10.

For **Acea Ato 5**, which operates in the city and province of Frosinone, the **overall rating** of the service is 6.2/10; the opinions on “billing” and “technical aspects” are on the average level of satisfaction, “branch” receives a rating over 7/10, while all other aspects receive overall ratings of complete satisfaction, over 8/10. For **Gori**, which manages the service in the Sarnese Vesuviano District, the **overall rating** is 6.6/10. “Technical intervention” and “fault reporting” fall in the complete satisfaction range (respectively 8.4/10 and 8.6/10) while all other aspects showed rating in excess of 7/10. With regard to **AdF**, which operates in Tuscany, in the provinces of Grosseto and Siena, the **overall opinion** on the service was 7.5/10; the overall rating of the service aspects were equal to or significantly in excess of 8/10 (complete satisfaction), with the sole exception of “billing” which reached 7.8/10. For **Gesesa**, lastly, which operates in Benevento and its province, the **overall opinion** of the service was 6.6/10; an overall rating of around 7/10 was received for both “technical aspects of the service” and “billing”.

The charts below show, for each service, the **2023 overall opinion (scale of 1-10)**, as the **average of the two half-yearly surveys**, and Tables 22 and 23 also show **the percentages of satisfied customers** insofar as the most important **quality factors** for the electricity sales and distribution services, the public lighting service and the water service, and the **comparison with the previous year**, with indication of the most significant deviations.

Chart no. 21 – Overall opinion and on electricity service aspects – sale and distribution of energy - 2023 (scale of 1-10)



Note: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

Chart no. 22 – Overall opinion and on aspects of the public lighting service in Rome and Formello - 2023 (scale of 1-10)

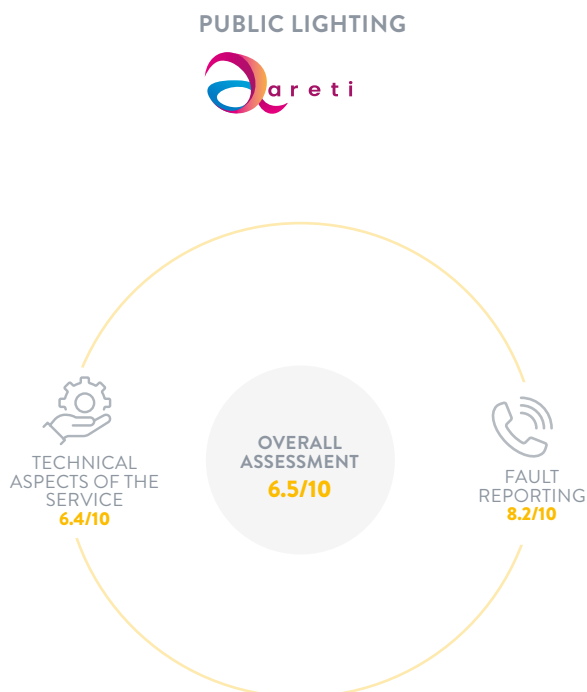
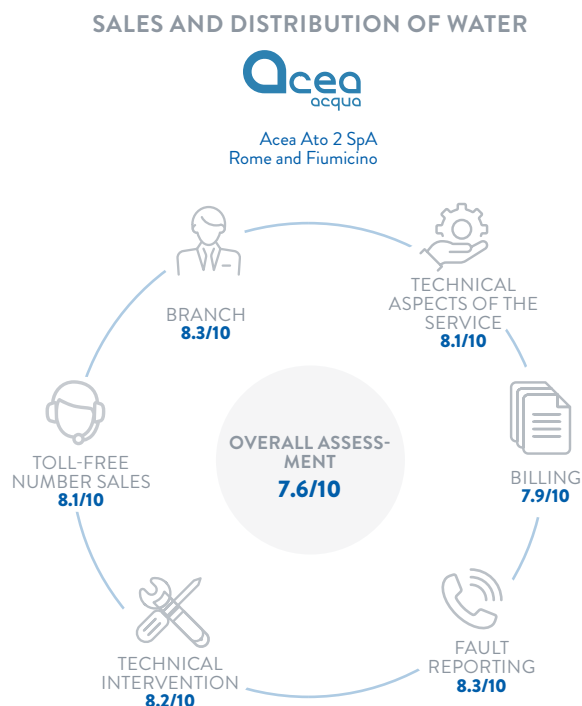


Chart no. 23 – Overall opinion and on aspects of the water service – sale and distribution of water in Rome and Fiumicino - 2023 (scale of 1-10)



Note: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

SURVEYS ON SATISFACTION WITH WATER SERVICE IN OTHER AREAS IN OTA 2 – CENTRAL LAZIO

Customer satisfaction surveys were also conducted **in the province of Rome**. In particular, **in 2023**, the two six-monthly surveys involved a sample of around **2,800 customers** with direct users, representative of three territorial areas – **North Lazio, East Lazio and South Lazio** – falling within Optimal Territorial Area 2 – Central Lazio, managed by Acea Ato 2.

Call back surveys were carried out with reference to the “toll free sales number”, the “toll free fault reporting number” and “technical intervention”, while “branch” contact was evaluated, as in past years, through the general survey.

The **overall opinion on the water service**, surveyed using CATI and CAWI methodologies, was **7.2/10**, substantially stable compared to 2022 (7.4/10); ratings for **individual aspects** of the service were **7.6/10** for “**technical aspects**” (including continuity of service and water pressure level), **7.7/10** for “**billing**”, **8.3/10** for “**fault reporting**”, **8.6/10** for “**technical intervention**”, **7.7/10** for “**sales toll-free number**”, whereas the low numbers of those who used the “branch” did not allow for a statistic of the figure. The ratings expressed are therefore in the ranges of **average and high satisfaction**.

Chart no. 24 – Overall opinion and on aspects of the water service – sale and distribution of water in Frosinone and its province - 2023 (scale of 1-10)

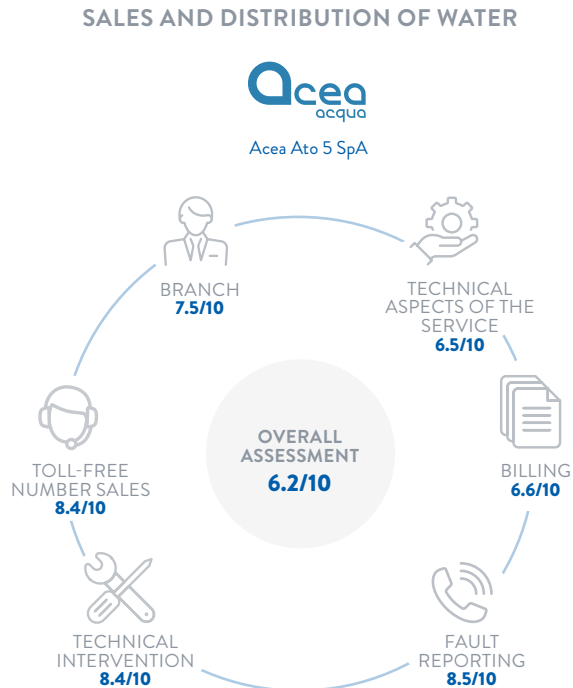


Chart no. 25 – Overall opinion and on aspects of the water service – sale and distribution of water in Sarnese Vesuviano - 2023 (scale of 1-10)



Note: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

Chart no. 26 – Overall opinion and on aspects of the water service – sale and distribution of water in Territorial Conference No. 6 “Ombrone” - 2023 (scale of 1-10)

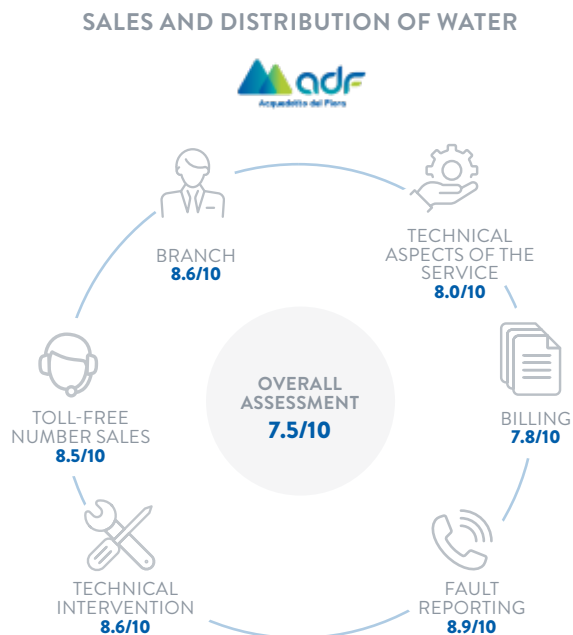
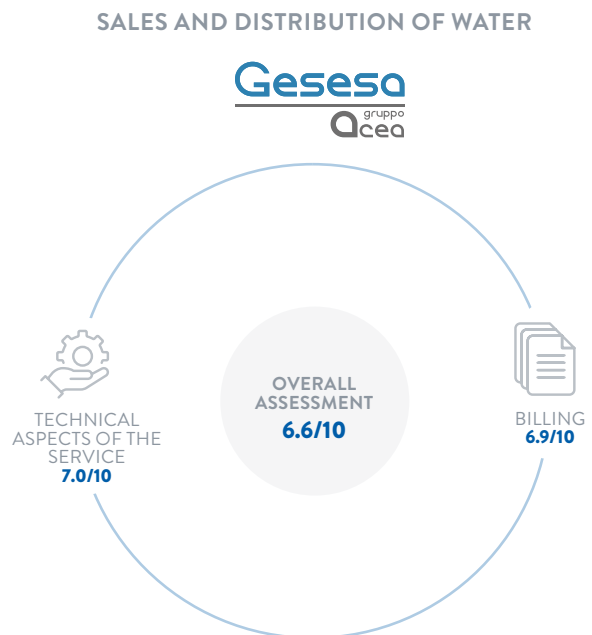


Chart no. 27 – Overall opinion and on aspects of the water service – sale and distribution of water in Benevento and its province - 2023 (scale of 1-10)



Note: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

THE PERCEIVED QUALITY OF THE RESERVED AREAS OF THE WATER WEB PORTAL, RESULTS OF THE 2023 SATISFACTION SURVEYS

Relative to the reserved areas of the water segment websites, which are growing in importance, the companies Acea Ato 2 (Rome), Acea Ato 5, AdF and Gori obtained overall ratings equal to or **greater than 7.5/10** and the areas deemed most important by customers,

although with varying weights for the different companies, were for the most part “the possibility to communicate meter readings” which, on average, saw 95% satisfied, the “ability to manage the contract” and “possibility to pay bills”.

Table no. 22 – Results of customer satisfactions surveys: sales and distribution of energy, public lighting service (2022-2023)

average of the two interim reports	u. m.	2022	2023
ELECTRICAL SERVICE – SALE OF ENERGY – ACEA ENERGIA			
STANDARD MARKET SERVICE CUSTOMERS			
sales activity (overall opinion)	1-10	7.4	7.1
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
billing	1-10	7.3	7.4
correctness of the amounts (*)	%	85.8	89.9
bill clear and easy to read	%	83.1	85.9
sales toll free number	1-10	7.9	7.7
operator's competence	%	93.4	94.5
operator's courtesy and availability	%	94.4	95.0
branch	1-10	7.8	7.9
operator's competence	%	95.8	96.9
clarity of the information provided by the operator	%	95.6	96.9
FREE MARKET CUSTOMERS			
sales activity (overall opinion)	1-10	7.6	7.7
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
billing	1-10	7.4	7.4
correctness of the amounts (*)	%	87.3	88.7
bill clear and easy to read	%	84.8	88.8
sales toll free number	1-10	8.2	8.2
operator's competence	%	92.6	95.0
clarity of answers provided	%	91.3	94.2
branch	1-10	8.1	8.5
operator's competence	%	90.3	95.2
clarity of the information provided	%	90.6	94.0
on-line branch/reserved area on the website	1-10	7.7	7.5
ease of browsing	%	87.4	87.2
clarity of the information found	%	87.8	85.9
ELECTRICAL SERVICE – ENERGY DISTRIBUTION – ARETI (Rome and Formello)			
distribution activity (overall opinion)	1-10	7.3	7.4
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
technical aspects of the service	1-10	7.7	7.7
service continuity	%	91.7	88.1
planned interruption	1-10	7.3	6.9
prior notice of suspended supply	%	83.6	74.5
clarity of information on notices regarding recovery times	%	84.9	74.2
fault reporting	1-10	8.0	8.1
clarity of the information provided	%	89.3	93.5
operator's courtesy and availability	%	93.1	94.3
technical intervention	1-10	7.8	8.1
intervention speed following the request	%	79.8	88.3
technicians' competence	%	86.8	93.5
PUBLIC LIGHTING SERVICE – ARETI (Rome)			
lighting service (overall opinion)	1-10	6.9	6.5
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
technical aspects of the service	1-10	6.8	6.4
service continuity	%	87.1	76.8
replacement times of posts knocked down	%	78.2	75.6
fault reporting	1-10	7.6	8.2
clarity of the information provided	%	89.5	96.3
waiting time to speak with an operator	%	89.5	96.5

(*) The figure refers to the correctness of the amounts of the electricity supply on the bill.

Note: the 2022 results were modified, adding the data obtained through CAWI to improve comparison with 2023; the table includes **only quality factors indicated as most important by the sample of interviewees in 2023**; this may lead to consequent changes in the 2022 column. The right-hand column also shows the **most significant deviations**, of about 5 percentage points, for the individual items surveyed.

Table no. 23 – Results of customer satisfactions surveys: water service (2022-2023)

average of the two interim reports			
	u. m.	2022	2023
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – ACEA ATO 2 (Rome and Fiumicino)			
water service (overall opinion)	1-10	7.9	7.6
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
technical aspects of the service	1-10	8.2	8.1
<i>service continuity</i>	%	97.0	96.6
billing	1-10	7.8	7.9
<i>correctness of invoiced consumption</i>	%	91.4	91.8
<i>bill clear and easy to read</i>	%	91.2	91.3
fault reporting	1-10	8.1	8.3
<i>clarity of the information provided</i>	%	94.5	95
<i>operator's courtesy and availability</i>	%	94.0	96.8
technical intervention	1-10	7.8	8.2
<i>technicians' competence</i>	%	93.3	94.3
<i>intervention speed following the request</i>	%	83.8	91.3
sales toll free number	1-10	8.2	8.1
<i>operator's competence</i>	%	92.6	92.7
<i>clarity of the information provided</i>	%	92.7	92.1
branch	1-10	8.5	8.3
<i>operator's competence</i>	%	92.3	94.4
<i>clarity of the information provided</i>	%	92.2	94.1
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – ACEA ATO 5 (municipalities within OTA 5 – Frosinone)			
water service (overall opinion)	1-10	6.3	6.2
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
technical aspects of the service	1-10	6.7	6.5
<i>service continuity</i>	%	80.6	72.1
billing	1-10	6.5	6.6
<i>correctness of invoiced consumption</i>	%	77.6	80.3
<i>bill clear and easy to read</i>	%	75.4	81
fault reporting	1-10	8.2	8.5
<i>clarity of the information provided</i>	%	93.8	91.3
<i>operator's courtesy and availability</i>	%	94.3	95.5
technical intervention	1-10	8.5	8.4
<i>technicians' competence</i>	%	92.8	94.8
<i>intervention speed following the request</i>	%	92.8	93.5
sales toll free number	1-10	8.0	8.4
<i>operator's competence</i>	%	92.3	94.8
<i>operator's courtesy and availability</i>	%	93.8	95.5
branch	1-10	7.8	7.5
<i>operator's competence</i>	%	95.0	93.3
<i>clarity of the information provided</i>	%	94.0	92.5
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – GORI (municipalities within the Sarnese-Vesuviano District Area)			
water service (overall opinion)	1-10	6.5	6.6
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY			
technical aspects of the service	1-10	6.8	7.2
<i>service continuity</i>	%	78.6	83.6
billing	1-10	6.7	7.1
<i>correctness of invoiced consumption</i>	%	78.3	82.0
<i>bills sent regularly</i>	%	80.7	83.2
fault reporting	1-10	7.9	8.6
<i>clarity of the information provided</i>	%	90.8	96.8
<i>operator's courtesy and availability</i>	%	91.0	96.8

technical intervention	1-10	8.4	8.4	
technicians' courtesy and availability	%	92.8	95.3	
intervention speed following the request	%	90.8	92.3	
sales toll free number	1-10	7.3	7.7	
clarity of the information provided	%	91.8	90.3	
waiting times	%	86.5	85.8	
branch	1-10	7.5	7.7	
operator's competence	%	92.0	98.0	▲
clarity of the information provided	%	93.0	98.5	▲
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – AdF (municipalities falling within Territorial Optimal Conference no. 6 Ombrone)				
water service (overall opinion)	1-10	7.6	7.5	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	8.0	8.0	
service continuity	%	94.0	95.6	
billing	1-10	7.7	7.8	
correctness of invoiced consumption	%	91.1	93.5	
bill clear and easy to read	%	89.8	93.9	
fault reporting	1-10	8.4	8.9	
clarity of the information provided	%	93.8	97.5	
operator's courtesy and availability	%	95.8	98.0	
technical intervention	1-10	8.7	8.6	
technicians' courtesy and availability	%	97.0	97.3	
intervention speed following the request	%	95.5	94.4	
sales toll free number	1-10	8.3	8.5	
operator's competence	%	95.5	96.5	
operator's courtesy and availability	%	95.0	97.3	
branch	1-10	8.6	8.6	
operator's competence	%	94.8	97.8	
clarity of the information provided by the operator	%	95.3	97.5	
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – GESESA (*) (municipalities in the Sannita District Area)				
water service (overall opinion)	1-10	7.0	6.6	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.2	7.0	
service continuity	%	86.7	86.6	
billing	1-10	7.1	6.9	
correctness of invoiced consumption	%	87.8	84.8	
bill clear and easy to read	%	84.6	89.0	

(*) For Gesesa, a smaller company, the service aspects investigated and represented herein are “technical aspects” and “billing”.

Note: the 2022 results were modified, adding the data obtained through CAWI to improve comparison with 2023; the table includes **only quality factors indicated as most important by the sample of interviewees in 2023**; this may lead to consequent changes in the 2022 column. The right-hand column also shows the **most significant deviations, of about 5 percentage points**, for the individual items surveyed.

QUALITY DELIVERED

Acea oversees the **quality of the services provided** with interventions aimed at its constant improvement. To this end it trains people and ensure that they attend seminars, applies innovative technology to the management of processes, renews and expands the infrastructure (networks and plants), increasing its resilience, also aimed at the reduction of failures and timely recovery, increases the offer of digital contact channels, complementing the traditional ones and takes care of communication with customers.

The “**quality delivered**” is **also measured via benchmarks defined by the sector authority** or indicated in the **service contracts and management agreements** with local authorities, in particular:

- for the **Public Lighting** service, the contract between Acea and Roma Capitale regulates the qualitative parameters (performance standards);

- the **technical and commercial quality standards in the energy sector** (for both distribution and sales) and the **contractual and technical quality standards in the integrated water service** are defined and updated by the **Energy, Networks and Environment Authority (ARERA)** and, for the water sector, also by the local authorities.

The **main regulatory interventions by ARERA** in 2023 for the electricity and water sectors are summarised in the *Group profile*, in the paragraph “*Context analysis and business model*”, to which reference should be made. In addition to complying with the quality standards laid down by the regulation, Group companies operate in accordance with **UNI EN ISO certified management systems** based on a **rationale of continuous improvement** (see also *Corporate identity*, in the paragraph *Management systems*).

QUALITY IN THE ENERGY SEGMENT

This section illustrates the quality aspects relating to **electricity distribution services** in the municipalities of Rome and Formello, and **public lighting** in the municipality of Rome, both managed by Areti⁷³, while for electricity and gas sales, managed by Acea Ener-

gia, see the section on *Customer Care*.

The Company operates in compliance with the **QESE (Quality, Environment, Safety and Energy) Management System** for both the construction and management of distribution infrastructure and Public Lighting.

THE DISTRIBUTION OF ELECTRICITY



En masse replacement of second generation meters: **installed** an additional **333,664 2G meters** in 2023, around **1.7 million meters** (1G and 2G) with remote management



In the **Resilience Plan**, **critical factor “heat waves”**: **31 km** MV cable modernised and **52 substations** rebuilt
critical factor “flooding”: **21 substations** rebuilt



in 2023: **8,890 MV nodes** remotely controlled



Carried out **mass drone inspections**, for a section of the overhead MV and HV network equal to **160 km**

Areti plans and carries out the modernisation and expansion works on **the electricity distribution network**, consisting of high (HV), medium (MV) and low (LV) voltage power lines, primary and secondary substations, and systems for the remote control and measurement of energy drawn from and fed into the grid. **The interventions** take into account the objectives established by the national authority (ARERA), the progressive evolution of electricity applications, the increase in “prosumers”⁷⁴, new connections, etc., and **aim to make the infrastructures increasingly resilient**, with an adequate and **enabling network configuration for future scenarios**, such as **widespread electric mobility** and progressive **electrification of consumptions**.

The **integrated development of the electricity grids** is defined in the **Master Plans** for the HV, MV and LV networks, which Areti implements through construction - and also decommissioning or demolition, and consequent containment of environmental impacts, in specific areas-, transformation, modernisation, maintenance, etc. (see Table 24). The interventions carried out each year are aimed at **rationalising and upgrading the networks**, increasing transport capacity and margins for further use, **increasing their adaptability**

and **reducing network losses and voltage drops**, improving **service continuity**.

In 2023, as part of the implementation of the periodically updated **Resilience Plan**⁷⁵, **31 km** of medium voltage (MV) cable at 20 kV **were upgraded** and **52 secondary substation renovations** were carried out to increase their **resilience to the critical factor of “heat waves”**, and **21 secondary substation renovations** were carried out to increase **resilience to the critical factor “flooding”**. For the LV grids, **88 km of cable** began use, as part of the **overall network modernisation programme**, preparatory for the subsequent voltage change from 230 V to 400 V. Additionally, during the year **mass drone inspections were performed** covering an overhead network totalling **160 km** (130 km MV and 30 km HV), to **identify specific needed maintenance to perform**; these inspections, which are now possible because the needed sensors can be lifted by a small drone, **have replaced the ones previously performed with helicopters**, with evident environmental benefits.

During the year, **remote control** was expanded to additional **secondary substations** and **reclosers**, for a **total of 8,890 remotely controlled MV nodes** at 31 December 2023 (8,507 in 2022).

⁷³ Areti holds the ministerial concession for the distribution of electricity in the areas indicated and manages public lighting under the *Service Contract* stipulated between Acea SpA and Roma Capitale.

⁷⁴ Prosumers are both consumers and producers of energy, which they use for their own consumption or sell to the grid (see the box on prosumers connected to Acea's networks, which are constantly increasing, in the section on *Acea Group customers: electricity and water services*).

⁷⁵ Areti's Resilience Plan was submitted to ARERA in June 2019. See the Development Plan 2023, available on line at www.aret.it, Learn About Areti Section - Activities.

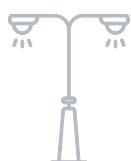
Table no. 24 – Main interventions for the management and development of electricity grids and substations (2023)

type of work	HV lines and primary substations (PSs)
demolition of grid and supports	work continued to dismantle HV lines which are no longer operating, with a total of 39 pylons removed from 60 kV lines; after the new 150 kV underground XLPE (cross linked polyethylene) power line began operating, Cinecittà/O – Capannelle, 2.7 km of HV O.F. cables were decommissioned (with fluid oil insulation)
construction of grid and supports	upgrading work was completed on the 150 kV HV Capannelle – Cinecittà/O line from the terminal area “Osteria del Curato” to CP Cinecittà/O, with the commissioning of the new 1.6 km XLPE cable section; authorisation is awaited for work to create the new underground 150 kV section Roma Nord – San Basilio (3.4 km long)
station upgrading, expansion, renovation	interventions were carried out in 48 primary substations ; work continues at CP Ostiense to replace the 150 kV HV switchgear with the commissioning of the first HV hybrid section (bays: LAT Laurentina-TR3-sez.SB3) and connection with existing equipment through an interface system (provisional 150 kV busbar trunking); additionally, an additional HV hybrid section has been set up (bay TR2-sect.SB2) to implement the following stages of the project; at CP San Paolo a project was completed to improve the HV 220kV system, installing a new HV busbar switch and replacing the existing busbar and switch holder portals (phase 1)
ordinary and extraordinary maintenance on PS station equipment	interventions were carried out on 96 HV circuit breakers as well as maintenance on 654 MV circuit breakers ; 13 on-load tap changers of power transformers were maintained; additionally, 36 HV transformers were replaced ; the TR 2 150/8.4 kV were replaced at the primary Belsito substation and the ATR 3 150/60 kV at the primary Flaminia/O substation
	HV and MV protection and measures
remote management	the following were prepared, calibrated and put into operation 48 new MV line bays ; checked 371 posts (55 HV posts and 316 MV posts) and 22 transformers (between HV/MV and MV/MV)
measures	earth resistance measurements were carried out on 2,582 secondary substations ; step and contact voltages and total earth resistance measurements were conducted on 10 substations (5 primary and 5 secondary)
	MV and LV lines
modernisation and upgrading of MV networks (transformation from 8.4 kV to 20 kV) and LV networks (transformation from 230 V to 400 V)	130 km of 20 kV MV cable (28 km for expansion and 102 km for upgrading), including 31 km to increase resilience to heat waves , and 171 km of LV cable (84 km for expansion and 87 km for upgrading in preparation for voltage changeover) were installed
ordinary and extraordinary maintenance	Massive drone inspections were carried out over an area of the overhead grid equal to 130 km MV and 30 km HV , in order to carry out specific interventions to replace equipment, supports, conductors, etc. necessary for the preservation and maintenance of the functionality of the systems
	secondary substations (SSs) and remote control
construction, extension, reconstruction SS	832 secondary substations were built/upgraded/rebuilt (203 for new connections or power increases, 629 for upgrading to 20 kV, renewing equipment, setting up remote control), of which 73 substations rebuilt to increase resilience to heat waves (52 substations) and “flooding” (21 substations)
ordinary and extraordinary maintenance on SS	4,982 extraordinary maintenance operations and 1,385 inspections on secondary substations were carried out
remote control	remote control was extended to 383 secondary substations and 438 reclosers (8,890 MT nodes were remote controlled at 31 December 2023) and 3602 maintenance operations were carried on TLCs and reclosers

As part of the plan for the **mass replacement of first generation (1G) meters with second generation (2G) meters**, which improve customer awareness of consumption and reduce estimated billing, during the year Areti installed **another 333,664**. The total number of **remote-controlled meters** (1G and 2G) installed on low-voltage active users at 31 December 2023 is **1,667,138**.

For the innovative projects developed by the company, for example the **PlatOne project**, financed by the European Horizon 2020 programme, and the **RomeFlex project**, launched in 2023 intended to develop a flexibility market for the electricity grid in Rome, please see the *Institutions and Business* chapter, specifically the paragraph on *The Commitment to Research and Innovation*.

PUBLIC LIGHTING



205,697
light points and
232,334
bulbs managed in Rome:
92% of the park
LED lamps



1,193 lamp
posts reinstalled and
10,556
maintenance
interventions on
LED lamps/fixtures



Lighting projects:

Domus Tiberiana, Chiesa Valdese, the twin buildings in Piazza della Repubblica, Bolognola and Kennedy parks and the linear park on via L. M. Perpetuo

Areti manages, by virtue of the *Service Agreement* between Acea SpA and Roma Capitale, works on the **functional** and **artistic-monumental public lighting** infrastructures, for **over 205,697 lighting points** located on a territory covering about 1,300 km².

The company handles the **design, construction, operation, maintenance and renovation of lighting networks and installations**, and plans interventions **in accordance with the instructions of the local government departments and supervisory departments**, which are responsible for new urban developments, redevelopment projects and cultural heritage.

In addition to the service provided to Roma Capitale, Areti also makes public and artistic lighting services available to other stakeholders (e.g. ecclesiastical bodies, hotels, etc.).

Energy consumption for public lighting, which in past years saw a downward trend thanks to modernisation of systems with the installation of LED lamps, has stabilised and fell only slightly in 2023 (-2.4%); at 31 December 2023, **the 213,995 LED lights installed cover 92% of the total number of lamps** (see *Relations with the environment; The Use of Materials, Energy and Water* and the *Environmental Report*).

In 2023 activities continued for the development of an innovative technological solution intended for the creation of a “smart pole”, in a “smart city” perspective. In particular, device prototypes were manufactured and delivered, in the various versions, followed by **testing** and certification for the needed assessments preparatory to mass use.

Lighting projects in 2023 include the installation of various lighting systems to serve certain **streets and green areas that lacked them and the updating of existing systems**, to benefit **light quality** and consequent perceived safety. Additionally, during the year **systems for major public works were installed** (see boxes for more details).

Table no. 25 – Public lighting in Rome in figures (2023)

lighting points (no.)	205,697
monumental artistic lighting points (no.)	10,194
bulbs (no.)	232,334
MV and LV network (km)	8,228

Note: the table shows the data in GIS (geo-referenced information system) as at 31 December 2023.

NEW FUNCTIONAL AND MAJOR LIGHTING PROJECTS

During 2023 Areti implemented various public lighting systems using LED technology in **streets and parks which previously had been unlit**. In particular, in **Via di Passo Lombardo**, thanks to municipal funds, **45 LED lights** were installed along a roughly 1.2 km stretch, with installed power of 2.9 kW. The new kilometre on the **Torraccia bike lane** was lit using **60 new lights**, with installed power of 2.3 kW. With reference to parks, within **Parco Bolognola**, in Municipio III, **19 street lights** were installed, for a total of around 0.7 kW, serving the **pedestrian paths** and the **sports field**. In the same Municipio, new lighting was installed in **Parco Kennedy**, in **pedestrian areas** and in

the **play area**, with **11 lights** for a total power of around 0.4 kW. Also note the **linear park on Via Lucio Mario Perpetuo**, in Municipio VII, which is now lit by **45 new street lights**, for a total of 1.8 kW of power, serving the **play** and **parking areas** and the **sports field**. As part of the **major public works** affecting the streetscape and the public lighting systems, Areti is carrying out interventions for the creation of new systems as works progress for:

- demolition of the **Tangenziale Est** overpass, completed in 2023;
- widening of the road surface on **Via Tiburtina**.

PROJECTS TO UPDATE SYSTEMS

With reference to projects to adapt or modernise existing systems, worthy of note was the **improvement of the system** serving **Via Marsala**, through installation of **10 new candle holders**, replacing the existing ones, as well as **25 new lamps**, for a total change of 2.5 kW. In **Piazza Monte di Tai** an obsolete light tower was removed, followed by the installation of **13 light points** (2 kW removed, 1.2 kW installed) improving the distribution of light; this project was also **an experiment** agreed on with Roma Capitale regarding the use of passive aluminium safety poles and **lamps with an innovative control system**.

In **Piazza dei Caduti del 19 luglio '43**, on the occasion of the 80th anniversary of the bombing of S. Lorenzo, the **lighting system was**

modernised, integrated in the monument to the fallen designed by Luca Zevi, which was also restored for the occasion, with **50 LED projectors**, for a total of 1.8 kW installed and 3.5 kW removed. In **via della Stazione di Cesano**, following the installation of a bike path by Municipio XV, the public lighting system was improved, with the **replacement of 115 existing supports**, while the lamps remained unchanged, avoiding increased consumption. In **Piazza Bologna**, during maintenance work on Municipio II, the **existing lighting system was improved** with the **installation of 13 street lights and 19 in-ground projectors**, for a total of 830 W.

All the interventions mentioned were carried out using LED light sources.

Every year, Areti carries out **efficiency and safety upgrades** at lighting points, as well as **scheduled and extraordinary maintenance** on

the installations (see Table 26).

Table no. 26 – Main efficiency, safety, repair and maintenance projects (2023)

type of work	(no.)
actions to improve energy efficiency/technological innovation (fixture replacement)	1,000 light points replaced (not including new LED installations)
safety measures	3,828 lighting points made safe
checking corrosion on lamp posts	29,995 supports verified (functional and artistic)
LED lamp reinforcement/maintenance	10,556 maintenance jobs
reinstalling lamp posts that were corroded or knocked down due to accidents	1,193 lamp posts reinstalled

Note: the table includes operations carried out for the Municipality of Rome and third parties.

Acea monitors the **quality parameters of the public lighting service** with regard to the **repair time of faults**, calculated from the time the citizen's report⁷⁶ is received. The **performance standards** are **expressed by an average allowable restoration time (TMRA)**, within which repairs should be carried out, and a **maximum time**

(TMAX), beyond which a **penalty mechanism is triggered**⁷⁷. **Performance in 2023** relative to **average recovery time (TMR) for plant functionality**, for the various types of failure, is shown in table no. 27; all performance results are **below the average recovery time limits established** in the contractual standards.

Table no. 27 – Public lighting recovery: Acea penalties, standards and performance (2022-2023)

type of fault	daily penalty for delays	standard contractual service (*)		Acea service	
		TMRA (average permitted recovery time) (working days)	TMAX (maximum recovery time) (working days)	TMR (average recovery time) (working days)	
				2022	2023
blackout neighbourhood – MV grid failure	70	1 working day	1 working day	< 1 working day	< 1 working day
blackout street – MV or LV grid failure	50	5 working days	8 working days	1.6 working days	1.5 working days
blackout stretch (2-4 consecutive lights out)	50	10 working days	15 working days	8.9 working days	9.3 working days
lighting points out: single lamps, posts, supports and armour	25	15 working days	20 working days	14.7 working days	13.9 working days

(*) Consistent with previous years, data were monitored in compliance with provisions under Annex D/2 to the 2005-2015 Municipality of Rome – Acea SpA Service Agreement.

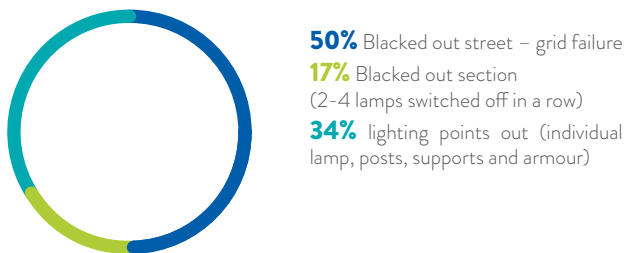
⁷⁶ For the purpose of calculating service levels, reports pertaining to damages caused by third parties are not be considered.

⁷⁷ Fines are calculated using the following criteria: if the average repair time (TMR) is higher than the average allowable repair time (TMRA), for each type of report daily fines are applied to each notice for which the lead time (LT) exceeds the value of the TMRA. If the TMR is lower than or equal to the TMRA, for each type of report daily fines are applied to each notice for which the LT exceeds the value of the maximum allowable recovery time (TMAX).

Control systems, such as remote management, detect the fault situation, which **can also be reported** via contact channels (call centre, app, web, fax or letter)⁷⁸. In 2023, **15,487 fault reports were received**⁷⁹, an increase of 25% compared to the previous year (12,385 reports), and **87%** were followed up within the year.

The **percentage distribution of the total number of reports received by type of fault** is shown in Chart 28. The category with the biggest impact continued to be “blacked out street” (50%), followed by “lighting point out” (34%), which also includes work on posts, fittings and supports, and by “blacked out stretch” (17%).

Chart no. 28 – Types of public lighting faults out of total reports received (2023)



On the subject of **artistic and monumental lighting**, in 2023 maintenance work and new lighting projects were carried out, including at **Domus Tiberiana**, which **reopened to the public** during the year, and in piazza Cavour, for the **Chiesa Valdese**, as well as projects on the façades of the large twin buildings in **Piazza della Repubblica** (see the dedicated box). Maintenance projects worthy of note include the replacement of the underwater projectors in the **Fontana del Bottino** in Via San Sebastianello, the **Fontana del Prigione**, in Via Goffredo Mameli, the **Fontana di Piazza Clemente XI**, the **Fontana del Cântaro** in Piazza Santa Cecilia and the **Fontana della Dea Roma** in Piazza del Campidoglio.

Maintenance work was also done at the archaeological sites of **Mercati di Traiano**, **le Terme di Caracalla**, **le Terme di Diocleziano**, **il Teatro di Marcello**, **il Faro del Gianicolo** and the **Colosseum**; finally, work was done at **Castel Sant’Angelo**, the EUR buildings and the monumental parks in Municipios I and II.

Also during the year **special lighting and switching off projects were handled for symbolic sites** including those on the façade of the Senate Building, the Lazio Region Building and the Colosseum, with the aim of raising citizens’ awareness of particular anniversaries.

ARTISTIC LIGHTING AT THE DOMUS TIBERIANA, CHIESA VALDESE AND THE TWIN BUILDINGS IN PIAZZA DELLA REPUBBLICA

In 2023, lighting of the **Domus Tiberiana** was implemented, within the Archeological Park of the Colosseum, on the occasion of the reopening of the imperial palace to the public, after 40 years. The lighting project, designed and implemented by Areti, is the **first project in Rome using dynamic light** (tunable white) **in an archaeological area**. The façade of the Domus Tiberiana, facing the Roman Forum, is brought to life through dynamic light, to obtain a soft light effect using warm tones. At the same time, the changes in colour and brightness offer visitors never before seen scenes: light becomes a tool to tell the story of the place. The selection of next generation LED technology made it possible to **adjust the brightness and colour temperature of the light for each individual projector**, minimising the aesthetic impact of the same while obtaining excellent chromatic performance and limiting energy consumption. A total of **101 projectors** were installed, for a total of 4.4 kW (considering the system when fully utilised). Acea sponsored the entire project.

In Piazza Cavour the project involved the main façade of **Chiesa Valdese** which was recently restored. Areti was responsible for the

design and installation of the artistic lighting, with the aim of achieving soft and uniform light, through the use of elliptical optics for the side wings and towers and roto-symmetrical optics for the central section. **17 projectors** were installed for a total of around 0.7 kW.

The project in Piazza della Repubblica, financed by the CSIMU department of Roma Capitale, included the entire artistic lighting system for the façades of the twin buildings (**Palazzo Feltrinelli e Palazzo Naiadi**). Areti was responsible for both the design and execution of the work. The project, utilising both projected and grazing lighting was intended to **take full advantage of the views of the two buildings** and reconstruct the urban backdrop at night. The choice of high range LED technology made it possible to reduce the aesthetic impact of the projectors, while offering excellent chromatic performance and minimising energy consumption. Additionally, through the flexible control and management system installed, different lighting set-ups can be achieved. The new system, replacing the previous obsolete one, consists of **386 projectors**, for installed power of 12.6 kW. Modernisation of this system led to 70% energy savings.

THE QUALITY LEVELS REGULATED BY ARERA IN THE ELECTRICITY SECTOR

The **Regulatory Authority for Energy, Networks and the Environment (ARERA)** defines, at a national level, the **commercial quality standards** (timing of the technical-commercial services requested

by customers, such as estimates, work on connections, activation/deactivation of the supply, response to complaints) and **technical quality standards** (continuity of supply) **of the electricity service** and **it periodically reviews them**, directing operators to constantly improve performance.

⁷⁸ More detailed information on call centre performance and written complaints is provided in the *Customer Care* section.

⁷⁹ The data excludes reminders and repeated reporting of the same fault.

Commercial quality is divided into “specific” and “general” levels,⁸⁰ for the **distributor** (differentiated for low and medium voltage supplies) and for those of the **seller** (see Tables 28, 29 and 30).

Every year **Acea communicates to ARERA the results achieved and includes them in the bill it sends to its customers.**

The **2023 commercial and technical quality results**⁸¹, relative to electricity **distribution** and metering, with respect to **commercial quality**, relative to **electricity sales**, as indicated in this report, represent **the best possible estimate**⁸² as of the date this document was prepared, and may not perfectly match that sent to ARERA as part of the annual reports. For the electricity **distribution service**, with respect to the “specific” levels of commercial quality average times were good and performance stable, compared to 2022, with the standards for the most widespread services met, including activations, terminations and reactivations. On the other hand, estimate time for works on the LV network worsened with respect to 2022, both in terms of average days to prepare the estimate and the percentage of compliance with the standard. In general, performance on the MV network also declined. For “general” levels in terms of responses to written complaints/requests for information, performance for LV domestic customers was essentially stable compared to 2022, with a slight decline in average days to process, more significant for non-domestic and MV customers (see table no. 28). Automatic compensation to customers⁸³ to be paid in case of non-compliance with “specific” quality levels, start from a basic amount⁸⁴, which can be doubled (if the timing of the activities ex-

ceeds the standard between two and three times) or tripled (if the timing exceeds the standard by three times).

For quality aspects in terms of **sales**, managed by **Acea Energia**, based on estimated figures for 2023, a decline was seen in the “specific levels” of commercial quality for all the compliance percentages linked to the standards established by ARERA, while the compliance percentages for standards in the “general levels” of commercial quality improved or remained stable (see table no. 29). With reference to Areti’s performance related to the incentivised regulation of the **duration** and **number of interruptions without prior notice** for **low-voltage users**, the figures for 2023, summarised in table no. 30, indicate that in urban areas with the highest concentration of users (high and medium concentration territorial areas), **continuity of service** worsened with respect to the previous year. Nonetheless, positive results were seen in the periphery and rural areas in terms of duration, despite an increase in the number of interruptions.

In addition to the indicators described above, the electricity distributor is also required to comply with specific levels of service continuity with reference to **medium voltage users** for which automatic compensation will be paid⁸⁵ in cases where the number of interruptions during the year exceeds a defined standard.

Finally, separately for **medium and low voltage users** in the event of failure to comply with the maximum power restoration times, there is an additional reimbursement to be paid by the distribution company to each user that is disconnected for more than 4 or 8 hours respectively.

Table no. 28 – Main specific and general levels of commercial quality – energy distribution (2022-2023)
(ARERA parameters and Areti performance – 2022: data submitted to ARERA; 2023: estimated data)

ENERGY DISTRIBUTION

SPECIFIC LEVELS OF COMMERCIAL QUALITY					
SERVICES	ARERA PARAMETERS – maximum time by which the service must be performed	average actual	percentage of services	average actual	percentage of services
		completion time for services	carried out within time limit	completion time for services	carried out within time limit
			2022	2023	
LOW VOLTAGE (LV) SUPPLIES					
DOMESTIC CUSTOMERS		ARETI'S PERFORMANCE			
estimates for work on LV networks (ordinary connections)	15 working days	14.59	72.51%	18.06	60.60%
completion of simple work (ordinary connections)	10 working days	10.25	81.76%	11.00	79.36%
completion of complex works	50 working days	20.88	89.94%	34.30	80.22%
supply activation	5 working days	1.50	97.17%	1.00	95.81%
deactivation of supply on customers request	5 working days	1.10	98.54%	0.70	98.50%

80 Specific quality standards” are defined as the deadline within which the service provider must provide a given service and, in the event of non-compliance, they require that automatic compensation is granted to customers; the general quality standards” are defined as the minimum percentage of services to be provided within a given deadline.

81 Integrated Test on the output-based regulation of electricity distribution and measurement services – Annex A to ARERA resolution 646/2015/R/eel as subsequently amended and supplemented.

82 This is due to the misalignment between the delivery times of reports to the Authority and those required by law for the publication of this document.

83 Where due, automatic compensation is paid to the customer by deduction from the amount charged in the first subsequent bill and if needed in following bills, or paid by direct remittance. In any case, such automatic compensation must always be paid to the customer within 6 months from the date of receipt of the written complaint or the request for reimbursement of double billing, with the exception of customers who are billed quarterly, for which the term is set at 8 months. For distribution activities, automatic compensation is paid by the distributor to the service recipient within 7 months from the date on which the required service is provided.

84 The amount set by the Authority for compensation for non-compliance with the specific quality standards for the distribution service starts from a basic amount of € 35 for domestic low voltage customers; € 70 for non-domestic low voltage customers and € 140 for medium voltage customers. In the event of non-compliance with the specific quality standards of the sale, the seller shall pay the final customer an automatic compensation of € 25. Compensation grows in relation to the delay in the provision of the service.

85 In order to be entitled to compensation, medium voltage customers must prove that they have installed protection devices at their plants that can prevent any interruption caused by faults in their utility plants from having repercussions on the Areti network, damaging other customers connected nearby. Furthermore, they must send their own plant adequacy statement, issued by parties with specific technical and professional expertise. Where customers fail to meet the requirements whereby compensation may be sought, that amount is paid by Areti as a fine to the Energy and Environmental Services Fund.

reactivation of supply following disconnection for late payment	1 working day	0.11	99.05%	0.15	98.85%
resumption of the supply following faults of the metering equipment (requests sent during business days from 08:00 to 18:00)	3 hours	3.23	62.52%	3.88	57.51%
resumption of the supply following faults of the metering equipment (requests sent during non-business days or from 18:00 to 08:00)	4 hours	2.66	81.84%	3.09	78.87%
maximum punctuality band for appointments with customers	2 hours	N.A.	90.60%	N.A.	88.24%

NON-DOMESTIC CUSTOMERS

ARETI'S PERFORMANCE

estimates for work on LV networks (ordinary connections)	15 working days	14.65	70.58%	19.55	57.76%
completion of simple work (ordinary connections)	10 working days	10.58	79.77%	11.89	77.45%
completion of complex works	50 working days	28.48	86.72%	36.36	85.86%
supply activation	5 working days	2.30	93.16%	2.32	94.47%
deactivation of supply on customers request	5 working days	2.61	94.99%	2.94	96.20%
reactivation of supply following disconnection for late payment	1 working day	0.12	98.84%	0.16	98.20%
resumption of the supply following faults of the metering equipment (requests sent during business days from 08:00 to 18:00)	3 hours	3.00	65.47%	3.46	60.56%
resumption of the supply following faults of the metering equipment (requests sent during non-business days or from 18:00 to 08:00)	4 hours	3.00	83.68%	2.92	80.30%
maximum punctuality band for appointments with customers	2 hours	N.A.	87.98%	N.A.	83.24%

MEDIUM VOLTAGE SUPPLIES (MV)

END CUSTOMERS

ARETI'S PERFORMANCE

estimates for work on MV networks	30 working days	17.04	94.29%	25.98	74.73%
completion of simple work	20 working days	12.00	100%	13.28	85.72%
completion of complex works	50 working days	14.60	97.14%	49.08	56.75%
supply activation	5 working days	9.60	21.43%	14.22	39.29%
deactivation of supply on customers request	7 working days	37.13	13.04%	54.84	19.23%
reactivation of supply following disconnection for late payment	1 working day	0.38	100%	1.00	66.67%
maximum punctuality band for appointments with customers	2 hours	N.A.	92.36%	N.A.	79.53%

GENERAL LEVELS OF COMMERCIAL QUALITY

SERVICES

**ARERA
PARAMETERS -
minimum percentage of
services to be performed
within a maximum time**

**average
actual
completion
time for
services**

**percentage
of services
performed
within the
maximum
time**

**average
actual
completion
time for
services**

**percentage
of services
performed
within the
maximum
time**

2022

2023

LOW VOLTAGE (LV) SUPPLIES

DOMESTIC CUSTOMERS

ARETI'S PERFORMANCE

reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	29.88	72.65%	31.00	74.00%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	44.57	61.42%	50.00	61.00%

NON-DOMESTIC CUSTOMERS

ARETI'S PERFORMANCE

reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	27.13	73.73%	35.00	74.00%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	60.41	53.83%	74.00	59.00%

MEDIUM VOLTAGE SUPPLIES (MV)

END CUSTOMERS

ARETI'S PERFORMANCE

reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	21.60	80.96%	35.00	73.00%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	38.28	66.67%	64.00	65.00%

Table no. 29 – Main specific and general levels of commercial quality – energy sales (2022-2023)
(ARERA parameters and Acea Energia performance – 2022 data submitted to ARERA, 2023 data not consolidated)

ENERGY SALES			
SPECIFIC LEVELS OF COMMERCIAL QUALITY (*)			
SERVICES	ARERA PARAMETERS maximum time by which the service must be performed	percentage of services carried out within time limit	percentage of services carried out within time limit
		2022	2023
MORE PROTECTED SERVICE		ACEA ENERGIA PERFORMANCE	
billing adjustments	60 calendar days	85.71%	/
double billing adjustments	20 calendar days	100%	/
reasoned reply to written complaints	30 calendar days	80.11%	79.77%
FREE MARKET		ACEA ENERGIA PERFORMANCE	
billing adjustments	60 calendar days	85.71%	55.39%
double billing adjustments	20 calendar days	/	/
reasoned reply to written complaints	30 calendar days	89.72%	78.81%
GENERAL LEVELS OF COMMERCIAL QUALITY			
SERVICES	ARERA PARAMETERS minimum percentage of services to be performed within a maximum time	percentage of services performed within the maximum time	percentage of services performed within the maximum time
MORE PROTECTED SERVICE		ACEA ENERGIA PERFORMANCE	
reply to written enquiries	95% within 30 calendar days	97.39%	98.91%
FREE MARKET		ACEA ENERGIA PERFORMANCE	
reply to written enquiries	95% within 30 calendar days	99.23%	97.44%

(*) Free market and more protected service customers with low and medium voltage supplies, and end customers of low-pressure natural gas (predominantly domestic customers and small businesses) receive an automatic compensation calculated on a base value of € 25 if standards are not met.
The symbol “/” is used when services were not requested during the year, N.A. means the data are not applicable.

Table no. 30 – Service continuity data – energy distribution (2021-2023)
(ARERA parameters and Areti performance – 2021-2022: data certified by ARERA; 2023: provisional data)

ENERGY DISTRIBUTION – CONTINUITY INDICATORS – LV CUSTOMERS					
DURATION OF DISRUPTIONS AND PERCENTAGE CHANGES					
SERVICES	average cumulative duration of long disruptions without prior notice under the operator's responsibility per LV customer per year (minutes)			percentage changes	
	2021	2022	2023	2023 vs. 2021	2023 vs. 2022
high concentration	30.4	29.9	39.1	29%	31%
medium concentration	45.5	37.3	46.4	2%	24%
low concentration	47.3	44.6	34.9	-26%	-22%
AVERAGE NO. OF DISRUPTIONS AND PERCENTAGE CHANGES (*)					
SERVICES	average no. of disruptions without prior notice under the operator's responsibility per LV customer per year			percentage changes	
high concentration	1.603	1.389	1.869	17%	35%
medium concentration	2.461	1.909	2.192	-11%	15%
low concentration	3.247	2.504	3.408	5%	36%

(*) The yearly average number of disruptions per low voltage customer considers both lasting disruptions (> 3 minutes) as well as short disruptions (≤ 3 minutes but longer than 1 second).

Note: the three territorial areas are defined on the basis of the degree of concentration of the resident population: more than 50,000 inhabitants is defined as “high concentration”; between 5,000 and 50,000 inhabitants is defined as “medium concentration”; less than 5,000 inhabitants is defined as “low concentration”.

QUALITY IN THE WATER AREA



199 Water Kiosks active in the areas managed by Acea Ato 2, Gori and AdF: over **47 million** litres of water disbursed, equal to **944 t** of plastic/year saved and over **2,500** tonnes of **CO₂** not released in the atmosphere.



Strategic infrastructure: completed the design and authorisation stages for 4 sub-projects (hydraulic works) linked to the **Peschiera Aqueduct** works



Acea Ato 2: a pilot project for sewer network districting to identify and reduce the amount of parasites

The Acea Group manages the integrated water service (IWS) in several Optimal Areas of Operations (OTA) or District Areas of Lazio, Tuscany, Campania and Umbria through subsidiaries and investee companies. Below, in line with the scope of reporting (see *Communicating sustainability: methodological note*) we described the activities carried out in Lazio, Campania and in Tuscany by the following companies⁸⁶:

- **Acea Ato 2**, in OTA 2 - Central Lazio (Rome and 112 other municipalities⁸⁷, of which 90 are managed⁸⁸ by Acea Ato 2, equal to about 98% of the population in the area), the Group's "historical" area of operation⁸⁹, with a pool of around 4 million inhabitants served;
- **Acea Ato 5**, in OTA 5 - southern Lazio - Frosinone (86 municipalities managed⁹⁰ in the area of Frosinone and vicinity, equal to about 93% of the population), for about 451,000 residents served;
- **Gori** operates in the Sarnese-Vesuviano district (in 76 municipalities - 59 in the province of Naples and 17 in the province of Salerno - of which 74 are managed), with approximately 1.4 million residents served;
- **Gesesa** operates in the Sannita District Area⁹¹ (21 municipalities managed, in the area of Benevento and province), with more than 109,000 residents served;
- **AdF** operates in the Optimal Territorial Conference 6 Ombrone, which includes 55 municipalities (28 in the province of Grosseto and 27 in the province of Siena) with a population of more than 390,000 (for over 378,300 residents served).

The integrated water service (IWS) involves **the entire cycle of drinking water and wastewater**, from the collection of water from the springs until its return to the environment, and is regulated by a **management agreement** signed **between the Company that takes charge of the service and the Area Authority** (AGB - Area Governing Body).

The Regulatory Authority for Energy, Networks and the Environment (ARERA), which also regulates the water sector at a national level, has defined the minimum essential contents of the **"Standard Agreement" between the entrusting bodies and the service operators**. For the main regulatory interventions in the water sector undertaken during the year by ARERA, see paragraph *Context analysis and business model* (Group Profile chapter), and for more details see the Authority's website.

The **Integrated Water Service Charter**, annexed to the Agreement, defines the **general and specific quality standards** that the operator must respect in relation to the users, in compliance with the ARERA Resolutions on **contractual quality and technical quality aspects**. The **User Regulations**, also annexed to the Agreement, govern the **relationship with customers**, establishing the technical, contractual and economic conditions that are binding for the operator in the provision of services. For **the contractual quality performance** of water companies, see below the sub-section *Levels of quality regulated by ARERA in the water segment*.

The **management activities** of the integrated water service, though **closely related** and therefore allowing an **optimal definition of the processes**, must relate to **situations that are very diversified** from the standpoints of **sale, demographics, geomorphology and hydrology** of the regions served, which also have an impact on the infrastructure to be implemented.

The Companies operate in compliance with the procedures of the **certified management systems**, in particular, for Acea Ato 2, Acea Ato 5 and Gesesa in the areas of Quality, Environment, Safety and Energy, for Gori in the areas of Quality, Environment and Safety and for AdF in the areas of Quality and Safety (see, for further details, *The corporate identity, The management systems*).

⁸⁶ Also note that Acea Ato 2, Acea Ato 5 and Gori voluntarily prepare a Sustainability Report each year, to which readers are referred for more data and information.

⁸⁷ In July 2021, with Regional Council Resolution No. 10, the Optimal Territorial Area 2 - Central Lazio-Rome was modified to include the Municipality of Campagnano di Roma, which previously belonged to OTA 1 - North Lazio-Viterbo.

⁸⁸ In 90 municipalities, Acea Ato 2 managed the entire IWS (aqueduct, sewerage and waste water treatment), and the IWS was partially managed in another 16 municipalities.

⁸⁹ Acea was entrusted with the running of the capital's aqueduct service since 1937, the water treatment system since 1985 and the entire sewerage system since 2002, effective 1 January 2003.

⁹⁰ Including the management of two municipalities outside the area (Conca Casale and Rocca d'Evandro).

⁹¹ Previously known as OTA Calore Irpino. DGR 434 of 3 August 2022, amending Regional Law 15/2015.

CONSISTENCY, INTERVENTIONS AND REMOTE CONTROL

The Companies that manage the IIS are committed to progressively **digitalising the networks**, achieved through surveys, on site checks and the **entry of data in geo-referenced information systems** (GIS)

making it possible to optimise control over and planning of projects, with percentages in excess of 90% achieved for geo-referenced networks. See the amounts found in table no. 31.

Table no. 31 – Water network areas (2023)

company	drinking water network (km)	sewerage network (km)
Acea Ato 2	13,873 (730.3 km of aqueduct, 1,246 km of supply network and 11,896.7 km of distribution)	7,594
Acea Ato 5	6,212 (1,235 km of supply network and 4,977 km of distribution network)	1,887
Gori	5,274 (869 km of supply network and 4,405 km of distribution network)	2,746
Gesesa	1,969.9 (173.3 km of supply network and 1,796.6 km of distribution network)	513.2 (among outfalls, main and secondary collectors)
AdF	8,395.8 (1,994.3 km of supply network and 6,401.5 km of distribution network)	1,825 (among outfalls, main and secondary collectors)

The networks are connected to a complex system of equipment and plants necessary for the operations of the aqueduct, treatment and sewerage services.

Each year, the Companies carry out:

- **infrastructure interventions** such as **modernisation** or **strengthening of the plants**, the **remote control** of infrastructures, the **completion, extension** or the **drainage of pipelines and networks**, to contain the losses and improve the efficiency and quality of the service provided;
- **interventions and activities to improve utility management** (such as installation and replacement of meters), in addition to everything concerning the relationship with customers, for which reference is made to the paragraph *Customer care*;
- **interventions and activities to protect people and territory**, aimed at ensuring the **quality of the drinking water** distributed and the water returned to the environment, such as the Water Safety Plans (WSPs) and laboratory controls; see the section *Relations with the environment*, paragraph *Water segment*).

For a quantification of the main interventions carried out by the companies during the year and the analytical checks on drinking water and waste water carried out independently or by Acea Infrastructure, see Table 32.

In 2023, **Acea Ato 2** continued the development of all interventions in collaboration with Acea Infrastructure, intended to secure and modernise the **Peschiera aqueduct system, essential strategic infrastructure**: to ensure greater resilience of the procurement and supply system managed. The design/authorisation stage was completed for the **4 sub-projects**⁹² relating to hydraulic works, identified in 2021, which will also be carried out using financing obtained

through the NRRP⁹³. As regards the **main intervention**, the “New Upper Section of the Peschiera Aqueduct”, which will also be carried out thanks to financing of € 700 million established by the 2023 Budget Law (Italian Law no. 197/22), **the authorisation procedure continued in 2023**⁹⁴.

Among the projects implemented during the year, Acea Ato 2 **installed 154 hydro valves** to optimise operating pressure in distribution networks and **reclaimed around 68 km of water network**; it **completed the installation of important major supply systems** able to increase the resilience of complex municipal systems, particularly with reference to the **Acquedotto Marcio – Acquedotto Simbrivio** interconnections of **Albano Laziale** and **Serbatoio Galilei – Serbatoio Montanucci** in **Civitavecchia**; to increase the water available in municipalities managed, it completed new drinking water plants or improved/expanded existing ones, in the municipalities of Ariccia, Allumiere, Rignano Flaminio, Manziana and Velletri. Finally, the programme to install flow-limiting devices on rural utilities to limit non-drinking consumption is still in place.

In 2023, under the NRRP, Acea Ato 5 received financing for its **investments in purification and sewers**⁹⁵ for projects that will be completed by 2026. The Company also participated in the tender for Development and Cohesion (CIS) funds for projects to **reduce water leaks**, including digitalisation and monitoring of networks utilising NRRP resources. It was classified as eligible but not financed due to a lack of funds. Nonetheless, when additional resources were obtained, in December 2023, following a proposal submitted by Acea Ato 5, the Technical Operational Secretariat confirmed the need to finance the proposed projects and sent the relevant Ministry the update to the procedural schedule.

92 These are the “New Marcio Aqueduct - Lot I”, the “Raddoppio VIII Syphon - Casa Valeria Section - Ripoli Tunnel Exit - Phase I”, the “Ottavia - Trionfale Supply System” and the “Monte Castellone - Colle S. Angelo (Valmontone) Pipeline”.

93 According to Ministerial Decree 517/21 and the Decree of the State General Accounting Office no. 160/22 (provision for launch of works that cannot be postponed).

94 On the basis of the opinion of the authority responsible for overseeing public works expressed at the meeting on 14/10/2020 (no. 46/2020) and pursuant to art. 44, paragraph 1-bis of Law 108/21.

95 This refers to financing for “NRRP- M4C2 - I4.4 Investments in purification and sewers”, approved with MASE Decree R.262 of 9 August 2023.

Table no. 32 – Main interventions on the drinking water and sewerage networks and controls on drinking water and wastewater (2023)

INTERVENTIONS ON DRINKING WATER NETWORKS, METERS AND WATER TESTS	
type of work	
ACEA ATO 2	
interventions due to network failure/leak detection	37,676 interventions (37,314 due to faults, 362 leak detection)
planned interventions	12,771 interventions
Meter installations (new installations and replacements)	16,979 installations (12,854 new installations and 4,125 replacements) and 21,097 mass replacements under contract
network extension	6.3 km of expanded network
network reclamation	68 km of reclaimed network
drinking water quality control	14,412 samples collected and 419,940 tests performed
ACEA ATO 5	
interventions due to network failure/leak detection	10,708 interventions
planned interventions	4 interventions
Meter installations (new installations and replacements)	9,734 installations (3,165 new installations and 6,569 replacements)
network extension	1.6 km of expanded network
network reclamation	45.1 km of reclaimed network
drinking water quality control	3,268 samples collected and 119,229 tests performed
GORI	
interventions due to network failure/leak detection	14,310 interventions
planned interventions	9,069 interventions
Meter installations (new installations and replacements)	14,500 installations (11,984 new installations and 2,516 replacements, due to wear or malfunction) and 11,703 installations (on financed resources)
network extension	1.04 km of expanded network
network reclamation	81.8 km of reclaimed network
drinking water quality control	5,367 samples collected and 144,731 tests performed
GESESA	
interventions due to network failure/leak detection	4,269 interventions (4,177 due to faults, 92 leak detection)
planned interventions	290 interventions
Meter installations (new installations and replacements)	342 installations (120 new installations and 222 replacements)
network extension	0 km of expanded network
network reclamation	10 km of reclaimed network
drinking water quality control	906 samples collected and 11,639 tests performed
AdF	
interventions due to network failure/leak detection	8,900 interventions (8,308 due to faults, 592 leak detection)
planned interventions	64 interventions
Meter installations (new installations and replacements)	31,996 installations (3,291 new installations and 28,705 replacements)
network extension	0 km of expanded network
network reclamation	28 km of reclaimed network
drinking water quality control	3,841 samples collected and 73,218 tests performed
INTERVENTIONS ON SEWERAGE NETWORKS AND TESTS	
type of work	
ACEA ATO 2	
interventions due to network failure	2,447 interventions
planned interventions	500 interventions
network extension	5.3 km of expanded network
network reclamation	13.7 km of reclaimed network
wastewater quality control	7,619 samples collected and 145,889 tests performed

ACEA ATO 5

interventions due to network failure	264 interventions
planned interventions	-
network extension	0.2 km of expanded network
network reclamation	3.5 km of reclaimed network
wastewater quality control	3,074 samples collected and 88,803 tests performed

GORI

interventions due to network failure	414 interventions
planned interventions	7,677 interventions
network extension	7.7 km of expanded network
network reclamation	7.4 km of reclaimed network
wastewater quality control	1,897 samples collected and 48,871 tests performed

GESESA

interventions due to network failure	141 interventions
planned interventions	16 interventions
network extension	0 km of expanded network
network reclamation	0.10 km of reclaimed network
wastewater quality control	445 samples collected and 11,345 tests performed

AdF

interventions due to network failure	309 interventions
planned interventions	20 interventions
network extension	0 km of expanded network
network reclamation	3 km of reclaimed network
wastewater quality control	8,570 samples collected and 43,062 tests performed

Acea Ato 2's aqueducts and supply network are equipped with **remote-control systems: meters and sensors** connected to the field equipment provide the **central system** with useful information on the condition of the network and its operation (system set-up, pump and valve status, hydraulic, chemical, physical and energy measurements), **highlighting any alarms** and offering the possibility of **remote operation**, such as turning pumps on or off, opening, closing or adjusting valves. Rome's particularly complex distribution network is fed by water centres, where **remote control has been implemented extensively**. The **water centres** and **points on the network** which are partially or fully **remote controlled** saw a **further increase**: at the end of 2023 the following were remote controlled: **1,291 systems** on the collection and distribution network (in springs, wells, aqueducts, major supply systems, water centres, drinking water plants) and additional **2,327** remote controls along the distribution network (1,547 districting points, 148 water kiosks and 632 network pressure sensor points). Of these, **541** are equipped with **water quality** measurement systems (turbidity, residual chlorine, etc.) **For the** the sewage system the progressive remote control of the entire sector is very advanced **which intervenes on both central systems and plants** (large and small treatment plants and sewage lifting plants): **the main treatment plants are already remotely controlled through on-site rooms** and further work to upgrade the technology and connect them to the central room is in progress. Additionally, during **2023**, Acea Ato 2 developed a **pilot sewer districting project** in the Municipality of Fiano Romano, making it possible to implement a procedure **to identify and reduce the amount of parasites in the sewer network**.

This method was be applied to municipalities along Bracciano Lake starting in September 2023, which have sewer networks connected to the **collector skirting the lake** and, through this, the **CoBIS TREATMENT PLANT**. Monitoring of sewage networks through the creation of districts and management of these using the WMS platform makes it possible to **increase understanding** of how the networks function and, consequently, **optimise them**, with the aim **of identifying and reducing the impact of parasites in the sewage network**.

The water sites managed by **Acea Ato 5** - including supply sources, distribution plants, sewage lifting stations and purification plants - are partly **equipped with remote control**, which makes telemetry, remote command and control possible, as well as the detection of hydraulic (water flow rate, network pressure, tank level, operating status of electric pumps), electrical and qualitative (turbidity and residual chlorine) parameters. At the end of 2023, **there were 457 systems with a remote control system installed** (equipped with flow rates, pressure and levels hydraulic measurements, with 16 systems also equipped with water quality control and 153 network points with continuous pressure or flow monitoring systems).

The plants managed by **Gori**, relating to the drinking water, sewage and purification systems, **are all already equipped with remote-control systems**; there are a total of **677 plants** (269 water sites and 203 water network nodes, 195 sewage sites and 10 purification sites), at which telemetry, remote command and control activities, as well as the detection of hydraulic parameters, are carried out. A local control system provides automated management⁹⁶ of electric pumps and valves, according to a logic of energy efficiency and

96 With human intervention only in emergencies.

saving of water resources; in the largest reservoirs, outflow control valves are installed and remotely controlled, for dynamic adjustment of the quantity of resource supplied, based on different water availability scenarios. The application of **IoT technologies** in nodes of the water and sewerage networks **where electricity is absent** also allows essential network parameters (pressures and flows) to be monitored.

Gesesa has moved forward in recent years with the installation of the remote control system in the sites it manages; in 2023, this was suspended⁹⁷ and extraordinary maintenance was carried out on the sites. **AdF** extended remote control **to another 118 sites** in 2023, mainly in water network control rooms and sewage pumping stations; constant monitoring of the networks (district flow measurements and control valves) and of the small reservoirs makes it possible to reduce inefficiency while also optimising management. The automatic instruments installed on the pumping systems of the sewage lifts also facilitate predictive maintenance, frequency analysis of alarms, and the status of priority process meters for management and budgetary purposes. Work continued in 2023 year to implement **automatic regulation of the network**, depending on pressure conditions, and tests on battery-powered pressure and flow rate sensors with NB-IoT technology. As at 31 December 2023, there were a **total of 1,164 remote-control** sites managed by **AdF**, relating to the drinking water, sewage and purification systems, including plants and manholes (of which 519 aqueduct sites and 254 water network nodes, 276 sewage sites and 115 purification sites).

The issue of **limiting losses on distribution networks** is carefully monitored by all Group companies, which are committed to the **sustainable management of the water cycle**; to this end, **organisational structures dedicated to protecting the resource** have been set up. The companies carry out districtisation, inspection and reclamation of the networks, installation of automatic valves and other pressure control instruments, verification and calibration of meters, identification of abnormal consumption and implement interventions to counter illicit connections and improper use of the resource. The specific activities undertaken in 2023 by each company are illustrated in the dedicated chapter *Water Segment* in the section *Relations with the environment*, to which reference should be made.

UTILITY MANAGEMENT AND SERVICE CONTINUITY

The companies continued in 2023 with the **installation of new meters and the replacement of old ones** (see figures in Table 32).

Acea Ato 2, as part of its **mass replacement of meters**, continued activities to support **progressive remote reading** of water meters, thanks to the installation of specific devices; in 2023, it installed **around 4,600 devices**, reaching a total of **around 38,400 remote reading devices**. The Company also plans to introduce **specific solutions** according to different requirements, with the installation of “Add-On” devices mainly on the large sizes, whereas for lower sizes (for example pipes with diameter DN15), it is implementing **the design and development of an “integrated smart meter” remote reading device with innovative and advanced Note-IoT technology for the water service**, which is expected to provide benefits in terms of remote management and optimisation of quality, quantity and security of data.

AdF continued to implement **remote meter reading** in its territory, also installing meters with **Note-IoT** transmission technology, making it possible to increase reading and data collection frequency;

in 2023 it installed **around 29,000 meters** for remote reading, achieving **70% coverage of the entire fleet of meters**. AdF also has a **platform for analysing, checking and monitoring** data from remote reading, which, by also integrating data collected from fixed and mobile concentrators, allows greater control of the flows supplied and network balance.

The **continuity of the water supply** is a fundamental service parameter for customer satisfaction, which is subject to regulation by the ARERA. Table no. 33 shows the data of the last three years relating to **disruptions and water reductions, urgent** (due to accidental breakdowns of pipelines or plants, energy interruption, etc.) **or planned**, for the Companies in question.

Table no. 33 – Number, type and duration of disruptions in the supply of water (2021-2023)

type of disruption	2021	2022	2023
ACEA ATO 2 (*)			
urgent disruptions (no.)	911	882	1,126
planned disruptions (no.)	336	262	202
total disruptions (no.) (**)	1,247	1,144	1,328
suspensions lasting > 24hrs (no.)	167	179	311
ACEA ATO 5			
urgent disruptions (no.)	691	686	686
planned disruptions (no.)	397	457	367
total disruptions (no.) (**)	1,088	1,143	1,053
suspensions lasting > 24hrs (no.)	0	0	38
GORI			
urgent disruptions (no.)	2,629	2,610	2,850
planned disruptions (no.)	59	141	341
total disruptions (no.) (**)	2,688	2,751	3,191
suspensions lasting > 24hrs (no.)	0	0	0
GESESA			
urgent disruptions (no.)	17	36	6
planned disruptions (no.)	19	46	74
total disruptions (no.) (**)	36	82	80
suspensions lasting > 24hrs (no.)	8	0	0
AdF (*)			
urgent disruptions (no.)	2,158	2,041	2,177
planned disruptions (no.)	342	423	435
total disruptions (no.) (**)	2,500	2,464	2,612
suspensions lasting > 24hrs (no.)	44	44	36

(*) The 2021 figures for Acea Ato 2 have been consolidated; the figures for the 2020-2021 two-year period for AdF, net of the item suspensions lasting > 24hrs, have been adjusted excluding the disruptions lasting over one hour, in line with what was reported to ARERA. The 2022 figures for AdF were adjusted following validation by the Tuscan Water Authority. Finally, the 2023 figures for Acea Ato 2 and AdF are preliminary and being consolidated. Any adjustments, after data consolidation, will be reported in the next reporting cycle.

(**) As envisaged by ARERA, total disruptions include shutdowns (due to damage to pipes/pipelines and network changes) and interruptions due to disruptions and system anomalies. The number of total out of service cases is therefore used for the calculation.

97 Due to the block on investments imposed by the Campania Water Authority.

WATER DISTRIBUTED AND RETURNED TO THE ENVIRONMENT

The quality of the drinking water distributed safeguards aspects related to the health and safety of the community and the resource returned to the receiving water bodies has impacts on safeguarding ecosystems. Consequently, all the Companies independently carry out controls on drinking and wastewater using internal laboratories or with the support of Acea Infrastructure (see Table 32).

In particular, tests on water intended for consumption are carried out on samples collected from springs and wells, supply plants, reservoirs and along distribution networks, as well as samples collected for extraordinary testing and specific parameters. Test frequency and sampling points are defined taking into consideration the volumes of water distributed, population served, network and infrastructure conditions and specific characteristics of local springs (see also *Environmental relations*).

All the Water Operations Companies in the Group have started preparations or begun to implement Water Safety Plans (WSPs), aimed at preventing and reducing the risks inherent to the drinking water service; the activities in question, conducted in 2023, are illustrated in the Water Area chapter in the "Relations with the Environment" section, to which reference should be made.

As regards the territory managed by Acea Ato 2, the spring water collected to supply the Rome and Fiumicino area presents levels of excellent quality at the source, while in the Castelli Romani area and other areas of upper Lazio, the volcanic nature of the terrain adds mineral elements to the aquifer such as fluorine, arsenic and vanadium, in concentrations exceeding those envisaged by the law. Every year, Acea Ato 2 implements projects to overcome these issues, such as by decommissioning some local sources of supply and replacing them with higher quality springs. In particular, in 2023, Acea Ato 2 built new drinking water plants or upgraded/expanded existing plants in the municipalities of Ariccia, Allumiere, Rignano Flaminio and Manziana, in which these activities had begun the previous year, and in Velletri. It also began projects to create aqueduct connections between the two Simbrivio aqueducts and research for extraordinary maintenance projects to extend infrastructure life and improve the service provided.

Thanks to the water supply source quality monitoring project using on-line tools, begun in 2021, AdF controls around 75% of water taken from the environment. The project involved the installation of the instruments, the acquisition of the remote-control signals and the preparation of the relative control/reporting dashboards, through which it is possible to integrate the qualitative data collected with quantitative information and with the meteorological and hydrogeological information made available online by the related regional services, updated on a daily basis. The installation of online measurement systems and the uptake of remote control makes it possible to continuously monitor the quality of the water and activate early warning systems as provided for in the guidelines of new regulations on the

safety of drinking water.

Gori distributes quality water, collected from deep wells. The qualitative characteristics of the water are verified by the internal "Francesco Scognamiglio" laboratory, located in Pomigliano d'Arco, which uses cutting-edge instruments, including a spectrometer capable of determining all the metals indicated by the regulations in force on drinking water.

Gesesa participates in the technical round table, together with relevant institutions, dedicated to the monitoring and characterisation of the groundwater resource that, through the Campo Mazzoni and Pezzapiana wells, supplies the city of Benevento. The Company moved forward with the project to achieve an activated carbon filtering system to treat drinking water serving the Benevento water plant; during the year, two wells were decommissioned, located in the municipalities of Forchia and Ponte, in which a significant increase in the concentration of tetrachloroethylene had been detected.

In 2023, 199 water kiosks were active (148 for Acea Ato 2, of which 43 in Rome and 105 in the province, 20 for Gori and 31 for AdF), 34 more than in 2022. These dispense chilled natural or sparkling water, free or for a minimal cost, and are installed throughout the territory, available to citizens and tourists. The water distributed is the same as the aqueducts and the quality is certified by regular checks conducted by the companies and the relevant local health authorities. The initiative has been positively received and in 2023 the water kiosks disbursed a total of around 47.2 million litres of water (around 40.5 million litres for Acea Ato 2 water kiosks, around 4.0 million litres for Gori and around 2.7 million litres for AdF), 22% more than in 2022, with sparkling water accounting for around 57%. Litres disbursed during the year are equivalent to 944 tonnes of plastic saved (equivalent to around 31.5 million 1.5 litre bottles) and over 2,500 tonnes of CO₂ not emitted into the atmosphere (around 25% more than the 2022 figure, equal to 2,000 t of CO₂ avoided), due to non-production of bottles⁹⁸ and net of emissions due to the energy consumed by the kiosks⁹⁹ and the additional CO₂ utilised to make sparkling water.

Acea Ato 2 is also responsible for water up to the "point of supply" for the drinking water fountains in Rome (so-called . The Waidy Wow app, designed by a team in the Acea Group, makes it possible to identify the water supply points located throughout the territory, not only in the areas served by the Group companies, but across Italy, with over 50,000 water points mapped. The application is designed and developed to create a community, to improve the lifestyle of the people who use it, and to promote values and habits formed with respect for the environment. It led to communication initiatives that disseminate the culture of water and the beauty of the territory: indeed, one feature makes it possible to identify personalised routes by following the "water ways" (drinking fountains, fountains, water kiosks) or to access pre-set thematic routes and related multimedia content.

⁹⁸ The figure, although significant, is certainly underestimated because it does not take into account the emission savings induced by not transporting the bottles by road/rail.

⁹⁹ Consumption data of the AdF water kiosks managed by the municipalities are not available.

THE PERCEIVED QUALITY OF DRINKING WATER, RESULTS OF THE 2023 SATISFACTION SURVEYS

Acea measures customer habits and perceptions regarding the quality of the drinking water supplied. The customer satisfaction surveys not only include an overall opinion on water quality, but also an in-depth analysis of the subject. The results presented below are the average of the two half-yearly surveys, carried out using CATI and CAWI methodology.

For Rome and Fiumicino, where the service is managed by Acea Ato 2, the overall rating for the taste, smell and clarity of drinking water, expressed by the sample of respondent remained stable and high (7.5/10); 49.8% of those surveyed state they always or frequently drink¹⁰⁰ tap water while 24.8% (30.7% in 2022) state they never drink it.

In other areas served by Acea Ato 2 in the province of Rome, the overall satisfaction rating for water quality was 6.9/10, stable with respect to 2022; in terms of consumer habits, 41% of the sample stated they always or frequently drink tap water and 39% (41% in 2022) that they never drink it.

For Acea Ato 5 customers in Frosinone and in the province, in 2023 the overall opinion expressed on drinking water came to 6.2/10, in line with 2022. The percentage of respondents who state they

habitually drink tap water remained low at 17.8%, while the percentage who state they never drink it (58%) was stable and high.

In the Sarnese Vesuviano district, the overall opinion on drinking water expressed by Gori customers in 2023 remains stable at 6.4/10 (6.2/10 in 2021), with the percentage of respondents who say they never drink tap water falling significantly to 45.7% (58.7% in 2022).

For Gesesa customers in Benevento and province, the overall rating indicated for drinking water quality was 6.6/10 (6.7/10 in 2022); 19.4% of customers state they always or frequently drink tap water, while 58.3% state they never drink it, down from the 62% recorded in 2022.

For customers of AdF, operating in the province of Grosseto and Siena, the overall opinion expressed on drinking water remains stable at 7.4/10. The percentage of respondents stating that they habitually drink tap water was 45.8%, while the percentage of those stating that they never drink it fell to 32.4% (37.7% in 2022).

Among the reasons given by those stating they never drink tap water the habit of drinking mineral water, health aspects and the issue of "taste" continue to prevail in the responses coming from the customers of all the companies.

The collection of wastewater and its treatment prior to being returned to the environment takes place through a complex system and a configuration organised by "areas" comprising wastewater treatment plants, sewerage networks connected thereto and the associated pumping stations. Acea Ato 2 manages and/or operates 765 sewage lifting plants, 171 purification plants and more than 7,500 km of sewerage networks; in 2023, the company continued with its plan to centralise the purification plants, for the work carried out, see the box in the Water Area chapter of the section Relations with the environment.

The Acea Ato 2 Environmental Operations Centre constantly monitors data recorded remotely using cutting-edge technology relating to hydrometric and rainfall information for the Rome area, shared with the Rome Hydrographic and Tide Gauge Operations Office, as well as data on the quality of water of the water bodies: in 2023, 410 samples were taken at 9 sampling points on the Tiber and Aniene rivers and at 24 sampling points on Lake Bracciano.

In the territory of the municipality of Rome, Acea Ato 2 also manages the lifting plants and tanks for the watering network and the non-drinking water network supplying the water features of the most important artistic fountains. In particular 9 of the main artistic and monumental fountains of the capital: the Triton Fountain, the three fountains in Piazza Navona – the Fountain of the Four Rivers, the Moor Fountain and the Fountain of Neptune – the Trevi Fountain, the Fountain of Turtles, the Fountain of Moses, the Fountain of the Naiads.

The infrastructure of the water treatment and sewerage service managed by Acea Ato 5 includes, as at 31 December 2023, 236 sewage lifting plants, 124 purification plants and approximately 1,887 km of dedicated networks. Gori manages 2,746 km of network serving the water treatment and sewerage system and

13 treatment plants some serving individual municipalities and others serving inter-municipal areas of Sarnese-Vesuvius agriculture. The Company has moved forward with the project begun in 2021 to complete sewer and purification works in the Sarno River hydrographic basin, which will have significant positive environmental impacts, both by restoring the river ecosystem, thanks to the removal of polluting discharges, and improving the quality of agricultural and other products in the Gulf of Naples area.

As at 31/12/2023 the infrastructure of the water treatment and sewerage service managed by AdF included 356 sewage lifting plants, 152 treatment plants (and 152 Imhoff tanks) and over 1,825 km of sewage networks. Gesesa, in the territory served, manages 20 sewerage pumping stations, 30 treatment plants and 513 km of dedicated networks.

QUALITY LEVELS REGULATED BY ARERA IN THE WATER SECTOR

The Regulatory Authority for Energy Networks and Environment (ARERA) defines the specific and general levels of contractual quality for the water sector¹⁰¹. In 2019, the Authority outlined¹⁰² an incentive system made up of bonuses and penalties to assign, starting in 2022, based on operator performance and the two-year period from 2020-2021 was the first considered when applying the incentive mechanism for the contractual quality of the integrated water service; the Authority ended the proceedings¹⁰³ in October 2023, publishing the results (see the box: Interventions by Sector Authorities with respect to Acea: reviews, bonuses and penalties in the chapter on Institutions and the company). Additionally, with resolution 639/2021, in order to support the improvement process already begun in the sector and mitigate the effects of possible interruptions due to the

¹⁰⁰In 2023, to improve analysis, the response options were adjusted (from regularly/sometimes/never to always/frequently/sometimes/never); therefore, the comparison with 2022 is limited to those responding "sometimes" and "never".

¹⁰¹For most of the services the regulation of contractual quality aspects is in force from July 2016 according to resolution 655/2015/R/Idr or RQSII (Regulation of the contractual quality of the integrated water service).

¹⁰²With resolution 547/2019/R/IDR.

¹⁰³In particular, with resolution 476/2023/R/Idr of 17 October 2023, as amended by resolution 500/2023/R/IDR of 31 October 2023, ARERA completed the proceedings for application of the incentive mechanisms for the integrated water service contractual quality regulation (RQSII), for 2020-2021.

end of the Covid-19 state of emergency, ARERA **extended the flexible elements** of the performance assessment mechanisms already established, including **cumulative evaluation on a biennial basis** (2022 – 2023) for quality objectives.

While the introduction of the new incentive system for contractual quality did not include the possibility, initially applied¹⁰⁴, to access bonuses in the case quality standards were achieved exceeding those defined at the national level, certain companies, including Acea Ato 2, **nonetheless maintained the improvement levels¹⁰⁵ for contractual quality standards**. In particular, for Acea Ato 2, the improvement standards involve **39 indicators out of 47 established in the resolution**. **For some services** envisaged in the Service Charters attached to their respective concession agreements, **Acea Ato 5 and AdF also pursue and have maintained standards that are better than those imposed by the Authority**.

The timing of the delivery of data on specific and general contractual quality levels to the Authority shall be subsequent to the publication of this document. Therefore, **unconsolidated data for all companies are presented here**, based on the best estimates available at the time of publication, and are intended as **indicative of performance trends**; consolidated data will be published in the next reporting cycle (see Tables 34-38).

There is a mechanism for **automatic compensation of customers** in the event of non-standard performance on "specific" indicators, the value of which varies according to the delay in performance (see also the box describing investigations, rewards and penalties in the chapter *Institutions and the Company*).

The water companies, as required by the Authority, **communicate commercial performance data to users in their bills once a year**: Acea Ato 2, Acea Ato 5, AdF and Gori also publish them online, and all publish **information on the quality of the drinking water distributed** on their websites.

Finally, note that in **resolution 637**, issued at the **end of December 2023**, the Authority **updated data collection and the application of the incentive mechanism for water service quality** (both technical and contractual). Among the expected changes, as from 2024 quality objectives will be evaluated in a stable manner, and bonus and penalty factors will be applied cumulatively on a biennial basis based on the level achieved (at the end of odd years). Additionally, a ceiling will be established for bonuses, equal to 15% operator's guaranteed revenue constraint (GRC). The same resolution also amended, in compliance with the new regulations on drinking water (Italian Legislative Decree 18/2023), the information to be made available to users on the operators' websites, with direct access on the homepage and from the link found on the bill.



¹⁰⁴ Contractual quality premiums related to the achievement of improved quality standards with respect to those defined in Resolution 655/2015/R/IDR were introduced by Resolution 664/2015/R/Idr on the Integrated Water Service Tariff Method for the second regulatory period (2016-2019).

¹⁰⁵ The improvement levels were defined through the application submitted in 2016 by the Area Governing Body (Conference of Mayors of ATO 2 Central Lazio) and accepted by ARERA, and with the amendments subsequently made by resolution 4/20 of the Conference of Mayors relating to the updating of the Service Charter.

Table no. 34 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Acea Ato 2
(ARERA parameters, improvement standards and Acea Ato 2 performance – 2022 data are consolidated, 2023 data are not consolidated)

ACEA ATO 2 - CONTRACTUAL WATER QUALITY SEGMENT						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	ACEA ATO 2 IMPROVEMENT STANDARD	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
ACEA ATO 2 PERFORMANCE						
			2022	2023		
estimate for water connection with inspection	20 working days	15 working days	4.0	99.2%	3.6	98.8%
estimate for sewage connection with inspection	20 working days	15 working days	3.6	100%	4.6	98.1%
execution of the water connection with simple work	15 working days	10 working days	4.3	100%	4.5	99.1%
execution of the sewage connection simple work	20 working days	15 working days	/	/	5.0	100%
supply activation	5 working days	3 working days	3.2	97.6%	3.2	97.7%
reactivation or takeover of the supply without changing the meter rate	5 working days	3 working days	1.5	98.7%	1.4	98.7%
reactivation or takeover supply with changes to the meter rate	10 working days	6 working days	1.0	100%	1.0	100%
reactivation of supply following disconnection for late payment	2 working days	1 weekday	0.6	99.5%	0.7	98.9%
deactivation of supply	7 working days	3 working days	2.1	99.4%	1.7	99.5%
transfer of registration	5 working days	3 working days	0.3	99.2%	0.2	99.8%
estimates for works with inspection	20 working days	15 working days	4.0	99.8%	3.2	99.8%
completion of simple work	10 working days	6 working days	3.2	100%	6.9	93.8%
punctuality band for appointments	180 minutes	120 minutes	0.9 h	99.2%	3.8 h	99.1%
reply to complaints	30 working days	20 working days	5.7	100%	6.0	100%
reply to written enquiries	30 working days	20 working days	4.8	100%	4.9	100%
billing adjustment	60 working days	55 working days	6.4	100%	5.8	100%
GENERAL LEVELS OF QUALITY						
ACEA ATO 2 PERFORMANCE						
			2022	2023		
completion of complex water connection	90% of the services within 30 working days	90% of the services within 20 working days	8.1	98.0%	9.1	97.1%
completion of complex sewage connection	90% of the services within 30 working days	90% of the services within 25 working days	36.6	71.4%	23.5	89.6%
completion of complex works	90% of the services within 30 working days	90% of the services within 20 working days	12.7	95.0%	13.0	92.8%
maximum time for the agreed appointment	90% of the services within 7 working days	90% of the services within 5 working days	2.2	99.5%	2.4	99.3%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	90% of the services within 2 minutes from the telephone conversation with the operator	4.6	97.5%	2.5	98.1%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	95% of the services within 20 working days from receipt of the request	5.7	100%	5.9	100%
reply to the emergency call (CPI)	90% of the services within 120 seconds	90% of the services within 110 seconds	14	98.7%	16	98.8%

Note: 2023 figures are estimated and not consolidated; the symbol “/” is used when there were no services during the year.

Table no. 35 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Acea Ato 5
(ARERA parameters, improvement standards from the Service Charter, and Acea Ato 5 performance – 2022 data are consolidated, 2023 data are not consolidated)

ACEA ATO 5 - CONTRACTUAL WATER QUALITY SEGMENT						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	ACEA ATO 5 IMPROVEMENT STANDARD (from SC)	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
ACEA ATO 5 PERFORMANCE						
			2022	2023		
estimate for water connection with inspection	20 working days	10 working days	3.4	98.9%	3.0	99.2%
estimate for sewage connection with inspection	20 working days	10 working days	5.7	90.6%	4.7	97.2%
execution of the water connection with simple work	15 working days		2.3	100%	2.6	100%
execution of the sewage connection simple work	20 working days		/	/	32.0	0%
supply activation	5 working days		2.5	97.5%	1.6	98.1%
reactivation or takeover of the supply without changing the meter rate	5 working days		1.8	98.5%	1.6	99.4%
reactivation or takeover supply with changes to the meter rate (*)	10 working days		/	/	0.0	100%
reactivation of supply following disconnection for late payment	2 working days		0.9	98.4%	0.6	99.3%
deactivation of supply	7 working days	5 working days	2.2	99.4%	1.7	99.4%
transfer of registration	5 working days		0.6	99.7%	0.8	99.8%
estimates for works with inspection	20 working days		3.2	100%	3.7	99.8%
completion of simple work	10 working days		6.0	100%	8.0	100%
punctuality band for appointments	180 minutes		1.6 h	99.4%	2.2 h	99.6%
reply to complaints	30 working days	20 working days	8.7	98.8%	10.9	99.9%
reply to written enquiries	30 working days	10 working days	6.9	99.2%	9.3	100%
billing adjustment	60 working days		6.0	100%	8.7	100%
GENERAL LEVELS OF QUALITY						
ACEA ATO 5 PERFORMANCE						
			2022	2023		
completion of complex water connection	90% of the services within 30 working days	90% of the services within 20 working days	20.5	85.0%	12.9	98.0%
completion of complex sewage connection	90% of the services within 30 working days	90% of the services within 20 working days	38.3	60.9%	15.5	94.3%
completion of complex works	90% of the services within 30 working days		31.1	84.5%	18.0	97.3%
maximum time for the agreed appointment	90% of the services within 7 working days		2.5	99.9%	2.6	99.6%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	95% of the services within 10 working days from receipt of the request	8.0	98.5%	8.9	100%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	90% of the services within 70 minutes from the telephone conversation with the operator	106.3	89.3%	28.0	96.5%

Note: 2023 figures are estimated and not consolidated; the symbol “/” is used when there were no services during the year.

Table no. 36 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Gori
(ARERA parameters and Gori performance - 2022 data are consolidated, 2023 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR- GORI					
SPECIFIC LEVELS OF QUALITY					
SERVICES	ARERA STANDARDS	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
GORI PERFORMANCE					
		2022		2023	
estimate for water connection with inspection	20 working days	4.1	98.9%	3.5	98.6%
estimate for sewage connection with inspection	20 working days	6.3	98.6%	8.5	99.8%
execution of the water connection with simple work	15 working days	15.1	61.5%	8.7	100%
execution of the sewage connection with simple work	20 working days	23.0	66.7%	15.7	80.0%
supply activation	5 working days	4.6	91.8%	3.6	96.3%
reactivation or takeover of the supply without changing the meter rate	5 working days	1.8	97.9%	1.7	99.4%
reactivation or takeover of the supply with changes to the meter rate	10 working days	/	/	/	/
reactivation of supply following disconnection for late payment	2 working days	0.7	96.2%	1.2	95.5%
deactivation of supply	7 working days	3.0	98.5%	1.8	99.7%
transfer of registration	5 working days	0.5	98.7%	0.3	99.4%
estimates for works with inspection	20 working days	4.8	99.1%	6.0	99.3%
completion of simple work	10 working days	14.4	69.4%	9.0	79.5%
punctuality band for appointments	180 minutes	1.3 h	99.1%	4.0 h	98.1%
reply to complaints	30 working days	11.0	98.8%	14.6	97.2%
reply to written enquiries	30 working days	6.5	99.1%	11.7	98.5%
billing adjustment	60 working days	16.6	100%	12.5	100%
GENERAL LEVELS OF QUALITY					
GORI PERFORMANCE					
		2022		2023	
completion of complex water connection	90% of the services within 30 working days	31.1	68.9%	35.5	68.5%
completion of complex sewage connection	90% of the services within 30 working days	29.3	70.3%	33.8	70.8%
completion of complex works	90% of the services within 30 working days	30.6	69.4%	35.4	66.7%
maximum time for the agreed appointment	90% of the services within 7 working days	3.1	97.6%	2.5	99.4%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	4.7	97.3%	1.3	97.6%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	14.3	99.0%	11.1	98.9%
reply to the emergency call (CPI)	90% of the services within 120 seconds	47.8	97.2%	54.0	94.8%

Note: 2023 figures are estimated and not consolidated; the symbol “/” is used when there were no services during the year.

Table no. 37 – Main specific and general levels of contractual quality in the water sector (2022-2023) – Gesesa
(ARERA parameters and Gesesa performance – 2022 data are consolidated, 2023 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR - GESESA					
SPECIFIC LEVELS OF QUALITY					
SERVICES	ARERA STANDARDS	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
GESESA PERFORMANCE					
		2022		2023	
estimate for water connection with inspection	20 working days	20.3	81.4%	6.2	95.9%
estimate for sewage connection with inspection	20 working days	/	/	/	/
execution of the water connection with simple work	15 working days	2.2	100%	1.8	100%
execution of the sewage connection with simple work	20 working days	/	/	/	/
supply activation	5 working days	13.9	68.9%	8.9	78.7%
reactivation or takeover of the supply without changing the meter rate	5 working days	5.4	89.3%	1.8	95.3%
reactivation or takeover of the supply with changes to the meter rate	10 working days	/	/	/	/
reactivation of supply following disconnection for late payment	2 working days	1.2	93.3%	0.6	99.6%
deactivation of supply	7 working days	3.8	87.7%	2.7	90.0%
transfer of registration	5 working days	0.9	96.9%	1.2	92.3%
estimates for works with inspection	20 working days	12.6	91.1%	4.2	99.2%
completion of simple work	10 working days	6.0	86.2%	1.5	96.1%
punctuality band for appointments	180 minutes	1.6 h	97.0%	3.2 h	96.9%
reply to complaints	30 working days	19.4	99.3%	16.3	99.9%
reply to written enquiries	30 working days	15.8	100%	15.8	100%
billing adjustment	60 working days	9.9	100%	16.1	100%
GENERAL LEVELS OF QUALITY					
GESESA PERFORMANCE					
		2022		2023	
completion of complex water connection	90% of the services within 30 working days	7.1	92.9%	10.9	92.9%
completion of complex sewage connection	90% of the services within 30 working days	/	/	/	/
completion of complex works	90% of the services within 30 working days	4.1	99.1%	6.5	96.9%
maximum time for the agreed appointment	90% of the services within 7 working days	3.48	94.6%	3.1	90.6%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	9.7	83.7%	8.6	61.1%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	14.7	100%	16.1	100%
reply to the emergency call (CPI)	90% of the services within 120 seconds	115.0	83.7%	88.0	98.4%

Note: 2023 figures are estimated and not consolidated; the symbol “/” is used when there were no services during the year.

Table no. 38 – The main specific and general levels of contractual quality in the water sector (2022-2023) – AdF
(ARERA parameters, improvement standards from the Service Charter, and AdF performance – 2022 data are consolidated, 2023 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR- AdF						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	AdF IMPROVEMENT STANDARD (from SC)	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
AdF PERFORMANCE						
			2022	2023		
estimate for water connection with inspection	20 working days		7.4	99.6%	10.1	99.9%
estimate for sewage connection with inspection	20 working days		5.4	99.3%	10.3	100%
execution of the water connection with simple work	15 working days		7.1	97.9%	5.0	97.1%
execution of the sewage connection simple work	20 working days		N.A.	N.A.	N.A.	N.A.
supply activation	5 working days		4.6	92.3%	3.9	94.0%
reactivation or takeover of the supply without changing the meter rate	5 working days		1.9	98.3%	1.8	98.2%
reactivation or takeover supply with changes to the meter rate	10 working days		/	/	2.1	100%
reactivation of supply following disconnection for late payment	2 working days		0.6	98.7%	0.6	99.0%
deactivation of supply	7 working days	5 working days	2.3	96.9%	1.9	97.9%
transfer of registration	5 working days		0.2	99.9%	0.2	99.9%
estimates for works with inspection	20 working days		7.0	99.3%	9.3	100%
completion of simple work	10 working days		4.6	94.7%	5.0	100%
punctuality band for appointments	180 minutes		1.5 h	99.3%	1.6 h	99.6%
reply to complaints	30 working days	25 working days	14.6	100%	11.9	100%
reply to written enquiries	30 working days	25 working days	12.7	100%	9.2	100%
billing adjustment	60 working days		25.4	100%	18.0	100%
GENERAL LEVELS OF QUALITY						
AdF PERFORMANCE						
			2022	2023		
completion of complex water connection	90% of the services within 30 working days		12.3	95.1%	11.3	94.2%
completion of complex sewage connection	90% of the services within 30 working days		18.9	93.2%	17.5	92.3%
completion of complex works	90% of the services within 30 working days		11.7	95.9%	14.1	92.4%
maximum time for the agreed appointment	90% of the services within 7 working days		3.1	98.3%	3.9	98.9%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator		1.5 h	94.9%	1.2 h	97.0%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request		19.7	99.5%	9.6	100%
reply to the emergency call (CPI)	90% of the services within 120 seconds		33.4	98.70%	43.0	98.6%

Note: 2023 figures are estimated and not consolidated; the symbol “/” is used when there were no services during the year.

PRICING

ELECTRICITY SERVICE PRICING

In 2023 there continued to be two main types of electricity markets in Italy: the greater protection service and the free market¹⁰⁶. In the standard market service, the operator of reference of the territory, which operates in a monopoly regime, offers the supply service to the customer at economic and contractual conditions regulated by ARERA. On the free market the services offered and related prices are the result of competition among all operators. In this context, customers choose their supplier and the offer that best meets their requirements. As is known, the **final deadline for the end of the greater protection service has been set as from January 2024**.

The costs of supplying electricity are made up of **four items of expenditure**: “**energy**” (supply and retail sales), “**transport and meter management**” (costs for delivery to customers and meter reading),

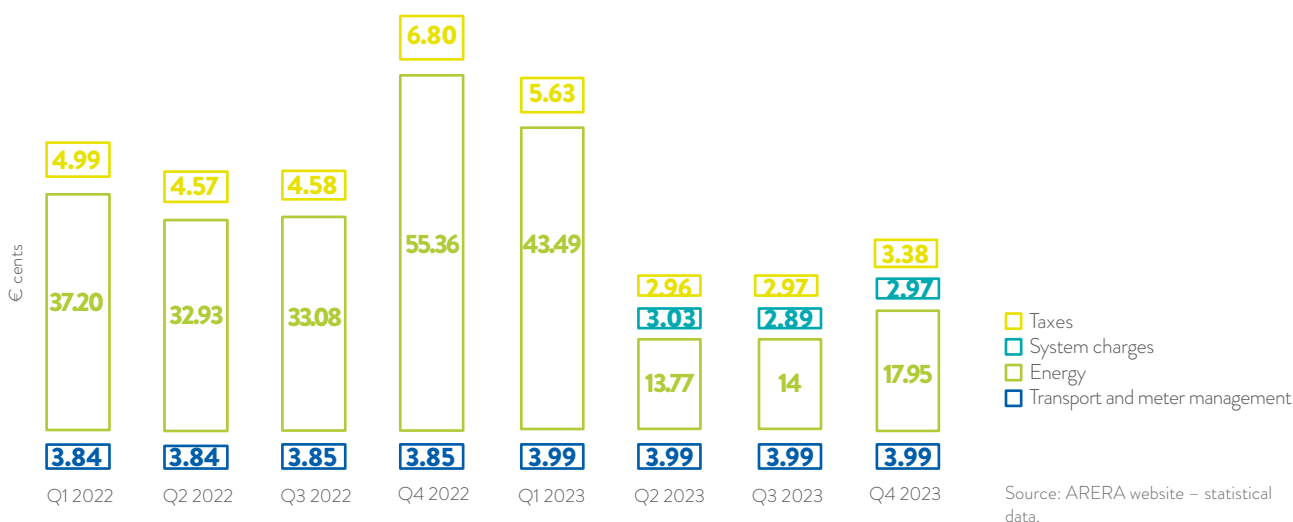
“**taxes**” (consumption tax and VAT) and “**system charges**” (costs for activities in the general interest of the electricity system, borne by all end customers).

Based on the most recently available ARERA figures, customers utilising the **greater protection** service, in terms of **withdrawal points**, represent around **32% of the Italian end market** (38% in 2021).

The significance of the **free market** is clear when observing volumes of electricity sold: free market customers consume **88% of total energy** going to the end market¹⁰⁷ (86% in 2021).

For “**standard**” consumption on the protected market, equal to **2,700 kWh/year**, at a power of 3 kW, estimated **total spending** between **1 January** and 31 December 2023 is around € 890, a decrease of around 33% with respect to the equivalent 12 months in 2022.

Chart no. 29 – Electricity price trend for a standard domestic customer (€ cent/kWh) (2022-2023)



WATER SERVICE PRICING

By Resolution no. 580/2019/R/IDR of 27 December, the Energy, Networks and Environment Regulatory Authority (ARERA) approved the **Water Tariff Method (WTM-3) for the period 2020-2023**, the guiding principles of which are to overcome the *Water Service Divide*, making operating and management costs more efficient, promoting environmental sustainability and increasing the public's awareness of their water consumption habits. Moreover, the added tools and checks envisaged ensure that any **tariff increases are only possible as a result of investments actually made or certified improvements in management**.

Table no. 39 – Average water prices applied (2023)

Company	€/mc
Acea Ato 2	2.06
Acea Ato 5	2.96
Gesesa	1.65
Gori	2.53
AdF	4.10

¹⁰⁶For more information, including about other market segments and the progressive liberalisation process, please see the ARERA website.

¹⁰⁷Based on the number of served collection points and the volumes sold in 2022 (ARERA, 2023 annual report).

CUSTOMER CARE



Around **3,000** GWh of “green” energy sold by **Acea Energia** to customers of the free market (+18% compared to the consolidated figure for 2022)



258.6 tonnes of paper/year saved, +24% compared to the 2022 figure, thanks to customers of the electricity and water services who have chosen electronic billing



452 Acea Energia Points active throughout Italy (+139% with respect to 2022)

CUSTOMER CARE POLICY

Looking after customer relations is fundamental for Acea, which is committed to improving the experience associated with the Group, known as the “customer journey”. The operating companies pursue this objective in their **daily management of interactions with customers**, while at the Parent Company the **Stakeholder and Perceived Quality Unit** ensures the monitoring and measurement of customer satisfaction with services provided, to support the companies with finding possible improvement actions.

The Stakeholder and Perceived Quality Unit, in concert with the Group’s operating companies and through an external market research company, also carry out **mystery client research** to monitor the quality of customer contact channels. In fact, *Mystery Client* surveys are used to constantly assess contact channels, including call centers for sales and to report faults, physical branches, digital branches and live chats, as well as any new channels that may be activated, in order to identify strengths and areas which require improvement. Compliance with service standards is verified (compliant/non-compliant) and process managers are provided with a tool for the process of continuously improving the quality of touch points.

In the context of the parent company’s **Public Affairs & Business Development Department**, the **Association Relations Unit** also monitors responses to issues raised by consumer associations. To that end, the Unit works with the main associations to provide a space for requests coming from local areas and works to increase awareness with respect to using digital and telephone channels reserved for them, which are managed by the companies.

The **Consumer Associations** recognised by the National Consumer and User Council (CNCU) also support and represent custom-

ers who intend to resort to a **joint settlement procedure**, for the out-of-court settlement of **commercial disputes**, used by Acea. According to the **Memorandum of Understanding for ADR** (Alternative Dispute Resolution) conciliation signed by **19 consumer associations** and the main Group companies¹⁰⁸, the **ADR body**¹⁰⁹ was set up, which allows customers of Acea Energia, Areti, Acea Ato 2, Acea Ato 5 and Gesesa to access **out-of-court dispute resolution through the ADR procedure**. In 2023, the Body received a total of **288 requests for procedures** – **134 for the water sector and 154 for the energy sector** – a **decrease of 19%** compared to the previous year (356 requests in 2022). Of these, in accordance with the law and the Regulation, 195 were assessed as proceeding and 93 as not proceeding.

Gori, which has long signed a **Memorandum of Understanding** for the conciliation of disputes with local consumer associations, also handled **68 conciliation procedures** in 2023 and concluded **124 ARERA conciliation requests**.

AdF has a relationship of constant collaboration and comparison with the Consumer Associations active in the territory; in 2023 it ensured direct channels of contact with the representatives of the local associations, in order to limit disputes and facilitate their settlement. Additionally, in June a **meeting was organised with representatives from the provincial associations**, during which aspects were shared including the **payment of bonuses** to support resident households, progress on the next generation **meter installation** project and the expanded **digital services** available to customers.

The **judicial disputes that took place during the year** between Acea and the customers is explained in the dedicated box.

¹⁰⁸ The Protocol was signed in 2016 between the Associations and the companies Acea Energia, Areti, Acea Ato 2 and Acea Ato 5; since December 2020, Gesesa has also joined the ADR body. Three other Group companies active in the water sector, not included in the scope of the NFS, are signatories of the Protocol, and have received a total of 11 requests for ADR procedures, 2 of which are considered not eligible.

¹⁰⁹ Since February 2017 the ADR Body has been included by resolution in the list maintained by the Authority.

DISPUTES WITH CUSTOMERS 2023

Legal proceedings **brought by customers** against companies of the Acea Group mainly concerned disputes relating to **charges for service supply, adjustments, pricing structures and service activation delays**. There were **356** such disputes in **2023**, significantly **less** than the **2022** figure (391 disputes started in the year).

Acea Energia has defined and applies **specific procedures**, depending on the channel used, to combat “**disputed activations/contracts**” and “**unsolicited supplies**”¹¹⁰.

For **customers of the free market**, in the event of a contract proposal signed using **door-to-door sales or by telephone**, the Company carries out procedures to **verify the correct behaviour of the sales operator**, the clear presentation of the content of the contract signed, and, above all, the customer’s **awareness of having made a choice** by means of an email sent to the valid email address supplied, or a confirmation call aimed at limiting the risk of misunderstanding and belated exercise of the right of withdrawal. Acea Energia **checks the completeness and absence of tampering in all printed contracts** and **listens to all the telephone records produced by the sales reps**. If issues are identified, the CRM Salesforce system impedes moving forward with activation of the offer.

For the **digital sales channel**, utilised at the **physical channel Shop in Shop**, in **2023 the digital acceptance process was fully implemented**. This is done by directly preparing the contract on the Acea Energia CRM Salesforce system, sending the customer all contractual and precontractual elements at the valid email address they provide, to be digitally signed utilising a **one time password (OTP)** sent directly to the customer’s cellphone.

For the **telemarketing channel**, the **digital sales “Adobe Sign”** process entirely replaced traditional telemarketing in 2023. This process has a single *vocal order*, strengthened with reference to privacy and quality checks in terms of the technical identification data to be included in the offer, with digital signing also based on a *one time password (OTP)*. With the digital process, the customer contacted, who has expressed interest in receiving a contract proposal, **can receive in advance**, at his/her e-mail address, **all the precontractual and contractual material in digital format** and proceed only later, if desired, with the digital signature of the contract, by entering the OTP received via SMS on the mobile phone number indicated. Again with reference to telemarketing, in 2023 the sub-channel of comparison sites was kicked off, which envisages an outbound call-back from business partners to customers who have preventively given consent to the same on the “lead generation” platforms, previously authorised by Acea Energia. **The same Adobe Sign digital sales process is utilised** without using any *vocal order*, as the preventive granting of consent to a call back by the customer is deemed sufficient.

For the **Door to Door channel**, in the second half of 2023 the **digital sub-channel was launched**, which utilises the same digital acceptance process as the *Shop in Shop* channel, implementing a process on the

As at 31 December 2023, the total number of **disputes pending with customers** (including disputes initiated in previous years) amounted to **1,115, significantly less** compared to the previous year (1,741). This type of litigation is the one that can be resolved most quickly and normally with a less costly procedure.

CRM Salesforce system to carry out **automatic anti-fraud checks**, verifying the email addresses, cellphone numbers and IP addresses, and/or geo-localisation data used by the customer and/or agent when the contract is proposed and subsequently signed by the end customer.

With the new **agency mandates** that govern relations with the network of sales agents, **introduced in the second half of 2023**, Acea Energia simplified one specific annex (“Penalties”) which **governs the sanctioning process** with respect to Agencies, homogenising them for the various sales channels while maintaining scalability for violations and the amounts to be paid in line with criteria of gravity, reiteration and proportion. In this context, in 2023 **Acea Energia analysed 624 contract proposals** (subject to “unfair commercial practice”), identified through customer complaints or reports or through quality controls carried out internally by the Company, for cases of “disputed activations/contracts”, “unsolicited supplies”, “malpractice” or other violations provided for in the “Penalties” annex. **As a result of the verification activities**, Acea Energia **reported** to the Agencies **722 cases of “unfair commercial practices”**, of which 124 relative to cases analysed in 2022 and reported in 2023. As is customary, in 2023 the Company again carried out a **mandatory training programme for sales representatives** (see the Suppliers chapter) and maintained, in the aforementioned agreements, **bonus/malus mechanisms related to the quality of the contracts acquired**.

With the aim of improving communication with its customers, Acea Energia is continuing with the digitalisation and simplification process, to offer innovative services that better meet customer needs. In this context, the **updating and implementing of new functions on the MyAcea Energia App** began, which will be completed in 2024. Additionally, during 2023 a **full restyling of the Acea.it website** was launched, optimising the processes available to customers and improving user experience.

The Company’s goal was to develop a **sales and communication strategy built around sustainability**, with offers, added value services and tools that help protect the environment and, in 2023, it carried out **digital and social campaigns focussed on education** around the theme of **reduced consumption**, to raise customer awareness on the efficient and knowledgeable use of electricity and gas, **digital services, sustainability and electric mobility**.

This sales strategy can also be seen in the partnership with WINDTRE, based on a collaborative model that takes advantage of the commercial potential offered by the WINDTRE brand and the solidity of Acea Energia in managing electricity and gas services. In fact, the brand **WINDTRE Luce&Gas Powered by Acea Energia** offers a range of sustainable offers.

¹¹⁰ In compliance with ARERA resolution 228/17 and Article 66 quinquies of the Consumer Code.

THE ACEA E-MOBILITY APP BY ACEA ENERGIA: WORKING TOGETHER WITH PLENITUDE

In 2023 Acea Energia further strengthened its presence on the market for **electric vehicle charging services** and, thanks to the expansion of charging stations through the area, was able **to significantly increase charging points which can be found through the App**.

The **Acea e-mobility** app allows customers to locate the nearest charging station, reserve it and charge their car (through a Card or App), offering 24/7 assistance to use the app and to offer information on prices, payment methods, billing and any problems with the recharging service or the charging stations. The offer is based on two different tariffs, depending on the type of charging station, for quick or fast recharges.

In 2023 Acea Energia and Acea Innovation signed an **interoperability agreement with Plenitude** - through the Be Charge company dedicated to electric mobility - which it possible to access, through the Acea e-mobility and Be Charge apps, charging services for electric vehicles offered by both the companies throughout Italy, increasing the offerings available to their customers. This agreement strengthens Acea Energia's strategy which aims to support the development of sustainable mobility to provide high-tech services at the national level, increasingly accessible to citizens and businesses, while also contributing to Italy's energy transition.

In 2023 the **constant increase in "green" energy sold¹¹¹** by Acea to customers on the free market continued, **estimated at 3,000 GWh, an increase of over 18%** compared to consolidated volumes in 2022 (2,536 GWh). The **share** of this item **out of the total energy**

sold in the year to free market customers (around 5,369 GWh, see also *Environmental Accounts*) **reached 56%** (42% on the 2022 consolidated figures).

ACEA ENERGIA'S 100% ECO OFFERINGS

Acea Energia's **sustainable offers** include **100% Green Light and 0% CO₂ Gas**, in line with the Acea Group's objectives of environmental protection and commitment to the territory.

The electricity supplied is **certified with a "Guarantee of Origin"**, a digital certificate that demonstrates the renewable sources used to produce electricity and contractual communication with customers is carried out in full compliance with the transparency criteria established in ARERA resolution ARG/elt/104/11, as amended. Gas sold includes **CO₂ emission offsetting** obtained by acquiring

certified carbon credits (VER - Verified Emission Reduction). The carbon credits purchased for 2023 contributed to funding mitigation projects in Peru and Vietnam with tangible benefits for the local communities.

Finally, in compliance with the provisions of ARERA, in its product catalogue Acea Energia has prepared the differentiated **PLACET** offers - Free Price at Equivalent Protected Conditions - for families (domestic use) or small businesses (non-domestic use).

ACEA ENERGIA POINTS IN ITALY MORE THAN DOUBLED IN 2023.

During 2023, Acea Energia further strengthened its commitment to optimising its physical network, opening **new Acea Energia Points**, using the *Shop in Shop* formula, within pre-existing multi brand shops.

The Acea Energia Points, a point of reference for customers who want to activate an electricity and gas account on the free market,

ensures, thanks to digitalised procedures, **reduced waiting times, quality of service and an improved customer experience**. Overall, Acea Energia Points active as at 31 December 2023 **totalled 452** (+ 139% compared to 189 in 2022), distributed throughout Italy, in particular in the Regions of Lazio, Tuscany, Campania, Puglia, Lombardy, Piedmont and Sicily.

Water companies have also stepped up **communication initiatives aimed at customers**. In particular, the Communications & Media Relations department prepared the **Every Drop of Water** campaign for Acea Ato 2, focussed on responsible water use, which was broadcast as from March 2023 (see the dedicated box in the *Communications, events and solidarity* paragraph). Further, in line with previous years, **Acea Ato 2** continued to promote the supplemental water bonus, to inform eligible customers of the possibility of utilising subsidies in their utility bills at the local level, which can be combined with the national social bonus, with a campaign carried out through print and digital media and outdoors, in particular in the Provinces, where there is a larger concentration of direct users.

Each year, **Acea Ato 5** proposes communication initiatives to make

customers aware of specific issues, such as communicating meter readings and mitigating the risk of meters freezing, and informing them about the planned replacement of the meters. The Water Identity Card was also promoted, allowing users to provide their residential address in order to have access to data and information on the quality of the water supplied, including an indication of the values of the main analytes that characterise the water in the area of interest.

AdF continued to give visibility to the possibility of accessing the **national water bonus** and the **supplementary bonus** through the *flora.it* website and by notices posted at "AdF Points". Additionally, the Company prepared an integrated communication plan, with "customised" *touch points* taking into account the specific needs of customers.

¹¹¹ As in previous years, the figure for G.O. certified green energy sold in 2023 by Acea Energia and AEMA also includes the main Group companies' internal consumption (estimated at around 316 GWh). The final calculation is expected in March 2024, and the consolidated data will be updated in the next reporting cycle.

In 2023 the **loyalty bonus** was maintained, an one time *incentive* for customers who, in the previous two years, have opted to use web billing and bank or post office direct debit, maintaining this choice for at least twelve months. Through this initiative, at 31 December 2023 AdF paid a total of **€ 26,840** to **5,368 users** and another 1,158 customers will receive a sum in 2024, having become eligible in 2023. In March 2023, the “**AdF at home, a new service to stay informed**” initiative was further enhanced: the company asked customers to provide their contact information through online forms, to stay informed in real time, via email or text message, **not only with respect to possible planned water shutoffs but also extraordinary ones**, urgent work needed to resolve unexpected problems. AdF decided to carry out this project to offer its community increasingly rapid and precise information. During 2023 the **Singularizzare conviene** [Singularising is worth it] information campaign continued, (approved with ARERA resolution 313/2023/R/ldr) to promote separation of users who use a single centralised meter in a shared apartment complex. The main benefits for customers who choose to “singularise” their water account are more awareness around water use, measurement and precise billing of consumption and incentives.

Each year, **Gori** informs customers and raises their awareness of the correct protection of meters and systems from frost and on the quality of water distributed, transmitting the communication initiatives on various channels and using videos and other media for the web and the press. During 2023 **Gesesa** also implemented communication campaigns on various issues, including proper water use to avoid waste and how to protect meters from freezing temperatures. After having prepared its 2023 communication plan, Gesesa carried out communication campaigns on the various methods available to customers to send their meter readings. Additionally, through the “**Gesesa safe water**” campaign, the company provides monthly updates to users on the quality of the water supplied.

CONTACT CHANNELS AND PERFORMANCE

In all customer relations, Acea Group is committed to **guaranteeing the respect of privacy in the management of personal data**. In particular, Acea keeps updated safeguards on the issue of privacy to better respond to the evolution of the relevant legislation, in line with the European regulations (General Data Protection Regulation – **GDPR**)¹¹² on the protection of personal data (see in-depth analysis in *Corporate Identity, The Internal Control and Risk Management System*).

Acea makes available to customers **traditional contact channels** (call centre and branch) and **digital contact channels** that are more advanced every year. After an initial push, supported by the health emergency which occurred in recent years, **the widespread use of remote channels has become increasingly established**, and the companies are working to continuously improve them. In 2023, therefore, all Group companies managing customer relations implemented initiatives aimed at improving remote contact channels and increasing the digitalisation of commercial processes. This strategy led to the separation of dedicated apps for different services, supporting the development of more targeted and distinctive communication methods.

The **MyAcea Energia reserved area**, live since March 2022, is **also available in the form of an app** for mobile devices (Android and iOS), which allows customers to **manage their electricity and gas accounts**, with a new user experience plus an expanded range of available operations. The **MySER app** on the other hand, is dedicated to the **greater protection service**, and was **improved and redesigned in 2023**, with a **new home page**.

At 31 December 2023, registered users on the **MyAcea Energia** app totalled **129,408**. The **web area** for the free market recorded **449,682 total unique log ins** during the year. In 2023 Acea Energia developed and **made available new functions, based on analysis of the most requested services**, including, for example, a personalised instalment plan, the acceptance and payment of estimates via App, management of multi-point domicile requests and web billing, as well as “cart” management (bill, work and instalment payments). For the **desktop version of the reserved area**, in 2023 **the new visual design was completed**, intended to **improve the digital experience for customers**, also including new customer segments (small business and large customers).

The new app (for Android and iOS) for the **water service** (Acea Ato 2 and Acea Ato 5) has been active since March 2022, known as **MyAcea Acqua**. As at 31 December 2023, there were **392,242 users registered** in the online customer area pertaining to **Acea Ato 2**, an **increase of around 8%** (362,918 in 2022). This figure corresponds to 51.7% of the customers with active water supplies at the end of the year (759,268).

Through an external supplier, Acea Ato 2 manages **the chat service** to help customers browse the website and, after registration, use the services available in the customer area MyAcea. The Company has improved:

- the **digital branch**, the service that can be used, upon reservation, via computer equipped with a webcam or via smartphone;
- the “**Waidy Point**”, an additional service and contact channel, which provides the same services as the physical channel digitally. The service was designed, using innovative solutions, to reduce the “digital divide”, with the aim of supporting customers with less familiarity with computer tools or with no access to them. Municipalities that request one and provide a digital facilitator can activate agreements with Acea Ato 2 for the opening of additional territorial hubs, in premises within the municipality itself, with hardware provided by the company.
- an **integrated platform** for customer relation management, **Salesforce**, with an omnichannel perspective to streamline procedures;
- digitisation of transfer and takeover processes, making it possible to finalise the contract by accepting a link received in an email;
- the **transition to the new telephone platform**, CTI Genesys, and the consequent transfer of the contact centre service, with a view to simplifying operations and improving the customer experience.

Acea Ato 5 continued to improve management of customers and contact channels (digital branch, toll free sales number, My Acea Acqua app, email, web portal), increasing the number of digital services available to encourage customers to utilise *smart technology*.

¹¹² Regulation EU 679/2016 (GDPR).

In 2023 the company launched the “**Switch to digital billing and win**” competition to promote use of the interactive bill. **Subscriptions to the relevant web area** increased reaching a total of **65,973 users, 7% more** than the 2022 figure (61,820 users), accounting for around **33% of total active contracts in the year**. Furthermore, through an external supplier, Acea Ato 5 also manages **the chat service** to help customers use the services on the MyAcea customer area.

AdF, in February 2023 **launched the Flùvia chatbot** (see the dedicated box); additionally, continuing to promote digitalisation, in **October it released the new version of the MyFiora app**, for Android and iOS, with a revised registration/access process and new editorial content useful for managing the contractual relationship. Additionally, AdF continued the **myfiora transfer bonus** to reward customers who decide to request transfer using the self-service feature, accessing the portal. The one-off bonus is paid in the first bill. As at 31 December 2023, **764** customers had chosen this method (equal to a total amount paid by the company of around € 25,900). Overall,

in 2023 **over 2 million** pages were viewed in the **MyFiora** customer area. Finally, **social media** continued to be one of the most popular communication channels utilised by customers to interact with AdF, which in 2023 invested in growing and developing the **social community**, with an increase in likes and **followers** on Facebook, reaching a total of **14,301**. AdF is also present on X and LinkedIn, with 907 and 6,346 followers, respectively, confirming growing user interest in utilising social media to interact with the company.

Gori continued to promote participation in digital services (MyGori, web bill and interactive bill), recording an **increase of around 8%** in registered users in the **MyGori** reserved area and, as at 31 December 2023, totalling **199,560 users** (186,180 in 2022). **Gesesa** carried out communication initiatives in 2023 to increase those registered in the MyGesesa area and increase awareness of the toll free numbers and various commercial processes which can be carried out on the dedicated website. Those registered in the reserved **My-Gesesa** area **increased by around 13%** with respect to the previous year, arriving at **12,385** at 31 December 2023 (10,200 in 2022).

ADF LAUNCHES FLÙ, THE CHATBOT THAT INTERACTS WITH CUSTOMERS

On 14 February 2023 AdF launched **Flùvia** (Flù, for short), a chatbot that, through **artificial intelligence conversational models** helps those consulting www.fiora.it to find information and answers. Available 24/7, it was able to provide **correct answers 87% of the time** for questions received.

To increase the level of customer *engagement*, in December 2023, thanks to advanced **augmented reality (AR)** and **gamification**

technology, new digital content was developed, which can be accessed on www.fiora.it and at AdF digital touch points, including the MyFiora app, in which the **Flù avatar** is proposed as a “guide”, **to help customers discover the world of AdF, with information on services offered, as well as on water quality and networks managed**. An immersive experience intended to involve and entertain the community in a fascinating never before seen virtual dimension.

On the **website www.acea.it** dedicated to the **free market** and on the **website www.servizioelettricoroma.it** dedicated to the **protected market of Acea Energia** there are **guides to reading the bill**. These guides are also available for customers of the **water service** found in the **Water section** of the Acea Group website www.gruppo.acea.it. As mentioned, all companies, in the water service as well as energy sales, **have encouraged the activation of the web bill** and digital payments by promoting the **increase of the significant related environmental benefits**¹¹³. For example, Acea Energia has optimised the web billing service, updating the graphics and introducing news and education about the world of energy, as well as sections dedicated to improving understanding smart billing.

In particular, as at 31 December 2023, the number of **Acea Ato 2** users with digital billing was **447,124**, around **16% more** than in 2022 (385,353 users with web billing), with an **annual paper saving of 84.3 tonnes**.

At the end of 2023, there was a total of **98,760 AdF** users with active web billing, around 41% of the total users, with a **13% increase** compared to the previous year (87,631 users with web billing in 2022) and a paper saving of **11.3 tonnes per year**.

Subscriptions to the web bill service, for **Gori** users, reached **249,664** as at 31 December 2023, around **13% higher** than the previous year (221,408 users with web billing in 2022), with a saving of **33 tonnes of paper per year**.

At the end of 2023, **Acea Ato 5** recorded **58,670** users with active web billing, **9% more** than the figure for 2022 (53,869 users), with a saving of **7.1 tonnes of paper per year**.

As at 31 December 2023, **Gesesa** had **10,400** users with active web billing, over **11% more** than in 2022 (9,344 users), **with a saving of 1.7 tonnes of paper per year**.

Lastly, as at 31 December 2023, **Acea Energia** recorded **687,120 active supplies with web billing** (specifically, 548,004 for the free market and 139,116 for the standard market service), with an **increase of over 40%** compared to the figure for 2022 (489,146 supplies with web billing), for a paper saving in the year of **121.2 tonnes**.

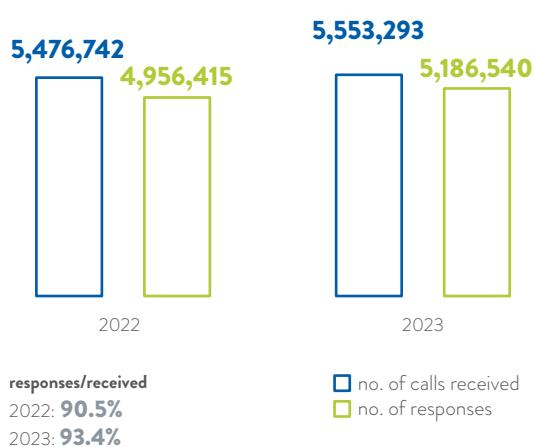
Overall, therefore, thanks to the **web billing service offered by Group companies and the customers who activated it**, **258.6 tonnes of paper were saved in the year, 24% more than the 2022 figure** (208.5 tonnes of paper).

The contact centre service for Acea Ato 2 and Acea Ato 5 is managed by an external supplier, selected by each company through a tender process. The service is carried out according to the One Call Solution (OCS) approach, in order to meet the needs expressed by customers through a single contact; the quality of the service is monitored and the **staff are trained and attend refreshers** on procedure and how to interact with the customer.

¹¹³ It is important to consider that the paper savings shown for each company are calculated on the basis of sheets/envelopes effectively saved, with variables, from company to company, that depend on the billing frequency and the type of communications sent to customers.

Acea Energia internally manages the **social media channel** (Facebook) for free market customers and the dedicated **chat channel**, while for the standard market service (Rome Electricity Service) the chat channel is managed by an external supplier; it also manages the toll-free numbers for the free market and the standard market service, outbound campaigns, *back office customer care* activities, the toll-free number for making appointments at the branch, the Padius toll-free number and the Premium toll-free number. The **Padius App**, which is available for all devices, allows **people with a hearing impairment** to contact the call centre – on a telephone line

Chart no. 30 – Total telephone traffic of Acea toll-free numbers (2022-2023)



Note: 2022 figures were adjusted slightly to include AdF data.

The openings of **physical branches** are organised to **welcome customers on an appointment only basis** and **all the companies** offer their customers **a number of channels to schedule the appointments**. On one hand, appointment-based branch access has made it possible to achieve excellent service levels while, on the other, the significant development of remote channels has continued to see much higher use despite the end of the health emergency, although slightly more contained in recent years.

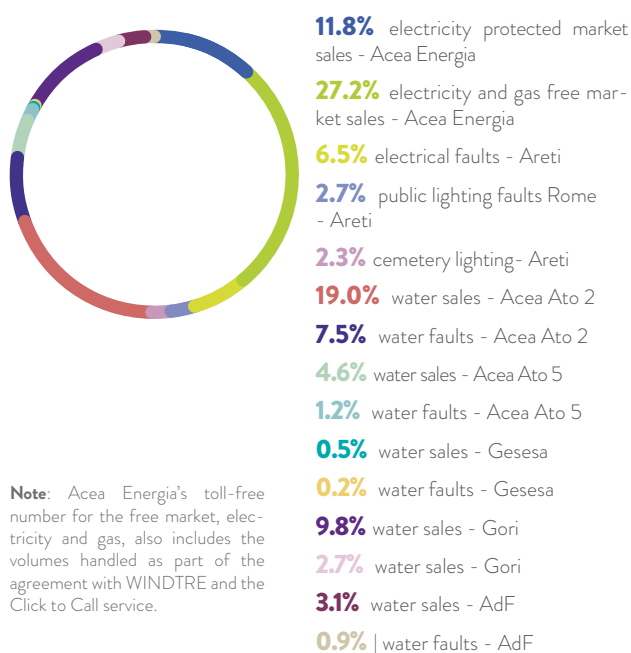
The **branches at Acea's headquarters in Rome**, in Piazzale Ostiense, for the electricity, gas and water services managed by **Acea Energia** and **Acea Ato 2**, allowed **entry to a total of 35,603 customers** in 2023, down approximately 25% with respect to the previous year (the figure for 2022 was 47,232 customers, in 2021 50,254 customers, in 2020 88,723 customers and in 2019, prior to the pandemic, 204,542 customers), **with service levels close to 100%**.

If the total figures for **all companies in the scope** are considered, **132,606 customers** were received at the branches (126,918 in 2022, 121,674 in 2021; 163,527 in 2020 and 555,496 in 2019); the 4.5% increase with respect to 2022 is due to higher numbers of visitors than in the previous year, recorded by Gori, AdF and Gesesa.

with a dedicated priority queue – by writing text messages in chat, which are read to the operator by a computerised voice, while the operator's answers are returned to users in written form.

In 2023, the **Group's toll-free numbers received**, overall, **around 5.6 million calls, with a slight increase (+1.3%)** compared to 2022 (around 5.5 million calls). The **overall service level**, despite the increase in the number of calls received in the year under review, improved to 93.4% (Chart 30 and Tables 40 and 41 for the performance of individual companies, at the end of this section).

Chart no. 31 – Percentage distribution of telephone traffic received by Acea toll-free numbers (2023)



See Tables 40 and 41 for the performance over the last two years of the individual Companies.

For Acea Ato 2 the **digital branch** service is in place, managed internally. As at 31 December 2023, the Company had **20 active Waidy Points** (14 managed by Acea Ato 2 and 6 by the municipality). Note that physical branches **outside of Rome** have been replaced by Waidy Points throughout the province which, overall, saw 1,637 customers with a 100% service level (customers/tickets issued), with a waiting time of 2'00" and an average service time of 21'47".

AdF also strengthened the **digital branch** service, which increased its operations, now covering **22% of total contacts** through the branch.

Acea Energia has, in addition to the physical branch, a **digital consulting service**, which in 2023 saw **around 14,000 appointments** both for greater protection customers (2,896) and free market customers (11,067).

The operating companies handle **written complaints, following the processing of cases using information systems: from reporting to resolution**.

For the **energy service**, the “replies to written complaints/enquiries” both by the sales Company and the distribution Company, are services included among the **levels of commercial quality** subject to regulation by the national Authority (see sub-paragraph *Quality levels regulated by ARERA in the electricity sector*). Likewise, for the **water service, the contractual quality levels**, specific and general, introduced by the Authority, also provide for management pro-

cedures and response times to enquiries, written complaints and requests for billing corrections (see sub-paragraph *Quality levels regulated by ARERA in the water sector*).

For the **public lighting service**, responses to **written complaints/requests** are handled directly by Areti. In 2023, a total of **3,795 complaints/enquiries** were received and the Company **responded to around 90%** of these by 31 December 2023.

Table no. 40 – Energy: performance of toll-free numbers and branches (2022-2023) (*)

TOLL-FREE NUMBERS			
	u. m.	2022	2023
COMMERCIAL TOLL-FREE NUMBER (Acea Energia) - STANDARD MARKET SERVICE			
total calls received	no.	934,318	656,498
total answers	no.	875,662	621,568
service level (% of answers to calls received)	%	93.7%	94.7%
average waiting time	min. sec.	2'32"	2'11"
average conversation time	min. sec.	5'43"	5'29"
COMMERCIAL TOLL-FREE NUMBER (Acea Energia) - FREE MARKET (energy and gas) (**)			
total calls received	no.	1,269,188	1,508,375
total answers	no.	1,135,789	1,411,573
service level (% of answers to calls received)	%	89.5%	93.6%
average waiting time	min. sec.	2'48"	2'04"
average conversation time	min. sec.	6'56"	6'53"
FAULT TOLL-FREE NUMBER (Areti)			
total calls received	no.	236,028	362,146
total answers	no.	229,120	351,544
service level (% of answers to calls received)	%	97.1%	97.07%
average waiting time	min. sec.	1'24"	01'20"
average conversation time	min. sec.	3'06"	03'03"
PUBLIC LIGHTING - FAULT TOLL-FREE NUMBER (Areti)			
total calls received	no.	126,103	151,499
total answers	no.	121,189	148,703
service level (% of answers to calls received)	%	96.1%	98.15%
average waiting time	min. sec.	1'16"	0'49"
average conversation time	min. sec.	2'57"	2'47"
CEMETERY LIGHTING - COMMERCIAL TOLL-FREE NUMBER/FAULTS (Areti)			
total calls received	no.	98,081	127,356
total answers	no.	85,665	94,380
service level (% of answers to calls received)	%	87.3%	74.11%
average waiting time	min. sec.	3'04"	6'34"
average conversation time	min. sec.	4'04"	4'37"
BRANCHES			
ACEA ENERGIA - STANDARD MARKET SERVICE BRANCH			
tickets issued	no.	15,648	10,596
customers served	no.	15,547	10,596
service level (% customers served/tickets issued)	%	99.4%	100%
average waiting time	min. sec.	5'58"	1'00"
average service time (***)	min. sec.	n/a	20'00"
ACEA ENERGIA - FREE MARKET BRANCH (ENERGY, GAS AND OFFERS)			
tickets issued	no.	17,683	16,008
customers served	no.	17,645	16,008
service level (% customers served/tickets issued)	%	99.8%	100%
average waiting time	min. sec.	4'00"	1'00"
average service time (***)	min. sec.	n/a	20'00"

(*) The volumes of channels subject to sector regulation are consistent with the calculation methods envisaged for reporting to ARERA. For example, for the toll-free numbers of Acea Energia and Areti, the average waiting time is the time that elapses between answering, even if it is made through an automatic answering machine, and the beginning of the conversation with the operator or the end of the call if the caller hangs up before the beginning of the conversation with the operator.

(**) Includes data from the “WindTre Luce and Gas powered by Acea Energia” partnership service, active from 12 July 2021. Number dedicated to the service are +39 800-713-676 and the third branch of WindTre’s +39 159. Starting in July 2023, a new number was also added, with the new “Click to Call” service for the free market, with a new telephone number that customers can access by clicking a link published online.

(***) The average management time (TMG) of the branches is not present in the system since the current queue manager does not manage this method. For 2023, the average time expected for each appointment was added.

Table no. 41 – Water: performance of toll-free numbers and branches (2022-2023) (*)

TOLL-FREE NUMBERS			
	u. m.	2022	2023
COMMERCIAL TOLL-FREE NUMBER (Acea Ato 2 - city and province of Rome) (**)			
total calls received	no.	977,149	1,055,311
total answers	no.	888,961	996,338
service level (% of answers to calls received)	%	91.0%	94.4%
average waiting time before answer	min. sec.	2'29"	2'03"
average conversation time	min. sec.	4'35"	4'40"
FAULT TOLL-FREE NUMBER (ACEA ATO 2 - city and province of Rome) (**)			
total calls received	no.	428,607	417,285
total answers	no.	406,634	410,390
service level (% of answers to calls received)	%	94.9%	96.3%
average waiting time before answer	min. sec.	0'12"	0'16"
average conversation time	min. sec.	2'57"	2'49"
COMMERCIAL TOLL-FREE NUMBER (ACEA ATO 5 – Frosinone and province)			
total calls received	no.	252,139	255,218
total answers	no.	224,531	229,067
service level (% of answers to calls received)	%	89.1%	89.75%
average waiting time before answer	min. sec.	2'49"	3'08"
average conversation time	min. sec.	4'48"	4'40"
FAULT TOLL-FREE NUMBER (Acea Ato 5 - city and province of Frosinone) (***)			
total calls received	no.	76,502	64,700
total answers	no.	73,267	62,879
service level (% of answers to calls received)	%	95.8%	97.19%
average waiting time before answer	min. sec.	0'29"	0'30"
average conversation time	min. sec.	3'21"	2'30"
COMMERCIAL TOLL-FREE NUMBER (GESESA - city and province of Benevento)			
total calls received	no.	35,246	26,878
total answers	no.	30,968	24,277
service level (% of answers to calls received)	%	87.9%	90.3%
average waiting time before answer	min. sec.	2'59"	2'33"
average conversation time	min. sec.	4'57"	4'00"
FAULT TOLL-FREE NUMBER (GESESA - city and province of Benevento)			
total calls received	no.	16,086	11,587
total answers	no.	14,168	11,345
service level (% of answers to calls received)	%	88.1%	97.9%
average waiting time before answer	min. sec.	1'32"	1'28"
average conversation time	min. sec.	2'33"	2'34"
COMMERCIAL TOLL-FREE NUMBER (GORI - Naples and Salerno provinces)			
total calls received	no.	648,444	543,031
total answers	no.	508,066	463,616
service level (% of answers to calls received)	%	78.4%	85%
average waiting time before answer	min. sec.	4'53"	3'25"
average conversation time	min. sec.	5'05"	4'15"
FAULT TOLL-FREE NUMBER (GORI - Naples and Salerno provinces)			
total calls received	no.	134,442	152,659
total answers	no.	131,308	149,549
service level (% of answers to calls received)	%	97.7%	98%
average waiting time before answer	min. sec.	0'48"	0'55"
average conversation time	min. sec.	3'27"	3'18"

COMMERCIAL TOLL-FREE NUMBER (AdF - provinces of Grosseto and Siena) (****)			
total calls received	no.	188,750	169,747
total answers	no.	176,149	160,996
service level (% of answers to calls received)	%	93.3%	94.8%
average waiting time before answer	min. sec.	1'53"	1'43"
average conversation time	min. sec.	6'31"	5'56"
FAULT TOLL-FREE NUMBER (AdF - provinces of Grosseto and Siena) (****)			
total calls received	no.	55,659	51,003
total answers	no.	54,938	50,315
service level (% of answers to calls received)	%	98.7%	98.7%
average waiting time before answer	min. sec.	0'33"	0'43"
average conversation time	min. sec.	3'47"	3'48"
BRANCHES			
ACEA ATO 2 (Rome - head office branch) (**)			
tickets issued	no.	13,901	8,999
customers served	no.	13,817	8,898
service level (% customers served/tickets issued)	%	99.4%	98.9%
average waiting time	min. sec.	1'00"	1'00"
average service time	min. sec.	21'43"	24'03"
ACEA ATO 5 (2 branches city and province of Frosinone)			
tickets issued	no.	13,872	14,202
customers served	no.	13,872	14,202
service level (% customers served/tickets issued)	%	100%	100%
average waiting time	min. sec.	1'05"	1'00"
average service time	min. sec.	17'20"	15'57"
GESESA (1 branch Benevento and province)			
tickets issued	no.	9,939	10,210
customers served	no.	9,891	10,204
service level (% customers served/tickets issued)	%	99.5%	99.94%
average waiting time	min. sec.	4'01"	11'35"
average service time	min. sec.	8'45"	10'09"
GORI (6 branches in provinces of Naples and Salerno)			
tickets issued	no.	47,637	62,934
customers served	no.	43,705	58,607
service level (% customers served/tickets issued)	%	91.7%	93%
average waiting time	min. sec.	7'07"	4'53"
average service time	min. sec.	16'43"	16'08"
AdF (7 branches in provinces of Grosseto and Siena) (****)			
tickets issued	no.	8,255	9,657
customers served	no.	8,255	9,657
service level (% customers served/tickets issued)	%	100%	100%
average waiting time	min. sec.	1'00"	1'00"
average service time	min. sec.	15'07"	13'52"

(*) The volumes of channels subject to sector regulation are consistent with the calculation methods envisaged for reporting to ARERA. For example, for the fault toll-free number, 'total answers' means, in line with the Authority's guidelines, 'total answers within TMA' and 'service level' means the % of calls with TMA within the standard.

(**) the 2023 figures of Acea Ato 2 for both toll-free numbers and the branch are being consolidated and have not yet been communicated to the Authority.

(***) Calls handled by the automatic system or terminated by the customer during navigation within the interactive voice responder are also considered as answers.

(****) 2022 figures were updated based on the official report sent to ARERA. With reference to 2023, when the document was prepared AdF data, both for toll-free numbers and the branch, were still being finalised and had not yet been sent to the Authority.

COMMUNICATIONS, EVENTS AND SOLIDARITY



Every Drop of Water: the campaign to save water received the **20th Press, Outdoor & Promotion Key Award**



Acea Scuola 2022/2023 **ProteggiAmo l'Ambiente** in digital format on the Acea EcoVillage platform



Acea promotes sports for young people: **Acea Camp and Volley School - Acea Trophy**



Acea strengthens its presence on the main social channels: **+98%** in 2023 for **Facebook followers**

COMMUNICATION

The **Communication & Media Relations department** of the parent company guides and coordinates **communication strategies and initiatives and institutional journalistic and sales information** for Acea SpA and its investees, defining **the policy and Communication Plan** which establish guidelines and **development of the Group's image**. With reference to **financial reporting**, the department is responsible for preparing the relative publications and supporting materials.

Communication & Media Relations also oversees **information coverage by journalists**, managing **relations with the media** and drafting and disseminating press releases, press reviews and organising press conferences for the various business areas. Additionally, it handles publication of all **legal, financial and service notices** in national and local papers.

It coordinates **brand development, corporate identity management**, the execution of **institutional, advertising and sales campaigns**, and organises **public and institutional events**, developing and managing **environmental and solidarity education projects**, as well as special and external events intended to **strengthen the bond between Acea and local areas**.

The Department also organises **internal events, internal dissemination of documents, new editorial content** and all other types of internal communications, in line with the Group's corporate identity, guaranteeing consistency in communications for all Group companies. **Audiovisual activities and photography and video services** are also produced in-house, and the **Group's modern and historic archives** of documents and photographs are managed.

The Department also guarantees the dissemination of a **stakeholder engagement** culture within the Group while ensuring the **quality**

perceived by customers and provided by the Group's contact channels is measured.

The Communication & Media Relations Function also defines the **digital strategy and digital identity**, in line with the strategic guidelines decided by Top Management, the positioning of the Group in the digital ecosystem, through the design, development and management of the **institutional website** and the websites of the companies aligned with the corporate identity. It is responsible for the operational management of **social media channels to disseminate and enhance, in addition to news and information about the Group, brand awareness, the Group's values and mission** and the initiatives it carries out during the year.

In 2023, the Group's **advertising communications** emphasised and supported, as its basic guideline, the issues of **sustainability and the energy transition**, with a dedicated campaign. Additionally, campaigns were carried out on **water and energy savings**. More specifically, the **Every Drop of Water** campaign was carried out internally, focussed on responsible use of water, on air as from March 2023 and further reinforced in August through a radio spot broadcast on the most important stations in Rome (see the dedicated box). Finally, the **territory** was the focus of a campaign to increase awareness of the **Acea OTA2 water bonus** (in print and digital in June and July 2023). Also worthy of note was the development of a new **institutional advertising topic**, intended to **raise awareness of the Acea Group's leading role in Italy in the water sector** and its commitment to sustainable growth in Italy. This initiative, which involved a **press and digital campaign starting in October 2023**, will also continue in 2024.

THE WATER-SAVING CAMPAIGN EVERY DROP OF WATER

Acea Ato 2's **Every Drop of Water** campaign, implemented in 2023, was intended to raise awareness of **intentional use of water**, while also providing information on **best practices to save water**. The multi-topic creative project, using direct and immediate communication, called attention to daily habits to adopt to preserve this precious resource. The theme of **sustainability** was the focus of a campaign that fell within the wheelhouse of the **UN Agenda 2030 goals**, including **goal 6** relative to water, helping to contrib-

ute to a growing respect for the environment and natural resources, increasing awareness in the younger generations.

The campaign went **on air as from 22 March 2023**, on **World Water Day**, continuing through September, found in the main daily newspapers and on the web with over **30 million impressions**, **accompanied by large format outdoor publicity** with over **3,800 signs**. In July 2023 the campaign was recognised in the **20th Press, Outdoor & Promotion Key Award – Transport and Energy Category**.



The Group's commitment to **sustainability** and the **environment** was also demonstrated by the implementation of a campaign dedicated to **energy saving**, in print and utilising digital channels on 18 February 2023, on **World Energy Efficiency Day**. Additionally, in July 2023 the **Areti campaign on responsible energy use** went live, in print and using digital channels. Additionally, also during the summer, radio spots were broadcast on the main stations. Finally, in 2023, in relation to the **programme to replace Areti meters with new SM2G meters**, four **targeted campaigns for Rome municipalities** were carried out to inform citizens and help them understand the new techniques used by the new meters. Additionally, to

support **Acea Energia's activities**, a communication campaign continued during the year to increase awareness of the Company, with targeted **digital strategy** actions.

Also in 2023, the Group's commitment to **students** continued with **Acea School – ProteggiAmo l'ambiente** [Let's Protect the Environment], a training course that allowed young people to discover the best practices, projects and technologies implemented by the Group to manage the activities sustainably, learning about certain aspects such as alternative energy sources (see the dedicated box).

2022/2023 DIGITAL EDITION OF ACEA SCHOOL – PROTEGGIAMO L'AMBIENTE [LET'S PROTECT THE ENVIRONMENT]

Acea Scuola **Let's Protect the Environment was the title of the 2022-2023 edition of the educational programme**, created by Acea to teach students about sustainability, found in the Acea EcoVillage, a **digital platform** with animated content by Biagio Venditti and Francesca La Cava, two young actors from the Netflix series "Di-4ri". A multimedia voyage aimed at young people, with videos and quizzes focussed on sustainability and protecting our planet. The Acea Scuola contest is an educational course, in place for over 20 years, with the goal of promoting environmental training and raising young people's awareness of the innovative actions, projects and technologies implemented by the Acea Group to preserve the

natural environment for future generations.

This education event was offered to students in Rome and the surrounding area in November 2022 and **February 2023**, and again in **April 2023**, in open mode available to everyone across Italy for two weeks.

The project ended with the **Award Ceremony**, held on 31 May 2023 at the Acea headquarters in Piazzale Ostiense, with schools from Roma Capitale. The three schools, which were awarded vouchers to purchase didactic materials, were represented by students, teachers and principals.

In April 2023, Acea partnered with the European Centre for Tourism and Culture in Rome and the National Roman Museum to de-

velop the exhibit **Water in Art and the Art of Water - the Fountains and Nosepipes of Rome**.

ACEA AND THE EXHIBIT WATER IN ART AND THE ART OF WATER - THE FOUNTAINS AND NOSEPIPES OF ROME

From 6 April to 31 May 2023 at the Museum of the Baths of Diocletian the **Water in Art and the Art of Water - the Fountains and Nosepipes of Rome** exhibit was presented, designed and implemented in cooperation with the European Centre for Tourism and Culture in Rome and the National Roman Museum to celebrate the city of Rome through the most noble of the four elements and,

simultaneously, inform the greater public about the many Acea initiatives to manage the water system.

Works of arts, archaeological items, projects and photographs were chosen from the materials held by national and municipal museums to demonstrate the essential nature of the work that Acea has done in the capital city for more than 110 years.

The Function manages Acea's attendance at important events each year. For example, in 2023 the Group participated in the **40th Annual Assembly of Italian Municipalities (ANCI)**, held in Genoa in October (see the box for more information). In November, Acea

also renewed its active presence at **Ecomondo**, confirming its "green" calling and presenting several particularly innovative and sustainable projects (see the dedicated box in *Relations with the Environment, Environmental Sustainability and the Main Challenges*).

ACEA AT ANCI 2023

Acea participated in the 40th Annual Assembly of Italian Municipalities, held in Genoa from 24-26 October 2023, with a **stand** that highlighted the activities managed and the Group companies that provide services to local areas and the community. Within the stand were thematic areas with a strategic focus on the Group's

main business areas - water, environment, energy infrastructure, electricity - showing visitors (institutions, journalists, workers and local administrations) the most important projects carried out and demonstrating its expertise and know-how.

Every year Acea **opens its plants** to visitors interested in technical/scientific impacts and to students, thanks to the willingness of employees who show them around: in 2023 **150 people were welcomed**, in 6 visits.

Communication on the digital channels, web and social media, is handled by the **Digital Media Unit**, in the context of the Department, in line with the Group's digital strategy and digital identity and reflecting its **values, mission and industrial positioning**.

The institutional website (www.gruppo.acea.it) tells Acea's story, **highlighting how it operates**. The site is constantly updated and has a **clear organisation of information** with corporate content as well as the services and initiatives of Acea, and allows for a **fluid and intuitive navigation**, with distinctive graphics, consistent with the Group's brand identity, and a particular focus on **visual communication**. In 2023, in line with Acea's **rebranding**, the updating and publication of the **new logo** and new visual guidelines for the corporate site took place, as well as **reorganisation of press releases**, thanks to a new system of categories and tags, to make it easier and clearer for users to consult them. Additionally, during the year **technical implementation** related to site accessibility continued, in particular in the water section, with the aim of making it increasingly **simple to consult the site, including by users with disabilities**.

Acea's commitment to effective communication, in terms of the transparency and quality of the content available on its institutional website, has also been recognised in its placement in sector rankings. The company has been found on the **.trust** list since the first edition in 2019 and was classified among the **Narrators**: companies that are effectively able to present their role and communicate the same, both internally and externally, serving as a reference point for stakeholders. In the 2023 edition, **Acea improved its placement**, going from Silver to **Gold**, the highest level.

On the **Acea website** during the year **initiatives undertaken** to ensure continuity of service and connect with the community were highlighted.

Information was given about the **main events in 2023** organised by the Group or in which it took part, highlighting the events with which **Acea associates its brand**, through sponsorships (see the dedicated paragraph below), such as the **Rome Marathon** and the **Film Festival**. As well as being dealt with in the **"Stories"** and **"Our Commitment"** sections, **sustainability** is highlighted on all pages of the website as a key element for the Group's growth and value creation, with **references to dedicated initiatives and projects in each area**. In particular, in 2023 issues of **social sustainability** were highlighted, with the creation of a **new section** dedicated to **"Diversity, Equality and Inclusion"**, to help establish these issues as distinctive elements in the Group's mission.

Also with reference to sustainability and the commitment to the **circular economy**, during the year the content found in the **Environment** section was reorganised, to take advantage of the Group's position and its significant engineering and industrial know-how, also in the waste treatment sector. Again in 2023, a section was created on the website dedicated to **Acea projects financed through the NRRP**, focussing on the local areas affected by each initiative. Furthermore, the website highlighted the main **lighting of monuments or institutional sites** by Acea, in coordination with the Public Administration, on particular anniversaries, for example to **raise awareness among citizens** for the prevention of diseases such as breast cancer or other events with a high social impact.

Every year, on the occasion of the **Shareholders' Meeting**, the Acea Group's "Navigable Financial Statements" are published on the website, making the **Consolidated Financial Statements** and **Sustainability Report** available for viewing in interactive mode, with open data and multimedia content. The online reports present Acea's results, values and projects and allow visitors to **grasp**

the multiple connections that link the two annual reports on one screen. As in the previous year, in 2023 a navigable version of Acea Ato 2's Sustainability Report was created.

The website also performs a **service function**, with the **timely publication of notices** about any water stoppages affecting the areas where the Company operates. For several years, it has provided data about **emissions**, monitored in real time, from the Group's two **waste-to-energy** facilities and the **Tor di Valle power plant**, and the **main parameters of the quality of the water** supplied by companies that operate in the industry can be consulted online.

During the year, the **Areti website** was updated (www.areti.it), which offers informational content to electricity distribution users, developing interactive components to improve navigation. The **Acea Innovation mini-website** (www.aceainnovation.it), hosted within the Group's website, is also a **contact channel** for customers interested in the various services available: **sustainable mobility, widespread composting and energy upgrading**; during 2023, the section on electric mobility ICT services was updated.

The Group's site, found at www.gruppo.acea.it, saw a total of around **4 million page views** in 2023, equal to around **2.5 million visits**. The vast majority of visits in terms of **connection method** were made through a **desktop**, representing **89.6%** of visits (2,240,815), followed by **mobile telephones**, representing **10.2%** (254,162) and, residually, representing **0.2%**, connections using **tablets** (4,520), with just one visit coming via smart tv.

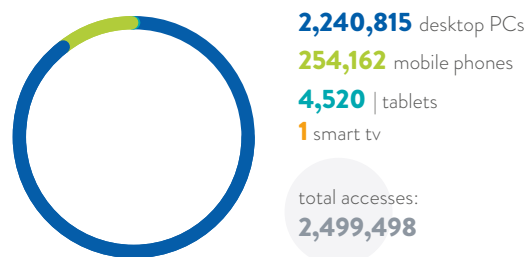
The **Acea Energia website** (www.acea.it), dedicated to **free market electricity and gas sales**, over **1.5 million visits** were registered in 2023. **Desktops**, representing **60%** of views, continued to be the most used device, followed by **mobile telephones** at **38%**, while views coming from **tablets** remained stable, at **2%**. Additionally, for the first time a few visits were made through **smart tvs**. The website has user-friendly navigation to help customers, in addition to

sections devoted to "**guides**" and "**stories**", where insights are provided on topics such as innovation in the energy sector, wind energy, e-mobility, energy saving, etc., which **account for around 24%** of total visits to the site from Google.

On the website www.servizioelettricoroma.it, **dedicated to Acea Energia customers on the greater protection service**, **768,086 visits** were registered in 2023, with **83.7%** made through **desktops**, **16%** through **mobile telephones** and **0.3%** through **tablets**.

Lastly, on **Areti's website** (areti.it), around **740,000 page views** were recorded in 2023, equal to more than **197,000 visits**; again in this case the connection method via **desktop** prevailed – around **62%** of accesses (122,805) – followed by **mobile telephone** – around **37%** of accesses (72,988) – and by **tablet** – for around 1% (1,576 accesses).

Chart no. 32 – Acea corporate website 2023: access methods



Acea continues to **strengthen its social media presence, increasing the number of followers** (see the dedicated box) thanks to an effective storytelling strategy and specific content for each channel, with the aim of highlighting the elements that characterise the Group's commitment, in line with the communication tone of the institutional website. In 2023, in line with Acea's rebranding, the new logo and new visual guidelines were established for all the Group's social communications.

ACEA NUMBERS ON SOCIAL MEDIA – 2023

Acea has consolidated its presence on the **main social channels** during 2023. Here are the **key figures**:

- the Acea Group's **Facebook** account saw significant growth, achieving a fan base of **15,249 followers**, around **98% more** than in 2022, generating **200,927 interactions**. The increase in the follower base further strengthened the company's presence, focussed on corporate content and on the cultural events it supports;
- the **Instagram** account also saw growth, reaching **6,516 followers** (around **14% more** than in 2022), generating **10,263 interactions**. The direct and informal communication strategy helped to tell the story of Acea's commitment to the local area in an engaging way, helping to strengthen relations with the community;
- the **X** profile (formerly Twitter) remained stable with **5,343 followers** (+0.8% compared to 2022), generating 2,137 interactions. This channel continues to serve as a reference point for interaction with institutional stakeholders and to provide updates on corporate content and the Group's results;

- the **LinkedIn** profile saw **18.5% growth** with respect to 2022, with **88,999 followers** in 2023, confirming the upward trend;
- the **YouTube** profile, which offers the videos created by Acea, has **1,410 subscribers** (+10% with respect to 2022).

The Group is also present on Facebook and Instagram with **Acea Energia**. Both channels were used for the promotion of **electricity and gas offers** and for the **dissemination of commercial initiatives on the free market**. Facebook and Instagram respectively reached 16,638 (+3.5% compared to 2022) and 2,410 followers (+32% compared to 2022) and both have become important touchpoints for **managing customer requests**, also by inviting customers to use online services available in the MyAcea customer area of the website www.acea.it.

Areti strengthened its presence on LinkedIn, reaching 3,309 followers (+42.7% with respect to 2022) and consistently representing its values and mission.

The **Media Relations Unit** monitors **relations with national and local media**, in a spirit of mutual respect for roles and cooperation, with the aim of conveying the correct corporate image and position of the Group through the media.

Press releases and press conferences in 2023 disclosed **the economic results achieved, the initiatives carried out** by the Group and **information of public interest** relating to the provision of services. Media Relations, together with the Digital Media Unit and in coordination with other competent Functions/Departments of the Holding Company, handles **the dissemination of press releases relating to major corporate events**, such as the Shareholders' Meeting and **the approval of the financial statement figures**. Through press articles, television, radio and web reports, the Unit ensured media coverage of the main events and initiatives carried out by the Group, with particular focus on improving **corporate communication content**.

The constant interaction **with the operating companies** allows the Unit to **provide feedback on reports of inefficiencies** coming from the media, interacting with press editors to have the company's replies published. Media Relations manages the national and local **press review** on a daily basis. This activity is complemented by the transmission of additional and timely information about the Group or relevant to the business managed, thanks to the regular **monitoring of press agencies** and the **web** (web news, social media and blogs).

Among the **communications that accompanied the initiatives of particular importance during 2023** are, by way of example:

- communication about the **water sector**, with actions associated with financing received from the EIB to improve the quality and resilience of the water service, ARERA bonuses received due to Acea Ato 2 performance, the publication of water projects financed by the NRRP on the website, press releases on recognition received for the innovative Acea Waidy Management System platform, on partnerships and agreements signed with important companies and entities, including the *Memo- randum of Understanding (MoU)* with Acquedotto Pugliese, BF, ANBI and Coldiretti. Also note the communication about the demerger project to spin off activities in the integrated water service management business unit; communication projects for World Water Day, in particular to publicise participation in the Waters: the Earth Is Thirsty for Concrete Action event;
- communication about the **Rome waste-to-energy plant** project, in particular the press release issued when the indication of interest was presented;
- with reference to initiatives regarding **electricity infrastructure**, communication regarding the approval of the settlement proposal with Roma Capitale for **public lighting**, the communication on the presentation of a project financing proposal to Roma Capitale to assign the public lighting service and network and innovative smart city services, communications regarding progress on the **RomeFlex** project to improve the flexibility of the electricity network;
- **corporate communications** on the completion of the Simam and Deco acquisitions and the business combination between Acea and ASM Terni; communications on the issuing and placement of a green bond, and communication regarding the Moody's rating;
- communications regarding **sustainability**, including those on the improvement pursued in the Bloomberg Gender-Equality Index, validation by the Science Based Targets initiative (SBTi) of the climate altering emission reduction goals, communication on participation in the "I will use less light" and the World

Energy Saving Day, communications regarding the Sustainable Development Festival for special lighting of the Cestia Pyramid, communications on the Group's presence at the international COP28 and the Ecomondo fair in Rimini;

- communications regarding the **HR sector**, such as that following *Top Employer* certification, initiatives following the signing of the "Charter of the Person and Participation" with trade unions, for example, the signing of the Code for Responsible Companies to Support Natality, promoted by the Ministry of Family, Natality and Equal Opportunity;
- communications issued during the year on **cultural initiatives**, including the discovery during excavation work of an important statue of an individual from the imperial age, support for the "Water in Art and the Art of Water" exhibition and the lighting of the Domus Tiberiana;
- communications relating to **Acea programmes aimed at young people**, such as the launch and completion of the school-to-work programme called *GenerAzione 2030* and the launch of the second phase (2023) of the 2022-2023 edition of Acea Scuola.

The Media Relations unit also guaranteed, through print articles, television, radio and web items, media coverage of the **main events and initiatives which Acea carried out or participated in** through *value liberality* and *sponsorships*, including the Christmas luminaries in Via del Corso, participation in the Roma Film Festival and support for the Rome Marathon.

EVENTS AND SOLIDARITY

The **economic value distributed to the community** (in terms of sponsorships, trade fairs, conferences, etc.) in 2023 is approximately **€ 4.7 million**¹¹⁴ (€ 6.3 million in 2022). Of this amount, some € 545,000 have been earmarked for sponsoring cultural, social and sporting events. Allocations by way of **donations** for major initiatives amounted to approximately **€ 1.4 million** (€ 1.8 million in 2022).

Acea offers its services, such as **electricity and water supplies** or **switching public lighting on/off**, on the occasion of events and **special circumstances of a symbolic or community nature**, for example, **special lighting/switching off events at the Colosseum**, carried out on the National Day Against Eating Disorders, on Global Multiple Sclerosis Day, during breast cancer prevention month, on Cities for Life/Cities Against the Death Penalty Day; **at the Senate Building**, including for the *I Will Use Less Light* event, for the International Day for the Elimination of Violence Against Women and for Global Multiple Sclerosis Day, to show solidarity with the Region of Emilia Romagna and the Maghrebi people; **at the Lazio Region Building**, for special occasions, including the Pink October Campaign, International Day for the Elimination of Violence Against Women, for International Blood Donor Day, for the National Day for Patient Safety, for International Autism Awareness Day, for Global Alzheimers Awareness Day, for Chronic Intestinal Disease Day, **special lighting at the Cestia Pyramid** for the Sustainable Development Festival and of the **Triton Fountain** for AISLA Onlus, 16th National SLA Day. These services, referred to as **'technical sponsorships'**, had a **total economic value of around €223,000 in 2023**.

¹¹⁴ This item also includes expenses incurred for "trade fairs and conference" but not "technical" sponsorships.

The company participates in the main events related to its business activities and supports, every year, **including with sponsorships**, initiatives considered of high cultural and social value for the **development of the areas it operates in and for the benefit of the community** (see also the summary boxes at the end of the section). The **Sponsorship and Value Liberality Function advises on and manages requests** from the entire region and from the Group's corporate structures, **to submit them for the assessment of the Committee for the Region**, a corporate body that consults, assesses and issues opinions, as well as monitoring the sponsorship and donation pro-

cesses, in order to guarantee sound and virtuous development of relations with the territories in which the Acea Group operates. The applications **approved by the Committee for the Region** are subject to Integrity Due Diligence, for an ethical and reputational assessment of the applicants, according to best practices.

In 2023, Acea continued to support certain **hospitals** allocating a portion of the funds set aside for sponsorships, in particular Policlinico Umberto I, which since 2022 has been constructing a new cancer centre, which should be completed in 2024.

ACEA FOR THE COMMUNITY

Again in 2023, Acea carried out the **Acea for the Community social project, dedicated to senior citizens** and promoted together with the Rome Department of Social Policy, the Heads of the Roma Capitale Municipalities and the relevant municipalities in the wider Rome area.

The project, sponsored by the Municipality of Rome, involves 1.5 hour **training sessions** at senior centres in the Municipality of Rome and the communities in the wider Rome area on issues such as: **the water cycle, protecting water, the supplemental water bonus and how to request it, energy saving, sustainability and conscientious**

consumption.

In 2023, Acea improved the project thanks to **cooperation with the Carabinieri**, who sent a representative to various meetings on the delicate subject of **fraud and misleading information provided to senior citizens for water and electricity services**. On the occasion of these meetings, Acea donated a tablet to the senior centre **to allow those interested to communicate with the Acea virtual branch through videocalls**. Additionally, small gifts were distributed to incentivise water/energy saving, such as insulating water bottles and low consumption light bulbs.

The Group also sought to contribute to **cultural events and events of social interest**, for the relaunch of the territory and the well-being of citizens. Among the main events supported in 2023, note the **Atlante women's photography exhibit** (Terres des hommes) at Museo Maxxi. To promote theatre, musical and cinema activities, Acea once again joined the Fondazione **Teatro dell'Opera di Roma** as a private member and sponsored shows by that theatre and by Caracalla. It also sponsored the 2023 editions of the **Film Festival** at Auditorium Parco della Musica in Rome, as well as other similar local initiatives, such as the Festival dello Stupore and the International Jewish Culture Festival.

Among the main sporting events during the year, as usual Acea linked its brand to the most important running competition in the

capital: the Rome Marathon - **Acea Run Rome The Marathon**, held on 19 March 2023. The Group also sponsored numerous other sporting events and teams, including Rugby Perugia, A.S.D. Pink Basket Terni, Volley Group Roma, ASD Circolo Pattinatori Grosseto 1951, and, as every year, initiatives aimed at young people, such as **Volley Scuola -Acea Trophy** (see the dedicated box) and **Acea Camp**. This last project, which began in 2015 thanks to an idea of Carlton Myers and with support from Acea, offers thousands of children aged 6 to 16, in the summer after the school year ends, the opportunity **to play individual and team sports**, at a sustainable cost for families and accepts, first of all, those with greater economic needs. The 2023 edition of Acea Camp was held between 19 June and 21 July.

THE VOLLEY SCUOLA TOURNAMENT – ACEA TROPHY 2023

With a focus on the promotion of the values conveyed by sports, every year Acea supports events that concern children, combining them with awareness of sustainability issues. In particular, the Volley School Tournament-Acea Trophy saw its **thirtieth edition in 2023** and, organised by FIPAV Lazio, saw **the participation of around 120 secondary schools in Rome and the province**. The tournament has always been inspired by strong ethical values and has transformed, over time, into a workshop of ideas with an educational purpose, **adding an educational element to the sport**, through seminars on civic education, in-person or remote events with figures and experts from different sectors, and the creation of publications. The celebration of World Water Day and World Food Day, topics such as bullying, cyberbullying and the values of sport have become part of education guidance and also constituted an excellent catalyst for students during the pandemic.

For the 2023 edition of the Volley School Tournament, six **seminars**

were held for the students, all in person, which were all recorded and then sent to around 100 schools. The first was held on 22 March, on World Water and Food Day, the second on 5 April, on World Sport Day, the third on 21 April, on Earth Day, the seminar on 28 April was on the topic of bullying, while on 5 May the focus was on Road Safety Day, and the final seminar was on 16 October on World Food Day. On 11 May the finals were held for the 2023 edition of the **Beach Volley School - Acea Trophy** at "La Spiaggia" in Ostia, with around 300 athletes from the male and female *juniores* category, while the **indoor finals** were held on 24 and 25 May at Palafonte in Rome. Following the event, on 30 May the students who participated in Volley School-Acea Trophy met in Rome, at the headquarters of Corriere dello Sport, where the awards were presented for the winners of the five Volley School competitions ("Tell Us Volley School", "Click and Volley", "Comics on the Net", "Conscientious Water Use Slogan" and "WFO and Nutrition").

The following boxes describe some of the **main events supported by the Acea Group in 2023**, through sponsorships or donations.

2023: ACEA FOR CULTURE AND SUSTAINABILITY

- contribution as private partner and sponsor of the 2022/2023 theatre season of the **Rome Opera Theatre** (Rome Opera Theatre Foundation)
- partner and sponsor of the 18th **Rome Film Festival**, held from 18 to 29 October 2023, which saw the organisation of showings, exhibitions, meetings and events, welcoming directors and international stars (Fondazione Cinema di Roma)
- representation costs for the **Atlante women's photography show**, 2023/2024 season (Fondazione Terres des Hommes Italia)
- sponsor of the **International Jewish Culture Festival**, held from 25 - 28 June 2023 at various locations in the Jewish neighbourhood of Rome (ARTIX cooperative)
- representation costs for the **Festival dello Stupore** on "Magic Water: the wonder of the vital element", held in the Tor Bella Monaca neighbourhood of Rome from 28 - 30 September 2023 (Comunità di Sant'Egidio)
- sponsor of the 53rd edition of the **Giffoni Film Festival**, an important project at the international level, dedicated to young people and families, involving thousands of young people every year and in 2023 held from 20 - 29 July 2023 in Giffoni Valle Piana (Salerno)
- sponsor, also through Group companies, of various cultural

initiatives and events outside of Rome, including the **Reate Festival 2023**, with theatre events held in various locations in Rieti and Rome from 28 September to 13 December 2023 (Fondazione Flavio Vespasiano); the event **ECOMED-Progetto Comfort - Green Expo for the Mediterranean**, dedicated to the presentation of innovative solutions for sustainable development and the circular economy, held from 19 - 21 April 2023 in Catania (Amazing Events); the **Orvieto Cinema Fest**, (Orvieto Cinema Fest ODV) and **Orvieto Summer Nights** (Associazione Cantiere Orvieto), **FLA - Festival di Libri e Altre cose**, held from 19 - 21 April 2023 in Pescara (Associazione Culturale Mente Locale); the **1st Colleferro International Opera Competition "Young People City 2023"**, held from 26 - 27 October 2023, to identify new young musical talent (APS L'Araba Fenice libero pensiero per il bene comune).

- technical sponsorship of the initiative **"I will use less light (M'illumino di meno) 2023"**, with the switching off of the Senate Palace to raise awareness of energy saving
- technical sponsorship for the **2023 Sustainable Development Festival**, involving the projection of the **UN SDG logo on the Pyramid of Cestius**.

2023: ACEA FOR SOLIDARITY

- **solidarity contributions to improve or equip healthcare infrastructure** for **Policlinico Umberto I** (cancer centre)
- contribution to the **2023 Fiaba Day** event (XXI edition), organised in Rome on 1 October 2023, to promote discussion and awareness of issues relating to the removal of architectural, psychological and sensory barriers, to ensure equal opportunities, accessibility and usability for everyone (Fiaba Non-profit)
- contribution to tablets donated to senior centres involved in the **Acea for the Community** initiative, in various municipalities of Rome.

- participation in, through technical sponsorships, the **International Day for the Elimination of Violence Against Women**, **World Autism Awareness Day**, **National Day Against Eating Disorders**, the campaign to raise awareness **against the death penalty**, the **Pink October 2023** initiatives and numerous other events through **technical sponsorship**, including special lighting at the Senate Building, the Colosseum and the headquarters of the Lazio Region.

2023: ACEA FOR SPORT AND YOUNG PEOPLE

- sponsor of **Acea Run Rome The Marathon 2023**, the 42 km competitive road race, held in the capital on 19 March 2023, is the one with the most spectators (Infront Italy) and the most Italian and foreign athletes participating.
- support for **sports activities and events** in operating areas outside of Rome: **basketball** (ASD Pink Basket Terni, Pallacanestro Senigallia), **football** (USD Monterotondo Marittimo, ASD Real Monterotondo scalo, ASD La Boracifera), **running** (ASD Filippide, Amatori Podistica Terni, Corri i Castelli), **paraolympic fencing** (world championship), **rugby** (Rugby Perugia), and **volleyball** (Volley Group Roma)
- title sponsor of the 2023 edition of the **Volley Scuola Tournament - Acea Trophy**, dedicated to **secondary schools in Rome and the province**, organised by FIPAV Lazio; again in 2023 the sporting aspect of the event was accompanied by **educational elements**, with seminars on civil education and meetings with personalities and experts from various sectors (FIPAV Lazio)

- sponsor of **Acea Camp 2023**, the event aimed at students, in June and July, with the aim of introducing and disseminating the practice of sports and raising awareness of social and environmental issues (Never Give Up)
- sponsor of **Run For Autism 2023**, the 10 km competitive race and 5 km open to all, held in Rome on 2 April 2023 and promoted by Progetto Filippide, to raise awareness of autism and give hundreds of young people from all over Italy a special day (A.S.D. Sport and Society Association - Filippide Project Rome)
- sponsor of the National Serie A Wheelchair Basketball Championship 2023, to promote the sport among young people with physical disabilities, organising games (ASD Amicacci Abruzzo)
- sponsor of the 2023 **"I'm Separating Wastes Too" project for schools**, which combines sports activities with educational activities on circular economy issues (ASD Virtus Basket Aprilia).

SUPPLIERS



Stable at around

€ 1.9 billion

= total value of the **2023 Orders** for goods, services and works:

processed over **7,100**

orders/contracts with over

3,500 suppliers involved



Acea and the Trade Unions signed a **Protocol on Tenders: legality, efficiency and safety**



640

suppliers (+89% over 2022)

evaluated using the **Ecovadis model for 21 CSR criteria**: average score of 61.9/100



The **Work Safety Unit**

carried out **14,252**

safety inspections at work sites: the impact of “serious” non-conformities out of total non-conformities identified continues to fall

CONSOLIDATED EXTERNAL COSTS

In 2023, the Group's **consolidated external costs** totalled about **€ 2.94 billion** (-17.4% compared to 2022). The change was due to a decrease in costs associated with obtaining electricity and gas on the free market and protected market, offset by the increase in costs for services and tenders, substantially for *energy efficiency and smart services* projects.

Procurement of goods, services and works relative to Group companies subject to reporting is managed at a central level¹¹⁵ by the parent company's **Procurement & Material Management** function, with the exceptions of Gori, AdF, Gesesa and Deco, which independently manage this aspect. The **total value of ordered goods, services and works** recorded in 2023, including the amounts of the aforesaid non-centrally managed companies¹¹⁶, was stable at **around € 1.9 billion**, with a slight decrease of 0.6% with respect to the 2022 figure. Regarding the centrally managed companies, the value of 2023 procurement was approximately € 1.5 billion, also in line with the 2022 figure.

PROCUREMENT POLICIES

The parent company's **Procurement & Material Management** function defines **policies and guidelines** and manages, as a service, the procurement of goods, services and works requested by the departments of the Holding Company and the Group's main companies. To perform its duties, it **values the technical skills of the buyers**, handles the **requests of “internal customers”** (Functions/Companies in the Group) and develops a **transparent relationship with suppliers**.

DEALINGS WITH SUPPLIERS AND PROCUREMENT MANAGEMENT

The **Code of Ethics**, updated at the end of 2022, recalls the reference principles¹¹⁷ that should guide **relations between Acea**, as a contracting authority, **and its suppliers** (contractors and subcontractors), “on the basis of the principle of mutual benefit and cooperation that underlies such relations”:

- **equal opportunities** for each supplier;
- conduct based on **mutual loyalty, transparency and collaboration**;
- compliance with **rules and procedures**, including verification processes to identify potential **risks to reputation and/or corruption**;
- protection, by the supplier or sub-supplier, of the **human rights** of their employees (decent working conditions, protection of health and safety) and **safeguarding of the environment** (protection of ecosystems and biodiversity, rational use of natural resources, minimisation of waste, energy saving, etc.), respect for **privacy**, and guarantee of the **quality** of goods, services, and performance.

Suppliers issue a **declaration of acceptance and commitment to comply with the provisions contained in the Code of Ethics**, which constitutes an **element of the contractual relationship**. Any violation of the principles and criteria of conduct envisaged by the Code of Ethics, revealed by audits, will authorise Acea to take appropriate measures.

Additionally, in **December 2023**, following approval of the **Human Rights Policy** by the Board of Directors, Acea emphasised the care it takes with respect to its supply chain, dedicating one of its 20 reference principles to “*Responsible management of supplier relations*” (see the dedicated box).

¹¹⁵ For the NFS scope, see *Disclosing sustainability: methodological note*. With reference to this scope, the water companies Gori, AdF and Gesesa, the environment companies Berg, Demap, Deco and Ecologica Sangro (the latter in the NFS scope from 2023) and the companies operating in PV (with the exception of Acea Solar) are not centrally managed.

¹¹⁶ The data of the three companies operating in the water sector that manage procurement activities independently and of Deco are aggregated here with those managed centrally in order to represent overall relations with suppliers in the year under review. The figures for Berg, Demap and Ecologica Sangro and the photovoltaic companies (with the exception of Acea Solar) have not been included, as these companies recorded very low costs for materials and services during the year, equal to 1.6% of those incurred by the companies in the NFS scope and 1.2% of those incurred by the companies consolidated on a line by line basis.

¹¹⁷ The *Code of Ethics* dedicates a specific section to *Relations with Suppliers*, as well as making many other references to the same therein. The Code is shared on the company's intranet and is available online on the website. Special attention is paid to social safeguards in higher-risk settings: “In supply contracts with suppliers located in at-risk countries, defined as such by recognised organizations, contractual clauses have been introduced that involve compliance of the supplier with specific social obligations (e.g. measures that guarantee employees respect for their fundamental rights, the principles of equal treatment and non-discrimination, protection against child labour, the fight against forced labour, guaranteed minimum wage, limited work hours, etc.).”

RELATIONS WITH SUPPLIERS IN THE ACEA GROUP'S HUMAN RIGHTS POLICY

Principle 2.2.8 of the Human Rights Policy of the Acea Group, called Responsible management of supplier relations, states: “The Acea Group considers suppliers as priority stakeholders, who play a decisive role in the value chain; therefore, it is committed to sharing and promoting the principles contained in this Policy, consistent with the values, rules of conduct and appropriate control measures already provided for and expressed in the Code of Ethics, in the Anti-Corruption Guidelines, in the Organisational, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 and in other internal regulatory instruments. Relations with suppliers, including financial and consultancy contracts, are regulated not only by law, but also by appropriate internal procedures that include verification processes aimed at identifying

potential reputational and/or corruption risks. In fact, behaviours aimed at protecting the human rights of staff are expected from the supplier and sub-supplier, with particular attention to dignified working conditions (equal treatment and non-discrimination, fight against child labour and forced labour, guarantee of minimum wages, wages in line with the relevant national labour contracts and in any case proportionate to the quantity and quality of the work performed, compliance with the limits linked to the duration of working hours, etc.) and to the protection of health and safety at work, to safeguard the environment (protection of ecosystems and biodiversity, rational use of natural resources, waste minimisation, energy saving, etc.), to guarantee the quality of goods, services and performances and to respect privacy”.

For several years now, Acea has shared a **Water Contracts Protocol** with the trade unions involved in water tenders and with contractors, which includes aspects such as **employment protection** (proper application of the social clause with reference to contract changes), combating irregular work or work not in compliance

with the relevant national labour contracts, **workplace health and safety** and **compliance with contractual regulations**. Additionally, in **October 2023**, Acea signed an innovative **Protocol on tenders** with the trade unions (see the dedicated box).

THE PROTOCOL ON TENDERS SIGNED BY ACEA AND THE TRADE UNIONS: LEGALITY, EFFICIENCY AND SAFETY

On 20 October 2023, Acea and the trade unions signed a Protocol on Tenders which, referencing the provisions of the New Public Contracts Code, Italian Legislative Decree 36/2023, is intended to guarantee the highest levels of **legality and efficiency in managing tenders, strengthening health and safety protections** in the workplace and supporting **stable and quality employment**.

Among the basic elements of the Protocol, are the centrality of **training**, cooperation with the local area in educational campaigns and those to increase **awareness to develop a new safety culture**, and attention to issues of **social inclusion and organisational well-being**.

The Protocol also defines **rewarding criteria for the assignment of tenders**, to continue the objective of quality work throughout the cycle, including: lowest total number of sub-contractors; the

commitment to ensuring, for new hires, **minimum percentages of women and young people**, the use a majority of workers employed under **permanent employment contracts**, the application of **policies to achieve gender parity, the application of the social clause**, to promote stable employment, with a commitment by the incoming contractor to prioritise the hiring of personnel leaving the outgoing contractor within their own staff.

The Protocol references the principles and aims of the **National Framework Protocol to support legality, signed in July by Acea and the Ministry of the Interior**, with the aim of strengthening the joint commitment to combat the potential for corruption and the risks of organised crime infiltrating sectors of national strategic importance (see also the *Corporate Identity* section of the *Strategy and Sustainability* chapter).

Acea mainly uses tenders¹¹⁸ to select suppliers. In 2023, **70% of procurement, managed at a centralised level, was awarded through a tender procedure.**

For centrally-managed Group companies, the Procurement & Material Management function has **published on the website¹¹⁹**, in the “Supplier” Area, **the documentation relating to purchases** governed by the Public Procurement Code¹²⁰. **Operators who are interested in participating in tenders can freely access the portal of the Qualification Systems** and the portal for **participation in online calls for tenders**. The **web portal** is based on the same operational procedure as traditional tenders: it checks the adequacy of the supporting

document, acknowledges possession of the eligibility requirements, discloses the bids and displays the ranking. The companies operating in the water segment, which manage their own procurement process, also carry out tenders electronically, while Deco does not use tenders, rather it follows a procedure that involves the qualification of suppliers, market surveys accompanied by several offers from qualified suppliers on the company’s *vendor list* and the issue of purchase orders.

The Administration, Finance and Control Function **monitors supplier payment times**: in 2023, for the companies in the scope¹²¹,

¹¹⁸ Acea issues tender procedures for the procurement of works, goods and services in compliance with current legislation (Legislative Decree no. 50/2016), with reference to the ordinary and special water and energy sectors. In particular, for tenders in special areas involving amounts below the EU threshold, Acea applies Internal Regulations consistent with the principles of the EU Treaty for the protection of competition. Finally, for tenders that do not fall within the scope of application of the *Code on public contracts* (so-called “extraneous or private law”), selection procedures are used which comply with the principles of free competition, equal treatment, non-discrimination, transparency and proportionality.

¹¹⁹ In compliance with the requirements of the National Anti-Corruption Authority (ANAC) and the so-called “Anti-Corruption Law” (Law 190/2012).

¹²⁰ Legislative Decree no. 50 of 18 April 2016 and subsequent amendments and additions. *Public Contracts Code*.

¹²¹ The 2023 analysis produced by Administration, Finance and Control also included the companies Gori, AdF and Gesesa, which have provided data even though they are not managed at the centralised level. It was not possible to include Deco in that it lacks ERP SAP. Additionally, Berg, Demap, Ecologica Sangro and four photovoltaic companies were also left out of the analysis due to the low share of the costs incurred.

the **average payment delay** was **28.8 days**¹²² (a slight increase compared to the 34.4 days recorded in 2022); **the same figure, when weighted in light of the amounts, falls to 15.7 days**¹²³ (compared to

26 days in 2022). This was the case for 55% of the value of payments made in the year (compared to 34% in 2022), while **the percentage of amounts paid on time was 45%** (66% in 2022).

DISPUTES WITH SUPPLIERS IN 2023

The disputes¹²⁴ between the company and its suppliers mainly concern non-payment of invoices and judgements on procurement matters.

With regard to **non-payment of invoices** for supplies of goods, services and works, there has been an increase in the number of disputes that have arisen: **9** in 2023 (4 in 2022). These are generally injunctions concerning invoices that were not paid for formal reasons and are quickly resolved by settlement proceedings.

As for the civil litigation in the field of **procurement contracts**, mainly concerning the registration of reservations by contractors, contract terminations, considerations and damages, **17** cases were filed in **2023**, an increase compared to the previous year (8 cases).

Moreover, **21 administrative disputes** began in 2023 (12 the previous year) concerning **tenders**.

As at 31 December 2023, the total number of **disputes pending with suppliers** (including disputes initiated in previous years) amounted to **116**, slightly up compared to the figure for 2022 (102 disputes).

At the end of the year, there were also **9 pending disputes started by employees of contractors**, who are **appealing against the latter and against the contracting authority** – as jointly and severally liable – for work credits accrued as an employee of the contractor during the duration of the contract. The figure is in line with the previous year.

SUSTAINABILITY CRITERIA IN TENDERS

In 2023, for the Group Companies under analysis, **about 7,100 orders/contracts** were processed, for a total of **more than 3,500 suppliers** involved (please see the *Order Analysis* below).

Within the **centralised management** of tenders, which covers 81.5% of the total value of procurement within the 2023 scope of consolidation, amounting to 2,565 orders/contracts managed and 1,299 suppliers involved, as a **requirement for participation**, for **100% of tenders for the award of works contracts** and for numerous contracts for the purchase of goods and services, Acea requires UNI EN ISO 9001 **quality management system** and the UNI EN ISO 45001:2018 **occupational health and safety certifications**. Furthermore, **for the product categories subject to tender** and relating to the purchase of goods, services or works, **evaluation criteria of the technical offer based on the following systems** are included during the tender process, when applicable: **UNI EN ISO 14001 – UNI CEI EN ISO 50001 – UNI ISO 37001 – FSC Chain of Custody**. These requirements were **added to potentially eligible calls for tenders**, awarded on the basis of the most economically advantageous offer: in 2023 **75% of tenders, out of a total of 125 effectively eligible**¹²⁵ were **awarded using criteria that reward sustainability**.

Additionally, when relevant, Acea adds to tender specifications regulatory references to the **Minimum Environmental Criteria (CAM)** adopted by Decree of the Ministry for the Environment, Land and Sea¹²⁶, as binding parameters or bonuses. In particular, the reference to CAMS is applied in tenders related to the rental services for generators, ordinary and extraordinary maintenance contracts for lifting systems, the purchase of computers and printer cartridges, in addition to categories such as paper, office furnishings, public

lighting – supply and design of LED lighting fixtures – work clothes, cleaning of buildings, maintenance of green areas and vehicles.

ANALYSIS OF PROCUREMENTS AND THE SUPPLY CHAIN

SCOPE

The information and data presented in the paragraph in an aggregated manner concern all companies included in the scope – please see *Disclosing Sustainability: Methodological note* – including the companies Gesesa, Gori and AdF, operating in the water sector, and Deco, in the environment sector, which are not managed centrally, and excluding Berg, Demap, Ecologica Sangro and four FTV companies, which together account for 1.6% of the costs of materials and services of the companies in the consolidation area.

The value in **2023** of that ordered to procure **goods**, for the provision of **services** and the execution of **works**, as noted, was equal to **around € 1.9 billion**¹²⁷, stable with respect to 2022; when examining the distribution of value among the three components, compared to the figures from the previous year, the items “goods” and “works” increased (respectively by +35% and +15%) while “services” fell (-28%) (see table no. 42).

¹²² The calculation of the figure is a simple average of the difference between the due date of the invoice in the system and the date of actual payment.

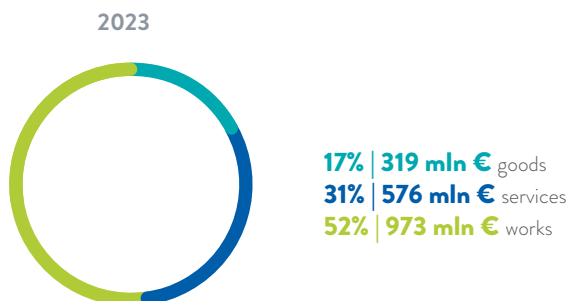
¹²³ The calculation of the figure is the result of the average of the difference between the expiry date of the bill in the system and the date of actual payment weighted according to the amount of the bills.

¹²⁴ The figures for the 2023 dispute refer to all the Companies within the NFS scope (see *Disclosing Sustainability: Methodological Note*).

¹²⁵ Consultancy activities are excluded from this calculation.

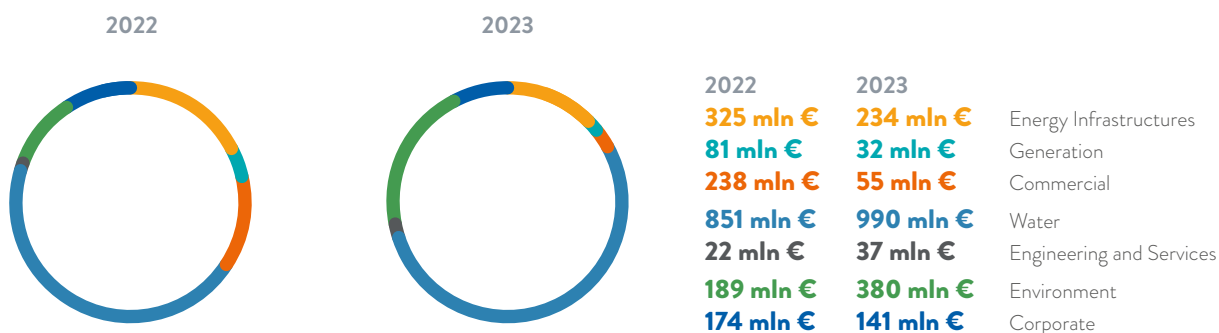
¹²⁶ From www.mite.gov.it: “Minimum Environmental Criteria (CAM) are the environmental requirements defined for the various phases of the purchasing process, aimed at identifying the best design solution, product or service from an environmental point of view throughout the life cycle, taking into account market availability. [...] Their systematic and uniform application makes it possible to spread environmental technologies and environmentally preferable products”.

¹²⁷ The amount of purchases managed at the centralised level refers to tenders awarded during the year, without any distinction between investments and operating cost, annual and multi-annual contracts. Purchases of commodities, regularisation orders and intercompany orders are excluded. The figures for the companies that are not centrally managed, for a total of € 346 million, do include all purchase types.

Chart no. 33 – Value of ordered goods, services and works and percentage on total (2023)

Note: Figures are rounded off to the nearest unit.

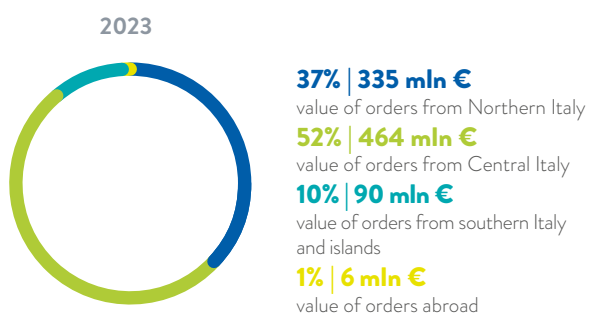
Examining the distribution of procurement amounts by **business** – Energy Infrastructure, Production, Commercial, Water, Environment, Engineering and Services – and for Corporate (Acea SpA), in terms of percentage changes with respect to the 2022 figures, the largest decreases can be seen in Commercial and Production, while significant increases were seen in Environment and Engineering and Services; the Water component continues to be the largest (see chart no. 34 and table no. 42).

Chart no. 34 – Orders (goods, services, works) by business area (2022-2023)

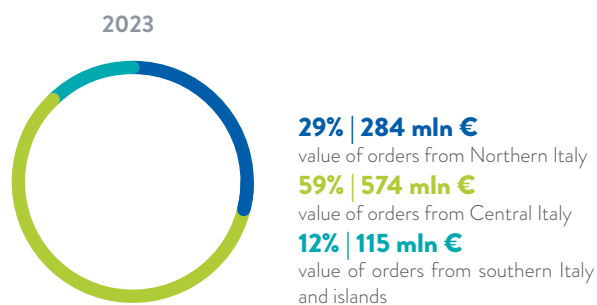
Note: Figures are rounded off to the nearest unit. The **Energy Infrastructure** business includes Areti, **Production** includes Acea Produzione, Ecogena and Acea Solar. **Commercial** includes Acea Energia and Acea Innovation. **Water** includes the companies: Acea Ato 2, Acea Ato 5, Gori, Gesesa, AdF. **Engineering and Services** includes Acea Infrastructure. **Environment** includes: Acea Ambiente, Aquaser, Acque Industriali and Deco. Present in the **Corporate** segment is only Acea SpA.

As mentioned, the procurement needs of the Group's companies included in the scope in the year totalled **7,095 orders/contracts** and **involved 3,508 suppliers** (slightly down with respect to the 3,780 in 2022). The **geographic distribution of the suppliers** in 2023 continued to see the largest portion coming from central Italy (48%), of which 23% in Lazio, followed by northern Italy (30%), southern Italy and the islands (20%) and only a residual 2% foreign. The **geographical distribution of the value of that procured**, in terms of percentage weight on the total amounts (€ 895 million for

goods and services and € 973 million for works), is more concentrated in central Italy, with 52% of the item "goods and services" and 59% of the item "works", followed by northern Italy, which absorbs 37% of the item "goods and services" and 29% of the item "works" and by southern Italy and Islands (with 10% of the item "goods and services" and around 12% of the item "works"). During the year, around **33% of the value of "goods and services"** and over **55% of the value of "works"** were concentrated in **Lazio** (charts 35 and 36, and Table 43).

Chart no. 35 – Geographical distribution of the amounts for goods and services in Italy and abroad (2023)

Note: Figures are rounded off to the nearest unit.

Chart no. 36 – Geographical distribution of the amounts of works awarded in Italy (2023)

Note: Figures are rounded off to the nearest unit. In 2023, for the companies in the scope, the value of foreign procurement was minimal, with a percentage impact of zero.

Table no. 42 – Procurement data (2022-2023)

	u. m.	2022	2023	Δ% 2023/2022
VALUE OF PROCUREMENT THROUGH TENDERS				
goods	million €	236	319	35%
services	million €	800	576	-28%
works	million €	844	973	15%
total	million €	1,880	1,869	-1%
GOODS, SERVICES AND WORKS AS A PERCENTAGE OF TOTAL ORDERS				
goods	%	13%	17%	31%
services	%	42%	31%	-26%
works	%	45%	52%	16%
VALUE OF ORDERS BY BUSINESS AREA				
Networks (Energy Infrastructure)	million €	325	234	-28%
Generation	million €	81	32	-60%
Commercial	million €	238	55	-77%
Water	million €	851	990	16%
Engineering and services	million €	22	37	70%
Environment	million €	189	380	101%
Corporate	million €	174	141	-19%
NUMBER OF PURCHASE ORDERS MANAGED				
POs for goods, services and works	no.	7,837	7,095	-9%

Note: all the figures in the table are rounded off to the nearest unit.

Table no. 43 – Procurement nationwide (2022-2023)

	u. m.	2022	as % of total/year	2023	as % of total/year
NUMBER OF SUPPLIERS OF GOODS, SERVICES AND WORKS NATIONWIDE					
suppliers north Italy	no.	1,136	30%	1,037	30%
suppliers central Italy	no.	1,956	52%	1,698	48%
suppliers Lazio	no.	969	26%	811	23%
suppliers south Italy and islands	no.	617	16%	713	20%
foreign suppliers	no.	71	2%	60	2%
total suppliers	no.	3,780	100%	3,508	100%
GEOGRAPHICAL BREAKDOWN OF AMOUNTS FOR GOODS AND SERVICES					
value of orders from Northern Italy	million €	327	32%	335	37%
value of orders from Central Italy	million €	566	55%	464	52%
value of orders from Lazio	million €	419	40%	297	33%
value of orders from southern Italy and islands	million €	103	10%	90	10%
value of orders abroad	million €	40	4%	6	1%
total value of orders for goods and services	million €	1,036	100%	895	100%
GEOGRAPHICAL BREAKDOWN OF AMOUNTS FOR WORKS					
value of orders from Northern Italy	million €	103	12%	284	29%
value of orders from Central Italy	million €	613	73%	574	59%
value of orders from Lazio	million €	505	60%	541	56%
value of orders from southern Italy and islands	million €	128	15%	115	12%
value of orders abroad	million €	0	0%	0	0%
total ordered for works	million €	844	100%	973	100%

Note: all the figures in the table are rounded off to the nearest unit. The “northern Italy” geographical area includes Valle d’Aosta, Piedmont, Lombardy, Veneto, Trentino-Alto Adige, Friuli-Venezia Giulia, Emilia-Romagna and Liguria; “central Italy” includes Tuscany, Umbria, Marche, Lazio, Abruzzo and Molise; “southern Italy and islands” includes Campania, Basilicata, Apulia, Calabria, Sicily and Sardinia. The geographical area “abroad” includes suppliers that are mainly European.

SUSTAINABILITY IN THE SELECTION AND ASSESSMENT OF SUPPLIERS: FROM QUALIFICATION TO ONGOING CONTRACTS

Various **systems for qualifying suppliers of works, goods and services** are active in Acea in observance of principles of competition and equal treatment.

The **Supplier Qualification Unit**:

- coordinates working groups to identify the **qualification requirements**;
- draws up the **Qualification Regulations**;
- establishes **Qualification systems** of European significance¹²⁸ and **Supplier Lists** for so-called “below threshold” or private contracts.

During 2023, the product tree shared between the Group companies whose procurement is managed centrally included **573 product groups** and the Unit in charge managed, as of 31.12.2023, **165 Supplier lists**.

To register with the **Lists/qualification systems**, companies must visit the Acea institutional website (www.gruppo.acea.it Suppliers section) which is a **dedicated portal**, which works with the suppliers database; the requests are processed, including **verification that the requirements are actually met** with the relative communications to the supplier. During 2023, a **total of 2,390 registration applications** for the **Qualification Systems/Lists** were processed (+54% compared to the 1,554 applications in 2022), amounting to **741 successful applications** in total. Specifically:

- **212** qualification applications processed for “works” Qualification systems”;
- **529** qualification applications processed for Qualification Systems/Suppliers’ Lists for “goods and services”.

The **requirements** suppliers must meet to enrol in the qualification systems are “**general**” – including **ethical requirements established in sector regulations, including acceptance of the Acea Group’s Code of Ethics and Organisation, Management and Control Model** (pursuant to Italian Legislative Decree 231/2001, as amended. – and “**specific**”, relative to the group or group of goods/services associated with individual Supplier Lists.

Among the specific requirements, in some cases **Acea requires its potential suppliers** to have **certain Authorisations and/or certifications**:

- **UNI EN ISO 9001 certification** (binding requirement for all the “works” product groups and for almost all the “goods and services” suppliers);
- **UNI EN ISO 14001 certification** (for inclusion in the lists of suppliers for special non-hazardous waste, cleaning services, armed surveillance service and concierge/reception);
- **Registration with the National Environmental Operators’ Register** or authorisation to manage a plant for the recovery/disposal of waste (for inclusion in suppliers’ lists for Waste Management Systems);
- **UNI EN ISO 45001 certification** (for inclusion in the suppliers’ list for the electro-mechanical maintenance of industrial plants and cleaning services);
- **UNI EN 15838:2010 certification** (for inclusion in the suppliers’ list for “Call Centre and Back Office”);

- **SA 8000 certification** (for inclusion in the suppliers’ list for “Cleaning services”);
- **UNI 10891 certification** (for inclusion in the suppliers’ list in the “Armed surveillance service and concierge/reception”).

For admission to the Qualification Systems of Community-wide significance, **companies wishing to qualify must declare their availability to undergo an audit at the administrative head office**, aimed at assessing the truthfulness and adequacy of the documentation provided, **and at the operating plants** or product warehouses, in order to assess the implementation and application of the active management systems.

The **supplier portal is constantly updated**, indicating any changes which have occurred; in particular, **in December 2023** the European Single Regulations for Qualification Systems were updated for both works, goods and services, with the relative Annexes, with the **introduction**, among specific requirements that suppliers wishing to qualify must supply (for the Lists expressly indicated, in Annex A to the Regulations), of a **cyber risk self-assessment questionnaire**. This is a cyber-risk self-assessment questionnaire developed by Acea, known as the “*ACEA - Third Party Cyber Security Assessment Tool*”, which makes it possible to assess the supplier with reference to the requirements of fungibility, diversification and evaluation of technical reliability with the aim of identifying cyber risks linked to the supply chain. Suppliers must also comply with **anti-trust principles** adopted by the Acea Group in the context of its anti-trust compliance programme.

The **assessment of suppliers** involves different types of controls that are implemented **depending on the List/qualification system and the different statuses that the supplier acquires** with respect to Acea:

- **during the qualification phase**;
- **qualified**;
- **qualified with contract in progress**.

In order to be able to register on the **suppliers’ list** relating to the **Single Regulations for Goods and Services and Works** which, for 2023, concerned **116 out of 165 total Suppliers’ Lists** (“qualification phase”), suppliers must complete a **self-assessment questionnaire on the Quality, Environment, Safety, Energy and Social Responsibility management systems (QASER)**, found on the Vendor Management platform. In 2023, this questionnaire on QASER systems was completed by **315 suppliers** (233 for goods and services and 82 for works), representing 100% of the qualified suppliers on the supplier lists for the aforementioned Single Regulations and **85% of total suppliers qualified during the year** (equal to 371)¹²⁹.

Furthermore, in continuity with a practice that has been consolidated for several years, the **Procurement & Material Management Function**, in synergy with the Sustainability Planning & Reporting Unit, sent a panel of **100 Group suppliers an in-depth questionnaire** to assess their commitment on **environmental issues**, with a particular focus on energy consumption. **51 companies responded to the questionnaire in full** and the results of the survey are **shown in the Relations with the environment section**, in the chapter on **The Use of Materials, Energy and Water** (Energy Consumption paragraph), to which reference is made.

¹²⁸ Pursuant to Article 134 of Legislative Decree no. 50/2016 as amended.

¹²⁹ The number of qualified suppliers does not coincide with the 741 successfully processed applications for registration in qualification systems, as suppliers can register in more than one qualification system.

Of the companies that manage their own procurement, it should be noted that **Deco**, which requires suppliers that intend to register in the company's vendor list to complete a questionnaire, signed by their legal representative, centred around **topics of socio-environmental importance**, such as the adoption of a 231 Organisational Model, any presence of current legal proceedings for the offences envisaged by Italian Legislative Decree no. 231/01 or by environmental or occupational safety regulations, as well as any possession of certifications on QASER management systems or EMAS registrations. Furthermore, Deco requires suppliers during registration to sign a **commitment to corporate social responsibility** on the aspects envisaged by international standard SA 8000, which allows for a **higher score to be achieved during qualification**. As at 31 December 2023, Deco had **566 letters of commitment signed by the legal representatives of the suppliers** on the vendor list, 25 of which received during the year in question. The company carries out **analysis** to identify its **"key" suppliers**, namely those that, while performing their activities, could have a **greater influence on the corporate activities** and which could have effects on the **quality of the service, the environment and certain aspects of health and safety at work**. All key suppliers are periodically evaluated to confirm qualification and must, before a contract is signed, fill out the aforementioned questionnaire and undergo a second-audit.

AdF also applies, where relevant, **preferential sustainability criteria** during **registration on the Suppliers' List**, and for **qualification** in the product categories, for example by requiring operators who intend to qualify in the product category **"hazardous and non-hazardous special waste disposal services"** to certify that they have ISO 14001:2015 certification.

Additionally, since 2020 **AdF** has applied the **Circular Economy Protocol**, prepared with the direct involvement of interested parties (institutions, sector authorities, credit institutions, universities, trade unions, etc.) to **protect local suppliers and ensure quality and social/environmental sustainability in the supply chain are valued**. The Protocol makes it possible to reserve a portion of the goods, services and works procedure for local economic operators, in cases not subject to the Public Contracts Code, which apply to a dedicated register to qualify for categories linked to the circular economy. The initiative is able to **create shared advantages**: local suppliers benefit from **contracts, sometimes long-term**, while also undertaking, so as to remain on the Register, to **fully comply with the established sustainability criteria**. Social and environmental responsibility is also taken into account when assessing qualification requests, and incentive criteria that are linked to further commitments are envisaged, such as, for example, hiring staff belonging to protected categories, good practices in terms of health and safety in the workplace, use of vehicles with low environmental impact, etc. (see the Circular Economy Regulation available in the "Suppliers Area"

of the institutional website www.fiora.it). As at 31 December 2023, **qualified suppliers in the area governed by the Protocol** numbered **around 130**; AdF monitors qualifications in the categories falling under the Register, **periodically verifying the results achieved and the quality of the actions taking** also sharing the information with local stakeholders.

Once qualified, the supplier may be subjected to a **second-party Audit on Quality, Environment, Safety, Energy and Social Responsibility (QASER) Management Systems** to verify the application of active and certified Management Systems and the management methods used for other areas linked to sustainability. In 2023 **12 of the main suppliers were selected and subjected to verifications**, operating in the most critical areas with respect to "environment" and "safety" (waste management and works); the **audits** were carried out **with the Teams platform**, with documentary evidence shared remotely. Each supplier **was sent feedback** indicating the degree of compliance per scheme and overall, as well as a **report with recommendations for improvement**. Overall, it was found that 100% of the audited suppliers are certified for Quality (ISO 9001), 97% for Environment (ISO 14001), 83% for Safety (ISO 45001), 50% for Social Responsibility (SA 8000), and 25% for Energy (ISO 50001). An overall average overall **average compliance, compared to the requirements of the audited schemes (QASER), of about 74%** (77% for Quality, 73% for Environment, 78% for Safety, 55% for Energy and 75% for Social Responsibility).

During the year, **Deco** also prepared its annual audit plan for its "key suppliers" and **investigated 2 companies** on aspects envisaged by the standard SA 8000 such as the use of child labour or forced or compulsory labour, discrimination, worker safety, compliance with national collective bargaining agreements and labour law, and freedom of association, **which found no non-conformities**. Should non-conformities be detected, based on their severity, Deco also calls for the establishment of a recovery plan which allows the supplier to raise awareness and improve its performance, with the exception of particularly serious findings that could lead to the interruption of the contractual relationship.

The **Group's Vendor Rating** system is in place on the single purchasing portal, utilised to monitor **certain supplier performance indicators** (punctuality, quality, safety) and generate a **"vendor rating index"**, which was **calculated for 900 suppliers** in 2023; this works with a **sustainability rating**, based on the **Ecovadis model, calculated during the year for 640 suppliers**, a figure which **increased by around 89%** with respect to the previous year (sustainability rating calculated for 339 suppliers in 2022); also see the box on the subject and chart no. 37.

THE VENDOR RATING SYSTEM AND ECOVADIS MODEL

The Group Vendor Rating System is used to **analyse, assess and monitor supplier performance** using objective (non-discretionary) criteria and, where possible, automatic criteria. The **Vendor Rating index** is calculated using a weighted combination of detailed indicators that monitor the main aspects relative to the execution phases of the contract: **punctuality, quality and safety**. The model was defined for goods, services and works for the combined product supplier/group; as at 31 December 2023, the index was **calculated for 900 suppliers**, with the generation of scorecards that, for each product supplier/group of reference, show the summary indicator and the detailed indicators.

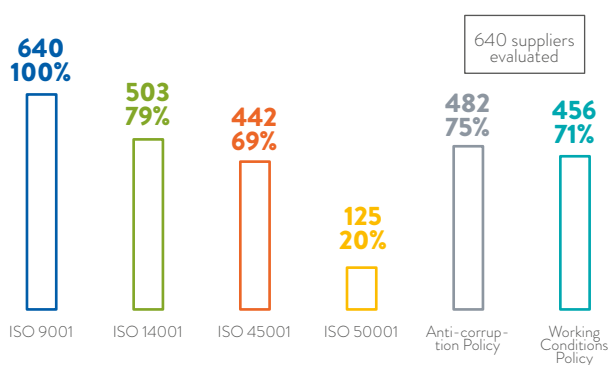
To **assess the sustainability performance of its partners**, Acea also adopted the **EcoVadis model**. EcoVadis is a global CSR (Corporate Social Responsibility) rating agency that uses international standards. The EcoVadis model calculates the **sustainability rating** according to **21 CSR criteria** related to the environment, work and

human rights, ethics and sustainability in purchases, which was integrated into the vendor rating model. Accurate analyses are dedicated to the suppliers through: a **customised evaluation questionnaire**; data collection and analysis done by CSR experts; the **establishment of corrective plans and relative monitoring**, and the sharing of the evaluation with the EcoVadis network.

In 2023 **640 suppliers were evaluated** (+89% compared to 339 in 2022) with an **average score of 61.9/100**, compared to the Italian average of 45/100 and a utilities sector average of 56.5/100. Another 216 suppliers are currently being evaluated.

The **CSR evaluation** was included as a **bonus criteria in tenders with the most competitive bid**, offering different scores based on the rating obtained from the EcoVadis assessment, in order to reward the most virtuous companies in terms of environmental protection and Corporate Social Responsibility.

Chart no. 37 – Presence of certified management systems and policies with suppliers evaluated by EcoVadis (2023)



Note: suppliers may have several management systems/policies; percentages are rounded.

HEALTH AND SAFETY ALONG THE SUPPLY CHAIN: AWARENESS RAISING AND AUDITS

Acea takes great care with **workplace safety, throughout the supply chain**. In particular, organisational structures, both within the holding company and the operating companies, carry out activities to **monitor and control** safety management by suppliers. The **Work Safety Unit**¹³⁰, in **Acea Infrastructure**, is the **Group structure of reference**, for the management of the **safety of works**

and services contracted out by Group companies (mainly Acea Ato 2, Acea Ato 5, Areti and Acea Ambiente¹³¹), **ensuring compliance with the highest standards** and with regulations¹³². To this end:

- **support and assistance to the Works Manager** and general Safety Coordination;
- **coordination of safety in the design phase and during execution** at specific sites;
- **safety inspections** for works and services that do not require coordination during execution;
- **services ancillary** to safety inspection activities.

Site safety inspections are related to the **main works** that are the subject of **maintenance contracts for networks and services in the water and electricity sectors**, but also concern minor contracts¹³³. Supported by the use of computer systems, the activities are distinguished into works requiring **Safety Coordination during the execution phase** (Coordinators appointed as needed by the Works Director) **or during the design phase** and works with **random or on-demand safety inspections**.

For the interventions carried out during the year the following people were involved:

- **18 Safety coordinators** in the execution and design phase, assigned to specific worksites as needed;
- **17 Safety inspectors**, who assessed and verified the safety standard through random inspections;
- **4 Planners**, who followed the planning and dispatching of the safety inspections to the sites of the contractors;
- **10 Technical Support resources**, who managed the technical and professional audits of the companies engaged in the contracts.

In particular, in **2023**, the Work Safety Unit:

- carried out the activities in **support of the technical and professional audits of 1,051 companies** (45% of contractors and 55% of subcontractors and operated equipment rentals¹³⁴), in line with 2022 (1,045 companies);

¹³⁰ The Unit (previously the "Site Safety" Unit) changed its name in December 2023.

¹³¹ For Acea Ambiente, the Work Safety Unit mainly carried out Safety Coordination during execution (CSE) activities on a smaller number of sites.

¹³² Legislative Decree no. 81/08 "Consolidated Act on Safety", as amended.

¹³³ Such as electrical or electromechanical maintenance work carried out on plants, meter changes, road repairs, video-inspections and sewerage pumping, etc.

¹³⁴ Operated equipment rental is a contract that involves the rental of work equipment and the performance of a specialized operator, essential for the operation/use of the equipment itself.

- activated **Safety Coordination in the Execution phase for 435 tasks** and carried out **Safety Coordination in the Design phase for 67 tasks**;
- carried out **14,252 on-site safety¹³⁵ inspections**.

During the **audit of the staff of contractor and subcontractor companies**, the Work Safety Unit also ascertains that the Employer has provided **basic health and safety training** and, where applicable, **specific training**.

Workplace health and safety audits carried out as part of inspections in 2023, allowed for the identification of a total of **1,432 non-conformities¹³⁶**, of which **959, or 67%, of “minor importance”**, 370 of “medium importance” and 103 of “major importance”, confirming the trend already seen in recent years of a **constant decrease in the percentage represented by “major importance” non-conformities (7% in 2023) out of all non-conformities identified during the year¹³⁷**.

Additionally, for Engineering, Procurement and Construction (EPC) sites for which it acts as the contractor, and based on the service contract signed with Acea Ato 2, **Acea Infrastructure carries out high vigilance audits and inspections** to ensure:

- safety conditions for the work assigned and application of the provisions and instructions found in the safety and coordination plans (SCP);
- the professional and technical suitability of companies performing the work, pursuant to annex XVII of the Consolidated Law on Workplace Safety;
- the effective implementation of health and safety provisions with reference to work site logistics;
- access control, work site fencing and storage of materials;
- the worksite is maintained in an orderly fashion.

To that end, Acea Infrastructure has created the role of **High Vigilance Monitoring Manager (REMAV)**, who ensures compliance with the prevention and protection measures by contractors and companies carrying out work, and has designed and implemented a High Vigilance System using **general check-lists** for work site activities and **specific check-lists** to ensure application of the various safety and coordination plans.

To support these activities an **app has been adopted for digital safety checks (Vigilance 4.0)**, based on specific check-lists in line with the instructions found in the safety and coordination plans (SCP) for each work site. In 2023, 16 High Vigilance monitoring actions were carried out, as well as 134 operational vigilance actions, by the workers assigned to monitor the work of contractor companies and by the Worksite Coordination Managers, using digitalised check-lists specific to each work site. Use of the app has made it possible to **ensure controls are uniform and precise**, even if carried out by various entities, as well as ensuring **inspection results can be traced**, to allow for **a review of overall safety management and continuous improvement of work site activities**. During 2023, among other activities, the High Vigilance Monitoring Manager organised **training**

on the use of the Vigilance 4.0 app for work site personnel and on proper use of the check-lists, received operational monitoring notes from assigned workers and quarterly reports from the delegated safety executives, in turn preparing reports with feedback on the results of the monitoring, which did not identify any critical issues.

The Acea Infrastructure Work Safety Unit and the other Group Companies that independently manage site audits¹³⁸, either in whole or in part, also contribute to **protecting the safety of contractors working on the construction sites**, also by meeting the employers of the companies before the start of work and **informing them of the standards adopted**. In fact, **all contractors** are informed by the relevant Units in charge of managing the contract, the Works Management and the relevant Safety Coordinators for the Execution of the Works (the latter where provided for by current legislation), **through the DUVRI** (Single Risk Assessment Document, to be attached to the contract), **the SCP** (Safety and Coordination Plan) or **specific coordination meetings**.

As an example, **AdF**, which conducts its own inspections, took steps to carry out **coordination meetings with the contracting companies** on the correct procedures to be followed in terms of health and safety, and in 2023 carried out **1 training/coaching courses** aimed at contractor staff, for a total of **30 hours** of training on the correct use of systems for the recovery in emergencies for staff operating in the workplace, through the preparation of specific anchor lines for each type of plant.

Additionally, for many years the **Training Camp** has been a constant within Acea, a space dedicated to educating and **training personnel**, both internal (see the chapter *Personnel*) and contractor staff to demonstrate **how to safely perform activities such as climbing/descending from MV/LV power line pylons, entering confined spaces** underground, and **ensuring systems are safe** when works are required.

The Companies that carried out site inspections during the year, **above and beyond the work of the Work Safety Unit**, took the Parent Company's guidelines into consideration. In particular, **Acea Ato 2** assigns inspections to its Supervision and Inspection Unit, and **1,926 inspections** were conducted during the year (2,467 in 2022) **at contractors**, with no serious critical issues detected. **Acea Ato 5 has further strengthened its auditing activity** and, in 2023, through its Internal Safety Team (Risk & Compliance and Safety Unit) carried out **745 inspections** (544 in 2022) intended to verify supplier compliance with reference to workplace health and safety, environment and work quality; the results of the inspections are shared with the relative companies, to increase awareness, including through dedicated meetings. During 2023 **Areti** also carried out verification activities, with **2,005 inspection visits** at work sites (2,312 in 2022).

This also applies to non-centrally managed companies: **AdF**, through its Technical Management Systems Unit, **performed 248**

¹³⁵ The number includes visits for all types of contracts, both main ones and “minor ones”.

¹³⁶ For the main contracts, as envisaged in the contract documentation, the results of audits are recorded according to four categories: compliant or non-applicable, minor (generally corrected on the spot), medium and major infractions. The non-conformities are associated with corrective actions and penalties applied by the contracting company on the basis of the provisions of the tender documentation, and, serious infractions may lead to the suspension of works.

¹³⁷ In 2021, over 15,444 inspections, 1,023 non-conformities were recorded (of which 677, or 66%, of minor importance; 251 of medium importance, and 95, or 9%, of major importance). In 2022, over 14,724 inspections, 1,686 non-conformities were recorded (of which 1,178, or 70%, of minor importance; 380 of medium importance, and 139, or 8%, of major importance).

¹³⁸ Note that the company Deco had no site activities in the year in question.

checks during the year (503 in 2022) **to verify safety conditions**, identifying a total of 6 deviations regarding a lack of documentation, with no procedural issues and/or lack of PPE; **Gori and Gesesa** both significantly **increased health and safety inspections at work sites in 2023**: Gori performed **4,934 checks** (2,953 in 2022) and Gesesa performed **58 inspections** (31 in 2022), identifying and resolving 11 anomalies.

With reference to **health and safety along the value chain**, for some years now Acea has prepared and progressively implemented a project known as **Sustainability and Safety, a virtuous pair**, intended to **actively involve contractors**, offering **training sessions** and helping them to **improve**, in particular, **the process of collecting and reporting injury data**. The project was coordinated by the parent company's Risk Management, Compliance & Sustainability Department and the Work Safety Unit, developed in synergy with the units of the holding company and operating companies responsible for monitoring supplier relations in various ways.

To render the process uniform and **expand injury statistic monitoring to a growing number of contractors**, in 2023 **data collection was integrated into quarterly feedback** through which the RSPPs of the Group's operating companies record the safety performance of contractors.

Analysis of the resulting data¹³⁹ indicated that **injuries** during the year in question, with reference to **contractor staff** (14,877 people), excluding those occurring during *commutes*, totalled **27**, specifically **20 occupational incidents** (of which 17 with minor injuries) and **7 non-occupational incidents** (all of which with minor injuries). The **main causes of injuries** were **tripping, bumping, slipping, cuts, crushing, mistakes in manual movement of heavy loads, inappropriate movements and road accidents**.

The **frequency index**¹⁴⁰ of total accidents is **2.36** and the **severity index** is **0.06**.

Additionally, there were **no fatal accidents during the year**, nor were there any occupational diseases involving contractor staff.

INVOLVEMENT OF SUPPLIERS ALSO IN OTHER SENSITIVE ISSUES

Some Group companies carry out activities to improve the **involvement and awareness of suppliers** with respect to other aspects, in particular concerning technological developments implemented as well as the Group's values or operating guidelines, to ensure **constant alignment and adequate training of partners** working on behalf of the Company.

Areti, involved suppliers in 2023 in certain specialised sessions dedicated to "IP and LV connections", in mixed classes combining internal and contractor staff, **training 20 operators from contractors**, with **120 total training hours**. These initiatives occurred in person in the Training Classroom and the "Cabin of the Future" at the Magliana headquarters, with **assistance from four external instructors**.

Every year, Deco engages with suppliers on aspects envisaged by the standard SA 8000 or the **economic, social and environmental impacts of its activities**, using a dedicated questionnaire, which also includes supplier **perception** of the management of those same aspects by Deco, with the aim of gradually raising their awareness of sustainability and social responsibility aspects, associated in particular with the protection of workers' rights.

Finally, **Acea Energia** monitors the **quality of the sales service provided by the door-to-door and/or telemarketing agencies** in the "domestic" and "micro-business" segments of the free market, and in accordance with the Agency Mandate, **it trains those who work in the name and on the behalf of Acea so that they can convey adequate information** to customers (please also see the chapter on Customers). In particular, in **2023** Acea Energia carried out a **training programme** for a total of **683 hours**, of which 534 hours were delivered to **855 door-to-door sellers**, for a total of 153 days, and 149 hours delivered to **50 telemarketing agency workers** (front end, back office and supervisors).

¹³⁹ The figure for hours worked when no precise number is available has been estimated using methods identified by the individual companies.

¹⁴⁰ The frequency index of accidents is calculated using the following formula: [(number of accidents/total hours worked in the period) x 1,000,000] with accident meaning a work-related incident that prevents the employee of the contractor from returning to work during the day on which the accident occurred and/or on the following day/work shift scheduled.

STAFF

ACEA'S EMPLOYEES



people with a permanent contract:
99%



women on the Acea Board of Directors:
53.8%



216 new hires
91% with permanent contracts and
30% with young people under 30

In 2023, the company's total staff¹⁴¹ numbered **6,729 people**.

Table no. 44 – Evolution of employees by macro-area (2021-2023)

business	2021 (no. of employees)	2022 (no. of employees)	2023 (no. of employees)
Water	3,353	3,425	3,405
Energy Infrastructure	1,264	1,287	1,246
Generation	89	97	99
Commercial	397	420	411
Environment	362	506	510
Engineering and Services	298	305	296
Corporate	703	723	762
total	6,466	6,763	6,729

(*) The 2021 amounts do not include the workforces of the companies Berg and Demap, for a total of 33 people, and those relating to 2022 and 2023 do not include the workforce of the company Berg, of 18 people.

The **Water** segment recorded the **highest numbers, accounting for 51% of the total**, in line with the number of Companies included and the weight of their business relative to the Group's operations. The **Energy Infrastructures** segment followed, which **represents 19% of the total figures**.

The information and data set out below in the chapter include Ecologica Sangro and Orvieto Ambiente, which are included in the scope of reporting from this year.

COMPOSITION AND TURNOVER

The Acea SpA **People Culture & Organization Department** handles the **administration of the personnel** employed by the subsidiaries according to defined procedures. To this end, the Department uses computer systems (SAP HCM, SAP SuccessFactors) operating at

the Group level for the management of employee records, salaries, merit plans, etc.

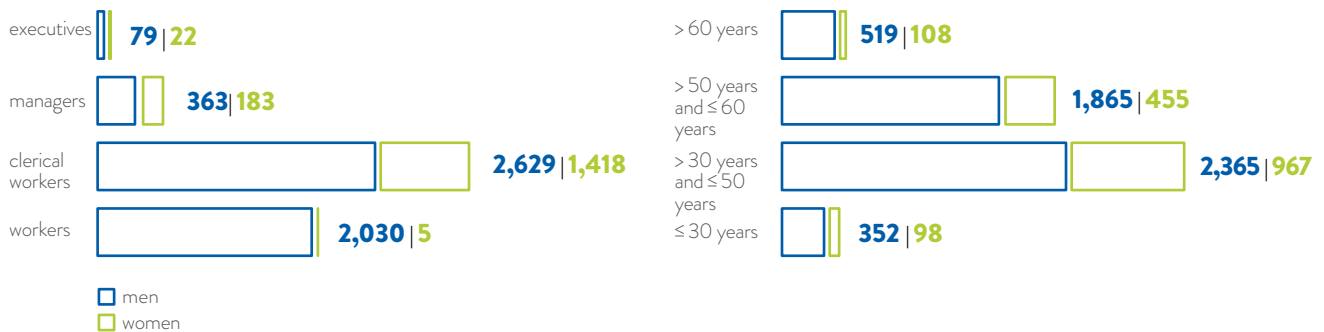
The composition of staff continues to be **prevalently male, representing 76% of the total**.

The **professional structure is stable** and is composed as follows: **60.2% are employees, 30.2% are workers, 8.1% are executives and 1.5% are managers**.

6.7% of the workforce less than **30 years old, 49.5% is between 30 and 50 years old and 43.8%** of people are **over 50 years old**.

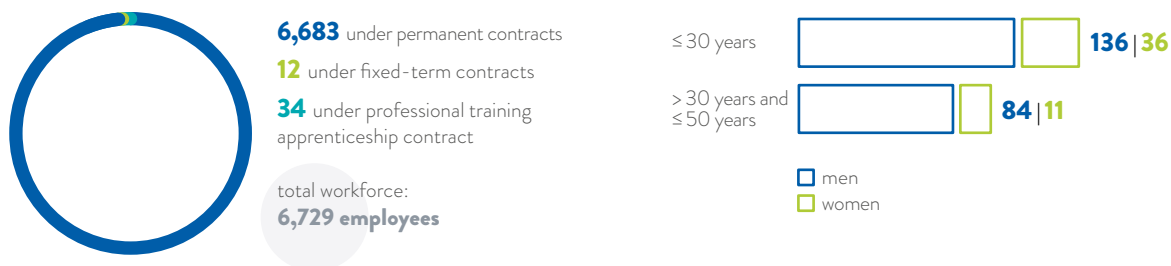
With regard to the **level of education**, we confirm the **three year upward trend in university graduates, wwho increased to 29.1% of the total in 2023** (28.6% in 2022) as well as an increase during the year in **diploma holders**, rising to 48.8% of the total (48.3% in 2022) (for the above data, please see Chart 38 and Table 45).

¹⁴¹ The chapter illustrates the data relating to employees of the companies within the NFS scope (see *Disclosing Sustainability: Methodological Note*), i.e. staff who have an employment contract with them and whose duties are under their direct control, with the exception of the companies in the PV area which have no staff and Berg, which is not managed centrally and accounts for very little, as indicated in the text. The total workforce, for all the Companies within the consolidation, was 10,220 during the year (10,455 in 2022). For staff not employed by the companies but over which direct control is exercised, please refer to the paragraph *Collaboration with Universities and Schools* and the GRI Content Index: reporting principles, universal standards, specific standards and material disclosures.

Chart no. 38 – Composition of the staff: gender, age and category (2023)

99% of the workforce are employed with a **permanent contract**, which is in line with 2022. The **length of the employment relationship** indicates the **stability of employment**: **35.6%** of the people

who left during the year worked for the Group for **30 to 50 years** and **64.4% up to 30 years** (please see Chart no. 39 and Table nos. 45 and 46).

Chart no. 39 – Contract types and length of the employment relationship (2023)

216 people joined the company in 2023 (159 men and 57 women), **91% of whom on the basis of open-ended contracts** divided into: 107 new hires from the external labour market, 92 individuals

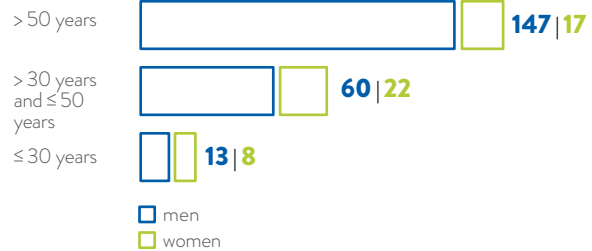
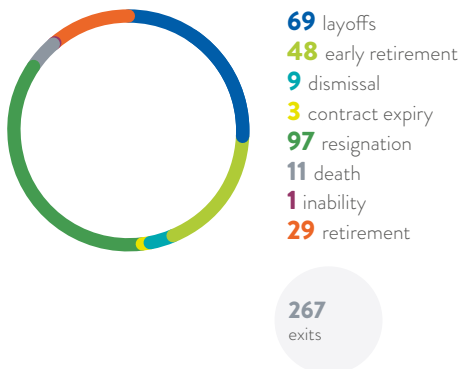
became permanent employees, 14 were hired internally and 3 apprenticeships began (see chart no. 40 and table no. 47). **30% of newly hired staff** during the year were **aged 30 or under**.

Chart no. 40 – Types of entries and age of the staff (2023)

There were 267 people who left the company in 2023 (220 men and 47 women): 69 with a form of voluntary and incentivised early retirement, 48 as part of voluntary redundancy plans, with the agreed and incentivised termination of the employment contract,

29 retired, 97 resigned, 9 were dismissed, 3 contracts expired, 11 passed away and 1 was no longer able to work (see Chart no. 41 and Tables no. 47 and 48). **61% of the outgoing staff** was **over 50 years of age**.

Chart no. 41 – Types of entries and age of the staff (2023)



The **rate of turnover** was **7.2%** (7.4% for men and 6.4% for women), the **incoming rate** was **3.2%** (3.1% for men and 3.5% for women) and the **outgoing rate** was **4%** (4.3% for men and 2.9% for women) (see Table no. 46).

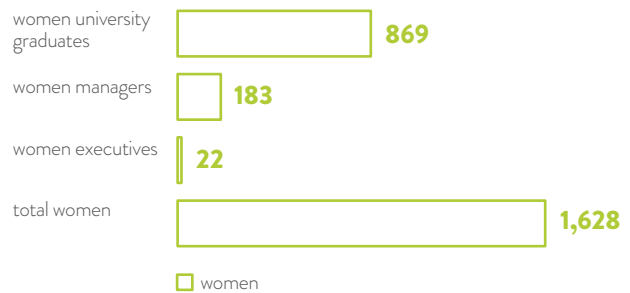
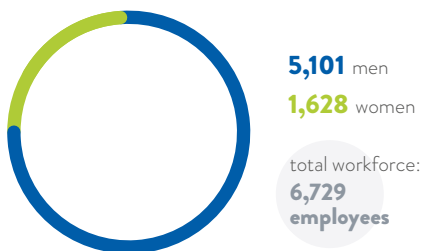
WOMEN IN ACEA

In 2023, Acea had **1,628** female workers (up from 1,616 in 2022), representing **24% of the total workforce**.

Women managers (executives and middle managers) account for 32% of total management (22 women out of 101 executives and 183 women out of 546 middle managers).

Women represent 44% of university graduates within the Group (869/1,961).

Chart no. 42 – The distribution of the staff from a gender perspective (2023)



A total of **66 women** participate in the **corporate governance** of the reporting companies (Boards of Directors and Boards of Statutory Auditors), representing **39.5% of the total members** (in 2022, women in the governance bodies totalled 68, equal to 37.6%).

In the **Parent Company**, women make up for **53.8% of the members sitting on the Board of Directors** (7 women out of 13 members) and **40% of the members of the Board of Auditors** (2 women

out of 5 members, including 1 alternate), thus Acea has exceeded the quotas imposed by legislation (Law 120/2011). We also report that every internal board committee includes one or more women, and that the Chair of the Ethics, Sustainability and Inclusion Committee is held by a female Director (see also *Corporate Identity*, section *Corporate governance in Acea*).

Chart no. 43 – Presence of women in the corporate governance bodies (2021-2023)

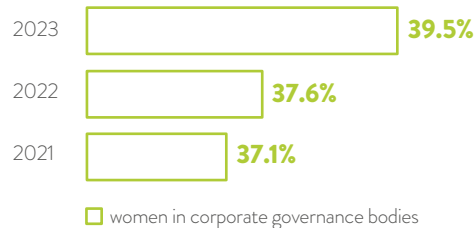
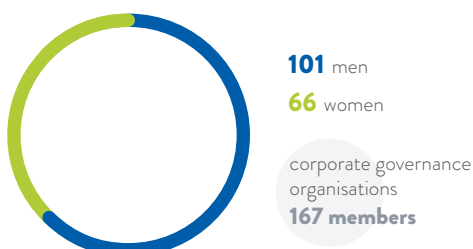


Table no. 45 – General data on personnel (2021-2023)

u.m.	2021			2022			2023		
	men	women	total	men	women	total	men	women	total
COMPOSITION of the staff									
number									
executives	67	15	82	68	16	84	79	22	101
managers	350	169	519	371	185	556	363	183	546
clerical workers	2,552	1,338	3,890	2,646	1,409	4,055	2,629	1,418	4,047
workers	1,969	6	1,975	2,062	6	2,068	2,030	5	2,035
total	4,938	1,528	6,466	5,147	1,616	6,763	5,101	1,628	6,729
WOMEN IN ACEA									
%									
women out of the total workforce			23.6			23.9			24.2
women managers (executives and middle managers) out of total managers			30.6			31.4			31.6
female graduates out of total graduates			43.9			44.3			44.3
EDUCATION LEVEL OF THE PERSONNEL									
number									
university graduates	976	765	1,741	1,073	855	1,928	1,092	869	1,961
high school graduates	2,546	637	3,183	2,626	640	3,266	2,648	639	3,287
other qualifications	999	57	1,056	1,048	54	1,102	1,035	53	1,088
not defined	417	69	486	400	67	467	326	67	393
total	4,938	1,528	6,466	5,147	1,616	6,763	5,101	1,628	6,729
AVERAGE STAFF AGE									
years									
average company age	48	45	47	49	41	45	50	42	46
average age of executives	53	52	53	51	53	52	54	52	53
average age of managers	51	49	50	54	49	52	54	50	52
average age of clerical workers	47	44	46	30	40	35	48	42	45
average age of workers	47	50	47	48	45	46	49	48	48
AVERAGE SENIORITY OF THE STAFF									
years									
average corporate seniority	16	14	16	12	10	11	25	10	17
average seniority of executives	17	17	17	16	18	17	27	12	19
average seniority of managers	19	17	19	13	13	13	14	18	16
average seniority of clerical workers	17	14	16	9	8	9	20	9	15
average seniority of workers	14	19	14	9	13	11	21	16	19
TYPE OF EMPLOYMENT CONTRACT									
number									
staff with permanent contract	4,859	1,501	6,360	5,088	1,580	6,668	5,066	1,617	6,683
(of which) part-time staff	20	81	101	17	82	99	18	89	107
permanent staff	40	11	51	19	19	38	9	3	12
staff under apprenticeship contracts	39	16	55	40	17	57	26	8	34
total	4,938	1,528	6,466	5,147	1,616	6,763	5,101	1,628	6,729

Table no. 46 – Movements of personnel (2021-2023)

u.m.	2021			2022			2023		
	men	women	total	men	women	total	men	women	total
INCOMING STAFF: CONTRACT TYPE									
number									
permanent	201	82	283	244	99	343	147	50	197
fixed-term	32	9	41	30	22	52	10	6	16
professional apprenticeship contracts	5	6	11	26	6	32	2	1	3
total	238	97	335	300	127	427	159	57	216
OUTGOING STAFF: REASONS									
isopension (early retirement)	0	0	0	73	17	90	0	0	0
layoffs	95	25	120	0	0	0	59	10	69
early retirement	41	2	43	28	0	28	45	3	48
retirement	10	0	10	20	3	23	26	3	29
terminations	8	0	8	6	0	6	8	1	9
other reasons (*)	65	16	81	74	32	106	82	30	112
total	219	43	262	201	52	253	220	47	267
TURNOVER RATES, INCOMING AND OUTGOING RATES PER AGE GROUP (**)									
%									
turnover rate	9.2	9.2	9.2	9.7	11.1	10.1	7.4	6.4	7.2
incoming rate	4.8	6.3	5.2	5.8	7.9	6.3	3.1	3.5	3.2
≤ 30 years	1.8	2.6	2.0	2.6	3.5	2.8	0.9	1.1	1.0
> 30 years and ≤ 50 years	2.5	3.6	2.8	2.9	4.1	3.2	1.8	2.0	1.8
> 50 years	0.4	0.1	0.4	0.4	0.2	0.3	0.4	0.4	0.4
outgoing rate	4.4	2.8	4.0	3.9	3.2	3.7	4.3	2.9	4.0
≤ 30 years	0.2	0.4	0.3	0.3	0.5	0.4	0.3	0.5	0.3
> 30 years and ≤ 50 years	0.5	0.5	0.5	0.9	1.4	1	1.2	1.4	1.2
> 50 years	3.7	1.9	3.3	2.7	1.4	2.4	2.9	1.0	2.4

(*) For 2023, the item includes: 11 deaths (not due to accidents at work), 97 resignations, 3 contract expirations and 1 inability

(**) The turnover rate is provided by the sum of hires and terminations of the year relative to the workforce at year end. The Companies to which the data refers are predominantly located in Lazio.

Table no. 47 – Age groups, employment contract length (2021-2023)

u.m.	2021			2022			2023		
	men	women	total	men	women	total	men	women	total
STAFF AGE GROUPS									
number									
≤ 30 years	330	105	435	381	119	500	352	98	450
> 30 years and ≤ 50 years	2,368	929	3,297	2,428	975	3,403	2,365	967	3,332
> 50 years and ≤ 60 years	1,832	426	2,258	1,868	441	2,309	1,865	455	2,320
> 60 years	408	68	476	470	81	551	519	108	627
total	4,938	1,528	6,466	5,147	1,616	6,763	5,101	1,628	6,729
INCOMING STAFF: AGE GROUPS									
≤ 30 years	91	40	131	132	57	189	46	18	64
> 30 years and ≤ 50 years	125	55	180	148	67	215	91	32	123
> 50 years	22	2	24	20	3	23	22	7	29
total	238	97	335	300	127	427	159	57	216
OUTGOING STAFF: AGE GROUPS									
≤ 30 years	12	6	18	17	8	25	13	8	21
> 30 years and ≤ 50 years	25	8	33	44	22	66	60	22	82
> 50 years	182	29	211	140	22	162	147	17	164
total	219	43	262	201	52	253	220	47	267
DURATION OF THE EMPLOYMENT CONTRACT OF THE OUTGOING STAFF									
≤ 30 years	121	17	138	116	34	150	136	36	172
> 30 years and ≤ 50 years	98	26	124	84	18	102	84	11	95
> 50 years and ≤ 60 years	0`	0`	0	1	0	1	0	0	0
total	219	43	262	201	52	253	220	47	267

HOURS WORKED, SALARY AND PENSION FUNDS

HOURS WORKED IN ACEA

Acea works in compliance with labour legislation and in accordance with the National Collective Bargaining Agreements of reference, with a particular focus on cases relating to working hours and the duration of work, minimum guaranteed wages, age categories and restrictions on the use of legal child labour, proper management of disadvantaged categories.

Hours worked in the year, ordinary and overtime, excluding managers, amounted to **11,084,730 hours** of which **77% by male staff** (8,583,141 hours), due to the higher proportion of men in the

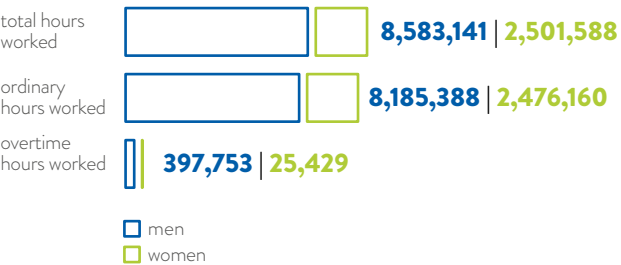
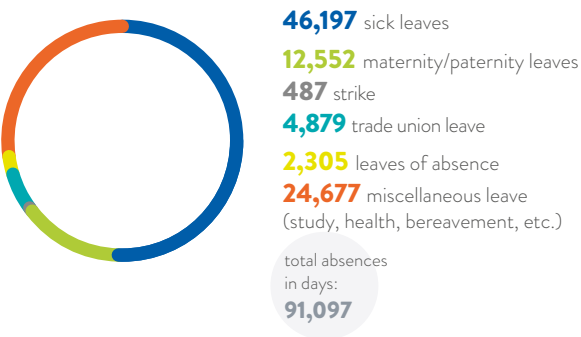
company's workforce (76% of the total).

Analysing the overtime hours, the influence of gender is even more evident: **94% of overtime is in fact attributable to men and only 6% to women** (please also see the sub-paragraph *Remuneration*).

Days of absence totalled 91,097, mainly due to **illness, leave** (for reasons of study, health, etc.), **maternity/paternity leave and trade union reasons** (see Chart 44 and Table 48).

The **absenteeism rate for the year was 2.9%** (3% for men and 2.7% for women), down from 3.6% in 2022.

Chart no. 44 – Hours worked by the staff and absences (2023)



In addition to leave, staff can access reduced working hours, in accordance with the terms defined by the company: in 2023, **part-time** staff amounted to around **1.6% of total staff**.

For **managers and stage-three workers, independent scheduling** is permitted, which allows “personalized” management of work schedules, in compliance with contractual provisions, benefiting work/life balance while increasing worker responsibility.

For **employees with a “fixed schedule”**, arrival and departure **flexibility** is permitted, according to established slots, and a **total number of monthly hours of leave** can be used during the times established.

REMUNERATION

The **wages** that Acea pays its employees, excluding executives and top management, are determined by applying the **National Collective Bargaining Agreements (CCNL)** of reference, which ensure the minimum salary levels according to professional categories.

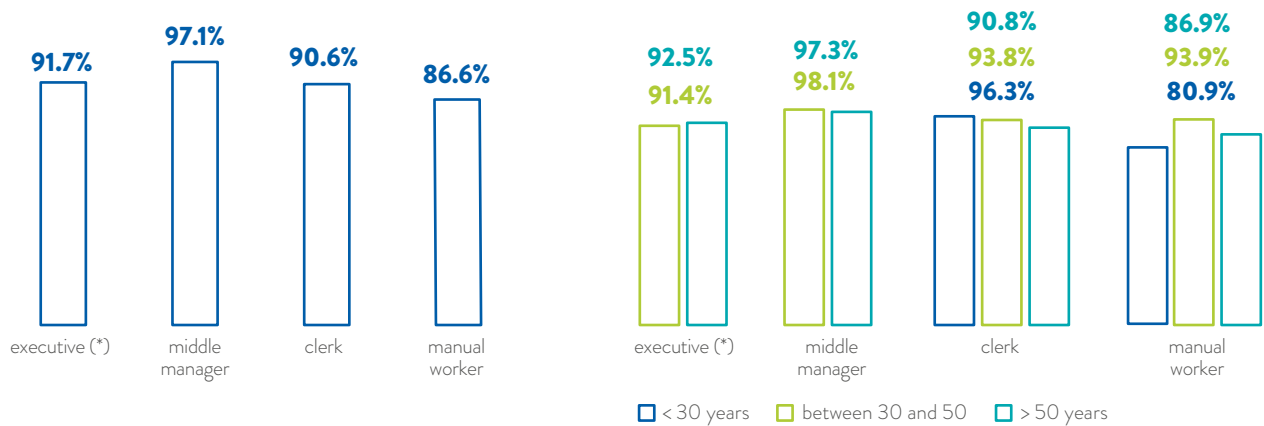
The company also applies a **remuneration policy that includes merit-based principles**, in line with the Performance Management and Leadership Models adopted, with effects on the fixed and variable components of the remuneration, determining remuneration that is above the minimum salaries set by the National Collective

Bargaining Agreements (see also sub-paragraph *Incentive Systems and Staff Evaluation*).

In 2023, average gross pay, including fixed and variable components, was **€ 47,672 for women and € 47,712 for men, with a difference of 0.1% in favour of men**.

Analysing **this figure by position** and considering **the impact of effective average gross pay for women with respect to that of men**, note that: for executives the pay difference is 8.3 percentage points in favour of men; for middle managers, male pay is higher by 2.9% with respect to female pay; for office workers and manual workers the pay gap is higher, respectively equal to 9.4% and 13.4%, always in favour of the male component, due to the fact that activities with greater additional pay (overtime, on call, shift work, indemnities, etc.) are mainly covered by men holding administrative and technical positions.

Breaking down the data further **by age group** it can be observed that: the pay gap narrows slightly for executives over 50 and for female middle managers between 30 and 50 and, for office workers under the age of 30 the pay gap narrows, demonstrating that the new jobs offered by the company have more uniform pay, also from a gender perspective (see chart 45 and table 48).

Chart no. 45 – Women's pay as a percentage of men's pay by qualification and age group (2023)

(*) The item does not include senior managers benefiting from the Long Term Incentive Plan (LTIP).

PENSION FUNDS AND DEFINED CONTRIBUTION PLANS

Supplementary pensions are a form of **voluntary contribution** aimed at generating income that is supplementary to the pension, the amounts paid by workers being invested in the financial market by specialized operators.

The pension funds of reference for Acea staff are, mainly: **Previdai**, reserved for executives, and **Pegaso** (managed jointly by Utilitalia and Trade Union Organisations) for non-management staff, to whom the National Collective Bargaining Agreements of the electrical and gas-water segments apply.

The **Pegaso Fund** adopted a Strategic Plan that illustrates the **organisation's management guidelines, including instruments for measuring ESG factors** (environmental, social and governance).

There were **4,278 Pegaso members among the Acea employees** in 2023, of which **78% men** and **22% women** (see Table 48). The company paid about € 8.6 million in severance pay to the fund and € 3.4 million in supplementary contributions; for some years it has been possible to pay part or all of the performance bonus into the fund, benefiting from an additional share paid by the company.

Table no. 48 – Hours worked, absences, remuneration and members of the supplemental pension fund (2021-2023)

u.m.	2021			2022			2023		
	men	women	total	men	women	total	men	women	total
HOURS WORKED BY THE STAFF									
hours									
regular	8,036,229	2,354,212	10,390,441	8,084,277	2,423,641	10,507,918	8,185,388	2,476,160	10,661,548
overtime	399,874	17,616	417,489	407,648	23,862	431,510	397,753	25,429	423,182
total hours worked	8,436,103	2,371,828	10,807,931	8,491,925	2,447,503	10,939,428	8,583,141	2,501,588	11,084,730
TYPE OF ABSENCES									
days									
sick leave	33,518	7,218	40,736	45,737	12,705	58,442	35,575	10,622	46,197
maternity/paternity	1,730	10,640	12,370	1,920	9,320	11,240	3,061	9,491	12,552
strike	1,159	257	1,416	83	17	100	386	101	487
trade union leave	3,996	399	4,395	4,934	437	5,372	4,207	672	4,879
leave of absence	1,617	813	2,430	2,123	569	2,691	1,832	473	2,305
miscellaneous leave (study, health, bereavement and general reasons)	16,157	4,750	20,907	17,192	5,844	23,036	18,086	6,590	24,677
total absent (excluding holidays and accidents)	58,177	24,077	82,254	71,989	28,892	100,882	63,148	27,949	91,097

AVERAGE GROSS FEMALE PAY AS A PERCENTAGE OF MALE PAY BY QUALIFICATION

%

executives	89.7	90.4	91.7
managers	99.6	97.6	97.1
clerical workers	91.2	89.8	90.6
workers	92.5	94.8	86.6

AGE GROUPS AND GENDER OF THE EMPLOYEES ENROLLED IN THE PEGASO FUND

number

≤ 25 years	56	3	59	68	5	73	75	4	79
> 25 years and ≤ 30 years	103	29	132	130	39	169	144	39	183
> 30 years and ≤ 35 years	155	76	231	216	109	325	236	113	349
> 35 years and ≤ 40 years	224	90	314	330	112	442	330	121	451
> 40 years and ≤ 45 years	258	99	357	403	152	555	399	148	547
> 45 years and ≤ 50 years	293	96	389	469	128	597	461	139	600
> 50 years and ≤ 55 years	454	154	608	612	179	791	599	172	771
> 55 years and ≤ 60 years	434	102	536	623	123	746	641	133	774
> 60 years	276	71	347	377	82	459	431	93	524
total	2,253	720	2,973	3,228	929	4,157	3,316	962	4,278

LABOUR-MANAGEMENT RELATIONS


70% of employees
are **union members**



signed the protocol for the
**Charter of the Person and
Participation** strengthening
trade union relations and
promoting **people's engagement**



signed a
**Memorandum of
Understanding**
with the **Trade Unions** to
obtain financing for continuing
education

Acea applies the **Single Contract for the electricity sector** and the **Single Contract for the gas-water sector**. **All the workers** are therefore **covered by national collective bargaining agreements**. In 2023, **unionisation** was around **70%** and **232** employees held **management or trade union representation positions**, of which: **19**, appointed following an agreement, were **Workers' Representatives for Safety and the Environment (RLSAs)** and **6**, appointed following elections, were **Unitary Trade Union Representatives (RSUs)** for the company **Acea Ato 5**.

Within the People Culture & Organization Department of the Parent Company, **the Industrial Relations Unit oversees the company's policies regarding trade union relations**, ensuring consistency with the Group's objectives. The discussions on the specific corporate requirements are conducted within the framework of national collective bargaining (CCNL) at the sector level,

and between companies and internal employee representatives.

Acea has a **worker consultation procedure**, whether direct or through their representatives, with reference to issues such as **workplace safety, respect for the environment and the sustainable development of production activities**. There are also **Bilateral Commissions**, composed of company representatives and employees, who express their opinions on issues such as training, remote working, corporate welfare and occupational health and safety and participatory models, such as **Unitary Trade Unions (RSU)** and **Workers for Safety and the Environment (RLSA)**.

In 2023 the Protocol was signed for the **Charter of the Person and Participation** which establishes an updated industrial relations model (see box for more information).

CHARTER OF THE PERSON AND PARTICIPATION

The Charter of the Person and Participation is intended to **develop and grow professional skills within the company** and **support individual and collective well-being**, investing in the abilities and skills of our people, supporting quality and employment stability, also to create value for the local area and the social/economic structure, improving the quality of the services provided.

There are many initiatives included, including verifying and **developing professional skills within the company**, **internalising activities carried out through contractors**, **developing co-designed training**

courses, projects to **modernise working spaces**, **the introduction of training and parenting measures** that go beyond regulatory requirements as well as finding solutions to optimise working hours.

Additionally, bilateral bodies have been established with the trade unions, including the **Bilateral Inclusion and Equal Opportunity Committee**, the **Bilateral Welfare Committee** and **technical round tables for contracts and optimising working hours**, as well as **the Observatory on Training, Health and Safety** and **the Observatory on professional retraining**.

In April 2023 a **draft agreement was signed with the trade unions** to adhere to the financing envisaged for the National Joint Inter-professional Fund **for continuous training** in the industrial public services, “**Fonservizi**” and a **training plan** known as “**Horizon 2**” was activated for the period from May 2023 - April 2024.

In July 2023, an agreement was reached defining the profit and productivity indicators for the payment of the Performance Bonus for the year, which confirmed the disbursement of **an additional payment above the maximum salary payable, equal to € 200, destined for the Pegaso contractual Complementary Social Security Fund**.

Finally, in October 2023, implementing the commitments made in the Charter of the Person and Participation, **three agreements** were reached:

- the **innovative Protocol on Tenders**, to guarantee the highest levels of legality and efficiency in managing tenders, supporting transparency and competition, strengthening workplace health and safety protections and increasing verifications with reference to the regularity of tenders in terms of reference regulations (see also the *Suppliers chapter*);
- the **Agreement to standardise working hours** for personnel working for the company, calling for the adoption of a 38 hour work week, instead of 38 hours and 30 minutes, with the goal of promoting the qualitative conception of work and improving work/life balance;
- the **Agreement to internalise reception services** at Acea headquarters.

As regards the **information notice to the employees regarding possible organisational changes or corporate reorganisations that effect employment relations**, Acea takes different positions depending on the situations explained below:

- 1. organisational changes:** in the event of establishment of new Units or changes in assignments or responsibilities, the People Culture & Organization Department issues an Organisational Provision and sends a communication to the competent functions, which post it on the bulletin board and the company intranet. In the event of organisational changes that affect the staff, the trade union representatives are informed. If they concern a single employee (change in workplace, schedules, etc.), s/he is informed by the structure responsible for human resources within the relevant company;
- 2. Corporate reorganisations:** in the event of reorganisation, as a result of significant organisational and production changes, with effects on working conditions and employment, the methods of informing the employees and the Trade Union Representatives, are regulated by the CCNL applied in the Group and by the Labour-Management Relations Protocols;
- 3. corporate transformations** (such as alienations, mergers, acquisitions, transfers of company branches): in cases of corporate transformation, the notices to the employees are regulated by the legislation in force¹⁴², which anticipates information obligations towards employees that allows them to verify the business reasons for the transactions, the correct methods of the process and the consequences on the employment relationship.

DISPUTES WITH EMPLOYEES AND TRADE UNIONS

The labour disputes mainly concern **dismissals, classification changes, differences in remuneration, indemnities not received, demotions, and employment relationships**.

In 2023 there were **16 new labour disputes** (24 in 2022). A total of **59 labour disputes were pending** as at 31 December 2023 – including those initiated in previous years. There are no trade union disputes.

¹⁴² Article 2112 of the Italian Civil Code and Article 47 of Law 428/90 as subsequently amended and supplemented.

OCCUPATIONAL HEALTH AND SAFETY



the **accident rates** were essentially stable: **FI 5.61** and **SI 0.26**



provided staff with **91,532** hours of training on workplace health and safety



continued **training** to prevent work-related stress and the **Listening Service**

Acea is committed to a **widespread safety culture** both in Group Companies, through the direct involvement of employees, and along the supply chain (please see the *Suppliers* chapter).

Safety management is precisely structured at the organisational level. **All Group companies** for which the holding company considers certification important due to the size of the workforce and the type of activities carried out have implemented **Certified Management Systems**¹⁴³ (see also *Corporate Identity*, chapter *Corporate Governance and Management Systems*).

The Occupational Safety Unit of the parent company is in charge of the coordination and direction in this area, monitoring the Group companies on the application of legislation, guidelines and company policies.

Each company has **direct responsibility for the operational management of safety** and takes care of **training staff, monitoring accidents** and assessing the **risks to the workers**, preparing the **Risk Assessment Document (RAD)**. Following these activities, the **Occupational Safety Unit prepares a centralised annual accident report** for Group Companies.

The analysis method of the accidents follows the **Guidelines for the classification of accidents**, prepared by Utilitalia and in compliance with the **standard UNI 7249:2007**, with reference to the INAIL measurement criteria and the instructions of ESAW (European Statistics of Accidents at Work).

In accordance with the law, Acea **identifies the dangers present in the company's activities** which may cause injury or illness through inspections carried out jointly in the workplace by the **Head of the Prevention and Protection Service (RSPP)**, the Company Physician, the **Workers' Safety Representatives (RLS)** and the Unit Heads, who are involved from time to time. Then the company **assesses the risks** to workers' health and safety **in relation to the hazards detected** in the workplace, verifies the possibility of **eliminating them**, adopts **preventative and/or protection measures** to implement to keep the risks under control and draws up the **Risk Evaluation Document (RAD)**. In the case of accidents, an investigation is launched to determine the causes of the event and identify appropriate corrective actions to prevent it recurring.

With an eye to **continuously improving operational management of workplace safety**, Acea established the **RSPP Coordination Committee**, which meets every quarter to share best practices and improvement projects, as well as the **Injury Commission** which analyses occupational injuries with initial prognoses of 20 days or more; it has also installed **software to manage HSE issues** (Health, Safety, Environmental) with the relative **Dashboard** to measure and monitor performance and a data tracking system with reference to safety performance at Group companies.

THE HUMAN RIGHTS POLICY: HEALTH AND SAFETY

With the Human Rights Policy, approved in December 2023 by the Board of Directors, Acea intended to strengthen its commitment to respecting all the principles that protect the person, in line with what has already been established in the Code of Ethics. With regards to the topic of health and safety, the *Policy*, in the principle *Health, safety and psycho-physical well-being at work*, at point 2.1.4, states: "The Group protects people's health by guaranteeing healthy and safe working environments, operating in full compliance with the relevant legislation and putting maximum effort into prevention and awareness-raising activities. To this end, the Group promotes the dissemination of the culture of safety at work, at all

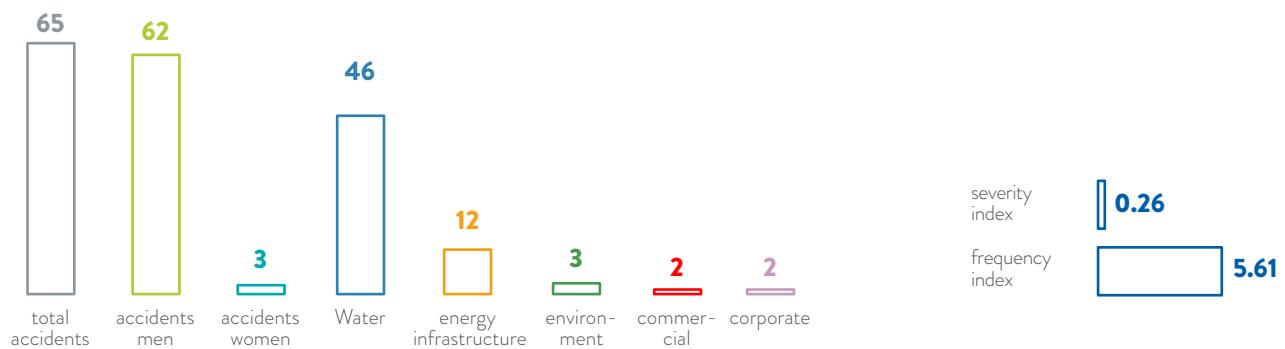
levels of the organisation and also among suppliers, by carrying out information and training activities aimed at making people aware of the professional risks related to the activities performed and responsible for the correct behaviour to be adopted. It adopts certified personnel health and safety management systems and is based on a preventive approach, carrying out analysis, monitoring and control activities aimed at continuous improvement. The Group facilitates the direct participation and consultation of workers or through their representatives (Workers' Safety and Environmental Representatives) in matters of occupational safety".

¹⁴³ Companies with seconded or no staff are therefore excluded.

Despite the attention paid to this subject in 2023 **the number of injuries** increased with respect to the previous year: **65 accidents** (59 in 2022) **occurred in the course of work activity**, none fatal, and 22 of which in transit¹⁴⁴, namely while commuting from home-work (17 in 2022). The accident indices, calculated excluding accidents during commutes, increased slightly: the **frequency index**

is **5.61** and the **severity index** stands at **0.26** (see Chart 46 and Table 49). Accidents are subdivided into: **15 typically occupational** of which **none serious** (with initial prognosis greater than 40 days), **26 for work-related travel** and **24 of another type**. The **main causes of injury** were: tripping, bumping, slipping and crushing.

Chart no. 46 – Accidents and indices by gender and business area (2023)



Note: Male frequency index **5.35** and female frequency index **0.26**; male severity index **0.24** and female severity index **0.02**. The graph shows only those business areas that reported accidents during the year.

Analysing the **breakdown of accidents by gender** (net of accidents occurring during commutes) shows that **62 accidents involved male personnel**, of which 53 were blue collar workers, 8 white collar workers and 1 manager, and **3 accidents occurred to female staff** with an administrative profile.

The companies with the highest number of accidents, not including those occurring during commutes, are: Gori (17 accidents), Acea Ato 2 (13 accidents) and Areti (12 accidents), which naturally have **greater exposure to the risk of accidents** in relation to the type of activity performed.

In 2023 the parent company's Work Safety Unit, to **protect employees and contractor staff**, promoted the inclusion of **heat exposure risks**, associated with heat waves caused by increased temperatures, **in the Risk Assessment Documents (RAD) and Single Risk Assessment Documents (DUVRI)**, establishing actions to prevent and mitigate effects on human health. The **Worklimate portal** was also shared, a prototype platform to create heat alerts to use when scheduling operating activities performed outdoors during the summer. Additionally, with a view to providing staff with appropriate health prevention tools, the company implemented a **flu vaccination campaign** aimed at **employees and family members who live with them**.

In 2023, in addition to providing training on specific risks, the Acea SpA Safety Process Development Unit worked to promote the psycho-physical well-being of employees. It carried out many initiatives, included project aimed at **mitigating the risk of work-related stress**, actions to **increase awareness of ways to assist employees with different abilities** (whether permanent or temporary), the **Everyday training course – Ergonomics and Self-Massage**, which was initially launched in 2022, to prevent joint and muscle pain during daily activity, and the **I-CARE PROFESSIONAL course** to develop knowledge, tools and strategies useful for physical, psychological and relational well-being.

Additionally, training courses were provided for **personnel responsible for emergency tasks**. In particular, using dynamic and experience-based methods, **Emergency Psychology** courses were organised which discussed, in an integrated manner, knowledge of safety regulations, cognitive and emotional responses to emergency situations and assessment of associated risks and the **Emergency Worker Course - Scenarios and Procedures**, which included simulations to apply procedures and operating instructions.

For **training for positions** aimed at operating employees of the parent company's Work Safety Unit, specific training courses were designed, including the **Let's Get Reoriented** project, intended to strengthen the team with respect to **the vision of safety**, developing technical and communication content relative to risk perception and management.

Finally, the Unit managed the **Listening Service**, support and **orienting activities** and support initiatives for **disability management**.

The Group companies train staff and supervisors regarding **occupational health and safety** in compliance with current legislation (please also see the sub-paragraph below *Staff Training and Development*).

Below are some initiatives carried out:

- **Acea Ato 2** continued its **project, Safety Camper**, organising travelling initiatives at workplaces and work sites, to promote a safety culture and the protection of health throughout the local area. Additionally, to monitor and improve "operational well-being" for workers, again in 2023 the Company held **"one on one" meetings** with personnel, to obtain suggestions about procedures and the state of operating structures. Finally, the first year of the "Hydrologistics" system was completed, a project created to optimise the operating logistics for delivering personal protective equipment (PPE) and materials to Acea Ato 2 personnel;

¹⁴⁴ Accidents during commutes relate to travel from home to work and from work to home, using private or company vehicles, which take place outside of working hours, as established by the relevant Federutility note. They are not included in the calculation of accident indices used herein.

- **Acea Ato 5**, launched the **Feed Health project** in 2023, targeted at personnel and intended to promote healthy eating habits, with support from a nutritionist/biologist and the involvement of the company doctor. It also launched the **Near Miss project**, in cooperation with the RLS, to increase personnel awareness of the importance of recognising and reporting near misses. Finally, the **awareness campaign on the use of semi-automatic defibrillators (DAE)** was completed. These have been installed in the offices, sales branches and operating centres, accompanied by training assigned workers;
- **AdF** provided **training** to operating personnel responsible for carrying out **work in confined spaces** to clean residue from drinking water. Furthermore, during 2023 the **Zero Accident Project (ZAP)** was carried out, intended to raise awareness among staff (administrative, technical and operating) of adequate perception of risk and the opportunity of reporting “near misses”;
- **Acea Ambiente**, in 2023, began the **“Safety Ambassadors” programme**, identifying **70 representatives** in the various departments dedicated to promoting this theme in the company and, in cooperation with the LHS Foundation, carrying out an event for all company staff, followed by an awareness campaign that in particular involved operating personnel from the manufacturing plants of companies in the Environment sector;
- **Areti** completed the **remodelling of the external areas of the Training Camp** during the year. This space is dedicated to training staff to safely carry out operating activities (safe ascent/descent on medium and low voltage power lines; safe access to confined underground areas; practice utilising work/safety tools; emergency training for hazardous environments, etc.). The HV pylon and bay were replaced, as were the MV supports, MV and LV substations and a confined space simulator. The Company also organised, in the context of the **“Safety is Life”** initiative, **four days of training on near misses**, using the innovative approach of Lego Serious Play. The event involved **180 Company employees** and, for the first time, **employees of contractors**, to foster exchanging of experiences and cooperation between the various individuals that perform maintenance on the distribution network on a daily basis. Finally, the Company organised **Safety Day** again in 2023, a training day dedicated to work site safety;
- **Acea Infrastructure** organised continuing education courses in 2023 for **emergency workers (ASA)**, on **first aid (APS)**, **assistance in confined spaces** or in cases of suspected pollution, for **work done at height**, on Personal Protective Equipment (PPE), **safe driving** and for **road signage workers**. Training also continued on **chemical and biological risks**, which was begun in 2022, with continuing education courses provided to **safety coordinators for temporary and mobile work sites (CSP – CSE)**, for **Safety Educators** and **Workplace health and safety directors**. Finally, as part of the **High Vigilance project**, **informational meetings on work site health** were held with the Heads of Contract Construction and Work Site Coordination Managers as well as managers from contracting companies;
- **Aquaser** continued the **process of strengthening its culture of behaviour based safety** in the company, begun in 2022, through the **BBS project (Behavior Based Safety)**, providing training to transport workers and, more generally, all company staff, as well as beginning a training course on **preventing and managing fire risk**. With reference to waste, it offered webinars on the subjects of brokering and the new single form for waste transport.

91,352 total hours of training were provided to Group personnel in the field of occupational safety in 2023 (109,979 hours delivered in 2022).

Table no. 49 – Health and safety (2021-2023)

number	2021	2022	2023
ACCIDENT BREAKDOWN BY BUSINESS			
Water	45	38	46
Energy Infrastructure	6	10	12
Generation	0	1	0
Energy (commercial and trading)	0	0	2
Environment	5	8	3
Engineering and Services	0	1	0
Corporate (Acea SpA)	0	1	2
total	56	59	65
fatal accidents	0	0	0
ACCIDENT INDICES			
total days of absence	2,195	2,582	3,015
frequency index (FI) (number of accidents per 1,000,000/ working hours)(*) (**)	5.09	5.22	5.61
severity index (SI) (days of absence per 1,000/working hours) (*)	0.20	0.22	0.26

(*) the hours worked used to calculate the accident indices differ from the hours worked illustrated in the sub-section *Hours worked in Acea*; the two processes meet different operational requirements and specific calculation parameters are applied to each.

(**) accident means a work-related incident that prevents the employee from returning to service during the day on which the accident occurred and/or on the following day/ work shift scheduled.

Note: The Water Operations area includes 6 companies, the Energy Infrastructure area 1, the Generation area 3, the Energy area 3, the Environment area 8, the Engineering and Services area 1 and the Corporate area 1. The data in the table does not include accidents currently being assessed.

HEALTH MONITORING

Health monitoring, regulated by a **company procedure** that defines its **planning and management**, is carried out **in cooperation with external professionals** in compliance with current legislation (art. 41 of Legislative Decree no. 81/08).

Formally appointed **doctors conduct medical examinations prior to employment, in the event of a position change, periodically** according to health protocols, **at the worker's request** and **prior to resumption of work** following absence for health reasons lasting more than 60 continuous days.

Workers **exposed to specific risks** are included in a **targeted check-up programme**.

In collaboration with the employers and the relevant Protection and Prevention Service Managers (RSPPs), **the Competent Doctors define health protocols** according to the workers' exposure to the various risks.

At the headquarters, a **first aid office, available between 08.00 and 20.00**, provides staff and visitors with first aid in the event of illness.

In 2023 **4,126 examinations were provided** to the same number of employees of Group companies which have the occupational medicine service managed centrally by Acea SpA, for a total economic value of around **€ 410,000**.

Health monitoring includes the **prevention of occupational diseases** that workers may contract due to **prolonged exposure to the risk factors** existing in the work environment. In the context of the work performed by the companies of the Group, for which Acea provides the health monitoring service, **there are no risk profiles likely to**

cause occupational diseases. The competent doctor has the task of cooperating with the employer in order to define **preventive measures** and **health protocols** for the risk profiles associated with specific duties, and monitoring any damage to workers' health, issuing suitability assessments, and applying limitations and prescriptions, where necessary, in order to prevent possible occupational diseases. In 2023, in Acea, **there were no reports of suspected occupational diseases**.

HUMAN CAPITAL DEVELOPMENT AND COMMUNICATIONS



Introduced a **survey** to **gather feedback** from candidates about the various stages of the selection process



Strengthened the use of **artificial intelligence** in selection processes



Activated the **On Boarding** platform and organised the process for **incoming new hires**

In 2023, consistent with the principles and values defined in the **Charter of the Person and Participation** (see the section on *Industrial Relations*), Acea implemented actions to promote multidisciplinary and support full integration of people in the working environment. Again in 2023, the Group maintained **remote working**, mainly for staff with administrative profiles.

PERSONNEL SELECTION

The **selection** process is governed by a **Group procedure**, which regulates the methods and actions to implement in selection processes to ensure merit is a focus and inclusivity is supported.

Acea also participates in **professional orientation events** promoted by university bodies, to meet new graduates and soon-to-be graduates to include in their selection processes. In 2023, **Acea met with around 1,500 candidates, participating at 12 career days**: Sapienza Economia, Virtual Job Meeting STEM Girl, Federico II, Università di Cassino, Forum Università Lavoro 2023 Tor Vergata, Bocconi, Luiss, High Flyers Finance & Management, 42Roma Luiss, Campus Leaders & Talents Tor Vergata, Inclusive Job Day.

Participation in **Labor Di** is of particular importance, promoted by the Lazio ACLIs, a career guidance event for recent high school graduates from the area, during which Acea participated, with other companies, in motivational speeches, presenting the Group and carrying out interviews with students.

Additionally, to **recruit needed professional positions**, Acea continued to monitor the main national job hunting channels, including *Indeed*, the largest job search portal in Italy, *LinkedIn*, *Monster*, and to use **social channels**, in particular *Instagram* and *Tik Tok*, on which *recruiting and employer branding campaigns* were launched.

In 2023 a total of **208 staff searches** were carried out, involving around 15,000 candidates, both for **individual positions** and **for multiple candidates in relation to positions open in Group companies**, which led to the selection of **464 people**.

The selection process includes **various stages, depending on the specifics of the search**: CV screening, *online challenges* using *gamification* (technical quizzes and *business games* to assess numerical reasoning, verbal ability, visual-spatial skills, logic), video interviews, assessment of soft skills, motivation and skills through collective tests and individual interviews; additionally, **use of artificial intelligence in the selection process was strengthened**, in particular when establishing the Job Descriptions, through Chat GPT, and during the screening stage, using an artificial intelligence tool to analyse CVs.

Finally, to monitor the effectiveness of the selection process, specific indicators were used, also for *diversity*, with reports and a dashboard prepared; in 2023 a survey was also introduced which is given to candidates who have undergone at least one selection interview, **to obtain feedback on the selection process and the inclusivity** perceived during the various stages.

Once the selection process has been successfully completed, new hires undergo a **process to help them become part of the company**, with two stages: **pre boarding**, during which, prior to starting, tools to present the Group and personalised information on the relevant structure are provided, and **on boarding**, during which new hires receive all the information needed to fully understand company regulations and administrative management of the work relationship, as well as receiving obligatory and specific training for their position. The entire process is digital, thanks to the **On Boarding Platform**, which contains a vast array of training material and tips which, thanks to tests and *games*, allow new hires to come into contact with the culture and dynamics of the company in a direct and informal manner. Additionally, the Platform is intended to create a *virtual community* which the new hires can become a part of, exchanging feedback on their experiences becoming part of the Group and immediately growing their relationship network.

GROUP CULTURE AND STAFF ENGAGEMENT

The **Leadership Model** adopted by Acea, which promotes a flexible organisational culture and guides people's careers and the realisation of Group objectives, is inspired by values such as **performance excellence, teamwork and resilience**.

The model is applied to all processes associated with people management: **selection**, intended to hire talent in line with the Group's values; the **performance management** process, which measures individual contribution to the achievement of the corporate goals in accordance with the values adopted; **training and development** as well as **compensation policies**, which, also considering the results of the performance management system, are intended to help people grow and to reward their efforts.

Among the main **employee engagement and change management** activities carried out in 2023 included: the internal sharing of a **self-development platform**, managed by *Lifed*, **for children of young children, to help them learn and improve soft skills**. Participants in the initiative were obtained through a dedicated survey, followed by evaluation of profiles and personal characteristics, and a training course with coaching tips, webinars and personalised experiences, flexible and able to be enjoyed with full independence. At the end of the course, participants were informed of the results achieved, with feedback on the process and a monitoring tool useful in continuing their self-development plans.

Additionally, in 2023, the **HR Special Projects** Unit designed internal and external initiatives intended to **empower people**, through the active engagement of employees, to contribute to the **improvement of the company climate** and the **promotion of the values of equity, diversity and inclusion**.

The main projects were:

- **Friday breakfasts**, meetings between the Chief Executive Officer and several Group employees, selected on the basis of gender, age, seniority in the company, educational qualification, position and professionalism, intended to share proposals and feedback about specific areas of interest;
- for the third consecutive year, **Acea Talks – Conversazioni diversamente sostenibili** [Differently Sustainable Conversations], produced with contributions from the internal and transversal work team and designed to **raise awareness among the Group's stakeholders of significant topics**, through the creation and dissemination of **video interviews** held with **individuals from aca-**

demia, culture, the arts, sport and the social sector. The 2023 edition was focussed on the issues of **inclusion, gender parity and the conditions of women and young people**;

- **Drive to Acea - Talking freely to understand the professions in our Group**, a project designed to learn about the various professions found in the Group, as voiced directly by employees (one interviewer and one interviewee) while driving hybrid and/or electric vehicles. In 2023 gender parity in the working environment was an area of particular focus;
- **Top Employers Italia** certification was obtained for the third consecutive year, recognising positive management of personnel in terms of working conditions, careers, training, professional growth and well-being, with a higher score with respect to 2022;
- **The Acea Group Manifesto for Equality, updated in 2023** both visually and in terms of contents, with the addition of **four new values: Family, LGBTQIA+ Community, Gender Parity, and Combating Ageism**;
- **Let's team up to stop violence against women. #AceaGruppo together with the Women's Roma Volley Club say enough**, organised on the occasion of the International Day for the Elimination of Violence Against Women;
- **Acea Group Christmas Event**, at **Teatro dell'Opera** in Rome, an opportunity for employees and family members to see the dress rehearsal of "The Nutcracker" ballet, as well as receiving Christmas greetings from company management. The event was also an occasion to link the Acea Group with the value of solidarity through the involvement of a representative from the Calciostoriale association in Corviale;
- **Acea Group ED&I Glossary Project**, in collaboration with Feltrinelli Education, to encourage reflecting on words linked to the world of diversity and inclusion and to define **ten terms** that represent **the world of work and its relations of strength, identity and sexual orientation, mistaken social actions associated with prejudice, cognitive bias and discrimination based on age, disability and multiculturalism**.

In 2023 the **HR Special Projects Unit** offered support to the Acea SpA People Culture & Organization Department to carry out, as part of the *Trainer Training* project, **mini training videos** (see the sub-section *Staff training and development*), and initial **training** targeted at certain Units in the People Culture & Organization Department on **gender parity, stereotypes** and **ED&I** issues, with the involvement of the Giacomo Brodolini Foundation and the EDGE association.

STAFF TRAINING AND DEVELOPMENT



226,222 hours
of training delivered
in **traditional**,
experiential and
e-learning formats



GenerAzione Connessa 2030:
400 students from
13 high schools in Lazio,
Umbria, Tuscany and
Campania involved in training
courses on sustainability and
Acea Group businesses



Designed and
implemented the
**"Sustainability
Professionals"**
training course to
certify professionals



Launched, on
Piantacea, the
e-learning course
on **preventing
corruption** for
the entire corporate
population

The **development of professional skills** is essential for the evolution of the Group and the achievement of its industrial objectives. To support this process, in 2023 the activities of the **Acea Business School** continued, to strengthen skills and develop new mindsets in the managerial, digital and technical/specialist areas, as well as ensuring obligatory continuing education is received in terms of regulatory compliance.

A **Group procedure** defines **roles, responsibilities and tasks in the management of training processes** for the development of expertise, knowledge and professional skills necessary to act in company positions. The process is divided into the following macro-activities:

- **identification of the training needs**, consistent with business objectives, centrally managed by the Holding Company, and **the definition of the guidelines and the budget** which orientate the training interventions of the year, taking into account **the specific training needs of each Group Company**;
- **definition of the Operating Companies' Training Plan**, based on the specific needs identified (for example, **operating-technical**) and **Group needs** ("transversal" training);
- **administrative management and provision of training**, by the Parent Company's and the Operating Companies' Training Units.

In 2023, with an eye to innovation and to support digitalisation of processes, **SalesForce was introduced**, a **digital tool that offers constant tracing of each step in the training process**, starting with recognising requirements and obtaining final data on training, followed by evaluation of training effectiveness.

Acea **funds training through its membership in interprofessional bodies** for continuous training - Fonservizi, Fondirigenti and For.Te. which the main Group companies belong to.

In 2023, training courses were held, not only remotely as in previous years, through "synchronous" (live webinars) and "asynchronous" processes (recorded videos and e-learning courses), but also in person, so as to guarantee a **gradual return to classroom based learning dynamics** and socialisation.

With reference to **managerial training**, in 2023 training courses on Communication, Effectiveness, Leadership & Network and Worker Management were carried out.

In particular, the **Motivational Leadership** class was offered, with the objective of helping those with management responsibilities

to develop people management skills, strengthening the potential of their employees, while taking into account the unique characteristics of all. The interactive course **included 51 people** who, in changing and highly complex situations, experimented with various forms of leadership, putting themselves out there and acquiring tools to use to support the development of their workers, including properly assigning goals and activities, the ability to carry out a fair and objective evaluation and giving feedback. 2023 also saw **Board of Directors Training for 48 people** (executives already holding or taking on the role of Director at a Group company) who, thanks to assistance from high level instructors, strengthened their **abilities to manage conflicts of interest and company risks and their economic and financial skills**.

Digitalisation training continued during the year with courses accessible by the entire company population, to strengthen the mindset and improve digital skills and knowledge, to increase innovation in company processes. Digital training included: the **Digital Path**, with courses dedicated to the **Customer Journey**, **Data Analytics**, **Digital Self Empowerment**, **Industry 4.0** and the **IoT**, and **Vocational**, a structured format with courses at a single level open to all Group employees. Meetings dedicated to technological innovation with the greatest impact on working life included: **Cloud Systems**, **Artificial Intelligence**, **Safe Online Behaviour**, **Metaverse**, **Energy and Digital Transition**. The vocation webinars saw **participation by 351 workers** in the Group.

Finally, for **high profile digital** training, 2023 saw the start of a series of meetings focussed on digital products and services, including Google Cloud and Kubernetes.

The publication of the second edition of the New Skills Fund was an occasion for the Group to strengthen its digital and sustainability skills, with courses on: **Microsoft Office**, **IT Security**, **Digital Innovation**, **Environmental Sustainability**, **Data Analysis**, **Communication and Collaboration**. All together over **50 hours** of training were provided to over **800 Group employees**.

Training for the Group's Sustainability Ambassadors continued, with the **Sustainability Professionals** course, organised with the Risk Management, Compliance & Sustainability Department at the parent company, with support from Intertek and Luiss Business School (see the box for more information).

THE SUSTAINABILITY PROFESSIONALS TRAINING COURSE

Acea designed and carried out the Sustainability Professionals course to certify professionals on sustainability matters, through an exam, in line with that required by the relevant practices. This course involved **20 people**, representing the Group's main business areas, and included three stages:

- **online training**, provided by Intertek instructors, focussed on the main aspects of UNI PDR 109:2021, to ensure students possessed the technical knowledge requested for Sustainability Man-

agers, Sustainability Practitioners and SDG Action Managers;

- **in person training**, provided by Luiss Business School instructors, on soft skills to improve performance, strengthening leadership capacities and the ability to promote sustainability in the business model;
- **experiential training**, at the Comunità di S. Egidio, to include the human aspect of sustainability with initiatives offering high levels of social impact.

With support from Elis, the training project **Formazione per formatori** [Training for Trainers] continued, intended to provide the **31 employees involved**, identified on the basis of the type of expertise held, with the main techniques for education and classroom management. Finally, in cooperation with the HR Special Projects Unit, mini training videos were filmed on the issues of corruption prevention and sustainability, made available to Group personnel through the Pianetacea platform.

E-learning offered through the Pianetacea platform, accessible to all employees, was **strengthened**.

In particular, online training was offered with reference to Italian Legislative Decree 231/01, with reference to administrative liability of entities and the Organisation, Management and Control Model implemented by Acea, to privacy, the Code of Ethics, whistleblowing procedures, Italian Legislative Decree 262/05 with reference to the internal control system, financial disclosures, the integrated QASE management system and sustainability.

As in 2022, to **support the implementation of a management system to prevent corruption** (UNI ISO 37001:2016), a dedicated **e-learning course** was developed, available to all personnel, with **4,274 people** utilising it, equal to 63% of staff (of which 3,028 men and 1,246 women, 41 executives, 365 middle managers, 2,957 office workers and 911 manual workers). Finally, specific training courses were offered on: Privacy Specialists, environmental regulations and waste management, dedicated to staff with relevant responsibilities.

The Group companies carried out independent remote training, for example:

- **Aquaser** organised a **training course on effective communication**, intended to improve the use of verbal, para-verbal and non-verbal communication, with a particular focus on various communication situations;
- **Deco** organised an **electrical technique course**, to improve safety during maintenance work performed by relevant personnel. Additionally, for certain selected employees, a **preparatory course was offered with reference to the third party transport**

manager certification exam, as requested by the relative National Register;

- **Acea Energia** organised a **obligatory training course on Italian Legislative Decree 231/2001**, one on **Anti-trust and improper commercial practices**, on the application of competition law and **consumer protection regulations**, focussing on the risks to which the utilities sector is potentially exposed, and a **Customer Centricity, Marketing & Sales course**. Additionally, **Master Classes** were provided on **Energy Management**, as well as the **Meter2bill** event on **improper commercial practices**;
- **Areti** carried out various **training projects to align skills with the integration of the MV/LV/PL Network**. Additionally, with an eye to **operating flexibility** and in collaboration with Acea Ato 2, training for water personnel was organised on electrical aspects and vice versa, the **"ARIA MVP6 project"** to support the adoption of new vendor and producer portals on Salesforce, the **"Supply Chain Lean & Digital project"**, to improve the materials procurement management system and management of warehouse inventories, and the **Photovoltaic Project** which will continue in 2024.

The traditional and experiential training activities and those on the **e-learning platform** totalled **1,394 courses** (1,347 in 2022). Traditional and experiential training was attended by **5,367 people**, of which 24% women. Courses delivered digitally were attended by **5,027 people**, of which 28% women.

In 2023, a total of 226,222 hours of traditional, experiential and e-learning **training** were provided, an increase compared to 2022 (see table 50).

In 2023 **total training hours per capita¹⁴⁵ increased, reaching 34** (31 in 2022); analysing the figure in terms of gender, men had 33 hours of training per capita and women 37 hours; when broken down by position, we find: 12 hours of training per capita for managers, 38 for executives, 36 for employees and 29 for other workers. The **overall costs incurred** for the provision of the courses, net of scheduling for training and the preparation of the spaces allocated to it, were equal, in 2023, to **€ 2,477,766**.

¹⁴⁵ The indicator was calculated by comparing the number of hours attended with the total number of employees.

Table no. 50 – Training (2022-2023)**TRADITIONAL AND EXPERIENCE-BASED TRAINING COURSES**

course type	courses (no.)		training (hours)	
	2022	2023	2022	2023
managerial	41	59	7,708	9,262
safety	629	590	107,612	79,677
governance model (*)	72	112	5,148	6,043
operating-technical	551	558	67,073	49,549
digital	0	41	0	15,118
total	1,293	1,360	187,541	159,649

TRAINING COURSES PROVIDED THROUGH THE PLANETACEA E-LEARNING PLATFORM

corruption prevention	0	2	0	4,819
whistleblowing	1	1	504	422
Sustainability and Agenda 2030	1	2	3,991	2,427
Leadership Model	1	0	1,429	0
technical training	25	1	3,401	62
Code of Ethics	1	2	966	3,348
antitrust law	4	1	3,942	2,180
GDPR – new European privacy regulation	7	1	81	297
administrative liability of entities (Legislative Decree no. 231/01)	6	1	2,796	437
safety	6	6	2,367	11,675
QASE management systems	1	1	677	912
Legislative Decree no. 262/05	1	1	696	4,143
digital	0	14	0	33,687
managerial	0	1	0	2,164
total	54	34	20,850	66,573

BREAKDOWN OF TRAINING HOURS BY QUALIFICATION AND GENDER

title	2022			2023		
	men	women	total	men	women	total
executives	1,013	255	1,268	999	211	1,210
managers	11,317	5,994	17,311	13,569	7,410	20,979
clerical workers	80,061	40,725	120,786	92,773	52,263	145,036
workers	68,820	206	69,026	58,890	107	58,997
total	161,211	47,180	208,391	166,231	59,991	226,222

(*) the governance training includes anti-corruption

In order to develop people's skills and professionalism, the individual performance evaluation system is in place. Performance is assessed periodically by line managers on the basis of the level of achievement of the objectives assigned to colleagues, in line with the Group's industrial and sustainability objectives, and the values outlined in the Leadership Model.

In 2023 the **Development Center Programme** continued, which identifies areas requiring improvement and development processes to implement, through the Assessment Center, as well as **defining**, down stream from the results, **individual projects to improve skills**, based on the "**Development Catalogue**", which provides methods and activities to further improve strengths and reduce problem areas. The Catalogue contains **19 development measures and**

tools, grouped into **9 types of training courses**, **7 types of focus team coaching** (on employee management, strategic thinking, decision-making, effective communication, peer relations and change management, managing emotions), **individual coaching courses**, **mentoring** for both mentors and mentees, supported by specific training on methodology and process and, finally, **high-level training**. **These courses are monitored both with reference to effectiveness and enjoyment, thanks to the use of internal dashboards** which are also used to prepare reports.

In 2023 187 development plans were activated, involving staff in individual and group training sessions as well as high level training. Professional development of staff through **promotions** in the year concerned **35 people** of which 5 were women, i.e. 14%.

COLLABORATION WITH UNIVERSITIES AND SCHOOLS

Acea develops **partnerships and cooperation with universities**, participates in studies and research, meetings between companies and students and stipulates agreements to promote *internships* and apprenticeships. Acea consolidated relations with the Tor Vergata, La Sapienza, Luiss Guido Carli, Studi Europei di Roma, Federico II di Napoli, LUMSA, Scuola Superiore Sant'Anna di Pisa, Università degli Studi della Tuscia, Cassino universities and Polytechnic University of Milan via the **conclusion of agreements** aimed at encouraging the transition of graduates into the working world.

In 2023 **Acea Ambiente** strengthened its collaborations with important universities, including Università di Cassino e del Lazio Meridionale, Politecnico di Torino, and Università degli Studi della Tuscia, to finalise **technological research and development projects to identify and mitigate environmental impacts associated with strategic locations**.

Also during the year, **AdF** worked with Agile Academy and Università degli Studi del Sannio to carry out **high level training courses on the NRRP and the new Public Contracts Code**, began training internships with the Università degli Studi di Siena to introduce interns in the new analysis laboratory, as well as participating in the

annual *Career Day* organised by the university.

Deco began an agreement with **Alma Mater Studiorum Università di Bologna** and one with **Università degli Studi dell'Aquila – Industrial Engineering and Information and Economics Department**, thanks to which it was able to host a number of interns.

Gesesa participated in the second Guidance Day for University Studies, organised by the Istituto d'Istruzione Superiore Telesia in the Municipality of Telesse Terme.

These interactions with universities allowed Acea to activate **14 training internships** and **22 educational internships** in 2023.

The Group also utilises the **professional skills** of its staff in university master's degrees and courses and for **technical projects**. In 2023, qualified **company staff** worked as teachers or provided corporate testimonies for **university master's degrees**, covering issues related to **energy**, the **environment**, **sustainability** and **innovation**.

Acea also signs **agreements with local high schools and commercial schools in the local area** for **school-to-work programmes**. To that end, in cooperation with schools and thanks to the contribution from Group companies, in 2023 the **GenerAzione 2030** project was carried out (see dedicated box).

THE GENERAZIONE 2030 PROJECT

The **GenerAzione 2030** project involved around **400 students** from **13 high schools** (classics and technical high schools) in Lazio, Umbria, Tuscany and Campania, with the dual aim of raising awareness of sustainability issues in the younger generations and increasing awareness of the Group, bringing students closer to the world of work.

Each Group company has developed a **work project** on which the students worked, guided by company experts, to develop innovative environmentally sustainable solutions to apply to the company's business. Additionally, **Acea orienta** was implemented, a specific guidance module for students in the fifth and last year of high school, with dialogue between the Group's human resources experts and the young people, to help them learn more about the most requested professional skills, better structure their *curriculum vitae* and handle job interviews with more awareness.

- The 5 winning project ideas were developed by:
- **ITCG Carlo Matteucci (Rome)** – Project Work: *Hanging tank project to be placed in the area in front of the school;*
- **ITI Faraday (Roma)** – Project Work: *Decreasing/Segregating CO₂;*
- **ITIS Nicola Parravano (Arpino)** – Project Work: *Analysis and treatment of water and steam; treatment of water in the company's cycle and mechanical aspects;*
- **Istituto Tecnico Omnicomprensivo Amelia (Amelia)** – Project Work: *Microplastic management: separation and treatment when it enters the treatment plant;*
- **Polo Scientifico Tecnico Professionale Fermi-Giorgi (Lucca)** – Project Work: *Innovative solutions for responsible and knowledgeable use of water.*

INCENTIVE SYSTEMS AND STAFF EVALUATION

The Performance Management Model, applied to all staff, is connected to the evolution of the Leadership Model and structured into two distinct types, one **for executives and middle managers** and the other **for office workers and manual workers**. Devised for the assessment of performance and skills, the model represents a driver for the achievement of the Group's growth objectives and guides policies for people development, enhancing the connection with compensation policies and salary reviews.

The **remuneration policy** adopted envisages short-term and long-term fixed and variable remuneration measures (MbO, LTIP).

Regarding long-term incentives, the **Long-Term Incentive Plan (LTIP)** is in place, reserved for **Executives with Strategies Responsibilities and other Executives holding key positions in the Group**. The Plan is divided into three cycles, **each lasting three years**, at the end of which a monetary bonus will be paid, if the objectives are achieved. This method is aimed at guaranteeing the continuity

of the company's performance, steering the management towards results with a **medium and long-term outlook**. The **calculation system is subject to the degree of achievement of objectives**, as determined by the Board of Directors after consulting the Appointments and Remuneration Committee, **of an economic-financial nature** (NFP/EBITDA and NFP/NP), tied to the **profitability of the share (EPS) and associated with the Group's sustainable success**, through a composite sustainability indicator which, for the third cycle of the plan from 2021-2023, was given a percentage weighting of 15%, which includes objectives in line with the Group's industrial and sustainability planning.

The **short-term incentive system** (annual), **Management by Objectives (MBO)**, is applied to **senior and middle management** and entitles them to receive a monetary bonus based on the achievement of objectives established for the year. The system is divided into **Group objectives** which are the same for all involved parties, **Area objectives** (applicable across the relevant Area) and **individual objectives**.

The **Group objectives** that are applied to 100% of the recipients of

the MBO incentive scheme, are based on **four indicators (KPIs)**: three **of an economic-financial nature** (EBITDA, net profit, net financial position) and one **composite sustainability** indicator given, in 2023, a weighting of 10%. Managers can choose their **Area objectives** from among those included in the **Dedicated catalogue**, with a direct link to the company's strategy and operational management.

With the introduction of sustainability objectives in the incentive systems for the MbO population and for top management (LTIP), Acea has confirmed the **integration of sustainability** into business activities, strengthening the **link between remuneration mechanisms and the achievement of social and environmental objectives**.

Employees who are middle managers, clerical and manual workers – including those with part-time, fixed-term (including temporary) and apprenticeship contracts – **are eligible for the performance bonus every year**. This is a variable payment, linked to qualitative and quantitative results achieved in the realisation of business objectives, in line with the industrial and sustainability planning, which aims to have workers **participate in company processes and projects** to increase profitability and improve competitiveness, productivity, quality and efficiency. Furthermore, payment of an **additional amount** was made by the company in favour of those who allocate the performance bonus to **supplementary pension schemes**.

There are also **benefits** for employees, including those with part-time, fixed-term contracts and apprenticeship contracts, such as **meal vouchers**, a discounts on electricity tariffs (for staff hired before 9 July 1996), the subsidies provided through the Company Recreational Club (CRC) and a **supplementary health insurance policy**. Other forms of benefits are provided to staff to support their **well-being**. These include: contributions for medical expenses, health check-ups, contributions for the use of emotional and physical well-being services, work-life balance and related to family. Furthermore, specific benefits are offered to executives, such as the use of a company car and the reimbursement of fuel costs. **Two insurance policies** are available for all staff, which, in the event of death or accident, guarantee the beneficiaries the payment of monetary compensation.

INTERNAL COMMUNICATIONS

The Internal Communications Unit of the holding company **oversees communication to employees** and contributes to **promoting the Group's principles, values and strategic objectives** and developing a **shared company culture**.

In 2023, the digital platforms again continued to play a central role in communication between the company and people, in particular **My Intranet**, a digital environment dedicated to employees which, by facilitating the sharing of information, initiatives and events organised by the Group companies, strengthens people's engagement and sense of belonging to the Group. In 2023, **almost 3 million views** were recorded, with a monthly average of 250,000 views and an increase of 7% with respect to 2022.

During the year **the portal was updated**, in line with the changes made at the company level, with new sections and restyling of others, including the **Stakeholder Engagement, Equality & Care, Corporate Identity, Regulatory System, Organisational System, Job Posting**, sections and those dedicated to **Human Resources processes**.

In particular, in the **Equality & Care section** various documents were highlighted, including **the Manifesto for Equality**, in its updated form,

the Equality, Diversity & Inclusion Policy, the Charter of the Person and Participation and the Code for Responsible Companies to Support Natality.

In terms of **Equality, Diversity & Inclusion**, following the intense work to **restyle the visual identity** and consequent **update of the section**, in cooperation with the People Culture & Organization Department, an internal campaign was launched to encourage voluntary adhesion to the **Equality Platform** (see also the paragraph on *Diversity, Inclusion and Welfare*).

Additionally, during the year, all personnel received the **Code of Ethics**, updated in 2022 and, on the occasion of European IT Security month, a **guide to IT tool use** was created and disseminated, with the aim of supporting and developing a widespread, knowledgeable and shared cyber security culture.

Another digital interaction channel between Acea and employees is the **Acea Ti Premia** [Acea Rewards You] portal, the innovative space for aggregation which makes it possible to share projects, events and company gadgets and **promote engagement**.

In 2023, **Acea Ti Premia** hosted the first edition of the **Acea Photo Contest**, created to increase employee involvement, as they participated using photos taken by them on the subjects of: Innovation, Sustainability, Our People, Territory. The contest did not just award a prize for each category but also included special prizes, including the **Popular Jury Prize, Prize for Employee Children and Top Management Jury Prize**. **Page views** on the **Acea Ti Premia** portal in 2023 totalled around **500,000**, an **increase of 40%** over the previous year.

In 2023, the internal communication initiatives remained in line with the pillars of strategic planning: **ecological transition, sustainability, diversity and inclusion, welfare, safety, engagement, solidarity, and innovation**.

Internal Communication supported the People Culture & Organization Department in the **production of webinar cycles** dedicated to reflecting on the effects of technological innovation on the world of work, **Being Digital**, and the dissemination of knowledge about the main sustainability themes and their impact on company business, **Being Sustainable**, and the implementation of **company welfare** initiatives, developed to support the psycho-physical well-being of personnel and their family members (see also the paragraph on *Diversity, inclusion and welfare*), including:

- **Out of Office**, the second *street gym* event organised by Acea;
- **Acea Family Care**, a structured series of initiatives aimed at company staff and their family members;
- **Race for the Cure**, for the second consecutive year the Acea Group participated in the event **with its own team** consisting of 160 employees and 50 family members;
- **Self-defence course**, for employees, to learn personal defence techniques;
- **Wellness Fridays**, offering yoga and pilates;
- **Support Women**, the assistance channel to support women workers in difficult situations;
- The launch of the **six-pillar My Welfare campaign** (Health, Work/Life Balance, Complementary social security, Economic subsidies, Psycho-physical well-being, Family);
- **Acea Camp**, the summer camp for employee children;
- **the Corporate Family Responsibility programme**, launched in 2022, to spread a culture of inclusion and appreciation for diversity.

Again in 2023 the **Connect with Acea** was carried out, a project envisaged by the parent company's Communication & Media Relations Department which, as part of the *Corporate Family Responsibility* programme saw the implementation of three events: **Antarctic Mindset**, **New Jobs and Leadership**, described below, in the paragraph on *Diversity, inclusion and welfare*, with simultaneous translation in sign language.

To **promote the culture of well-being**, the Internal Communication team, in collaboration with the Acea SpA People Culture & Organization Department, supported the **Previeni con Acea** [Prevent with Acea] communication campaign, intended to raise employee awareness about health, prevention and healthy lifestyles. In addition to the usual appointment in December, with free screenings for employees, in 2023 an additional prevention appointment was held. In December at the health village, certain associations were hosted, including Fondazione Lene Thun, Sulla Strada, La Lega del Filo d'Oro and Intersos.

Additionally, in 2023 **Acea Solidarity Days** were organised to support the beneficial actions carried out by certain charities, including Save The Children, Andrea Tudisco ODV, Terre des Hommes, AISM and

AIRC. Again with reference to social initiatives, in cooperation with the Acea SpA Welfare Unit and the association "La Rete di Tutti", the initiative "**Do good and do yourself good**" was developed, which saw a number of **blood donation days** reserved for Acea employees, in February and June. Further a **blanket and clothing drive** was organised, to be donated to the Comunità di Sant'Egidio, to help those suffering extreme difficulty to face the winter temperatures.

Also in 2023, as in previous years, in collaboration with the supplier Enoteca Guerrini, the Christmas event was held which saw the purchase of 6,250 packages for Group employees. **For each Christmas gift, the supplier donated a portion of the social cooperative Spes contra spem in Rome**, which carries out social/cultural integration projects for young people, at risk minors and people with disabilities. Like every year, a portion of the gifts were donated to Comunità di Sant'Egidio, to organise a celebratory lunch, in collaboration with CRA Acea, for people suffering financial hardship.

The initiatives developed and promoted by Internal Communications were also publicised using multi-media equipment at the company offices, such as digital totems and screens found in lifts.

DIVERSITY, INCLUSION AND WELFARE



Signed the **Code for Responsible Companies** to Support Natality, promoted by the Ministry of Family, Natality and Equal Opportunity



Launched the **Equality Platform**, designed as a physical and virtual space to spread the culture of **Equality, Diversity & Inclusion**



Acea SpA, for the second consecutive year, obtained **gender parity** certification (UNI/PdR 125:2022)



Strengthened the **Listening Service** intended for working mothers and fathers

Inclusion, protection of diversity (gender, age, disability, religion, race, etc.), **combating sexual harassment and bullying are issues monitored at the governance level**. Indeed, Acea has a **Code of Ethics** and an active **Ethics and Sustainability Committee**, which, among other things, has the **responsibility of assisting the Board of Directors in matters of diversity**, with the task of promoting the culture of valuing diversity and combating all forms of discrimination.

The company promotes the application of principles of inclusion and appreciation of diversity in all HR management processes (selection, training, development, corporate welfare, etc.), including via dedicated procedures.

At the Group level, the **annual Equality & Care Plan** was adopted, which includes D&I goals and projects aimed at Group employees. Also in effect is the **Equality, Diversity & Inclusion Policy**, which formalises the Group's D&I commitments, and the **Equality, Diversity & Inclusion Manager** was appointed, followed by the establishment of the **Equality, Diversity & Inclusion Committee**.

Additionally, in 2023 Acea adopted the **Charter of the Person and Participation**, signed with the trade unions, which establishes **work/life balance measures to support parents**, enhanced with respect to regulatory and contractual requirements, with an increase in the indemnity paid for parental leave and in the number of paternity and child illness days envisaged, as well as with reference to **training**, with an increase in the total per capital training hours over three years (see the paragraph *Labour/Management Relations*).

In November, Acea signed the **Code for Responsible Companies to Support Natality**, promoted by the Ministry of the Family, Natality and Equal Opportunity and presented in Rome during the "Maternity is (not) a business" event, which includes various actions, including: career continuity for mothers, preventive medicine and healthcare, work/life balance and support for expenses to care for and educate children.

Finally and also during the year, Acea approved **the Human Rights Policy** which also includes appreciation for diversity and inclusion (see the in-depth box and the section *Corporate Identity*).

HUMAN RIGHTS POLICY: THE ISSUE OF DIVERSITY AND INCLUSION

The Human Rights Policy, approved in 2023, reiterates the Group's commitment also to the topic of inclusion and non-discrimination and, at point 2.1.5, states: "Acea Group promotes an inclusive culture towards external and internal stakeholders, at all levels of the organisation, fostering interpersonal relations based on the respect for the dignity and uniqueness of each person and on fairness, guaranteeing the right to a fair working environment, in terms of economic treatment and employment opportunities, without discrimination based on gender, age, ethnicity, sexual orientation and identity, disability, religious faith or other individual characteristics. To this end, it guarantees fair and non-discriminatory selection, recruitment and reception processes aimed at attracting new talent and facilitating the process of overcoming stereotypes linked to certain professional profiles, seeking a heterogeneous composition of the company's population, in compliance with

the principle of equal opportunities and impartiality. The Group does not allow any form of marginalisation and pays particular attention to the protection of fragile people, with actions aimed at breaking down cultural, structural, sensory and physical barriers. From the perspective of inclusiveness, eliminating physical barriers in the workplace is the first step towards ensuring equal dignity for all, so that everyone can have equal opportunities for job satisfaction, consistent with individual skills and background. In line with the principles of social sustainability, the Group ensures respect for the principles of diversity and inclusion at all stages of the employee journey, including development, training, growth and remuneration processes. It also has a specific Equality, Diversity & Inclusion Policy, approved by the Board of Directors, which aims to address values, tools and actions to promote an increasingly collaborative and inclusive work environment".

In 2023, to disseminate the culture of inclusion and the value of diversity, Acea informed and raised awareness among employees with initiatives available to all staff (see the sub-paragraph *Internal Communications*), including:

- the webinar **Antarctic Mindset, lessons for daily life**, with Chiara Montanari, the first Italian engineer to head an Antarctic expedition, organised for 8 March, during which female leadership in the world was discussed;
- the webinar **New Jobs, Evolution of Skills and Impacts on Generations**, with Alberto Brugnoli, a lecturer on Planning and Strategic Organisation at Università Ca' Foscari of Venice, organised on the occasion of World Day for Cultural Diversity for Dialogue and Development, to deepen appreciation for the values of equality and inclusion in personal and professional situations. The webinar was an opportunity for dialogue and reflecting on the changes in course in the world of work, on the impacts that new jobs have on organisations and how generational interactions can create value in response to these changes;
- the webinar **Leadership: a private or work function?**, with Francesco Luizzi, co-founder of Tebat and a Professor of Organisational Development Università degli Studi di Milano, during which experimenting with leadership was discussed, taking advantage of skills acquired in every aspect of life;
- continuation of the **Corporate Family Responsibility programme**, with the distribution to all company staff, through the My Intranet platform, of five **short videos** on the issues of **work/life balance, sharing care** and **gender stereotypes**, created with support from Welfare Come Te and WeWorld;
- the **Equality Platform**, designed as a physical and virtual space to disseminate an ED&I culture, shared through an internal communication campaign, on the occasion of which a call to action was launched to identify the Group's ED&I Champions who, supported by specific commitments and training, are responsible for promoting an ED&I culture, sharing needs, project ideas and carrying out initiatives. The project will continue in 2024 with specific events and training sessions.

During the year, Acea obtained various recognitions that **attest to its commitment to diversity, inclusivity and female empowerment**. In particular, in 2023 the Company was **included by the Financial**

Times and Statista in the **special ranking of Europe's Diversity Leaders 2024** (using 2023 figures), which selects 850 European companies that demonstrate leadership in terms of diversity and inclusion.

Acea SpA also obtained, for the second consecutive year, **gender parity certification** (UNI/PdR 125:2022) with a score of **95/100**, an improvement with respect to the 2022 score (89.25/100).

With reference to corporate welfare, Acea adopted measures to support parents, which were strengthened thanks to the already cited Charter of the Person and Participation, including **extending parental leave** for family reasons for working mothers and fathers, **extending paternity leave** recognising an additional two paid leave days, with respect to that established in the regulations; **hourly leave for the initial days** when children begin **nursery, pre-school and on the first day of elementary school**; **an increase in the indemnity paid for parental leave** and the number of days allowed for child illness.

Additionally **the number of remote work days envisaged for workers with children under the age of 14 or with fragile dependants has been increased**, based the current provisions under the law.

Finally, in the company car park certain spaces have been reserved for people with disabilities or expectant mothers, which can be reserved using the company app, in the section "priority".

Acea actively promotes corporate well-being, starting with the **needs of its staff**, which are identified over time through surveys. The **Group's Welfare Plan** was enhanced in 2023, identifying six fundamental pillars relating to **health, work-life balance, emotional and physical well-being, supplementary pensions, income support measures and family, with special attention paid to social solidarity**. The income support measures include the option to **convert the performance bonus into welfare services** (flexible benefits) through the **My Welfare platform**, enriched with **personal and family services** (family services, travel, transport, health and health insurance, supplementary pensions, sport and leisure, etc.), as well as the implementation of the category of fringe benefits, according to the provisions of current legislation. Additionally, employees can use the **exclusive Corporate Benefit platform**, which contains a wide range of products offered at a discount and a mobility agreement to support better work/life balance.

Acea has **reused part of the tax relief**, enjoyed thanks to the Welfare Plan, **for the benefit of all employees** through the payment of an **additional amount** for those who allocate their performance bonus to supplementary pension schemes, **complementary social security** and by offering preventive health services and campaigns **promoting primary and secondary prevention and healthy lifestyles** as well as making an economic contribution the **provision of services for the emotional and physical well-being of employees and their families**.

To promote Welfare Plan initiatives, in 2023 **communication campaigns**, were carried out, including the **newsletter** and **short informational videos**, as well as **four digital communities** and a **course for employees hired in the last two years** to improve organisational well-being, with 80% of new hires participating.

During the year, the social solidarity initiative known as **Taxi Solidale** continued, carried out in collaboration with **ACLI of Roma**, offering **concrete support to the neediest families**. The project involved the **donations of 10,265 parcels** containing food and medicine by employees, and **former employees contributed by driving** a van, loaned free of charge by Acea, to deliver the solidarity parcels in the municipality of Rome.

During the year, Acea:

- activated, in the context of the Prevent with Acea campaign, the **Safe Children** course, aimed at employees and dedicated to **paediatric prevention** in emergencies and organised, in collaboration with Susan G. Komen Italy, **four days dedicated to cancer prevention** for employees, during which **520 breast, dermatological and endocrinological screenings were carried out free of charge**;
- on International Day for the Elimination of Violence against Women, promoted the **Sostegno Donna [Support for Women] channel of assistance** to those who need to talk to selected professionals, also offering the possibility of undertaking specific counselling, psychological, psychotherapeutic, pedagogical and parenting support courses;
- developed **Mi prendo cura di te** [I take care of you], a caregiver service, totally free of charge, aimed at providing personalised advice from professionals able to support people in the management of educational and/or social care needs (support services for the elderly and people with disabilities, for children, specialised services with the availability of psychologists, nurses, physiotherapists, etc.);
- strengthened the **wellness programme in collaboration with Fitprime**, to promote physical, mental and nutritional health and encourage the adoption of healthy lifestyles, getting exercise, participating in **outdoor and indoor well-being events** with the possibility of personalising one's meal plan with the help of a nutritionist;
- participated in the **XVI edition of the Energy Tournament, "Safe Cup"**, an event which unites the main companies, associations and institutions in the energy/environment sector.

With reference to **actions to support parents**, to support better work/life balance, Acea:

- launched **informational communication campaigns** on the **summer camp** held for children between 6 and 14, to promote the value of sport among young people, and the **company crèche** (see the paragraph *Community life at Acea*);

- strengthened the **permanent advice channel** aimed at working mothers and fathers, through which the company interacts with them and collects information about their needs with a view to reducing the gender gap;
- activated, for employees and their family members, **agreements with digital universities located in Italy** ("Unitelma Sapienza", Università degli studi "Guglielmo Marconi" and Libera Università Maria SS. Assunta - LUMSA) with discounts for three-year degree courses and 1st and 2nd level master's degrees.
- Introduced a **digital platform dedicated to home-based parent support for the entire family**, which offers a single hub for assistance services at competitive rates.

Finally, with the aim of promoting female *empowerment*, supporting mothers returning to work and achieving work/life balance, Acea, through its **"Mamma with Acea in your first 1,000 days"** project, was granted funding through the **public call for tender "Riparto"**, issued by the Department for Family Policy - Prime Minister's Office, ranked 6th out of 122 companies.

Acea has **employees belonging to protected categories** (disabled people, orphans, etc.) who, in compliance with the law¹⁴⁶, are guaranteed support services, assistance and technical support tools to facilitate the performance of the tasks entrusted to them. In 2023, **200 employees** (118 men and 82 women) belonged to protected categories.

In the year under review, there were no cases of discrimination against Group employees.

COMMUNITY LIFE AT ACEA

Some structures perform work of a social nature, directly involving employees: the Company Recreational Club (CRC), the Gold Medal Association and the Association of Christian Italian Workers (ACIW). **4,745 members** were enrolled in the Company Recreational Club in 2023.

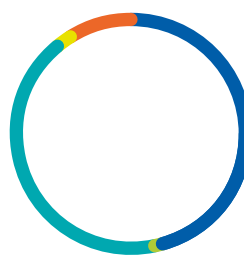
The CRC was responsible for **managing the company's crèche**, open to children of employees and children of residents of Municipality I, and accommodating **35 children in the first half of 2023 and 28 in the second half**.

The Club **offers cultural, sport, tourism, economic, commercial initiatives and personal services**, and its aim is to enhance the free time of its members, without losing sight of aspects of social interest. An important solidarity tool among employees is the **Emergency Fund**: an initiative **in support of the relatives of deceased**, in-service or retired employees. All employees can join by signing a form, which they must send to the Human Resources Function or to the CRC, in which they authorise the deduction from the payroll of a small contribution that is allocated to the Fund. These internal solidarity tools, available to company staff, also take effect in special circumstances, to support individual employees suffering difficulties.

The Company Recreational Club enters into **agreements** for employees and their families with institutions that offer health services, dental services, legal advice, etc. and active commercial agreements, sports ticket sales, theatre and music events, which can be viewed on a dedicated portal with constantly updated contents and accessible on the Intranet (www.cra-acea.it). It is also responsible for informing employees, by sending newsletters.

The Association of Christian Italian Workers (ACLI) at Acea **promotes social initiatives, solidarity and support**. Examples of that support are the presence of the Chaplain from whom employees can seek guidance, and the organisation of meetings for families, also with the intention of creating a **support network** for employees. The association is also involved in **providing services** such as **mortgage and loan advice, school assistance** for children of employees attending lower and upper-secondary schools, and various other initiatives benefiting employees, such as the organisation of language courses and cultural and sports activities. Again in 2023, the ACLI supported **social initiatives in the local area** (Food Bank, Caritas, etc.).

Chart no. 47 – Members that have used CRC services (2023)



221 members utilized tourism services
1,145 members interested in insurance instalments
26 members interested in purchase instalments
1,060 members utilized the so-called "dono della Befana" bonus benefits
52 members utilized scholarships

SHAREHOLDERS AND INVESTORS

Acea is a listed company that **provides to the financial community**, through its **Investor Relations Department** and in partnership with the competent corporate structures, **a continuous, timely** and useful **flow of information for the correct assessment of the current and future situation of the Group**. The information is conveyed through current and potential **direct relationships** with analysts and investors, and through **specific communications** (price-sensitive press releases, company presentations) that are made available on the institutional website (www.gruppo.aceait), respecting the principles of **propriety, clarity and equal access**.

Additionally, working with the competent structures, the **Corporate Affairs Unit** is responsible for the management of information flows with the **Supervisory Authorities** (Consob and Borsa Italiana) and the corporate obligations required by law for listed companies.

ECONOMIC FLOW TO SHAREHOLDERS AND INVESTORS

For shareholders, at the Shareholders' Meeting, the Board of Directors proposed the distribution of a dividend of € 0.88 per share, around a 4% increase, for a total of € 187.4 million, which corresponds to a payout of 64% on net income, after allocations to third parties.

Acea saw a **14.1%** increase on the stock market in 2023 (in terms adjusted for dividends - Total Shareholder Return).

The closing price at 29 December 2023 (final trading day of the year) was € 13.83 per share, corresponding to a market capitalisation of € 2,945 million.

The maximum value of € 14.42 was reached on 7 February, while the minimum value of € 10.09 was reached on 28 September. During 2023, the **daily average volumes traded** were around 171,000 shares (compared to 130,000 in 2022).

Table no. 51 – Performance of stock exchange indexes and Acea shares (2023)

	change % 31.12.2023 (compared to 31.12/2022)
Acea	+14.1%
FTSE MIB	+34.3%
MIB ESG	+34.5%

Acea is listed on the following **sustainability indexes**:

- **MIB ESG**, which includes 40 companies, selected from the basket of the 60 companies with the highest liquidity on the Milan stock market, on the basis of the best sustainability performance, as assessed by VigeoEiris/Moody's ESG Solution as well as exclusion from controversial sectors (e.g. tobacco and arms) or disputes concerning lack of compliance with the principles of the United Nations Global Compact.
- **SE Mid Italian Index** which includes 20 mid-size companies listed on the Milan stock market, selected based on capitalisation and free float values and weighted in relation to the Corporate Standard Ethics ratings assigned to each company.
- **SE European Multi-Utilities Index** which includes 15 companies, selected from European companies operating in at least two public services business areas (waste management, water, energy), based on capitalisation and free float values and weighed in relation to the Corporate Standard Ethics ratings assigned to each company.

Financing stakeholders are allocated around **€ 176 million** (€ 111.7 million in 2022). The average overall all-in cost of the Acea Group's debt on 31/12/2023 was 2.08%.

Regarding the **composition of medium/long-term debt** consolidated as at 31/12/2023, approximately 84% of the total amount derived from transactions on the capital market (corporate bonds, of which 35% green). Regarding the banking sector, the Group mainly deals with entities whose mission is to **finance strategic infrastructure**, such as the European Investment Bank (EIB, around 9% of the consolidated debt) and the Cassa Depositi e Prestiti (CDP, around 2% of the consolidated debt). These Institutions ensure loans, to entities with creditworthiness such as Acea, with a maturity of more than 10 years, in line with the duration of the concessions (water and electricity) owned by Companies of the Group called to make the relevant investments.

Acea has prepared a **Green Financing Framework**, certified by a *Second Party Opinion*, to issue green bonds and sign green loans. The Framework was developed in compliance with the Green Bond Principles 2018, published by the International Capital Market Association (ICMA), and the Green Loan Principle 2020, published by the Loan Market Association (LMA), and governs the use of proceeds, the project selection and evaluation stage, management

of proceeds and reporting on projects financed using these instruments. Eligible investment categories under the Framework are: **Water resource management; energy efficiency; the circular economy, green energy.**

Currently, Acea has the following active **sustainable financial instruments**:

- A revolving **“Sustainability Rating Linked”** credit line of € 200 million with a duration of 3 years with **Cassa Depositi e Prestiti**, connected to two sustainability rating targets. Pricing for the credit line is linked to the level Acea is assigned in the ratings of **Standard Ethics** and the ETicaNews **Integrated Governance Index** and relative trends.
- Two **Green bonds** with the first issued in 2021 for € 900 million, fully placed and the second issued in 2023 for € 700 million. Information on green bonds, in terms of both investments and outputs associated with projects financed, is provided in the **Green Bond Allocation & Impact Reports**, found on the Acea website.

AGENCY RATINGS

Table no. 52 – 2023 rating

Agency	Long-term rating	Outlook
Moody's	Baa2	Stable
Fitch	BBB+	Negative

Moody's changed the outlook from negative to stable. Furthermore, the ratings agency confirmed the long-term issuer rating and the senior unsecured rating at the level “Baa2”, the Baseline Credit Assessment at the level “Baa2”, and also the “(P)Baa2” level assigned to the EMTN programme. The improvement in the outlook is in line with the trend seen for Italian sovereign debt and reflects the Company's “solid financial profile”.

Fitch confirmed the “BBB+” rating and changed the outlook from stable to negative, reflecting expectations about increased leverage relative to 2022, due to absorption of cash due to working capital trends and the acceleration of investment by the Group. The confirmation of the BBB+ rating reflects Acea's strategic focus on regulated activities, together with the solidity of operating management.

FINANCIAL DISCLOSURE

In compliance with the *Policy for the Management of Relations with Institutional Investors, Shareholders and Bondholders (Engagement Policy)*, Acea had around 450 interactions during the year with institutional investors, analysts and bondholders, through participation in events also held digitally: “one-on-one” meetings and wider presentations, investor conferences, roadshows. Furthermore, conference calls and webcasts were held during the approval of the annual and interim results and numerous contact was made with analysts/investors including through email exchanges.

In 2023 **around 130 studies/notes on the ACEA stock** were published. Six **business banks** analyse Acea shares with a high level of continuity: five brokers gave the Acea share a “neutral” rating and one a “good” rating at 31 December 2023.

ESG ANALYSTS EVALUATE ACEA

The interest in Acea from “sustainable” investors continued. Based on an analysis carried out in November 2023, ESG investors **represent 6.1% of Acea's share capital** (6.4% in the previous year) **and about 45% of the total number of its institutional investors** (compared to 51% the previous year). They consist mostly of European funds, followed by investors from North America.

Acea's position in assessments by analysts, ratings and ESG benchmarks is shown below.



Acea was classified by **CDP (formerly the Carbon Disclosure Project)** in the Leadership category with a **A-level**, an improvement with respect to the score the previous year. In particular the commitment to establishing target climates which were subsequently validated by SBTi was particularly commended. CDP is the international organisation of reference, supported by over **750 international investors**, with over **130 thousand billion in assets under management**, which promotes attention on the global management of the risks and impacts of climate change, inviting companies to provide structured and precise information on the subject. Each year the CDP publishes a ranking of its assessments for each organisation. Over **23,000 companies, of which 5,600 European**, participate in CDP research, including the topics of water security and deforestation.



Acea saw its **sustainability solicited rating** raised by the independent agency **Standard Ethics (SE)**, with a rating of **EE+** (investment grade, F/EEE scale), as well as its positive outlook and long-term expected rating. In particular, the analyst commended the process of **alignment with international recommendations** (UN Guidelines, EU Taxonomy, etc.) and **integration in industrial activities**, plans for significant investments in various areas seen as central to the **transition to a sustainable economy**, appropriate implementation of **ESG objectives** and alignment of sustainability reporting with best practices in the sector.



In the rating assigned by the French ESG agency **GAIA Rating (EthiFinance Group)**, Acea received a score of **64/100**, substantially in line with the previous year (62/100). The agency assesses companies in 4 areas of analysis: governance, social, environment, and stakeholder relations. In particular, in 2023 Acea achieved the following scores: *Governance* 76/100, *Social* 73/100, *Environment* 90/100, *External Stakeholder* 80/100. When compared with the other 50 utility companies evaluated, Acea was in line with the benchmark.

For the fourth consecutive year, in 2023 Acea was found on the **Bloomberg Gender Equality Index**; the analyst has not yet published evaluations for the year while the most recent figure available, from 2022, gave Acea a **score of 81.58**. This index is intended to

support **gender parity**, both in disclosures and in company practices (for more information see the paragraph *Diversity, inclusion and welfare* in the chapter *Staff*).

During the year Acea also received ESG ratings from other major

players: **Sustainalytics**, assigned the Company a Low risk level, with a score of 19.7, a small improvement over the Medium risk level and 20.1 score in 2022, demonstrating the efforts made by management; **MSCI ESG Rating** confirmed its “A” rating (scale from AAA (leader)-CCC).

INSTITUTIONS AND THE COMPANY



Acea signed a **National Framework Protocol** to support legality with the Ministry of the Interior



Acea received the **iF DESIGN AWARD 2023** for the Waidy® Management System



Acea participated in the **ROAD** (Rome Advanced District) project to develop solutions for the **ecological transition and sustainable development**



Signed agreements with companies and their representatives to protect and reuse water, with a view to the circular economy, in the **agri-industrial sector**

Acea interacts with institutional actors and stakeholders of reference according to a participatory logic in order to generate shared value for the benefit of all stakeholders, primarily the community and the regions it operates in.

RELATIONS WITH INSTITUTIONS

Relations with the institutions are focused on the economic dimension (taxes and fees) and the social dimension (relations with local institutions, sector authorities, consumer associations and other civil representatives etc.), in line with current legislation and the Group's Code of Ethics.

The economic value distributed in the year to **public authorities** in the form of taxes was **€ 147.8 million** (approximately € 186.8 million in 2022). The tax rate for the year is equal to 31.1% (it was 37.5% in 2022).

The **Tax Unit** in the Parent Company's Administration, Finance and Control Department, develops **tax policy** at Group level, monitors legislative changes, ensures periodic compliance and provides assistance and advice to the Acea SpA structures and the Group companies for the application of tax regulations. The Unit also prepares,

where appropriate, specific information on the subject for the Control and Risk Committee. While a specific internal tax policy has not been adopted, Acea is committed to improvement tax risk management, implementing a system to identify, analyse and measure risks, and organisational safeguards, followed by the assignment of a “target” risk level.

Acea interacts with the relevant Authorities in a cooperative and transparent manner and, in compliance with the relevant legislation, Acea produces a Country by Country Report¹⁴⁷, which lists the information on taxes paid in each jurisdiction in which the Company operates. **According to the latest Country By Country Report** filed by Acea in 2023 with the Italian Revenue Agency **covering 2022 data, 97% of the total amount** is paid in Italy¹⁴⁸ while the remaining 3% is paid in the Dominican Republic, Honduras and Peru, where the Company operates in the water sector to improve the service, with reference to certain technical and management aspects (see the chapter *Water Company data sheets and overseas activities*). Overseas activities refer to locally managed businesses **and are not connected to delocalisations carried out to draw fiscal benefits from favourable jurisdictions**. In fact, Acea has not defined a tax strategy and does not intend to establish any aggressive tax planning to gain a competitively advantageous position.

¹⁴⁷ The obligation arises for the Parent Company due to its control of Acea International, the vehicle company through which shares in the overseas companies are held. The data produced in the Country by Country Report are merged into the audited *Consolidated Financial Statements*.

¹⁴⁸ The low amount of revenue, and consequently the taxes paid, in relation to the Group's activities in foreign countries has led to the overseas companies being reported as non-material from an economic/financial point of view; in addition, the potential evolution of the sector and other strategic and representative criteria regarding the Group's development and main impacts, have resulted in them not being included within the scope of the *Consolidated Non-Financial Statement*. The main data and information referring to these companies are however included in the *Sustainability Report* (see the chapter *Water Company data sheets and overseas activities*). Although the issue of GRI 207 – Tax was not included among the material issues identified with the involvement of stakeholders and therefore does not appear in the *GRI Content Index*, it is nevertheless mentioned here as testament to transparency and good accounting practice.

Acea regularly pays contributions and registration fees owed to public and private bodies, such as chambers of commerce, independent administrative authorities, industry associations and representative bodies. In 2023, the total amount of this item was approximately € 3.80 million (€ 3.25 million in 2022).

Partnerships with **public institutions** are aimed at carrying out **initiatives with positive effects in the local region and the public's quality of life** (see the chapters *Customers and the community*, *Personnel* and *Relations with the environment*).

The Group's **Code of Ethics** dedicates a section to **Relations with institutions, public administration, political parties, trade unions and associations**, establishing that: "*Acea actively and fully cooperates with independent Authorities, establishes relationships with the Public Administration in compliance with the reference regulatory provisions, as well as with the internal procedures, so as not to compromise its reputation and integrity, always operating with fairness, equity, transparency and traceability, avoiding collusive and corruptive attitudes and actions of improper influence. Acea does not contribute in any way to the financing of parties and trade unions or other organisations related to them, or of their representatives and candidates. Acea does not make contributions to organisations with which a conflict of interest may arise, such as trade unions, environmental or consumer protection associations*"¹⁴⁹. Consistent with the standards outlined in its *Code of Ethics*, Acea did not contribute in any way to the financing of parties or other political organisations, trade unions, including with legal form as an association or foundation instrumental to them, nor to their representatives and

candidates.

Additionally, in consideration of the important role it plays in the completion of major infrastructure works, in 2023 Acea signed a **National Framework Protocol to support legality** with the Ministry of the Interior, to strengthen cooperation on public safety and legality aspects, benefiting the social/economic fabric (see also *Corporate Identity, Strategy and sustainability chapter*).

The supervision of relations with institutional entities is defined by **an organisational model** that attributes **competences and responsibilities** to the corporate structures of reference. In particular, the **Public Affairs & Business Development Department** protects corporate interests and represents the Group's positions in dialogue with Industry associations, Research centres, Standard-setting bodies and local, national and international public and private institutions and bodies. The **General Council Function** supports the Group Companies for **legal aspects** related to the activities, and handles communications with the Supervisory Authorities (Borsa [Italian stock exchange] and Consob [National Commission for Companies and the Stock Exchange]) and the **Regulatory Function**, in coordination with the relevant divisions established within the Group Companies, handles relations with the **regulatory bodies** in the relevant sectors, also to minimize exposure to regulatory risk. The **Group's operating companies**, jointly with the Parent Company, manage the **"technical and specialist"** aspects of the managed services – water and electricity supply, public lighting and the environmental sector – **including through interaction** with administrative, regulatory and control bodies.

INTERVENTIONS BY SECTOR AUTHORITIES WITH RESPECT TO ACEA: REVIEWS, BONUSES AND PENALTIES

Regulatory Authority For Energy, Networks and Environment (ARERA)

In the regulated sectors, the Regulatory Authority for Energy, Networks and Environment (ARERA) has established bonus and penalty mechanisms to encourage the improvement of the performance of service operators.

In the distribution of electricity, the regulatory experiment on service continuity for LV users, approved by the Authority, envisages a final balance at the end of the first four-year period 2020-2023, therefore **Areti** paid no penalty in 2023.

However, during the year Areti **paid around € 29,000** to the **Cassa per i Servizi Energetici e Ambientali** (CSEA) for exceeding the standards set for MV users and **around € 828,000** to MV and LV end customers for prolonged and extended outages. At the end of 2023, the Company received **around € 5.6 million as a bonus** for **interventions aimed at increasing the resilience of the distribution service** in relation to 2022.

In the water sector, with resolution 477/2023/R/Idr, ARERA applied the incentive mechanism (bonus/penalty) **Regulation of the Technical Quality of the Integrated Water Service (RQTI)** for the two year period 2020-2021. Following verification of the standards, the regulator assigned the following bonuses/penalties: Acea Ato 2, bonuses for around € 24.7 million; Acea Ato 5, penalties for around € 600,000; Gori, bonuses for around € 3.3 million; AdF, bonuses for around € 3 million and penalties for around € 15,000; Gesesa, penalties for around € 5,000. Relative to operating companies in the water sector within the scope of reporting, the Group

overall obtained, for technical quality, bonuses of around € 31 million against penalties of around € 620,000.

Additionally, with resolution 476/2023/R/Idr, for the first time ARERA applied the **incentive mechanism to the Regulation of the Contractual Quality** of the Integrated Water Service (RQSII) for the two year period 2020-2021. Overall, the water companies within the scope were not awarded any bonuses, while the following penalties were applied: Acea Ato 5, around € 803,000; Gori, around € 3.5 million; Gesesa, around € 1.3 million. Finally, the companies accrued **automatic indemnities** to pay to customers in relation to contractual quality standards: Acea Ato 2, around € 220,000; Acea Ato 5, around € 5,000; AdF, around € 7,400; Gori, around € 106,000; Gesesa, around € 18,000.

Antitrust Authority (AGCM)

On 13 December 2022, the Authority informed **Acea Energia** of the start of an investigation proceeding, adopting at the same time, a precautionary proceeding against the company, through which it disputed a possible violation of art. 3 of the **Aiuti-bis Decree**. The company appealed against the legitimacy of the precautionary proceeding before the Lazio Regional Administrative Court. On 30 December 2022, the AGCM, following the order adopted by the **Council of State** on 22 December 2022 in relation to another market operator, and taking into account the changes made to art. 3 of the Aiuti-bis Decree by the so-called "Milleproroghe" [Thousand Extensions] Decree, revised the precautionary proceeding previously adopted in relation to Acea Energia, suspending only the effectiveness of unilateral change and/or renewal/update/variation

¹⁴⁹ See the Code of Ethics, available on the website, page 20.

communications of the economic conditions of tender for service contracts with no clear, effective and predetermined or predetermined expiry. In consideration of the proceeding, Acea Energia proposed additional justifications for the appeal as part of the case already pending with the Lazio Regional Administrative Court, with the aim of obtaining its annulment. With judgement 8398 of 17 May 2023, the **Lazio Regional Administrative Court granted the appeal and additional arguments made by Acea Energia, annulling the precautionary proceedings** which had been adopted. On 4 September 2023, AGCM gave notification of its appeal against the annulment, to change the stated judgement.

On 4 October 2023, the Company gave notification of its cross appeal to change the stated judgement. At the same time as the cases before the Lazio Regional Administrative Court, AGCM moved forward with the sanction procedure which ended with a provision of 15 November 2023, through which the Authority applied a monetary administrative sanction of € 560,000 to the Company. Acea Energia has taken action to appeal this sanction.

Judicial Authorities

With reference to **Demap Srl**, following a fire that occurred in December 2021, an order was issued to seize the burnt waste and the related warehouse owned by it. The criminal proceeding against persons unknown in relation to the offences set out by art. 256, Legislative Decree no. 152/2006 (unauthorised waste management activities) and art. 449 of the Penal Code (negligent crime) has been **withdrawn**, with a provision on 20 March 2023.

With reference to **AdF SpA**, in January 2023 the Judge for Preliminary Investigations ordered a preventive seizure of the urban waste water treatment system, known as IDL S. Giovanni - in Loc. Pianetto in the Municipality of Grosseto, in particular the areas intended to handle extra sludge flows. The Company has complied with the instructions given by the Judicial and Administrative Authorities, ceasing hydrolysis treatment of the treatment system and simultaneously restoring the aerobic treatment previously utilised. Investigations are still ongoing.

EMERGENCY MANAGEMENT PLANS

In synergy with public institutions, private parties and research bodies, Acea deals with **initiatives and projects of an environmental and social nature aimed at protecting common assets**. Acea is active in the **prevention and management of critical events**, and in the **event of an emergency** it provides support to the **authorities responsible for public health, civil protection and public safety**.

In particular, the Group companies ensure the **highest levels of safety and continuity in the provision of managed services**, in collaboration with public institutions. To this end, they have established organisational structures, **procedures and tools** that, in critical events (unavailability of central systems, breakdowns, adverse weather conditions, peak demand and network stress, etc.), are able to **restore operating conditions of networks, plants and systems in a timely manner** (see also the chapter on *Protection of assets and management of internal risks* in the section on *The company as a stakeholder*).

Each operating company has **plans for managing emergencies and intervention procedures** and, through the **control centres, constantly monitors the status of networks and equipment** – water and sewage, electricity and public lighting – in partnership with the **Municipal and National Civil Protection and local authorities**.

Whenever an event affects the managed services (damage to plants and/or networks, water/energy crisis, etc.), the companies of the Group notify the competent bodies to facilitate the coordination of interventions.

Acea SpA has a **procedure for the management of health and environmental emergencies** having an impact on the population, for which it **defines a risk level** (low, medium and high) and consequently organises intervention teams.

The **emergency management plan** of **Areti**, which manages the distribution of electricity, **deals with widespread breakdowns and unavailability of the grid**. It defines the different **states of activation** (ordinary, alert, alarm and emergency), according to the operational and environmental conditions, the procedures for the activation (and subsequent reset) of the same states, the **units involved** and the respective roles, and the **resource materials** necessary for maintaining or restoring equipment. It also provides for the appointment of a **Head of Emergency Management** and an employee dedicated to the **management of safety**, in specific cases. The **detailed Operating Plans** indicate methods for quickly managing the types of

disruption (such as flooding, fires, disruptions to the remote-control network, etc.) and procedures to be followed, for example, **for restarting the electrical system in the event of a blackout** of the National Transmission Grid (NTG) or **re-establishing power for strategic users** (such as parliament, the government, the State of Vatican City, etc.), **the materials, equipment and resources to be involved** depending on the case. The master plan and detailed operating plans are **updated on a yearly basis** and periodically improved on the basis of analyses of real cases. The effectiveness of procedures and the functionality of equipment are tested by means of drills. In addition, with a view to improving processes, the Company created a platform for the real-time **acquisition and monitoring of weather events**, in order to prevent potential risks from changes to the operating conditions of the electric grid.

Plans for the management of emergencies of the **water companies** define conditions that compromise the **continuity and quality of the integrated water service**, **classify the emergency levels**, describe the **preventive and remedial measures** for the types of unforeseen events (damage to the networks, pollution, water crisis and emergencies related to the sewerage and treatment service) and provide for the division of tasks among the areas involved (technical area and communications). These are shared with local institutions (such as Governmental Territorial Offices, Local Health Authorities, Area Management Agencies). In particular, the **Acea Ato 2 Plan** is updated in line with the Water Safety Plan guidelines and takes **25 critical scenarios** into consideration, specifying the consequences, manoeuvres to be carried out on infrastructure, and the mitigation actions required for each of them. The **Emergency Standing Committee** is also operational, which meets periodically, proposes training activities, and establishes interventions in serious emergencies.

AdF collaborated with the **Tuscan Water Authority** on the updating of the **Emergency Operating Plan for the drinking water crisis (EOP)**, aimed at monitoring and preventing water emergencies through the periodic reporting of critical issues found within the region, and providing support for operational decisions when an emergency arises. In the context of the critical issues outlines in the Plan, **AdF** has in place a **Water Crisis Emergency Management Operating Procedure** which establishes the sequence of activities to be carried out, the entities involved, measures to be taken, documents/databases to be consulted/updated/produced, and correspondence to be sent, for every expected level of severity.

For an organised and prompt approach to the emergencies that could occur on backbone pipelines and plants, **AdF** has prepared specific **Disaster Recovery** operating manuals, which act as guidelines in the event of damage and contain precise instructions on the manoeuvres to be carried out. For breakdowns on the main backbones that serve the majority of the region, the manuals indicate the time frames, the instrument references, offsetting measures to reduce the disruption and the operations for reopening the flow, also allowing non-expert staff to manage the emergency.

The **companies of the Group that manage waste treatment plants** ensure the execution of a detailed **routine maintenance plan to reduce plant downtime caused by faults or unexpected events** and minimize unplanned non-routine maintenance work. Each site is also equipped with **Emergency Plans** that take into account the **scenarios identified for endogenous and exogenous emergencies**. These Plans examine aspects related to the **safety of workers**, ensuring their safety with specific behavioural and evacuation procedures, checked on a yearly basis, and aspects related to the **protection of the environment**, identifying the interventions aimed at limiting contamination of environmental media (air, water and soil). Permits by virtue of which the plants are managed also include communication requirements and methods for **non-routine or emergency events to the competent bodies**, in order to guarantee the **maximum dissemination of information** and, where appropriate, the coordination of the intervention.

Finally, it should be noted that again in 2023 training courses were provided to employees of Group companies, dedicated to emergency management (see the paragraph, Protection of Occupational Health and Safety).

PROJECTS FOR THE INNOVATIVE AND SUSTAINABLE DEVELOPMENT OF THE AREA

In the **water segment**, **Acea** has adopted the **Smart Water Company model** which is characterised by responsible and sustainable management of water resources, thanks to the increasing **digitalisation of the network**.

During the year, some water companies, in agreement with local administrators, started or continued a programme of **installation of Water Kiosks** in the areas managed (see the chapter *Customers*,

paragraph *Quality Delivered in the Water Segment*).

In 2023, with the aim of **strengthening links with the community** and raising citizen awareness of environmental issues, **AdF** worked to develop the **Water Museum**, a space dedicated to **water resources**, inaugurated at the end of 2022 in the Municipality of Castiglione d'Orcia, welcoming the citizens and students who visited during the year. Finally, with the aim of promoting the energy transition in the local area, **AdF** continued the process begun in the previous two years, dedicated to the concept of **Renewable Energy Communities (CER)**, implementing activities to develop one in the Municipality of Magliano in Toscana (prov. GR).

In 2023, **Gori**, in cooperation with the Campania Region and the Campania Water Authority, continued to implement the **Energy for the Sarno plan, intended to remove pollution from the river**, and continued the **Actions for Water programme, to restore the water network** and began the **Green Rebirth project**, which aims to strengthen the treatment service in terms of the circular economy by transforming treatment plants to "green factories", able to recovery energy and sludge and reuse purified waste water for irrigation and industrial purposes.

The Acea Group collaborates with ENEA, the Istituto Superiore di Sanità (ISS), the CNR and other organisations of scientific importance, with the objective of developing **innovative solutions to industrial processes**, in particular on the sustainable management of the **waste cycle** and the **water resource** and on the **recovery of materials** of value from residues of the combustion of waste.

Lastly, consistent with the protocol signed in 2022, **Acea Ambiente** signed continued its cooperation with the Metropolitan City of Turin to verify the feasibility of **reusing recycled polymers to create road surfaces**, in line with the principles of circular economy and environmental sustainability.

In order to promote the innovative and sustainable development of the sectors of reference, the Group activates **collaborations and partnerships with complementary companies** or organisations operating in **sectors similar to the businesses it manages** and with **innovative players**.

In 2023, with certain businesses and their representatives, Acea signed agreements to protect and reuse water resources (see the two boxes).

COOPERATION WITH ORGANISATIONS AND COMPANIES TO PROTECT AND REUSE WATER RESOURCES

To develop synergies to **protect and reuse water in the agri-industrial sector**, in December 2023 a Memorandum of Understanding (MoU) was signed between **Acea**, **Coldiretti**, the **National association of consortia managing and protecting local areas and irrigation water (ANBI)** and **BF SpA**, a company that works in various segments of the Italian agri-industrial supply chain. The Memorandum, which is valid for two years and will be carried out through an action plan and working groups for specific projects, calls for the exchange of infor-

mation and research on possible collaborations in various areas, including **procurement security**, **optimising agricultural water use**, with a view to *digital and precision farming*, and development of the **circular economy**, in particular through research projects and new technologies, including artificial intelligence. Joint initiatives will also be considered, to promote **circular economy** models, for example to recover resources and utilise them for **organic and mineral fertiliser** or to use agricultural by-products in biogas production plants.

ACEA AND ACQUEDOTTO PUGLIESE PROTECTING WATER AND INNOVATION

Acea and Acquedotto Pugliese (AQP), the two main Italian operators in the integrated water service sector, signed a Memorandum of Understanding to develop collaborative projects on the theme of **protecting water resources and technological innovation**. Over the next two years the Memorandum calls for, beyond the exchanging of information, a search for possible cooperative

joint projects in Italy and abroad, particularly with reference to the security of supplies and protection of water resources, the development of technology to maximise operating efficiency and a shared contribution to the development of legal and regulatory norms, to make the system better able to handle the challenges of climate change.

In 2023, **Acea continued to participate** in the **Emerging Technology House (CTE) of Rome** project, promoted by the Department of Economic Development, Tourism and Employment, to develop the **smart city** of the future, launching a **call for tender to select start-ups with innovative project solutions, relative to emerging technologies or 5G networks** in the following sectors: mobility, tourism services, commerce, training, work, environment and waste management, urban transformation and regeneration, social innovation, equal opportunity and well-being, cultural activities, urban security and cybersecurity.

AdF, additionally, became part of the consortia of companies involved in the **European LIFE TURBINES** project, focussed on **generating electricity with aqueducts**, making its own water network system in the Municipality of Scansano (prov. GR) available as the fourth case study and participating in the **pilot project “Energy evaluation of IWS management”**, implemented by ANEA and GSE, to support sustainability in the development of water infrastructure, taking advantage of existing production systems through energy efficiency projects and the integration of renewable sources. **Areti** launched the **TwinEU Project** with Enel, Terna and RSE to create a “digital twin” of the electricity network.

In 2023, Acea was **recognised for its Waidy® Management System (WMS)**, a technological platform developed in cooperation with NTT DATA Italia, which supports management of water resources throughout the life cycle, **winning the iF DESIGN AWARD 2023, in the Service Design category**.

The virtuous relationship with the local region is also expressed through the **collaboration between Group companies, world of education and research** (see *Customers*, section on *Communication, events and solidarity*, and *Personnel*, section on *Development of human resources and communication*).

In 2023, **Acea Ato 2** partnered with **RCS Academy Business School** for its post-graduate master in *Sustainability and Green Management*, involving students in the development of the project **“Water management, a strategic resource for our future: projections of water use during socio/economic events of significant impact”**. As in previous years, it carried out the **DifendiAMO Water educational project**, aimed at primary and middle schools in the municipalities of Santa Marinella, Subiaco and Rignano Flaminio, with more than 500 children involved. Finally, in November Acea Ato 2 worked with the Metropolitan City of Rome on the training project for teachers from schools participating in the **Green School programme**.

Acea Ato 5 renewed its agreement with **Università degli Studi di Cassino e del Lazio Meridionale** to create cooperative synergies to develop the local area, utilising educational internships and research and study cooperative projects and launching the research doctorate “Public Administration and companies for local innovation and development” with a 3-year duration.

Acea Infrastructure worked with the Department of Civil and Environmental Engineering at Università La Sapienza in Rome on the project, **“How are our rivers? Monitoring water quality in an urban environment”**, aimed at high school students with the aim of defining the qualitative characteristics of the Tiber River, through participatory monitoring campaigns and educational meetings.

AdF moved forward with the activities outlined in the agreement signed with the **Department of Physical, Earth and Environmental Sciences at the Università di Siena**, in the context of the **“Smart Artificial Cells For Remediation Of Environmental Pollutants”** project, to develop innovative technology to **construct small artificial cells with enzymes able to degrade pollutants in a selective and efficient manner** (including emergent pollutants) found in water systems. Additionally, the Company signed a research contract with **LifeCARES Srl, a spin-off of the Department of Biotechnology, Chemistry and Pharmacy at the Università di Siena**, for a **study to determine the feasibility**, in technical/economic terms, as well as the energy/environmental performance, **of recovering algae from the Laguna of Orbetello for energy purposes**. Finally, in the context of **educational projects**, AdF worked with **high school students** studying environmental biotechnology who visited the treatment plant in Siena and the analysis laboratory.

Gesesa again in 2023 continued its **Plastic Free project, aimed at local high schools**, donating water bottles and water dispensers, to reduce plastic use and organising a technical visit for students from Università del Sannio to the treatment plants in the Municipality of Benevento.

Gori, in 2023, developed an **agreement** with the **Department of Earth and Environmental Sciences and Resources at Università Federico II in Naples**, for the quantitative assessment of subterranean water in certain aquifers, to **develop a water availability forecast model**, with scientific support from the Department of Civil, Architectural and Environmental Engineering of **Università Federico II in Naples** and the Department of Civil and Mechanical Engineering of **Università degli Studi di Cassino e del Lazio Meridionale** to **carry out the Water Actions programme**. Finally, the **Gori Educational project** continued, also available to high schools, with organisation of guided tours to some of the treatment plants managed.

Areti began in 2023 the **HEDGE IoT project**, in cooperation with **Università Roma Tre and the Municipality of Rome**, to explore the technological infrastructure of **Energy Communities for interaction with the electricity network** with a view to flexibility, while further investigating the topic of combating energy poverty.

Orvieto Ambiente continued its collaboration with the Agricultural Department of **Università della Tuscia**, initially begun in 2021, to **utilise quality compost in agriculture** and activated, with **Università del Sacro Cuore of Milan**, a partnership for **biomonitoring air quality through bees**.

COMPARISON WITH THE REFERENCE CONTEXT

In addition to the collaborations with universities and the aforementioned partnerships, Acea participates in **research centres, standard-setting bodies and industry associations**, playing strategic

roles, participating in projects of interest and contributing to studies related to the businesses in which it operates.

THE MAIN 2023 MEMBERSHIPS OF RESEARCH CENTRES, STANDARD-SETTING BODIES AND INDUSTRY ASSOCIATIONS

During the course of the year the Group renewed and activated numerous memberships of organisations of interest, including:

- AGICI – Finanza d'Impresa;
- ALTHESYS
- AICAS Associazione Italiana Consiglieri, Amministratori e Sindaci;
- AIDI Associazione Italiana Illuminazione;
- Analysis;
- Andaf;
- ANFOV;
- ASCAI;
- Aspen Institute Italia;
- Assochange;
- Associazione Amici della Luiss Guido Carli;
- Associazione Civita;
- Associazione Geotecnica Italiana;
- Associazione Idrotecnica Italiana (Italian Hydro-technical Association – AI);
- Associazione Infrastrutture Sostenibili (Association of Sustainable Infrastructure – AIS);
- Associazione Italiana Internal Auditors;
- Associazione Italiana Esperti Infrastrutture Critiche (Italian Critical Infrastructure Experts Association – AIIC);
- Associazione Elettrotecnica ed Elettronica Italiana (Italian Electro-technical and Electronic Association – AEI);
- Associazione nazionale fornitori di elettronica (National Electronics Suppliers Association – Assodel);
- Assogas;
- Assonime;
- ASTRID;
- CEDEC Bruxelles (European Federation of Local Energy Companies);
- CEEP Bruxelles (European Centre of Employers and Enterprises providing Public services);
- Centro Studi Americani (Centre for American Studies);
- CDP Worldwide;
- CISAMBIENTE;
- CISPEL Confservizi Toscana;
- CLUB Ambrosetti;
- Comitato Elettrotecnico Italiano (Italian Electro-Technical Committee – CEI);
- Confindustria Chieti-Pescara;
- Confindustria Umbria;
- Conseil de cooperation economique;
- CONSEL Consorzio Elis per le Formazioni;
- Distretto Tecnologico Nazionale sull'Energia (Di.T.NE.);
- EDSO Bruxelles (European Distribution System Operators' Association for Smart Grids);
- Elettricità Futura ("Future Electricity" formerly Assoelettrica-AssoRinnovabili);
- Energy and Strategy Group – Politecnico di Milano (Polytechnic of Milan) (ES-MIP);
- EU Bridge Harmonized Electricity Market Role Model;
- EURELECTRIC Bruxelles (Union of the Electricity Industry);
- FAI Fondo per l'Ambiente Italiano (Fund for the Italian Environment);
- FERPI;
- FIRE (Federazione Italiana per l'uso Razionale dell'Energia) (Italian Federation for the Rational Use of Energy);
- FISE Assoambiente;
- Fondazione Global Compact Network Italia (Global Compact Network Italy Foundation);
- Fondazione Roma Europa;
- Fondazione Utilitatis (Study and Research Centre for Water, Energy and the Environment);
- Gruppo Galgano;
- IATT (Italian Association for Trenchless Technology);
- ICESP Piattaforma Italiana Economia Circolare coordinata da ENEA;
- I-Com (Istituto per la Competitività – Institute for Competitiveness);
- IGI (Istituto Grandi Infrastrutture);
- InnovUp;
- ISES Italia (International Solar Energy Society – Italian Section);
- Laboratorio dei Servizi Pubblici Locali di REF-Ricerche (Local Public Services Laboratory of REF-Ricerche);
- Linux Foundation for Energy;
- Motus E;
- NORMAN NETWORK;
- Italian Phosphorus Platform coordinated by AENEA and MATTM;
- Proxigas;
- Servizi Professionali Integrati;
- Sustainability Makers;
- Task Force Demand Side Flexibility;
- Task Force TSO-DSO on Distributed Flexibility;
- Task Force TSO-DSO on Smart Grid Indicators;
- Technopole;
- UNI (Italian Standards Body);
- Unindustria Lazio;
- UPA Utenti Pubblicità Associati;
- Utilitalia (Federazione delle imprese ambientali, energetiche ed idriche) (Federation of Environmental, Energy and Water Companies);
- UNICHIM;
- World Energy Council (WEC).

Acea participates in occasions for dialogue with the business world and the scientific community on **issues of national and international importance** and **offers its own specialist contribution on the occasion of conferences, forums and workshops** on topics linked to its managed companies, also presenting publications and works of technical-scientific relevance.

During the year, the Group participated in events including: **Ecomondo**, the most important trade fair for the *green* and *circular economy* in the Euro-Mediterranean area (see *Relations with the environment*).

On **sustainability** issues, Acea participates in **networks of experts**,

working groups, studies and sector research organised by the academic world, civil society, institutions and business entities. Indeed, the company is active as an associate in the **Global Compact Network Italy Foundation**, the representative body of the United Nations Global Compact in Italy, the **Sustainability Makers - the Professional Network** (formerly the **CSR Manager Network**), the national association that brings together the main Italian companies active in corporate social responsibility.

The company also participates in benchmark analyses on sustainability in Italian *Utilities*, like those carried out by the **Utilitatis** research centre and **Top Utility**.

THE COMPANY AS A STAKEHOLDER

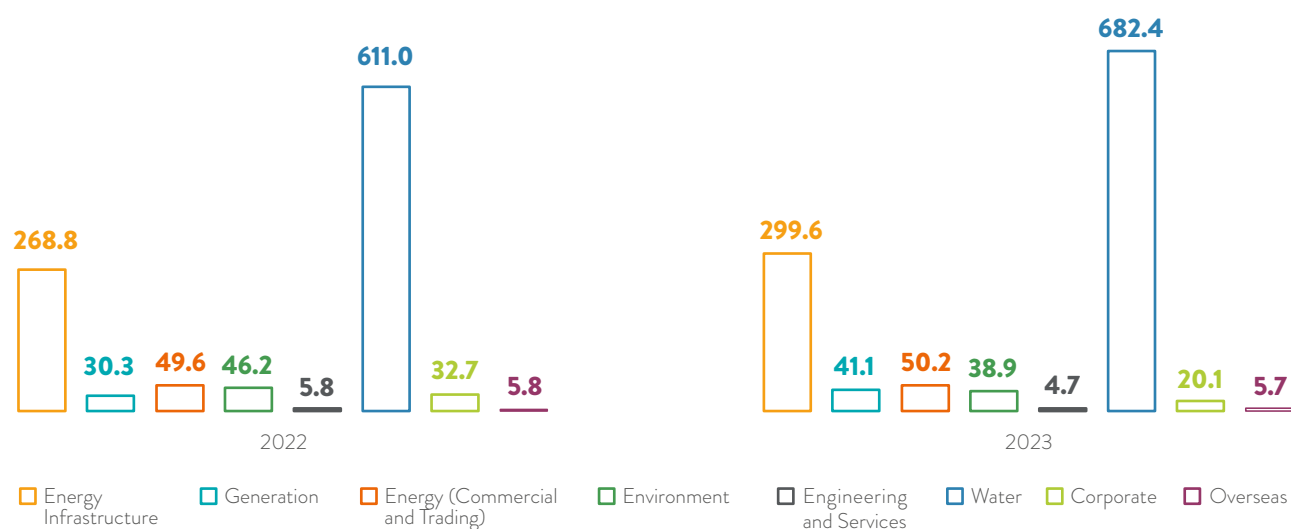
THE MANAGEMENT OF COMPANY ASSETS

Acea protects and enhances its tangible and intangible assets, pursuing a sustainable financial position and governing the internal needs, linked to the operating management and the growth prospects, consistently with the aims expressed in the business mission and the strategic plan.

In 2023 investments totalled around **€ 1,142.7 million, up 8.8%** (€ 1,050 million in 2022), with around 88% destined for regulated business. These were distributed by business segment as follows: € 38.9 million for the **Environment** sector, in particular plant improvements for WTE plants and the plastic sorting system;

€ 50.2 million for the **Commercial** sector, up slightly, for customer acquisition, smart services and e-mobility; € 682.4 million for the **Water** sector, with a combination of higher investments by Gori and the change in the scope, as well as lower investments by Acea Ato 2; € 4.7 million for the **Engineering and Services** sector, mainly linked to Acea Infrastructure; € 299.6 million for the **Energy Infrastructure** sector, for projects on the HV/MV/LV networks, on substations and to replace 2G and remote control metering groups; € 41.1 million for the **Generation** sector, to construct photovoltaic systems on agricultural and industrial land and for the updating and maintenance of hydroelectric systems. Finally, the **Parent Company** and **Overseas** with investments for about € 20.1 million and € 5.7 million, respectively.

Chart no. 48 – Breakdown and investments by macro-area (2022-2023)



Depreciation, amortisation, provisions and write-downs amounted to approximately **€ 778 million** (+5.2% compared to 2022). The increase in amortisation/depreciation is mainly linked to investments and assets which began to be used, as well as new customer acquisition costs for Acea Energia; write-downs fell (-23.7% circa with reference to 2022) due to excellent performance with reference to collections and, in the water sector, certain extraordinary components and the favourable completion of certain credit settlements.

THE COMMITMENT TO RESEARCH AND INNOVATION

Scientific and technological innovation at the service of business processes is one of the **pillars of the Group's strategic planning**, an area in which **it invested over € 2.6 million** in 2023.

At Acea, **innovation** is a **cross-sectional strategic lever** that is **open** to the external ecosystem; through its innovative approach, the Group aims to **explore new businesses** and create **new development models**.

The **innovation model** adopted by Acea identifies internal needs and areas of interest and implemented typical Open Innovation processes, with the **collective generation of ideas and the involvement of internal and external stakeholders** starting from the conception process, moving on to trialling, to the implementation of the projects. According to this logic, the **promotion of the Group's culture of innovation and the**

development of internal entrepreneurship are fundamental.

In addition, the Innovation Model provides for the use of **market analysis, continuous scouting and partnership development**, at the national and international levels, **with actors from the innovation ecosystem engaged in sectors of strategic interest to the Group**. To this end, in 2023 Acea participated in the following programmes:

- **the Osservatorio Digital Innovation [Digital Innovation Observatory] of the Polytechnic University of Milan**, a point of reference for digital innovation in Italy, in which Acea participates through the **Startup Intelligence Observatory**, a community of discussion and open innovation at the apex of innovation.
- **Zero Accelerator**, the startup accelerator born from the collaboration between the National Network CDP Venture Capital SGR - Fondo Nazionale Innovazione, Eni, LVenture Group and ELIS to support the best startups and innovative SMEs that develop projects and solutions in the *greentech/cleantech* field aimed at minimising carbon impact, facilitating the reduction of emissions, optimising the waste cycle by speeding up energy transition processes and promoting the circular economy;
- **ROAD – Rome Advanced District**, a project developed in co-operation with ENI, Autostrade per l'Italia, Cisco, Ferrovie dello Stato, Bridgestone and NextChem, to create **an advanced knowledge and research centre** to develop solutions to support the ecological transition and sustainable development.

With reference to the Group's industrial processes and infrastructure, the following boxes illustrate, by way of example, the **main research and innovation projects** carried out in 2023 by Acea SpA, Acea Innovation, Acea Infrastructure and the other Group companies.

We also recall what has already been illustrated in the paragraph *Relations with institutions*, and in particular Projects for the innovative and sustainable development of the territory, Customers and the community and the section *Relations with the environment*.

RESEARCH AND INNOVATION AT ACEA SPA

In 2023, in cooperation with Areti and the start-up Start Smart, Acea SpA continued its **experiments with using virtual reality to train personnel for work in hazardous environments**, such as confined spaces. In particular, the platform was expanded with the de-

velopment of a **new training application for multi-user substation manoeuvres**, with reference both to the on site operator and the control room operator.

RESEARCH AND INNOVATION IN THE COMMERCIAL SECTOR

In 2023, the company **Acea Innovation** continued the development of **electric mobility** functions. In particular, it enhanced the proprietary BOMTS platform by adding additional functions, including:

- **IPaDS** (Illegal parking Detection System) to encourage proper use of charging infrastructure, discouraging illegal parking and supporting municipalities with monitoring of bays, with an intelligent video camera system;
- **NOSE**: a multi-parameter control systems to identify and monitor various gaseous compounds.
- As part of its activities in the sale of electricity and gas commodities and non-commodity services, **Acea Energia has launched**

and/or completed the following innovative projects:

- the new **"sales funnel"**, relaunched in April, with more stable and dynamic architecture and improved customer experience;
- **digital sales on the D2D channel**;
- a **new design for the reserved web area**, aligned with the app, to further improve the digital experience for customers;
- the development of **new functions on the app** to reduce telephone calls;
- activation of the new customer data platform (CDP);
- improvement of web bill navigation, allowing customers to simultaneously activate digital services.



RESEARCH AND INNOVATION IN THE NETWORKS (ENERGY INFRASTRUCTURE) SECTOR

In 2023, **Areti implemented several innovative projects** as part of its electricity distribution activities, including:

- the **PlatOne project**, financed by the European programme Horizon 2020, intended to develop and test technological solutions and new market schemes capable of **enabling the flexibility of the utilities connected to the distribution network**, with the aim of promoting transparent and inclusive participation of end customers in the electrical flexibility market. The project involves public and private organisations operating in Italy, Greece, Belgium, and Germany, under the coordination of RWTH Aachen University in Germany and **Areti coordinates the Italian trial implemented in the Rome area**. The pilot is based on a multi-platform architecture which, using blockchain technology, simulates a local flexibility market, enabling the users connected to the distribution network to provide services to the local and global electricity system. **Acea Energia** is an **aggregator** of the project, gathering availability of end customers and offering them to the market, before then distributing the revenues with those customers;
- the **European BeFlexible project**, launched in 2022 with the involvement of other organisations, including Enel Group, Terna and RSE, is intended to **test the use of flexibility services** as well as the synergy between the electricity system and other sectors **for the stability and security of the grid**. The project aims to define and standardise a **catalogue of flexibility services**, shared with the stakeholders involved in the project (grid operators, dispatching users, aggregators, prosumers, technology providers) and to trial, through the use of technological solutions developed in other European projects, a common market model for the supply of such services, promoting the involvement of end customers and synergy across sectors (gas, water, heat, mobility, etc.). Areti participates in the initiative by enhancing the architecture developed in the PlatOne project;
- the **Flow project**, financed by the Directorate-General for Energy of the European Commission, intended to identify technological solutions and coordination methods with all actors involved which allow for a **management of electric mobility with respect for grid security and quality of service**. The project, launched in 2022, involves various organisations, coordinated by Spain's IREC, including Enel Group, Terna, Engineering SpA and RSE. Again in this case, Areti participates in the project by enhancing the architecture developed as part of the PlatOne project;
- the **RomeFlex pilot project**, financed by ARERA and aimed at **creating a flexibility market for the electricity grid across the Rome area**, expanding the trial already in place with the PlatOne project. In December 2023, Areti launched a **public consultation** to allow stakeholders to make comments about the regulations required for application of the trial;
- the **POLEDRIC project**, for the construction, in Rome, of a type of **intelligent public lighting pole**, able to improve the service, through sensors and advanced technologies, and enable **additional environmental, security and communication services**, from a **smart city** perspective (Environmental sensors, traffic and parking monitoring sensors, video surveillance and video analysis, etc.);
- evolution of the **G.I.M.M.I.** (Massive and Targeted Infrastructure Inspection Management) project, to **reduce undiscovered faults on overhead lines** and asset monitoring, through periodic analysis of satellite images and targeted drone inspections; in 2023, the **media data storage platform was launched**, for smart storage and consultation of videos and pictures taken during inspections, additionally, the process to begin inspections was improved, by integrating the satellite alert platform and SAP;
- the project **Automation of Low Voltage Lines**, aimed at enabling remote control and automating the reclosure of low voltage lines from the secondary substation on disconnection for excess power; The mass installation of the solution continued in 2023 and was optimised utilising evidence from the field;
- the **Bilateral LTE Automation** project, which involves the implementation of a **field automation solution to select the fault line** and uses the **4G network to connect the switches along the line**. In 2023, the mass installations of the solution continued and the evolution of *central device management platform* were launched for the remote management of *peripheral Industrial IoT devices* that support other remote and service monitoring solutions in secondary substations;
- Areti's single Data Lake, operating on Google Cloud;
- experimentation with solutions to identify burnt out public lighting points.

RESEARCH AND INNOVATION IN THE WATER SECTOR

With the aim of improving its operational performance, **in collaboration with Acea Infrastructure, Acea Ato 2 implemented research activities and technological-digital innovation on:**

- the **satellite radar technique Intasar Monitoring required to monitor the stability of elevated structures on the ground** (e.g. tanks) with specially designed reflectors to improve accuracy and resolution;
- monitoring of emerging organic micropollutants (EOM) and endocrine disruptors in the wastewater of medium- to large-sized plants**, selected according to process scheme and territorial location; in 2023 monitoring activities continued at the CoBIS and Roma Sud plants and those of the Tiber River relating to environmental risk assessment and analysis;
- the execution of **rapid small scale column tests (RSSCT)** on water treated by the large drinking water plants in Grottarossa and Montanciano, to forecast the useful life of granular active carbon (GAC) filters and their ability to eliminate emergent organic micropollutants;
- constant monitoring of outgoing data from the Grottarossa drinking water plant, thanks to the installation of **residual chlorine**

- **meters specific for chlorine dioxide** for more reliable data reading;
- the start of laboratory testing to **change the pH of raw water** coming into the Grottarossa drinking water plant to improve the efficiency of the clariflocculation process;
- installation of an **arsenic analyser** connected to the remote control over the Montanciano drinking water plant, for continuous monitoring of the concentration of this contaminant, to achieve automated dosing of iron chloride;
- the optimisation of the disinfection treatment at the Montanciano plant through the **reduction of the dosage of sodium hypochlorite** and **product quality control** with the aim of intercepting non-compliant discharges and reducing the level of chlorates in the water distributed to protect the health of consumers;
- the creation of a **model to estimate the load capacity of the filter material** at the **Pescarella drinking water plant**, based on the chemical composition of the incoming water and the flow rates processed by each filter, for the purpose of prolonging the lifetime of the filter material and creating uniform wear and tear of the filters;
- the monitoring of the trichloroethylene and tetrachloroethylene parameters and the **study of the abatement capacity of the filter media at the Laurentino drinking water plant**, for the purpose of upgrading its performance and optimising resources thanks to the reduction of the supply/regeneration cycles of adsorbent material and disposal of spent material, guaranteeing the compliance of the water distributed;
- the use of drones to monitor confined spaces using artificial vision and LiDAR (Light Detection And Ranging) mapping.
- In terms of drinking water processing and purification, the following activities were carried out:
- the **characterisation of the floating residue from the desanding/de-oiling process of urban wastewater** and assessment of the best **treatment technologies**;
- conclusion of the full-scale **experimentation of Taron technology** at the Santa Fumia wastewater treatment plant, which uses a dynamic rotating disc filtration system that combines secondary sedimentation and tertiary filtration in a single step, optimising the wastewater treatment process;
- **conclusion of the study on lysis technologies for optimising biogas/biomethane production** from anaerobic digestion plants at some purification plants.

With regard to innovation applied to the **management of water distribution networks** new generation techniques - satellite, noise recorder and fibre optics - were tested for **hidden leak detection** (Noise Logger and Satellite Radar Interferometry).

In addition, with the aim of **forecasting the availability of water resources**, **Acea Ato 2 has implemented a machine-learning algorithm based on the random forest technique** to identify **meteorological proxies (temperature and/or precipitation) or management proxies (volumes drawn)** correlated to the variability of the state of preservation of the resource, with reference to the different collection sources (springs, well fields, etc.)

AdF carried out many innovative projects during the year, including:

- a deep dive on the use of **artificial intelligence to enable added value services and sustainable innovation**;
- **dashboards** to optimise data exposure, based on **artificial intelligence applied to mass data** to balance the availability of the same in near-real time with the need to verify quality and reliability;
- the innovative **Flùvia** project, based on **proactive artificial intelligence and the use of natural language to improve customer experience when navigating the institutional website**, also improving accessibility and inclusivity;
- a **Cyber Security Plan**.

Additionally, AdF, in cooperation with SIMAM, completed experiments on the production of **biomethane with zero CO₂ emissions** from EER 190805 waste (sludge produced through treatment of urban waste water) at the Sant'Angelo plant in Senigallia, using **patented ASAC® technology** and, to optimise energy consumption and predictive maintenance, began **developing a dashboard to monitor energy performance** and identify possible anomalies at the main water plants, using data acquired via remote control and machine learning.

Finally, **Gori** carried out the following research and innovation projects during the year:

- the **DEPOX project**, to develop and implement at the Scafati treatment plant an "in house" control to manage and optimise the biological segment through timed "start and stop" cycles for the blowers;
- the **Asset Management project** to use software for maintenance activities, verification of proper functioning and calibration of laboratory tools.

RESEARCH AND INNOVATION AT ACEA INFRASTRUCTURE

Acea Infrastructure, carried out a number of projects serving Group companies and in cooperation with universities and research organisations in 2023, including the development of sensors for online measurement of CECs, use of screens coming from purification and feasibility studies on recovering phosphorus from the sludge line on purification plants.

During the year, cooperation continued with the Department of Translational and Precision Medicine at La Sapienza University in Rome, for the **development of advanced analysis and diagnostic methods** to evaluate the weight of exposure to persistent organic pollutants (POPs) in the progression of **metabolic-associated**

fatty liver disease (MAFLD). To that end, more than 20 samples of human serum were analysed to find PFAS and other emerging contaminants.

With reference to the **innovation of business processes**, it should be noted that **Acea Infrastructure has BIM (Building Information Modelling) certification for engineering design**, which employs intelligent digital models throughout a project's entire life cycle and works on seven dimensions, visualising not only progress and costs, but also the **sustainability of the project** and encouraging the implementation of choices oriented towards a positive impact on the environment.

RESEARCH AND INNOVATION IN THE ENVIRONMENT SECTOR

In 2023, research and innovation activities were carried out in the Environment sector, including the **ACEA NOSE** project, experimenting with an air quality measurement control unit installed on drones, utilising flight campaigns; the last campaign occurred at the Acea Ambiente location in Monterotondo Marittimo.

Also during the year, the design stages were completed with reference to **recovery of sodium bicarbonate and calcium chloride dihydrate from treatment of fly-ash** to reduce the hazardous characteristics of the matrix, as well as to **make use of mixed plastics** (plasmix), with production of marketable pure methanol.



An aerial photograph of the San Vittore del Lazio waste-to-energy plant. The plant features several large, light-colored concrete buildings with flat roofs, some of which are covered with solar panels. There are also blue-roofed industrial structures and a complex network of pipes and machinery. The facility is situated in a valley, with a small town visible in the background and a range of mountains in the distance. The sky is clear and blue.

3

RELATIONS WITH
THE ENVIRONMENT



ENVIRONMENTAL SUSTAINABILITY AND THE PRIMARY CHALLENGES

Studies conducted by the World Economic Forum (WEF), including the most recent *Global Risks Report 2024*, highlight environmental risks among the “**top ten global risks**”. Specifically, the consistent increase in the global temperature and related extreme events, the loss of biodiversity and collapse of ecosystems are **perceived as the greatest and most serious global threats over the long-term** (ten years), (see also the *Cop28 boxes: agreements to transition away from fossil fuels* and the *Biodiversity Crisis: Policies and Tools for Biodiversity Protection*)¹⁵⁰.

In 2023, the European Commission continued to develop Regulation 2020/852 (so-called “European Taxonomy”), based on Delegated Acts, introducing a list of economic activities and the related technical screening criteria referring to the additional four environmental goals¹⁵¹ and reviewing certain activities that could contribute to achieving the two climate goals (see also *Disclosing sustainability: methodological note* and the chapter *Information required by the European Taxonomy*).

Against this backdrop, Italy is implementing its National Recovery and Resilience Plan (NRRP) to **support and promote Italy’s ecological transition**, in line with the **European Green Deal** and the **Next Generation EU** recovery package. Furthermore, in 2023, Italy adopted the *National Climate Change Adaptation Plan* (PNACC), a strategy for becoming more resilient to climate crises, and worked on a proposal to update the *National Integrated Energy and Climate Plan 2030* (PNIEC), with new goals and scenarios reflecting the amendments to European legislation.

Mindful of operating in the scope of interdependence between the environment, the territory and the community, Acea endorsed its commitment to sustainable development in its **Code of Ethics**, updated at the end of 2022, stating that “*Acea intends to conduct its business while respecting the principles of sustainable development and contributing to the pursuit of the UN Sustainable Development Goals (2030 Agenda) and as they are implemented at European (Green Deal) and national level*” and “*Acea recognises the environment as a primary asset and is committed to adopting responsible behaviour aimed at reducing environmental impacts and preventing pollution, taking into due consideration the interests of new generations and acting in accordance with the generational pact*”.

With regard to the issues relating to **climate change**, in 2023, Acea published the Group’s second *Climate-related Disclosure*¹⁵², according to the recommendations of the *Task Force on Climate-related Financial Disclosures* (see the specific information box) with its goals to reduce climate-altering emissions (GHG) endorsed by the Science Based Targets initiative (SBTi) (see also *Corporate Identity*).

In 2023, with regard to **managing water**, in agreement with the relevant institutions, Acea continued preparatory actions for the construction of the new upper section of the Peschiera-Le Capore Aqueduct to safeguard the water supply in the city and province of Rome. In this regard, the Technical and Economic Feasibility Studies were completed and the authorisation procedures for certain sections are underway. Also of significance, the collaboration between the Group’s water companies and Universities on the forecast studies on **aquifer water availability**, aimed at preserving and/or increasing the resilience of the entire water system.

Acea has played a primary role with regard to the **circular economy**, for a number of years, with activities aimed at **reducing waste of resources**, for example by utilising process waste and enabling **recovery of energy** and **secondary raw materials**. In this context, the Group has progressively expanded in the field of waste management (Environment business). For example, the waste processing and disposal company **Deco**, operates a Mechanical Biological Treatment plant for municipal solid waste, one of the largest and most technologically advanced facilities in Europe, which transforms biostabilised waste into Solid Recovered Fuel (SRF), used to power dedicated and non-dedicated plants, such as waste-to-energy plants and cement plants, with less than 35% of incoming waste going to landfills.

Once again, in 2023, the Acea Group attended Ecomondo, the top green and circular economy trade fair in the European and Mediterranean area, presenting a series of projects the main business areas developed (see box).

ACEA RECOGNISED AT ECOMONDO 2023: CIRCULAR ECONOMY AND THE MANAGEMENT OF WATER RESOURCES

Acea took part in Ecomondo, which was held in Rimini from 7 to 10 November 2023. This international event provided an opportunity for discussion between industries, stakeholders, policy makers, opinion leaders and local authorities, to define development strategies for the European Union environmental policy.

Acea presented initiatives undertaken by Acea Ambiente, Group companies operating in the **circular economy**, including: the **Tour Acea 2023 Digital Platform**, a portal providing 3D interactive and

virtual visits to plants, offering significant educational opportunities, to understand the process whereby waste becomes a resource: waste-to-energy, sludge treatment, plastics regeneration, composting, biogas production, solid recovered fuel production to beginning the valorisation; the “**Urbees**” project, involving biomonitoring with bees (see specific information box “Bees as bioindicators, the Urbees project, in *The protection of the territory and safeguarding biodiversity*) and the **ACEA NOSE** project referring to the testing

¹⁵⁰ The WEF 2024 was published in January 2024, confirming environmental risks among the top ten most serious long-term global risks.

¹⁵¹ In addition to mitigating climate changes and adapting to climate conditions, it refers to the sustainable use and protection of water and marine resources, transition to the circular economy, also with reference to waste reduction and recycling, pollution prevention and control, protection of biodiversity and the health of ecosystems.

¹⁵² Available on the Group website: www.gruppo.aceait

of a central unit to measure air quality, installed on drones, conducted through flight campaigns, developed by Acea Infrastructure (see also the chapter *Companies and Institutions*).

For the second consecutive year, Acea received the **EMAS Award** (Eco-Management and Audit Scheme), assigned to the **project for the improvement of energy performance at the waste-to-energy plant at San Vittore del Lazio**, in the category “projects adopting energy from renewable sources from the perspective of energy independence”.

Finally during the event, a ceremony was also held for the **Sustainable Development Award 2023**, introduced by the Sustainable Development Foundation and Ecomondo-Italian Exhibition Group, now in its thirteenth year, intended for businesses, start-ups and local Administrations that have stood out for their eco-innovation and efficiency in their environmental results. Acea was recognised in the section “**Circular management of water in collaboration with ENEA**”. The award went to the **Acea Waidy® Management System** project, namely the cloud-native, flexible, scalable platform integrated with the water service management operating systems.

ENVIRONMENTAL AND CLIMATE RISKS: IN-DEPTH ANALYSIS AND DISCLOSURE

As noted earlier, climate change is one of the most significant environmental and social challenges of our era. The Conference of the Parties (COP) under the United Nations Framework Convention

on Climate Change, held in Dubai in 2023, promoted the formula “*transition away*”; transitioning away from fossils and achieving carbon neutrality by 2050 (see information box).

COP28: AGREEMENTS AIMING TO MOVE AWAY FROM FOSSIL FUELS

The 28th Conference of the Parties (COP28) under the United Nations Framework Convention on Climate Change (UNFCCC) was held in Dubai from 30 November to 12 December 2023 and dealt with the main issues that had emerged from the previous COP27: the need to transition towards a system based on renewable sources and reduce the use of fossil fuels, the request for processing and possible updates to the contributions made at national level (*Nationally Determined Contributions* - NDC), the establishment of a Fund for losses and damages, which recognises compensation to developing countries that are more vulnerable to the effects of climate change.

As required by the Paris Accord, work was done during COP28 on the third phase of the **global stock-take on climate** (GST) relating to an assessment of all the national commitments undertaken (Nationally Determined Contribution - NDC)¹⁵³. It emerged that in summing up all the national commitments and assuming that the goals they contained were fully achieved, the goal of limiting the average temperature increase to less than 1.5°C compared to to pre-industrial levels, is still a long way off. The parties therefore entered into an **agreement to accelerate the global transition**,

promoting the formula “*transition away*” and drawing up a roadmap to drastically reduce the use of coal, oil and gas. For the first time in history, the agreement makes explicit reference to **transitioning away from fossil fuels to achieve climate neutrality by 2050**. New goals were set in this regard: **triple renewables and double energy efficiency**, accelerate efforts to eliminate energy production from coal without offsetting, eliminate inefficient fossil fuel subsidies and **promote the acceleration of zero and low emission technologies**, including nuclear and carbon capture and storage technologies.

With the aim of aligning national goals and measures to the Paris Accord, countries were asked to make **new nationally determined contributions**. Parties needed to submit their NDCs for 2035 by COP30, in line with the best scientific data available and results of the *global stock-take*.

Finally, an agreement was reached on how the **Loss and Damage Fund** would work. This had been created and adopted to support countries that were more vulnerable to climate crises, with Italy committing to an allocation of EUR one hundred million in this regard. The next COP29 conference will be hosted in 2024 in Baku, the capital of Azerbaijan.

Acea continued its **climate-change mitigation and adaptation strategy** with increased energy efficiency in Companies, and regarding water, the reuse of purified wastewater as process water in plants; implementing actions aimed at increasing the resilience of infrastructure; adopting a plan to significantly increase **generation from renewables**¹⁵⁴ and the dual objective of achieving a high level of **efficiency for final domestic usage and usage in energy processes and reducing carbon intensity** (gCO₂/kWh produced). The results obtained to date are positive – for example, only considering the energy generation plants of Acea Produzione, Ecogena

(excluding heat) and from waste-to energy, a 20% decrease was recorded during the year in the specific intensity index for direct emissions (Scope 1) compared to 2022. Table 66 illustrates the energy intensity indices and Table 71, the emissions intensity indices.

Acea assesses **climate risks, classifying them into physical and transition risks**, in accordance with the CDP Questionnaire and with the recommendations of the *Task Force on Climate-related Financial Disclosures* (TCFD).

¹⁵³ Work was done on the third and final phase of the Global Stock-take (GST) at COP28 in Dubai. This referred to the more political segment, where delegates of the parties decided on the wording that would be included in the document for its final approval. The second phase had been completed in September (started in June 2022). This referred to the more technical segment, with the publication of a summary document that assessed and summarised what had been done globally since the signing of the Paris Accord at COP21 in 2015. The first, involving the collection of data, had begun after COP26 in Glasgow, and required member countries to send in their climate action plans, i.e. an inventory of the emissions produced, the goals for medium (2030) and long-term mitigation (2050), and adaptation plans.

¹⁵⁴ In particular, in 2023 the output of the photovoltaic plants of the investee company reached 84.3 MW. Added to the 16.7 MW of Acea Produzione, total installed capacity stood at 101 MW.

Following a second project carried out in **synergy with the main Group companies**¹⁵⁵ during 2022, Acea published the *Climate-related Disclosure 2022* in December 2023, detailing the **analysis** of

the different types of risk generated by climate change on the businesses managed (see the information box).

THE CLIMATE-RELATED DISCLOSURE BASED ON THE TCFD APPROACH

Acea, which has long been aware of the global challenge of climate action through to its experience with CDP, has aimed to expand its knowledge of the **application of international climate scenarios** through the development of **two consecutive projects**, of which the most recent in 2022, on the application of the approach recommended by the *Task Force on Climate-related financial Disclosures* (TCFD). The **11 Recommendations** issued by the TCFD on **Climate-Related Financial Disclosures** represent the benchmark model at international and EU level. They are **applicable to all organisations**, are **focused on risks** and **opportunities** connected to climate change and increasing the capacity for a panorama based on **precise analyses of scenarios**. The **2022 project** involved the **main Group companies**, operating in the water, energy production, energy distribution, and waste treatment and recovery sectors, **to identify the physical and pertinent transition risks**, as well as **quantify the economic-financial impact of the risks described**.

Certain key Parent Company functions also participated, especially during the phase to **prioritise the risks identified**. Once the **priority risks** to be evaluated and compared with the more representative scenarios and parameters were identified, the in-depth analysis began. In the scope of **physical risks**, most Companies selected the risk of drought and water stress. The risk of extreme precipitation and flooding (Acea Produzione, Areti and Gori), heat waves (Areti) were also examined. The outcomes of the scenario analysis on the risk of lightning strikes (Acea Ambiente and Acea Produzione), developed during the previous two-year period (2020-2021) were also confirmed as valid. In terms of **transition risks**, carbon pricing was identified as the most representative risk by most of the Companies involved.

For further details, see the *Acea Climate-related Disclosure*, available on the link: <https://www.gruppo.acea.it/il-nostro-impegno/informativa-climatica-tcfd>.

ENVIRONMENTAL MANAGEMENT

The majority of Group Companies have implemented **Integrated Management Systems** certified in accordance with standard UNI EN ISO (see info. box *Corporate Identity* in the chapter *Corporate governance and management systems*). The Parent Company itself has an **Integrated Management System with Quality, Environment, Safety and Energy components and a Management and Sustainability Systems Policy** aimed at respecting and protecting the environment.

The UNI EN ISO 14001:2015 Environmental Management System ensures continual improvement and the capacity to identify and manage the impacts that the Company has or could have on the **environment**, promoting compliance with the continually changing regulations in force and a proactive approach in relation to environmental sustainability as a whole.

Some Group plants are subject to an **Environmental Impact Assessment (EIA)** under Art. 28 of Italian Legislative Decree 152/2006, as amended, with the aim of ensuring that “human activity is compatible with the conditions for sustainable development, i.e., constructed and operated in line with the regenerative capacity of ecosystems and resources, the preservation of biodiversity and a fair distribution of the benefits of economic activity”¹⁵⁶. Furthermore, sites subject to EIA or IEA (Integrated Environmental Assessment) are required to adopt an **Environmental Monitoring Plan (EMP)** containing the set of measures used to assess the actual impact on the work on various environmental components (water, air, soil, fauna, flora, etc.). In the water segment, projects that are usually subject to EIA are aqueducts and treatment plants with a treatment capacity of over 10,000 population equivalent.

Some plants in the Environment sector may also be subject to EIA/IEA such as, for example, the Orvieto Environmental hub, and the waste-to-energy sites in Terni and San Vittore del Lazio. The waste-to-energy plants are recorded according to the **Eco-Management and Audit Scheme (EMAS)**, a tool used to evaluate and improve environmental performance and report it to stakeholders. The commitment of the Operating Companies to maintaining the efficiency of environmental Management Systems does not entirely exclude situations, usually provoked by contingent circumstances, that generate **non-conformities** that may be challenged by the competent Control Bodies and relevant Authorities. During the year, the Companies included in the scope of reporting, received **approximately 40 environmental fines**, with the consequent payment of fines totalling around **€ 136,800**¹⁵⁷. An additional 103 environmental disputes are currently being settled.

Environmental problems of greater significance are forwarded to the Units responsible, which establish the facts reported and where necessary, request the required action, as well as providing feedback to the Bodies involved. As an exception, it may happen that the Company also receives significant reports from individuals; in this case they will be checked and, where needed, it will intervene to resolve them.

In the electricity distribution sector, Areti may receive comments concerning alleged environmental damage to buildings that house electrical installations. This concerns **installations necessary for the correct exercise of the electricity distribution network**, created by the Company following **authorisations granted by Bodies which are custodians of the land** and therefore fully compliant with the legislation of reference, including both town planning and environmental

¹⁵⁵ In 2022, along with Acea Ato 2, Areti, Acea Produzione and Acea Ambiente, the companies Acea Ato 5, AdF, Gori and Gesesa took part in the TCFS project.

¹⁵⁶ Article 4, paragraph 3 of Legislative Decree 152/2006 on Environmental Regulations.

¹⁵⁷ The data includes fines received in previous years but paid in 2023. With reference to Acque, Publiacqua and Umbra Acque, which are not included in the reporting boundary of the NFS, the fines paid were, respectively: € 20,308; € 30,000 and € 9,000.

legislation¹⁵⁸. The Assets and Special Projects Unit, which protects the company's assets, receives the notes of dispute from the owners of the immovable properties that host **transformer substations** or are adjacent to power lines, and subsequently the Areti Health,

Quality, Safety & Environment Unit **carries out the instrumental checks** in response to the disputes. **In 2023, 7 complaints were dealt with and resolved**, with another 11 raised in previous years, also resolved.

SAFEGUARDING OF LAND AND BIODIVERSITY

The **loss of biodiversity**, the **progressive reduction of natural areas** and the **collapse of ecosystems** according to the *World Economic Forum*, are among the most significant global challenges in coming years and it is therefore necessary to **contain the factors responsible for these phenomena as far as possible**, i.e. the over-exploitation of natural resources like land use, the introduction of invasive

species and air, water and ground pollution (see specific information box *Biodiversity Crisis: Policies and Tools for Biodiversity Protection*). The issues of conservation and the valorisation of biodiversity are dealt with, inter alia, in the UN Sustainable Development Goals (2030 Agenda) and referenced by the European Green Deal.

BIODIVERSITY CRISIS: POLICIES AND TOOLS FOR BIODIVERSITY PROTECTION

The importance of restoring nature in Europe is the Report published by the European Environmental Agency in 2023, which underlines the importance of measures to **restore ecosystems** with **more effective management** so as to preserve the **benefits of more healthy nature, both in environmental and social terms**, like the health of people, food security and effective climate action, and also from an **economic perspective**.

In this context, after the publication in 2020 of the **European Biodiversity Strategy for 2030**, the European Parliament in 2023, approved the **Nature Restoration Law**, which represents the first European legislation for the restoration of nature with **legally binding objectives** for Member States, including: the restoration and improvement of land and marine ecosystems of particular interest, the recovery of urban ecosystems and the natural re-connection of rivers and agricultural ecosystems. Specifically, the law sets the ambitious **target of restoring 20% of degraded ecosystems by 2030**, with Member States obliged to draw up a Restoration Plan by 2050, which includes quantifying the areas for recovery, the measures to achieve the goals and an implementation schedule. The commitments are aligned to the **Kunming-Montreal Global Biodiversity Framework** adopted during the fifteenth Conference of the Parties on Biological Diversity (**COP15**) in December 2022. During COP15, the 196 signatory countries were asked to update or formulate **Biodiversity Strategies and National Plans**.

In 2023, during the European Business & Nature Summit in Milan, more than 350 companies, financial institutions, governments and representatives of academia and civil society met to discuss how to respect the commitments under the Global Biodiversity Framework (GBF), also launching the **European Business and Nature Charter**. Finally, the final recommendations were published during the year by the **Taskforce on Nature-related Financial Disclosures (TNFD)**, aimed at all organisations. These recommendations include general requirements for nature-related reporting and are broken down into four pillars- **governance, strategy, risk management and impact, metrics and targets**-, in line with the Taskforce Recommendations on Climate-related Financial Disclosures (TCFD).

In accordance with European and international guidelines, after introducing into the **Constitution** the **fundamental principles** of "protecting the environment, biodiversity and ecosystems"¹⁵⁹, in 2023, Italy adopted the **National Biodiversity Strategy to 2030**, defining eight specific goals and focusing on **building a consistent network of protected areas** and on the **restoration of ecosystems**. To facilitate dialogue with Environmental Associations, a consultation forum was established under the Ministry of the Environment and Energy Security, which also includes the Institute for Environmental Protection and Research (ISPRA) to ensure adequate technical and scientific support.

Acea Group Companies conduct activities that could **potentially** have **impacts on biodiversity**, such as the integrated cycle of waste, operation of power generation plants, management of water sources and treatment plants and the distribution of electricity. On this basis, Acea focuses closely on **protecting the ecosystems in areas where it operates**, as defined in the procedures of the **Environmental Management Systems**, which pursue continuous improvement with a view to reducing impacts, in the context of **assessments for the planning and creation of plants**, as well as **management** of operational areas. The Companies manage processes in compliance with the environmental authorisations issued to each plant, endeavouring to go

beyond merely respecting legislation. The environmental provisions contained in the authorisations issued by the competent administrative authority are established on the basis of technical and environmental assessments considering the area surrounding each plant, to **safeguard the flora and fauna present and protect the natural environment** and the segment BAT or BEMPs¹⁶⁰ where applicable.

Specifically, the activities involved in the **Integrated Water Service** are aimed at the **maintenance of optimal environmental conditions** and sites where water is drawn, near to springs, are managed with attention to the **conservation of existing ecosystems and, more generally, the preservation of the water flow**.

¹⁵⁸ In this case, the environmental regulatory reference is D.P.C.M. of 8 July 2003.

¹⁵⁹ The Constitutional law also regulates the methods and types of protections for wildlife and specifies that private economic activity may not occur in a way that harms human health and the environment.

¹⁶⁰ BATs (Best Available Techniques) refer to the best technical, management and control solutions able to guarantee a high level of environmental protection, BEMPs refer to **Best Environmental Management Practices**.

Likewise, with **treatment activities**, the primary goal is that **discharges**, after appropriate treatment at Acea plants, comply with the limits established by regulations in the sector and do not therefore **damage but rather protect the natural habitats of the receiving bodies of water**. In implementation of this commitment, targets have been established for **improved treatment efficiency** for certain Water Companies (see the paragraph *Strategy and sustainability, The 2020-2024 Sustainability Plan and operational goals*).

For **hydroelectric power stations**, Acea Produzione manages withdrawals and inputs of water in compliance with the Concessions issued by the competent authorities and with applicable regulations. **Management Projects** have been prepared for **all reservoirs**, with the relative impact studies for those in protected areas, with the goal of maintaining reservoir capacity and protecting the water quality of the reservoir and the receiving body of water, as well as guaranteeing the correct operation of discharge systems and dams (Legislative Decree 152/2006 and Ministerial Decree of 30/06/2004). The company provides for the **protection of the habitats of all species present** in order to **mitigate the effect of the artificial barrier of the dams**, which interferes with the natural migration of fish and the gradual sedimentation of the riverbed, with consequent changes in the native flora of the banks. Protection of the aforementioned basins **ensures the living conditions of the “resident” and “migratory” birds**, which use these sites for reproduction and feeding even during migration. **Acea Ambiente** manages atmospheric emissions from the **waste-to-energy plants**, in compliance with the operating authorisations issued by the competent authority and in accordance with the Air Quality Plan for the area in which the production activity is located (for more details, see the chapter on *Emissions*).

Generally, other plants in the **energy sector**, which generate

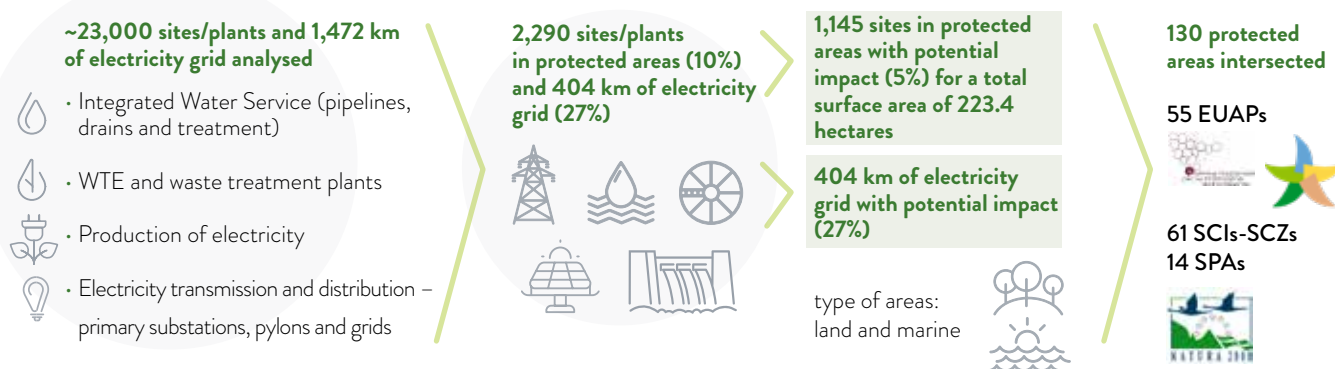
electricity using fossil fuels and waste, **are incompatible with protected areas** and therefore **cannot be located within them**.

Acea has **identified those of its sites/plants located in areas with a high level of biodiversity or Protected Natural Areas (EUAP) recognised nationally and sites of the Natura 2000 Network** (SCIs, SCZs and SPAs)¹⁶¹ established at European level, by **mapping of the infrastructure of the main operating companies** (Acea Ato 2, Acea Ato 5, Gori, Gesesa, AdF, Acea Ambiente, Acea Produzione and Areti)¹⁶². Analysis **conducted in 2020**¹⁶³ **on over 23,000 sites/plants**, including pylons but excluding underground electricity grids and pipelines, has shown that **2,290 sites**, corresponding to **approximately 10%, represent potential interference with biodiversity-rich areas**. Plants of the Environment Segment, carrying out waste-processing activity, are not located in the aforesaid areas.

Considering, instead, **only the sites/plants which could have a significant impact on biodiversity**, the number drops to **1,145** and the total percentage to **5%**.

Significant impacts have been estimated taking into consideration the **design, implementation and management phases of plants**, and therefore exclude sites/plants with minimal impacts, such as the Water Kiosks of Acea Ato 2, the secondary substations of Areti and the photovoltaic plants included considered as residential plants of Acea Produzione. The analyses conducted on the **overhead electricity distribution network (1,472 km analysed)** showed interference with protected areas for approximately **27%**, corresponding to **404 km of network**. The **total number of natural areas intersected by sites/plants/networks with a significant impact total 130** (55 EUAP, 61 SCIs/SCZs and 14 SPAs)¹⁶⁴ for a **total area of 223.4 hectares**.

Chart no. 49 – Acea sites/plants analysed, with potential impacts on biodiversity and protected areas intersected



Note: where SCIs/SCZs and SPAs coincide, they are only considered once under SCIs/SCZs.

These areas have **animal and plant species** habitats that are included in the **International Union for the Conservation of Nature “Red List” as being under threat** (in the “vulnerable”, “endangered” and “critically

endangered” categories)¹⁶⁵, i.e. at risk of extinction in the short or medium-term; these species therefore represent conservation priorities.

¹⁶¹ The Protected Natural Areas (EUAP) at national level are those areas recognised officially by the State pursuant to Framework Law 394/91. The Natura 2000 Network, established pursuant to “Habitat” Directive 92/43/EEC, is the main policy instrument of the European Union for the conservation of biodiversity. It is composed of Sites of Community Interest (SCIs) which are then designated as Special Conservation Zones (SCZs) and also includes the Special Protection Areas (SPAs) established by “Birds” Directive 2009/147/EC on the conservation of wild birds. The areas composing the Natura 2000 network are not reserves where human activities are excluded: the Directives intend to guarantee the protection of nature whilst also taking “account of economic, social and cultural requirements and regional and local characteristics”.

¹⁶² Areas were mapped using QGIS, an open-source GIS application that enables viewing, organisation, analysis and presentation of spatial data, processing each layer of the sites/plants belonging to the Companies.

¹⁶³ The analyses are based on infrastructure data of the main Group companies as at 2020. As of 2023, no significant changes had occurred.

¹⁶⁴ Where SCIs/SCZs and SPAs coincide, the areas are counted once amongst SCIs/SCZs.

¹⁶⁵ There are 11 risk categories, from Extinct (EX), applied to species for which there is definitive evidence that the last individual example has died, and Extinct in the Wild (EW), assigned to species for which there are no longer natural populations but only individuals in captivity, through to the category Least Concern (LC), applied for species that are not at risk of extinction in the short or medium term. Between the categories of Extinct and Least Concern, there are the threatened categories, which identify species at progressive risk of extinction in the short or medium term: Vulnerable (VU, *Vulnerable*), Endangered (EN, *Endangered*) and Critically endangered (CR, *Critically Endangered*).

There are potentially **45 impacted species in the IUCN Red List: 3 plant species** (1 critically endangered and 2 endangered) and **42 animal**

species, of which 7 are critically endangered, 9 are endangered and 26 are considered vulnerable (see Chart no. 50 for details).

Chart no. 50 – Number of species listed in the IUCN Red List with habitat in the protected areas intersected

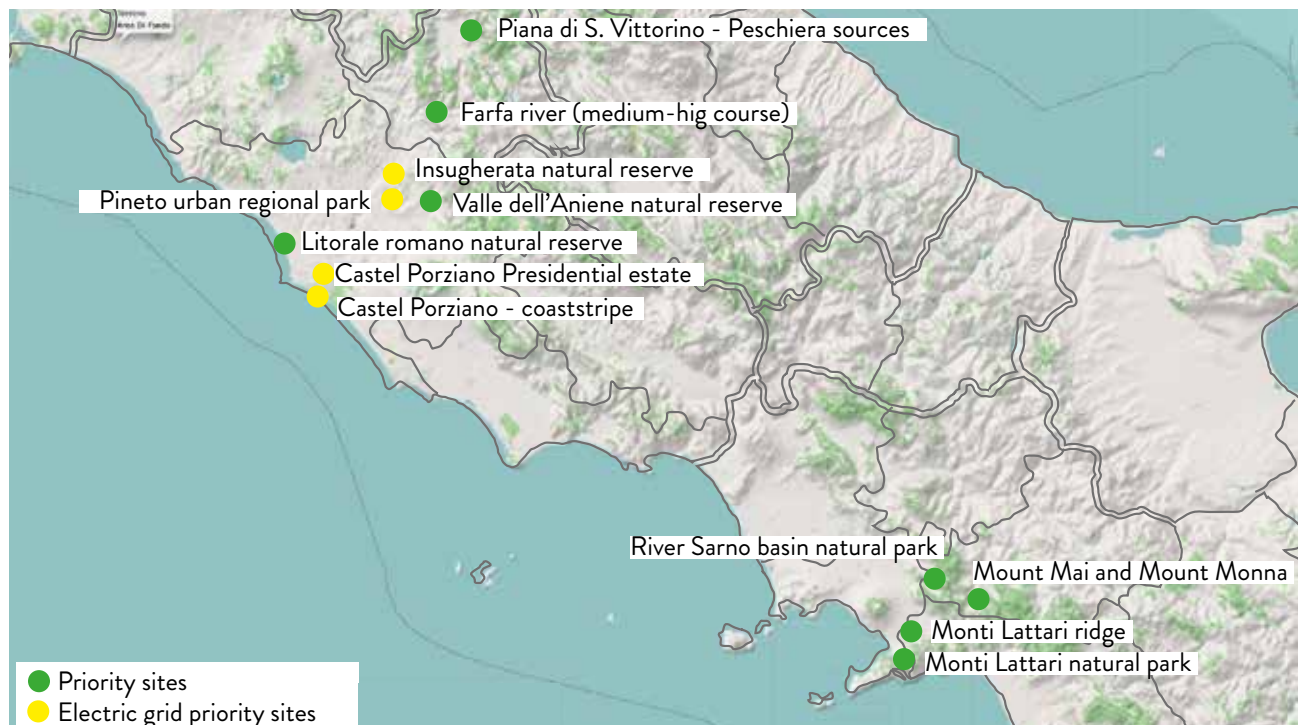
45 PROTECTED SPECIES ON IUCN RED LIST



With the aim of identifying the “**priority**” biodiversity-rich areas impacted by the sites/plants/electricity grids of the Group’s main companies, i.e., the most fragile habitats and/or those most impacted by external factors, **Acea developed an Environmental Fragility Index (EFI)**¹⁶⁶, a tool designed to assess the different habitats included and the portion of land occupied, the fragility of the habitat and the type of sites/plants present for each protected area impacted¹⁶⁷.

This led to the identification of **12 biodiversity-rich zones** considered

as **priority areas** due to their increased vulnerability. In **8** of these — Parco regionale dei Monti Lattari, Dorsale dei Monti Lattari, Piana di S. Vittorino - Sorgenti del Peschiera, Riserva naturale Valle dell’Aniene, Fiume Farfa (medium-high course), Parco regionale Bacino Fiume Sarno, Monte Mai e Monte Monna, Riserva naturale Litorale Romano — **sites/plants** have potential impacts, while **4** may be affected by interference from **electricity distribution networks** (Parco Regionale Urbano Pineto, Castel Porziano — coastal area, Castel Porziano - Presidential Estate, Riserva naturale dell’Insugherata).



¹⁶⁶ The EFI is defined based on data provided by the *Carta della Natura*, a national IT system created by ISPRA (Italian Institute for Environmental Protection and Research), which is a cartographic and evaluation tool used to identify the distribution of Italian ecosystems across the country and analyse them based on their current state, considering physical, biotic and human factors.

¹⁶⁷ For preparation of the EFI, the initial step was calculation of the relationship between the area of each habitat and that of the protected area containing it, generating a value for the portion of the protected site occupied by each habitat. This value was then multiplied by the fragility of the habitat as defined by ISPRA (Italian Institute for Environmental Protection and Research). Following this, all of the environmental fragility values of the habitats present in each protected area were added together. Having defined the EFI for each protected area intersected, this information was then cross-referenced with the individual Group plants with significant impacts located in the protected areas (plants identified as sites with potential impacts, from “low-medium to “high”). Finally, to identify the “priority” areas with high levels of biodiversity, the IFA was multiplied by the area intersected by the plants. The higher the value for the index, the higher the “priority” of the area.

Awareness of potential interference enables optimisation of operations and the Companies have planned and/or implemented **various**

actions to safeguard biodiversity, some in “priority” areas with a high level of biodiversity, as summarised in the info box.

THE MAIN PROJECTS IN “PRIORITY” AREAS WITH A HIGH LEVEL OF BIODIVERSITY

“PRIORITY” AREAS WITH A HIGH LEVEL OF BIODIVERSITY

ACTIONS

<p>Piana di S. Vittorino - Sorgenti del Peschiera</p> <p>Farfa River (medium-high course)</p>	<p>The two areas are affected by the Peschiera-Le Capore aqueduct system managed by Acea Ato 2 on which works are in progress to double the upper section of the aqueduct.</p> <p>In the Farfa River area, the Company has engaged the Federico II University of Naples to conduct a technical-scientific study on the natural characteristics of the River, which include the collection site of the Le Capore spring. The study highlighted how the release of water downstream of the Le Capore springs has benefits on the ecosystem, supporting restoration of the natural river environment with its rich diversity of animal and plant species.</p> <p>The River Farfa is also subject to an agreement between Acea Ato 2 and the Riserva Naturale Regionale Nazzano, Tevere-Farfa, with the aim of monitoring the evolution of the river ecosystem within the protected area.</p>
<p>Parco regionale Bacino Fiume Sarno</p>	<p>Gori is working on important works to resolve pollution of the river Sarno hydrographic basin through completion of the sewerage system and consequent collection and treatment. The project, carried out in synergy with various local players, also involves the Marevivo Onlus environmental association and will have significant impacts on recovery of the river ecosystem and, consequently on the entire Gulf of Naples.</p>
<p>Riserva Naturale Valle dell’Aniene</p> <p>Riserva Naturale Litorale Romano</p>	<p>To check for any critical issues in the habitats surrounding the major treatment plants in Rome, Acea Ato 2 has conducted special monitoring of areas it is responsible for and the surroundings.</p> <p>Previous studies have focused on the treatment plants at Roma Nord, Roma Sud, CoBIS, Ostia, Roma Est and, in 2023, the Fregene treatment plant, located in the Riserva Naturale Litorale Romano was assessed. The results achieved so far have demonstrated that the plants analysed have a positive effect on the ecosystem, constituting synanthropic biodiversity hotspots, i.e. places where species that co-exist or are learning to coexist with humans, tending to form a rich and stable ecological community. Indeed, the specific environmental conditions and the low impact of man-made structures facilitates the presence of an extremely particular wildlife community. New monitoring involving the Roma Nord treatment plant is expected in 2024.</p> <p>In the Riserva Naturale Litorale Romano protected area, Areti is pursuing a project to decommission and demolish electricity power lines and pylons, and has installed nests boxes on various substations to protect birdlife.</p>

The initiatives launched by the Companies also involved other areas, again of particular natural interest, although not classified as “priority” areas.

In order to limit the **potential impacts** of overhead infrastructure for the **distribution of HV and MV electricity on birds**, **Areti employs risk mitigation initiatives** in collaboration with the relevant authorities, making use of the best technological solutions for problems that are likely to occur in sensitive areas or areas of particular naturalistic value. Specifically, in compliance with the *Memorandum of Understanding for restructuring the electricity grid*, works continue to **decommission and demolish overhead power lines** within **important protected areas**, including Parco di Veio, Riserva Naturale della Marcigliana and, south of Rome, Riserva Naturale Decima Malafede, (as well as in the priority area of Riserva Naturale del Litorale Romano). For details of the works performed in 2023, see the section *Energy distribution* in the chapter *Energy Business*. The electricity distribution company and the Park Authority of **Parco Naturale di Veio signed a pledge of commitment** under which the Company guarantees financial and operational support to launch **a plan for monitoring birdlife by installing bird-deterrent devices** on earth cables of overhead lines, composed of plastic spirals that make the cables more visible, significantly reducing the risk of bird

collision. Furthermore in 2023, Areti completed its collaboration with the nature organisation **Ornis Italica**, regarding the **installation and initial monitoring of nest boxes**, some of which were installed in high biodiversity areas like the **Riserva Naturale Litorale Romano** and **Riserva Naturale Della Marcigliana**, at 30 secondary substations. The monitoring conducted showed that **certain nests were occupied by barn owls, kestrels and little owls** (species in the Red List in the category of “least Concern”): the Ornis Italica Association is **more than satisfied** with these results considering the short time that has lapsed between the installation of the nest boxes and the nesting. Finally, Areti’s sustainability target, involving the **removal of 200 pylons** has had a positive impact, ensuring the recovery of the soil, also in high biodiversity areas.

Acea Ato 2 continued to monitor the **Peregrine Falcon** (included under the category of “Least Concern” in the Red List) at the SIC-ZSC site of **Villa Borghese and Villa Pamphili**, in an area around the **Acqua Vergine springs**. As always, a community of scholars, ornithologists and enthusiasts had the opportunity to follow the lives of these birds of prey that live at the Acqua Vergine spring, **thanks to the webcam managed by Ornis Italica**. Ornis Italica is an association of researchers promoting the Birdcam.it project,

which broadcasts images of a nest situated on Acea infrastructure (www.birdcam.it). The project was a great success in 2023, with the birth and development of peregrine falcon chicks. In addition, the Company carried out monitoring to assess the hydrological system of the **River Mignone**, with the aim of promoting the sustainable management of water withdrawals and water resources and preserving the balance of natural ecosystems. This project was conducted in collaboration with the Park Authority of the **Monterano Canal Nature Reserve** in which the plant is located.

In 2023, AdF took part in work groups for the **Pecora and Pesa river basins**, which had been initiated in 2022, with the aim of developing proposals, formulated jointly by the various stakeholders, on regional and environmental development topics which will help to reduce impacts on the ecosystems of the two water basins.

Acea Ambiente continued with the **UrBees** project that had begun in 2020, aimed at environmental monitoring by observing the **behaviour of bees as bioindicator insects** (see specific information box).

BEES AS BIOINDICATORS, THE URBEES PROJECT

Acea Ambiente launched the **UrBees** project in 2020, in collaboration with **bee-keeping experts** and the **Sacro Cuore Catholic University** with the aim of environmental monitoring by observing the behaviour of bees as **bioindicator insects**.

The project included the installation of **three hives** at the **San Vitore del Lazio (FR)** waste-to-energy plant to carry out **environmental biomonitoring** of the surrounding area. Biomonitoring is an innovative tool for environmental control that allows the effects of pollution to be identified, observing living organisms and their biological parameters through the study of ecological changes due to the effects of one or more polluting substances present in the biosphere. Bees were chosen as bioindicator insects because they make the hive a real environmental control unit. Bees replicate the same behaviour every day: they leave the hive to carry out reconnaissance flights, then return with the information on the environment they explored (in their hair and wings). In this context, honeybees, in particular, are one of the best “sentinel species”. They support plant biodiversity and enable determination of qualitative and quantitative data regarding the health or lack thereof of a

specific ecosystem, along with mapping of an area’s biodiversity.

The observations made have highlighted the **overall good health of the bees** and the **absence of instances of unexpected illnesses or depopulation**. Specifically, the project has proved that dust from emission sources are absent from the bees’ wings.

In 2023, **3 honey samples were collected from the hives**. These were **analysed** so as to identify the pollen composition and consequently accurately establish the honey’s botanical and geographical origins. The botanical species identified on the basis of the analysis were classified according to their greater or lesser presence in the samples analysed and compared in terms of their relative abundance.

The analyses on the honey samples found a total of 85 different species of plants, resulting in a floral biodiversity index¹⁶⁸ of 0.937: a significantly high figure that reflects the extent and variety of botanical species around the waste-to-energy plant, contributing to the honeybees’ health.

During the year, the countless flights made by the bees **produced 40 kg of honey** from three different blends of botanical species: “41 flowers honey”, “34 flowers honey” and “46 flowers honey”.



During 2023, at certain Acea Ambiente sites, including **the plant at Terni** and the plant hub at **Orvieto Ambiente**, **green areas were created with the planting of native tree species** aimed at reducing the visual impact of installations and increasing the variety of plant and animal species in surrounding areas. In addition, once again at the **Orvieto Ambiente** plant, **bee hives were installed** in collaboration

with the **Sacro Cuore Catholic University**. The outcome of the analysis will provide information to assess the plant biodiversity in the study area, thus obtaining data on an equivalent area of 7 km², calculated as the average range of a bee’s flight of 1.5 km. Finally, a zoning project is underway within the plant hub, intended to create a **natural garden**.

¹⁶⁸ The floral biodiversity index for UrBees considers the presence of abundant botanical species and the influence of rarer botanical species in a study area of 7 km², defined as the average range of a bee’s flight (1.5 km). They are designated at a number between 0 and 1. The closer to 1, the more balanced the biodiversity in the area.

MANAGEMENT OF WATER RESOURCES, SPRINGS AND PROTECTED AREAS

Through the companies **Acea Ato 2**, **Acea Ato 5**, **Gori** and **Gesesa**, the Group mainly uses springs located in uncontaminated areas for water supply.

The supply system of the area managed by **Acea Ato 2** comprises

seven aqueduct systems, from **14 main sources**, the distribution networks, and numerous smaller local sources, mainly wells, for a **flow exceeding 21,000 litres/second**. The drinking water aqueduct and distribution network extends for more than **15,800 km¹⁶⁹**. In addition to this priceless natural resource, following upgrading works on the Grottarossa drinking water plant, Lake Bracciano, and the river Tiber also represent water reserves, after appropriate treatment, to be used only in the event of water emergencies.

EVALUATION OF THE GROUNDWATER AVAILABILITY

In accordance with that established by the criteria of the Water Framework Directive (WFD, 2000/60/CE), investigation of the availability, in quantitative terms, of potential groundwater resources and the possible impacts associated with the withdrawal of water resources from springs can be performed by monitoring certain variables through implementation of appropriate interpretive models.

The main aspects to monitor can be identified as precipitation (rain and snow), evapotranspiration, surface run-off and infiltration into the soil in the area where the balance is assessed. For the refilling areas representative of the aquifers managed by **Acea Ato 2**, a continuous calculation methodology was implemented (from 1990 to today), for quantification of the components of the hydrological balance at a daily level. This method, re-proposed by **Acea Ato 2** according to the national guidelines (Technical criteria for analysis of quantitative status and monitoring of groundwater stores ISPRA 157/2017), is considered a **valid tool to monitor the quantity of groundwater stores**.

Acea Ato 5 has continued a study on water availability on certain important sources. An analysis of precipitation and withdrawals has been done for the years 2017-2023. Specifically, a **net reduction in precipitation** was noted over the last six years, and consequently less refilling of supply sources; the model used made it possible to make forecasts on water availability. A report is prepared on a

periodic basis that, based on the patterns observed and comparing the availability scenarios of previous years, formulates hypotheses on water availability. The document is presented by the Company at the periodic meetings convened by the Permanent Observatory on the Use of Water Resources for the Lazio Region.

AdF constantly monitors the volume of water withdrawals using data provided continuously by remote-control gauges or data taken in the field by operating personnel and sent by tablet to the company management system. The data received from the two channels flow into a single system which is used to monitor the water districts to direct leak detection activities, and to monitor the water balance and the relative technical quality indicators (M1a and M1b). On the basis of this monitoring, three-monthly updating is also carried out on a document shared with the Tuscan Water Authority regarding possible water-emergency status, **with indication of critical issues involving "drought"** (lack of resources) **and management or infrastructural actions planned to handle such issues**. Monitoring dashboards created to enable the real time assessment of the qualitative and quantitative characteristics of supply sources have proved particularly useful for monitoring the situation of the water crisis declared in summer 2022 in terms of resource use planning and for reporting and communication purposes.

In the territory that falls within Ato 5 Lazio Meridionale - Frosinone, **Acea Ato 5** manages **80 sources, 75 of which are active**, with 42 wells/well fields and 33 springs. In addition to these sources referred to above, the Company purchases/sells water through exchange points with other operators and Municipalities. From the sources, the water is transported to the Municipalities through a supply network, which follows a complex distribution network beginning with tanks and dividing elements before reaching users served, and totalling **6,212 km**.

Gesesa, which operates in the Sannita District Area in the Campania Region, for the supply of drinking water, manages approximately **1,970 km** of network, springs, primarily seasonal, and collects the majority of the water utilizing groundwater wells. There are three large collection systems: the Benevento plain, constituted of the well of Pezzapiana, a well located at the aquifers of Monte Taburno and a well located near to the Grassano spring.

AdF, which operates in Optimal Territorial Conference no. 6 "Ombrone", manages the drinking water system through a network that stretches approximately **8,400 km**. Almost 50% of the water is drawn from the **Fiora springs** located on the slopes of Monte

Amiata, while in the Siena area, the most significant systems are the Luco well field and the Vivo aqueduct, which takes water from the three springs of Amiata Ermicciolo, Ente and Burlana, located in the Vivo d'Orcia area.

The water system managed by **Gori** in the **Sarnese Vesuviano** territorial district, extending over approximately **5,270 km**, has three main subsystems: Vesuviano, Monti Lattari and Ausino. The Vesuviano System is the most extensive of the three and arises from the functional integration of the Sarno aqueduct and the Vesuviano aqueduct, in turn interconnected with external elements of the Campano aqueduct, the West Campania aqueduct and the Serino aqueduct. This is responsible for supplying the majority of the OTA 3 municipalities. The Monti Lattari System serves the territory of the Sorrento Peninsula, the Island of Capri and the Stabiese plain. Finally, the Ausino System, represents the supply framework for the municipalities that occupy the eastern edge of the territory. The water drawn from endogenous sources represents approximately one third of the total, while the remainder originates from systems outside the OTA.

All of the Companies guarantee operations and the correct maintenance of collection infrastructure, water plants, supply systems and

¹⁶⁹ The figure includes amounts that have not yet been georeferenced.

distribution networks and user meters. Extraordinary maintenance is also performed (renovation, upgrading and/or expansion of plants and networks).

In 2023, **Acea Ato 2** continued the development of all interventions in collaboration with Acea Infrastructure, intended to secure and modernise the **Peschiera aqueduct system**, an **essential strategic infrastructure**: to ensure greater resilience of the procurement and supply system managed. The design-authorisation stage was completed **for the 4 sub-projects**¹⁷⁰ relating to hydraulic works, identified in 2021, which will also be carried out with financing¹⁷¹ obtained as part of the National Recovery and Resilience Plan (PN-RR)¹⁷². Regarding the **main intervention** called “New upper section of the Peschiera Aqueduct”, which will also be implemented thanks to the additional funding¹⁷³ provided by the 2023 Budget Law (Law 197/22), **the authorisation process continued during the year**¹⁷⁴ (see *Quality in the water area* in the chapter *Customers and the community*).

Table no. 53 indicates the location of the sources falling within the

zones subject to absolute protection¹⁷⁵. This refers to “water stress areas”, as per the international definition of the World Resources Institute¹⁷⁶. The water drawn is freshwater¹⁷⁷, apart from 1.3% of the amount drawn by AdF, corresponding to approximately 0.76 million cubic metres, from marine sources. The total surface areas represented are in high water stress areas.

The data on withdrawals from sources by the Company is provided in the *Environmental accounts Report*.

To protect areas **where springs are located**, Acea Ato 2 also employs **satellite monitoring**. Surveillance is concentrated in the places showing – on the basis of the comparison between two images taken from space at a distance of several months – **an unjustified or suspect morphological variation**, such as new, unsurveyed constructions, earth movements, small landfills. The Company performs checks on site to identify any threats to water resources, ensuring precise monitoring. In fact, in 2023, **thanks to the use of a satellite to perform change detection** and additional inspections carried out along the supply and collection network, **62 violations were identified**.

Table no. 53 – The principal sources under protection

sensitive area	municipality	area (m ²) (*)
IN OTA 2 – CENTRAL LAZIO ¹⁷⁸		
Peschiera springs	municipality of Cittaducale (Rieti, Lazio)	187,289
Le Capore springs	municipality of Frasso and Casaprota (Rieti, Lazio)	618,273
Acqua Marcia spring	municipalities of Agosta-Arsoli-Marano Equo (Rome)	818,457
Acquoria spring	municipality of Tivoli (Rome)	8,862
Pantano Borghese Acqua Felice springs	municipality of Zagarolo (Rome)	392,123
Simbrivio springs	municipality of Vallepietra (Rome)	190,624
Ceraso springs and wells (Simbrivio aqueduct)	municipality of Vallepietra (Rome)	9,072
Pertuso springs	municipality of Trevi – Filettino (Lazio)	66,853
Doganella springs	municipality of Rocca Priora (Rome)	137,873
Acqua Vergine springs	municipality of Rome	220,566
Torre Angela wells	municipality of Rome	49,897
Finocchio wells	municipality of Rome	32,197
Laurentina wells	municipality of Ardea	7,650
Pescarella wells	municipality of Ardea	2,472
Lake Bracciano	municipality of Rome	1,038
supply works on the Tevere River by the Grottarossa water treatment plant	municipality of Rome	1,769
supply works on the Mignone River by the Lasco del Falegname river crossing	municipality of Canale Monterano	2,000
other supply sources (minor springs and other well fields)	various municipalities in OTA 2	100,000

170 These are the “New Marcio Aqueduct - Lot I”, the “Raddoppio VIII Syphon - Casa Valeria Section - Ripoli Tunnel Exit - Phase I”, the “Ottavia - Trionfale Supply System” and the “Monte Castellone - Colle Sant’Angelo (Valmontone) Pipeline”.

171 Equalling approx. € 244 million.

172 According to Ministerial Decree 517/21 and the Decree of the State General Accounting Office no. 160/22 (provision for launch of works that cannot be postponed).

173 Equalling approx. € 700 million.

174 On the basis of the opinion of the authority responsible for overseeing public works expressed at the meeting on 14/10/2020 (no. 46/2020) and pursuant to art. 44, paragraph 1-bis of Law 108/21.

175 The areas of absolute protection are the areas immediately surrounding the catchments or off-springs, as defined in Legislative Decree no. 152/2006.

176 <https://www.wri.org/aqueduct>. The check as to whether the sources were located in water stress areas was carried out using *Aqueduct*, a recognised tool developed by the World Resources Institute (WRI).

177 Water with total dissolved solids ≤ 1,000 mg/l.

178 Compared to the previous version of the document, the data on fully protected areas have been restated following the progressive conclusion of ongoing studies to outline the protected areas.

IN OTA 5 – SOUTHERN LAZIO		
Posta Fibreno wells	municipality of Posta Fibreno (Frosinone)	20,000
Tufano wells	municipality of Anagni (Frosinone)	18,000
Capofume spring	municipality of Collepardo (Frosinone)	10,000
Madonna di Canneto spring	municipality of Settefrati (Frosinone)	10,000
Forma d'Aquino wells	municipality of Castrocielo (Frosinone)	20,000
Carpello wells	municipality of Campoli Appennino (Frosinone)	15,000
Mola dei Frati wells	municipality of Frosinone	5,000
IN THE SANNITA DISTRICT AREA		
18 wells	municipalities of Benevento, Telese Terme, Castelpagano, Vitulano, Melizzano, Sant'Agata de' Goti, Cautano	9,110
Ciesco spring	Castelpoto	307
Gradola spring	Tocco Caudio	707
Monticelli spring	Castelpagano	358
Pietrafitta and Ruggiero spring	Torrecoeso	2,242
San Vito spring	Frasso Telesino	249
Voneventa spring	Molinara	516
IN THE SARNESE VESUVIANO DISTRICT		
Vado spring	municipality of Bracigliano (Salerno)	1,338
Forma spring	municipality of Gragnano (Naples)	322
Imbuto spring	municipality of Gragnano (Naples)	187,159
(*)		
sorgente S.M. Lavorate	municipality of Nocera Inferiore (Salerno)	5,971
S.M. spring and well field La Foce	municipality of Sarno (Salerno)	60,202
Fontana Grande source	municipality of Castellammare di Stabia (Naples)	330
centres of Murata, Pugliana, Casaliciello, Santa Lucia and Tartaglia	municipalities of Cercola, Ercolano, Pollena Trocchia, Roccarainola and San Giorgio a Cremano (Naples)	15,473
centre of Monte Taccaro and Angri well field	municipality of Angri (Salerno)	43,072
well field of Suppezza, Gragnano, San Mauro Montalbino, Mercato Palazzo and Santa Lucia	municipalities of Castellammare di Stabia, Gragnano, Nocera Inferiore and Sarno (Salerno)	46,610
wells of Traiano, Stromboli-Vesuvio and Petraro	municipalities of Castel San Giorgio, Mercato San Severino and Nocera Superiore (Salerno)	7,203
21 wells in the province of Salerno	municipalities of Bracigliano, Castel San Giorgio, Corbara, Fisciano, Mercato San Severino, Nocera Inferiore, Nocera Superiore, Pagani and Siano (Salerno)	10,657
4 wells in the province of Naples	municipalities of Castellammare di Stabia, Palma Campania, Roccarainol and San Giorgio a Cremano (Naples)	1,529
IN OPTIMAL TERRITORIAL CONFERENCE NO. 6 “OMBRONE”		
Spring of Galleria Alta – Galleria Bassa – Fonte Carolina	municipality of Santa Fiora (Grosseto)	37,046
Ermicciolo Spring	municipality of Castiglione d'Orcia (Siena)	3,885
Arbure Spring	municipality of Castel del Piano (Grosseto)	7,443
Ente Spring	municipality of Arcidosso (Grosseto)	327
Burlana Spring	municipality of Seggiano (Grosseto)	2,442
Luco well field	municipality of Sovicille (Siena)	10,063

(*) the surface area data is estimated.

ENERGY BUSINESS

SCOPE

The chapter *Energy Business* includes Acea Produzione, Areti and Ecogena, the energy production plants of Acea Ambiente, Orvieto Ambiente (part of Acea Ambiente until 2022), Deco and Ecologica

Sangro¹⁷⁹ for the production of biogas. Waste-to-energy activities are also described in the chapter *Environment Business*.



933 GWh
energy produced
(1,047 GWh)
including the PV plants
not included in the NFS
reporting scope)



69% energy produced
from renewable sources
(72%) including the PV
plants not included in the
NFS reporting scope)



approximately **202,500 t**
of **CO₂** saved thanks to **electricity**
produced from **renewable sources**
instead of conventional sources
(238,400 t CO₂ including the
production of the PV plants not
included in the NFS reporting scope)

The Acea Group, which operates in the **generation** of electricity and thermal energy, in the **distribution** of electricity in Rome and Formello, including management of public lighting, and in the **sale** of electricity, heating and gas, **manages the entire chain of production and supply** through the operations of separate independent Companies, as required by electricity-market regulations. To improve the **management of distribution infrastructure**, Acea implements hi-tech innovative solutions — remote control, IoT and smart grids — enabling **increased grid resilience**. The increased “flexibility” of the grid also responds to the trend of increasing numbers of connected **prosumers** (see also chapters *Customers and the community* and *Institutions and business*).

ENERGY PRODUCTION: FOSSIL AND RENEWABLE ENERGY SOURCES

GROUP PLANTS

Through **Acea Produzione, Acea Ambiente, Orvieto Ambiente, Deco and Ecologica Sangro**, the Group **produces electricity** primarily from renewable sources. **The majority of production is provided by hydroelectric plants and another significant portion, also partially renewable, from waste-to-energy plants utilising**

paper-mill waste and Solid Recovered Fuel (SRF).

Acea continued to **grow the photovoltaic sector**, in accordance with the current Business Plan. As of March 2022, this aim has been supported by a financial transaction under which Acea transfers its existing photovoltaic assets — which are either already in operation or in the process of being connected to the grid — to a Company of which Acea Produzione is a minority shareholder¹⁸⁰, while **retaining control of the management of the plants**, and has signed agreements aimed to **purchase the renewable energy produced** by the plants.

Lastly, **Acea Produzione** also has fossil fuel (thermoelectric) production plants, mainly relating to the **high-efficiency cogeneration plant** at the Tor di Valle power station, which had the highest availability during the year.

The power park includes:

- **7 hydroelectric power stations** located in the Lazio and Abruzzo regions for a total of **119.3 MW**;
- **2 thermoelectric power stations** located within the Municipality of Rome area: Montemartini (78.3 MW)¹⁸¹ and Tor Di Valle (28.5 MW), for **106.8 MW, total available installed capacity**;
- a **photovoltaic park** for a total of **16.7 MW**¹⁸² (total capacity, including the plants owned by the investee company and not consolidated on a line-by-line basis, is **101 MW**).

The generation of energy from **waste-to-energy processing** is managed by **Acea Ambiente**, taking place at **two plants** located in San Vittore del Lazio and Terni, and both with percentages of **biodegradable** material

¹⁷⁹ The Company was included in the scope this year, with 2022 figures.

¹⁸⁰ In particular, this refers to AE Sun Capital Srl, established in January 2022, and 40% owned by Acea Produzione and 60% by the investment fund Equitix Investment Management.

¹⁸¹ The power station is operational only in the event of extraordinary energy demand, and operation can also be managed remotely from the control room at the Tor di Valle Power Station.

¹⁸² Output of the Acea Produzione, Acea Solar, Acea Renewable, SF Island and Fergas Solar 2 plants.

(renewable source) varying between 40% and 50%. The total gross electrical power currently available is approximately **62.5 MW**.¹⁸³

In addition, the Environment Business produces renewable electricity using **biogas** derived from the anaerobic digestion process at the Orvieto Ambiente Technology Hub, the sites managed by Deco and the Acea Ambiente composting plants of Aprilia and Monterotondo Marittimo.

The Company **Ecogena**, certified as an ESCo (Energy Services Company) in accordance with UNI CEI 11352:2014, **develops the energy efficiency initiatives for the Group** and reports their results to Gestore dei Servizi Energetici (GSE) for the awarding of Energy Efficiency Certificates (EEC).

The activities assigned to Ecogena include also the design and building of **cogeneration and trigeneration** plants¹⁸⁴ for the production, in combined mode, of **electrical, heat and cooling energy**.

The total production capacity of the **cogeneration plants** managed by Ecogena, combined (or not) with **district heating networks**, amounts to a total electrical output of **3.9 MW**, located in areas across the Lazio region.

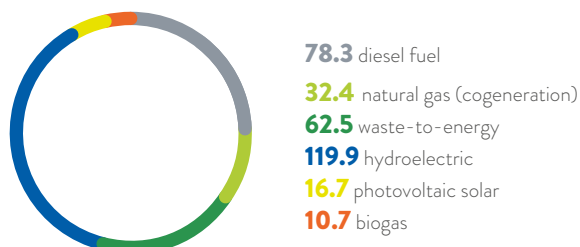
Table no. 54 – Installed power of the electric power stations of Acea Produzione

hydroelectric power stations	thermoelectric power stations
A. Volta di Castel Madama (Rome) power station gross power 7.4 MW	Tor di Valle power station – high-efficiency cogeneration section (CAR) (*) (Rome) Methane fuel – gross power 28.5 MW
G. Ferraris di Mandela (Rome) power station gross power 5.9 MW	Montemartini power station (Rome) Diesel fuel – gross power 78.3 MW
Salisano power plant (Rieti) gross power 25.0 MW	
G. Marconi di Orte power plant (Viterbo) gross power 21.8 MW	
Sant'Angelo power plant (Chieti) gross power 58.4 MW	
Cecchina power plant (Rome) gross power 0.4 MW	
Madonna del Rosario power plant (Rome) gross power 0.4 MW	
general total: gross capacity 226 MW	

(*) The CAR plant in Tor di Valle provides district-heating service in the area south of Rome.

Installed capacity, which totals¹⁸⁵ **around 320 MW** (404 MW including the Investee company not consolidated on a line-by-line basis), is represented in Chart 51, broken down by energy source.

Chart no. 51 – Installed electricity power of companies included in the NFS divided by energy source (MW) (2023)



ELECTRICITY PRODUCED

In 2023, total gross energy production increased by 10%, going from 851 GWh in 2022¹⁸⁶ to **933 GWh in 2023** (1,047 GWh, including energy produced by the photovoltaic plants of the subsidiary not consolidated on a line-by-line basis).

The increase was **mainly** attributable to **higher rainfall** during the year that impacted on hydroelectric energy production (+ 90 GWh, a 27% increase). There were also increases in **photovoltaic (+7 GWh) and biogas production (approx. 6 GWh more)**, also due to the entry of Ecologica Sangro in the reporting scope¹⁸⁷. For further details, see the *Environmental Accounts*.

Electricity generated from renewable sources, amounting to approximately **643 GWh (757 GWh** including the photovoltaic plants of the subsidiary not consolidated on a line-by-line basis) represents the **majority** at **around 69%**¹⁸⁸, with the following contributions:

- 425.1 GWh from hydroelectric power,
- 147.3 GWh from waste-to-energy,
- 50.1 GWh from biogas (Orvieto Ambiente waste-management plants, Deco and Ecologica Sangro¹⁸⁹, Aprilia and Monterotondo Marittimo sites of Acea Ambiente),
- 20.4 GWh from photovoltaic plants¹⁹⁰ (134.4 GWh including the plants of the subsidiary not consolidated on a line-by-line basis), see Chart no. 52 and Table no. 55.

¹⁸³ Includes the three lines of the San Vittore del Lazio plant and the power from the Terni plant. The figure has been adjusted in relation to what was previously published.

¹⁸⁴ Cogeneration, i.e. the combined production of electrical and thermal energy, allows high efficiencies to be achieved, between 80 and 90%. Trigeneration, which is a special application of cogeneration, allows use of a part of the thermal energy recovered in order to produce cooling energy in the form of cooled water for air conditioning in rooms or for industrial processes.

¹⁸⁵ Total installed power includes the plants operated by Acea Produzione, Ecogena, Orvieto Ambiente, Acea Ambiente (waste-to-energy plants and the Aprilia, Monterotondo Marittimo and Grasciano 2 plants) and Deco for the production of biogas.

¹⁸⁶ The data includes production by Ecogena.

¹⁸⁷ Detailed information is provided in the Environmental Report: data for the Ecologica Sangro plant is also included for 2022, for comparison purposes over the two-year period. Excluding this contribution, the increase stands at 8% thanks to the rise in biogas production at the Orvieto Ambiente plant.

¹⁸⁸ 72% if including the photovoltaic plants of the subsidiary not consolidated on a line-by-line basis.

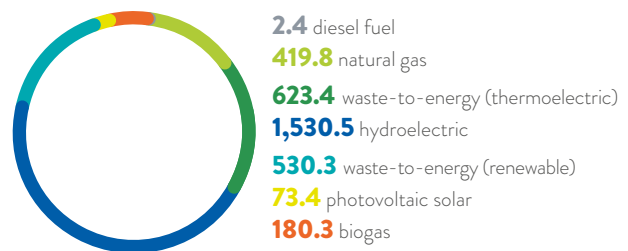
¹⁸⁹ 10.8 GWh were produced from the Ecologica Sangro plants.

¹⁹⁰ Detailed information is provided in the Environmental Report.

In 2023, the **upgrading and energy efficiency measures at hydro-electric power plants** continued, with the aim of optimising the use of available water resources, with the same specifications in terms of installed power and authorised by concession.

Almost half of the energy **from waste-to-energy production** is associated with the combustion of the **biodegradable fraction of waste** used as a primary source. In particular, **the renewable share of the fuel (CSS)** entering the **San Vittore del Lazio plant**, in 2023 was at around **47%** of the total waste-to-energy production, whereas at the **Terni plant**, this share was at about **44%**.

Chart no. 52 – Electricity produced subdivided by primary energy source (TJ) (2023)



Note: the values reported in the chart are expressed in TJ (1 GWh=3.6TJ).

Table no. 55 – Electricity produced (by primary energy source) (2021-2023)

PRIMARY ENERGY SOURCE	2021	2022	2023
	TJ (GWh) (*)		
ELECTRICITY PRODUCED (BY PRIMARY ENERGY SOURCE) (**)			
diesel fuel	5.9 (1.6)	7.9 (2.2)	2.4 (0.7)
natural gas (cogeneration)	406.1 (112.8)	425.1 (118.1)	419.8 (116.6)
Waste-to-energy (approximately 54% of the total in 2023)	730.4 (202.9)	678.7 (188.5)	623.4 (173.2)
total thermoelectric	1,142.4 (317.3)	1,111.7 (308.8)	1,045.6 (290.4)
hydroelectric	1,564.9 (434.7)	1,207.1 (335.3)	1,530.5 (425.19)
waste-to-energy (approximately 46% of the total in 2023)	552.7 (153.5)	534.8 (148.6)	530.3 (147.3)
biogas	113.0 (31.4)	159.6 (44.3)	180.3 (50.1)
photovoltaic solar	283.0 (78.6)	48.6 (13.5)	73.4 (20.4) (***)
total renewables	2,513.6 (698.2)	1,950.2 (541.7)	2,314.5 (642.9) (****)
general total	3,656.0 (1,015.6)	3,061.8 (850.5)	3,360.1 (933.4) (****)

(*) 1 GWh = 3.6 TJ.

(**) Some data from 2022 was adjusted following the consolidation, to also take into consideration the biogas production at the Ecologica Sangro site. Natural gas includes production by Ecogena.

(**) Photovoltaic includes the production at the plants located on Acea Ato 2 sites and in Orvieto, for a total of 2 GWh produced.

(****) Including the data from the photovoltaic plants of the subsidiary not consolidated on a line-by-line basis, the 2023 data would be solar photovoltaic 483.8 TJ (134.4 GWh), total renewables 2,724.9 TJ (756.9 GWh), overall total 3,770.5 TJ (1,047.4 GWh).

THERMAL ENERGY PRODUCED

Total thermal energy produced in 2023 was **100.6 GWh**. The **Tor di Valle** thermoelectric power plant generated **83.9 GWh of thermal energy**.

The heat generated was used to serve **41,385 residents** in the area south of Rome (Mostacciano, Torrino and Mezzocammmino) by means of a district-heating network which provides a volume equal to 3,716,272 cubic metres.

The thermal energy figure is supplemented by the **16,7 GWh** of thermal energy produced in 2023 by the Ecogena plants.

The Ecogena plants also produced **11.6 GWh** of refrigeration energy. For production data for the three-year period for Acea Produzione and Ecogena, see Products in the Energy business of the Environmental Report.

ENERGY DISTRIBUTION

THE DISTRIBUTION NETWORKS



approx. **32,200 km**
the distribution network
in Rome and Formello



approximately
9,800 GWh
of electricity demand
(Areti)



improves territorial protection
(underground HV network/total
HV network): **50%** (49.3% in
2022)

Areti manages the **electricity distribution network** of Rome and Formello, covering **approximately 32,200 km**, supplying over **2.8 million residents**. In terms of volumes of electricity distributed, about 9,200 GWh in 2023, Acea is the third largest Italian operator in the sector. Table no. 56 presents the principal plant data of the Company, including the number of primary and secondary substations, the transformers¹⁹¹ and the km of overhead and underground distribution lines.

The **environmental indicator** related to **protecting the territory** – calculated as a percentage share of the **underground high-voltage (HV) network in relation to the total of the HV lines in use** (overhead and underground) –, thanks to the continuing transformation and modernisation of the high and extra-high-voltage electricity distribution grid, **improved again in 2023** and stood at 50% (the ratio was 49.3% in 2022).

Table no. 56 – Number of overhead and underground distribution lines and plants (2021-2023)

Areti				
systems and output				
	u. m.	2021	2022	2023
High-Voltage/High-Voltage – HighVoltage/Medium-Voltage primary substations	no.	70	70	70
High-Voltage/High-Voltage and High-Voltage/Medium-Voltage transformers	no.	170	169	169
transformation power	MVA	7,921	7,757	7,799
substations in use	no.	13,309	13,347	13,419
Medium Voltage/Medium Voltage – Medium Voltage/Low Voltage transformers	no.	12,893	12,914	12,959
transformation power	MVA	6,313	6,347	6,382
overhead and underground networks				
high voltage network – overhead lines	km	275	247	241
high voltage network – underground lines	km	244	240	240
medium voltage network – overhead lines	km	420	420	420
medium voltage network – underground lines	km	10,269	10,357	10,441
low voltage network – overhead lines	km	1,642	1,595	1,586
low voltage network – underground lines	km	18,829	19,396	19,697

The activities defined in the **Plan to modernise the high-voltage (150 kV) electricity distribution network**¹⁹², which are constantly being developed, reduce the environmental impact thanks to the demolition of power lines and the removal of pylons, and help to deliver energy savings through the reconfiguration and optimisation of the HV network:

- subsequent to the new 150 kV Selvotta – Castel Romano line coming into service, work continued on dismantling the HV

lines, no longer in operation, with the removal of a total of 39 – 60 kV pylons removed from the quadrant south of Rome (LAT Laurentina-Castel Romano 1 and 2);

- upgrading work was completed on the existing 150 kV HV Capannelle – Cinecittà/O, with the commissioning of the new 1.6 km cross linked polyethylene cable section, with the consequent decommissioning of two sets of HV cables for a total of 2.7 km.

¹⁹¹ With regard to polychlorinated biphenyls (PCBs), pursuant to Legislative Decree no. 209/99 and Law no. 62/05, Acea disposed of transformers with PCBs above the 500 ppm threshold in 2009. In 2023, there were 63 transformers with PCBs above 50 ppm but below the threshold of 500 ppm, reported to ARPA. 10 transformers were disposed of during the year, for a quantity of PCBs of 116 ppm and a weight of approximately 7 tonnes, all of which were recovered..

¹⁹² Defined in the Memorandum of Understanding signed in 2010 between Areti SpA, Municipality of Rome and Terna SpA.

The management of the electricity distribution network of Rome and Formello is characterized by the **continuous improvement of the performance**, with a particular focus on energy efficiency. Areti implements measures, such as the reclassification of medium voltage levels from 8.4 kV to 20 kV and the installation of MV/LV transformers with very low losses, which help to **reduce grid losses**. In 2023, **grid losses** amounted to **about 6.2% of total issued power**, improving on the figure from the previous year (6.5%). For further information see the *Energy savings* section in the chapter *The use of materials, energy and water*.

Upgrading electricity lines promotes and supports the energy transition. In this context, certain projects undertaken by Areti,

such as **RomeFlex**, **G.I.M.M.I.**, **BeFlexible** and **Flow**, were particularly significant. The first step in creating a local market for ancillary services to better manage the expected increase in loads on the distribution network, by actively involving customers; the second, develops a system that improves grid monitoring and maintenance; the third, tests the use of flexibility services, focusing on possible synergies between the electricity system and water system; and the fourth, tests the grid services provided by electrical cars to the electricity system, based on the use of smart charging technologies and bidirectional charging. See also the section *"The Commitment to Research and Innovation" in the Institutions and Business chapter*.

PlatOne

The **PlatOne (PLATform for Operation of distribution Networks) project** is funded by the European Horizon 2020 project and involves ten public-private partnerships from Italy, Greece, Belgium and Germany, with coordination by the German Aachen University. Through the companies, Areti and Acea Energia, Acea heads the Italian pilot project on Rome, in three specific areas of the capital, working with ENEA, Siemens, RSE, ENG and Apio.

The project, **successfully completed in 2023** and becoming the **basis for developing the RomeFlex project**, introduced an **innovative approach to managing the distribution grid, whilst increasing its security and stability**. The ecological transition exposes urban distribution grids to a significant increase in loads, linked, among other factors, to the **diffusion of electrical vehicles and heat pumps** as well as an increase in **distributed generation connected via medium and low voltage**. This generates critical consumption and generation peaks for the grid, which in order to be better managed, require the **active involvement of end users** in operating the grid, based on the creation of a **"local flexibility market"**. The PlatOne project has tested this solution, developing a multi-platform system that can involve all market participants, and which currently forms the basis for the local flexibility market in Rome, co-managed by Areti and GME.

For the end customer, the project implements and standardises a technological solution enabling the resource and certifying all energy transactions connected to flexibility using blockchain technology. In addition, the user is provided with **an App**, for interaction with the aggregator, e.g. offering the possibility to **modulate loads during certain time periods**. The aggregator processes the flexibility supply of its customers and sends them to the market platform, where flexibility demand of the distributor is also received, connected to grid requirements.

To access the flexibility market, it is necessary to install a second-generation **meter** and a **device**, called a **Light Node**, needed to receive activation commands and certify energy transfers.

Furthermore, it will be necessary for both individual and aggregate customers to install devices that can modulate their production, such as storage, modular heat pumps, generators and co-generators.

The platforms and technologies developed for the PlatOne project and currently forming the basis of RomeFlex, have been shared with other national distribution system operators (DSO), who would like to use them in their own projects, in accordance with ARERA Resolution 352/2021: Unareti¹⁹³ has already subscribed to RomeFlex¹⁹⁴ and other DSOs are also expected.

G.I.M.M.I. GRID INNOVATION PROJECT

The G.I.M.M.I. project (Massive and Targeted Infrastructure Inspection Management) is an innovative end-to-end solution combining **satellite monitoring, artificial intelligence (AI) and drones in a single system**. The satellite platform enables Areti to periodically acquire images of HV and MV overhead lines. These are processed and analysed by an algorithm using Artificial Intelligence technology that enables identification of human or plant interference. Once interference has been identified and classified on the basis of the level of severity, it is possible to launch targeted inspections using drones.

Implementation of these systems for HV and MV grids offers multiple benefits. The quick response and precision of information enable **specific inspections**, in place of mass cyclical inspections, thus reducing the number of inspections, increasing their efficacy and reducing working times, supporting prevention or quick resolution

of outages, to the benefit of many customers and the operator. In addition, the reduced impact of motor vehicles and elimination of helicopter flights for cyclical inspections contributes to reducing CO₂ emissions.

The project, launched in 2021 and still in progress, involves GMatics, a start-up offering satellite monitoring and analysis services using AI algorithms, and the Milan Polytechnic, which has the task of analysing, mapping and providing indications on current and future trends for drone applications.

In 2023, the new inspection and monitoring process became standard practice and was improved with the release of the Media Data Storage platform, allowing for the filing and smart consultation of photos and videos obtained through inspections and the release of integrations between the satellite alerting system and SAP, making the intervention much more efficient.

¹⁹³ Unareti is an electricity and gas distribution company in the areas of Brescia, Milan and Bergamo (only gas distribution).

¹⁹⁴ The first RomeFlex services auction was conducted in December 2023 with considerable market success: with regard to the 2 MW flexibility required by Areti, 11 BSP (balancing service provider - aggregators) offered a total of 3.2 MW, and in respect of this amount, Areti exercised its option to collect to receive up to 50% extra capacity, contracting 3 MW of flexibility for the period February-April 2024.

Areti also continued its experimentation with vegetable oil transformers, launched some years ago, with the relevant characteristics and advantages shown in the information box.

LOW ENVIRONMENTAL IMPACT TRANSFORMERS

In 2023, Areti continued its **experimentation with plant oil meters**, an **insulating liquid of plant origins (natural esters)** which compared to the mineral origin oil in use, whilst having similar electrical and physical characteristics, has a higher flammability temperature, is **totally biodegradable** and reusable at the end of its life. To reduce the risks associated with the experimentation, the project involves **three MV/LV transformers** that have been custom de-

signed and built (two at 400 kVA and the third at 630 kVA, which came into service in 2015); to date, no anomalies have been found in the transformers' operations, with at least a 10-year term expected on an experimental basis, during which inspections and checks will be conducted on the quality of the dielectric oil. Once the results are in, an assessment will be made regarding wide-scale use.

ENVIRONMENT BUSINESS

SCOPE

The chapter includes Acea Infrastructure for the Smart Comp project; the activities of the waste-to-energy plants and compost production plants, all falling under Acea Ambiente; the activities of

Orvieto Ambiente (part of Acea Ambiente until 2022); the activities of Aquaser, di Acque Industriali, Berg, Demap, Deco¹⁹⁵ and Ecologia Sangro since 2023.



47,534 t
of quality
compost
produced:
+13%
compared to
2022



50 GWh of
energy produced
(+13%) from approx.
29,000 kNm³
of biogas (+12%
compared to 2022)



waste-to-energy:
376,391 t
of waste input and
85,219 t
of waste output:
23% (output/input)



For the second consecutive year, Acea won the **EMAS award**: the San Vittore del Lazio waste-to-energy plant implemented the best **innovative energy from renewable sources project**

WASTE-TO-ENERGY, COMPOSTING, DISPOSAL OF LIQUID WASTE AND RELATED SERVICES

Acea has expanded its capabilities in managing the final part of the waste cycle, with the aim of **recovery, recycling and reuse** and, where possible, **recovery of energy**. Specifically, The Group manages the treatment of **municipal solid waste (MSW)** and other types of waste (such as green waste from separated waste collection, industrial

waste, etc.) **for the recovery of material** and disposal of residual materials in landfill, **the storage, selection, sorting and separation of multi-material waste** originating from separated waste collection, such as plastic and metal packaging, for subsequent **recovery, the treatment of liquid waste** such as leachates and liquid sludge, **waste-to-energy** the volumes for disposal, the land needed for the disposal and recovery of the waste energy portion, **and the production of high quality compost** for agricultural use.

The management of solid and liquid waste is performed at plants using advanced technology and in recent years, in order to improve

¹⁹⁵ Deco also manages other plants that have merged directly into the company Acea Ambiente. For more details, see *Integrated waste treatment*.

and renew processes and increase recovery of materials and/or energy, some of them have been upgraded or expanded. The Terni waste-to-energy plant is currently undergoing revamping. The Companies that operate in the business areas referred to, **conduct research**, also in collaboration with universities and companies operating in the circular economy field. Included in this context is the well-established Acea Smart Comp composting activity carried out by **Acea Infrastructure**.

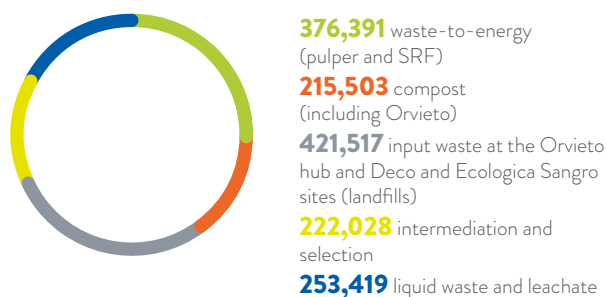
Specifically, during 2023, innovative digital solutions were investigated and tested to manage assets, including the “Digital Twin” solution applied to **Acea Smart Comp** and aiming to implement a predictive maintenance system for the compost bins. The development of the composting process is supported by the University of Tuscia, where composting bins were installed and introduced in 2022 on a loan-for-use basis for experimental purposes. The standard system was utilised to replicate the research group’s experiment on a broader scale, and in a controlled environment.

In 2023, with the launch of the *Call 4 Ideas* tender, Acea submitted **two proposals** to the Lazio region regarding the adoption of virtuous solutions, including Acea Smart Comp, directed at creating **environmental and circular communities**, seeking to extend the life cycle of resources and materials, and implementing business, circular consumption and climate neutral models, as well as implementing *Nature Based Solutions* (NBS).

Furthermore, with a view to adding value and recovering waste from industrial processes, in the scope of the collaboration between Acea Infrastructure and the Chemistry Department at the La Sapienza University in Rome, a **study was launched to identify possible ways to add value to the waste from the screens at urban wastewater treatment plants**.

Chart no. 53 illustrates the types of processing and recovery of materials or energy for the Environment Business.

Chart no. 53 – Incoming volumes of waste managed by type of plant/activity (t) (2023)



WASTE-TO-ENERGY

In addition to the activities described of solid and liquid waste treatment and anaerobic-digestion lines at composting sites, **Acea Ambiente** also manages the waste-to-energy process through the plants of San Vittore del Lazio and Terni. The two plants are operated according to the certified Environmental Management Systems and registration with the European EMAS III scheme (see also *Corporate identity, Management systems*). For the second consecutive year, in 2023, the waste-to-energy plant at San Vittore del Lazio received the EMAS award at Ecomondo, for the best innovative project for energy from renewable sources, thanks to the extension

of the capacitors on the waste-to-energy plant’s Line 1.

Based on **circular economy logic**, the primary objective is to recover as much material as possible. In 2023, **the volume of waste leaving the system was at 23% compared to the waste-to-energy volume**, ensuring a reduction in the volumes that needed to be disposed of and in the and use needed for this purpose. The second objective is the recovery of energy from waste, which provides both energy and economic benefits - see Chart 52 and Table 55 in this regard.

In its current configuration, the San Vittore del Lazio plant is the **largest in the Lazio Region** and plays an important role in the management of municipal waste, both for the advanced technologies used for its construction and for its considerable treatment potential¹⁹⁶. It is composed of **three independent waste-to-energy lines** designed to be fed with Solid Recovered Fuel (SRF), with the following characteristics:

- 52 MW_t of thermal power for line 1 and 56.7 MW_t of installed thermal power for each of the other two lines, for a total thermal power of approximately 165 MW_t;
- 13.9 MW_e of electric power for line 1 and 17.5 MW_e for each of the other two lines, for a total power of approximately 49 MW_e;
- approximately 400,000 t/year of SRF, sludge and other waste at full treatment capacity.

In 2022, the Lazio Region issued Resolution no. G14621 **to create a fourth waste-to-energy line**, enabling the complete processing of waste entering the plant in the case of shutdowns for upgrading or scheduled maintenance, as well as treatment of sewage sludge in compliance with the indication of the Waste Management Plan approved by the Lazio regional authority. In the second half of 2023, the **award notice was issued for the design, construction and commissioning of the aforementioned line**, with the **executive design phase started**, which should be completed in 2024. Work will extend up to 2026, and operations should start in the second half of that year.

In 2023 **294,174 tonnes of waste** were processed by the waste-to-energy plants and approximately **249.7 GWh** of electricity was generated, which was in line with 2022 production, at 251.3 GWh.

Table no. 57 – The San Vittore del Lazio waste-to-energy plant: operating data (2021-2023)

	u. m.	2021	2022	2023
incinerated fuel	t	307,391	289,550	294,174
gross electricity produced	GWh	267.74	251.26	249.70
conversion or recovery efficiency (*)	kWh/kg SRF	0.87	0.87	0.85

(*) Relationship between gross electricity produced and quantity of SRF converted to energy.

Revamping work got underway in July 2023, at the **Terni plant** aimed at bringing the waste-to-energy system in line with the new Best Available Techniques (BAT) set by legislation. These should be completed in May 2024, when the plant will restart operations. The plant comprises **a waste-to-energy line** with the following characteristics:

- 52 MW_t of thermal power installed;
- 13.6 MW_e of electrical power installed;
- 120,000 t/year of pulper waste (paper mill waste resulting from the pulping of waste paper), as the maximum potential for incoming waste.

¹⁹⁶ With reference to Decree Law 133/2014 (referred to as *Sblocca Italia*), the plant has been defined as a strategic structure of primary national interest for the protection of health and the environment, as per Lazio Regional Decree no. 199 of 24/04/2016.

The waste-to-energy plant is equipped with photovoltaic systems, the primary system on the pulper waste pre-treatment area and a secondary system on the adjacent building, which in 2023 generated **approximately 436 MWh of electricity**, with around 55% consumed on site and the remainder sold to the grid, in line with previous years.

In 2023, **waste-to-energy for 82,217 tonnes of paper mill pulp** was undertaken, producing approximately **71 GWh** of electricity, which was down on the 2022 figures (-18% energy production), also due to the start of the revamping work at the plant.

For data on the emissions of both waste to energy plants see the chapter *Air emissions*, in addition to the data reported in the *Environmental accounts*.

Table no. 58 – Terni waste-to-energy plant: operating data (2021-2023)

	u. m.	2021	2022	2023
waste-to-energy paper mill pulper	t	99,730	97,796	82,217
gross energy produced	GWh	88.67	85.81	70.78
conversion or recovery efficiency (*)	kWh/kg pulper waste	0.89	0.88	0.86

(*) Relationship between gross electricity produced and quantity of pulper waste converted to energy.

For information on the projects to recover sodium bicarbonate and calcium chloride dihydrate from the treatment of residual sodium carbonate (RSC), as well as on the treatment of fly ash and the recovery of mixed plastics, see the section *The Commitment to Research and Innovation* in the *Institutions and Business* chapter.

INTEGRATED WASTE TREATMENT

The company **Orvieto Ambiente**¹⁹⁷, in Umbria, manages an important **hub system for waste treatment, the recovery and disposal of waste**, ensuring the integrated cycle of municipal solid waste and equivalent materials, produced by all municipalities in the province of Terni. The landfill site is also authorised to receive special waste. The Orvieto Ambiente hub includes the mechanical biological treatment of municipal solid waste, composting and refining of the organic fraction of the sorted waste and disposal in landfills. These activities take place in accordance with the certified Management Systems (see the section *Management systems in Corporate identity*), with the goal of **maximising recovery of materials** (production of high-quality compost) and supporting both the **production of renewable energy** (utilising biogas produced for energy) and, as far as possible, the **reduction of waste sent to landfill**.

As mentioned above, there are **beehives** at the hub, which are used to **biomonitor the environment** by sampling wax, honey and bee matrices,

with public educational events planned aimed at local communities.

Total waste entering the plant in 2023, was **99,513 tonnes**, of which 60% (approximately 59,700 tonnes) was sent to landfill, marking a 71% improvement on 2022. The remainder was almost entirely sent to the **anaerobic digestion and composting** section of the treatment plant **for the production of biogas and compost**. The end product resulting from the aerobic process is refined and subsequently analysed for its chemical and physical classification as **high-quality compost**, for use as a raw material in commercial growing, environmental restoration, and for maintaining green areas (for more information see the "Use of Compost in Agriculture" box).

There are **two plants** at the Orvieto Ambiente hub **that produce energy** supplied respectively by the **biogas** produced by the anaerobic section at the treatment plant and the biogas produced naturally from the landfill. The latter is collected through a supply network and sent to two internal combustion engines that transform it into electricity, which is then sold to the grid:

- approximately **2.8 Mm³ of biogas and 5.2 GWh of energy** were produced at the treatment plant in 2023 **(+63% compared to 2022¹⁹⁸)**;
- approximately **7.4 Mm³ of biogas and 11.4 GWh of energy** were produced at the **landfill site (+20% compared to 2022)**.

In total, approximately 16.6 GWh of electricity was fed into the grid (for more information see the Environmental Report).

The Orvieto Ambiente hub is also equipped with a **photovoltaic plant** owned by Acea Produzione, which, in 2023, generated around 580 MWh, which was used entirely for self-consumption on site.

The company **Deco** operates in Abruzzo, where it is responsible for managing its own plants¹⁹⁹ and plants owned by Acea Ambiente (such as the Grasciano hub²⁰⁰). In particular,

- a **landfill** for non-hazardous waste in **Casoni** (Chieti), divided into four sites with a total capacity of over 900,000 m³, which reached capacity in November 2023;
- a **landfill** for non-hazardous waste in **Colle Cese** in the Municipality of Spoltore (Pescara), divided into three sites with a total capacity of over 1,000,000 cubic metres;
- a **landfill** for non-hazardous waste in **Grasciano in the Municipality of Notaresco (Grasciano 2)** with an approximate capacity of 480,000 cubic metres.

The first two of the above plants belong to Deco, while the latter belongs to Acea Ambiente. Biogas for the production of electricity is recovered at all three sites. In 2023, Deco's waste processing plants produced approximately **4.3 MNm³ of biogas²⁰¹ and around 1.4 GWh of electricity**.

Deco also operates a **Mechanical Biological Treatment (TMB)** for Municipal Solid Waste (MSW) in Casoni (Chieti), and recovers materials and SRF. In 2023, TMB treated **252,286 t of MSW**, from which **4,101 t of metals** and **95,869 t of SRF**. Around 53% of the SRF produced was used in cement plants outside Italy instead of conventional fossil fuels, while 47% was used in Italian waste-to-energy plants to produce electricity. The facility also has a photovoltaic

¹⁹⁷ The company Società Orvieto Ambiente Srl was established on 21 February 2023 and is responsible for managing to plant hub at Orvieto (TR).

¹⁹⁸ The increase in electricity production in 2023 was due to the increased quantities of waste generated by the digester.

¹⁹⁹ Deco's facilities include a Transfer Point where third-party urban waste collection vehicles transfer the collected waste from their own machines to larger-capacity vehicles, and a depot on the quayside of the port of Ortona and in the Ortona industrial zone, in the Province of Chieti, both authorised for the storage of waste for recovery, where the SRF to be shipped is stored, providing several logistical, organisational and environmental advantages. This is not included in the reported data due to its negligible significance.

²⁰⁰ The Grasciano site also includes other plants that have been inactive for several years: a platform for the treatment and energy recovery of waste from separated waste collection, a landfill for non-hazardous waste (Grasciano1) and two waste treatment lines (one for mixed and/or similar waste to produce SRF and the other for the wet organic fraction derived from separated waste collection to produce high-quality compost).

²⁰¹ Of which about 1 million Nm³ was used for electricity generation, with the remainder burned off in the flare.

system on the roof that produced 984 MWh in 2023, of which around 860 MWh (or 87%) was self-consumed on site by the MBT plant and the remainder was fed into the grid.

Ecologica Sangro also operates in Abruzzo, managing the landfill at Cerratina a Lanciano (Chieti). The Cerratina site includes:

- the **landfill** (operational since 1995);
- the **energy recovery from landfill gas** plant (since 2005).

The landfill, classified for “non-hazardous waste” is divided into 3 sites with a total capacity of almost **2,800,000 m³**. In 2023, it received **56,197 t** of **municipal waste**.

The **energy recovery from gas plant** produced from the landfill, has an electrical output of 1,672 kW, producing over **10.7 GWh** in 2023 and recovering around **7.9 MNm³ of biogas**.

HIGH-QUALITY COMPOST PRODUCTION

The **Orvieto Ambiente** plant hub produced **approximately 4,328 tonnes in 2023**; in the scope of the experimentation already underway, a new agronomic programme was shared with the University of Tuscia, on additional crops based on the excellent results that had

been achieved ²⁰²(see the specific information box).

Acea Ambiente²⁰³ has **two other active composting plants**: one in **Aprilia**, the other in **Monterotondo Marittimo**. The **Aprilia plant** can recover up to 120,000 tonnes/year of organic waste, with production of electricity and thermal energy integrated with the pre-existing composting section. After the compost bagging line and the SRF production line (from the waste from the same plant) became operational in 2022, transferring the waste to the San Vittore del Lazio plant, in 2023, the Lazio Region authorised²⁰⁴ the implementation of **additional improvements at plant and management level**, which will make the plant more efficient.

The **Monterotondo Marittimo plant** has a recovery capacity for the organic fraction of municipal solid waste, garden waste (grass cuttings and material from pruning), and sludge, of 70,000 t/year. **Anaerobic digestion and composting facilities** are active at both sites, enabling the **recovery of electricity and thermal energy**. For details on the quantities of biogas and energy produced, see the *Energy Business* chapter and the *Environmental Report*.

In 2023, Monterotondo Marittimo and Aprilia produced around **43,200 tonnes of quality compost**.

THE USE OF COMPOST IN AGRICULTURE

At the Orvieto Ambiente hub, studies are currently being conducted with the University of Tuscia to better understand the effects of **using compost in agriculture**, from a production and responsible consumption perspective. The land adjacent to the plant has been cultivated in this regard, using 0 km compost produced at the plant. Based on the excellent results achieved, the collaboration with the

University of Tuscia was renewed in 2023 for the two-year period 2023-2024, which was also confirmed with the EMAS award won in 2022. The objectives include understanding the role of compost in the chemical, physical and biological fertility of the soil and its repercussions on certain crops relevant to the Province of Terni and Viterbo, and to circulate the outcomes achieved.

INTERMEDIATION AND TRANSPORT OF WASTE

In 2023, Aquaser, which **loads, transports, recovers and disposes of waste produced by treatment plants**, managed around **395,000 tonnes of waste** (of which, approximately 250,000 t of liquid waste and about 145,000 t of solid waste). With regard to intermediation, during the year Aquaser took charge of approximately **161,000 tonnes of waste**, of which **127,000 tonnes of sludge** is attributable to the **Group's water companies**²⁰⁵, and in particular approximately **75,000 tonnes to Acea Ato 2, AdF, Acea Ato 5**. The dried and dewatered sludge coming from the three Companies was sent to the following end destinations:

- 66.7% to material recovery operations (pretreatments aimed at agricultural use and composting);
- 16.8% to recovery of energy (waste-to-energy);
- 16.5% for disposal.

Also this year, due to regulatory constraints direct spreading was not used in agriculture.

Aquaser used its **own means to transport approximately 38,200 tonnes of non-hazardous waste**. Of this, about 33,200 t referred to

transporting waste produced by the Group's water companies, Acea Ato 2, Acea Ato 5, AdF, Umbra Acque, Acque and Publiacqua, where Aquaser also acts as a broker. The remaining 5,000 t referred to the transporting of non-hazardous waste produced by third parties or other Group Companies (Acea Ambiente).

SELECTION AND SEPARATION OF MULTI-MATERIAL WASTE

The **Demap** plant, located in the province of Turin, carries out **selection and implementation of recycling for plastic and plastic/metal packaging**. In particular, it handles the storage, selection, sorting and separation of single and multi-material waste originating from separate waste collection, such as plastic material and metal packaging, **for subsequent recovery**. The Demap plant is affiliated with the Corepla Consortium, a group of companies established pursuant to Italian Legislative Decree 22/1997 to organise and manage post-consumption plastic packaging, and performs its activity on the basis of a contract for the selection of waste plastic packaging with the Consortium itself.

²⁰² The main aim of the project is to provide experimental evidence of the absence of contraindications on the use of compost and the benefits it can generate as a fertiliser and by increasing soil organic matter.

²⁰³ Transfers of waste were suspended at Acea Ambiente's Subidia plant as from 31 October 2019, to undertake extraordinary maintenance work. The liquid waste treatment facility at the same plant is currently inactive and studies, analyses and technical and economic assessments are currently underway to identify possible new industrial uses for the site.

²⁰⁴ Based on Resolution no. G02538 of 24.02.2023.

²⁰⁵ The data detailed here for the sake of completeness concerns sludge for which Aquaser has managed the entire supply chain, from loading to transport and final disposal, originating from the following Group Companies: Acea Ato 2, Acea Ato 5, AdF, Umbra Acque, Publiacqua, Acque.

In 2023, approximately **30,150 tonnes of material** entered the plant and was processed for separation and recovery.

TREATMENT OF LIQUID WASTE

Acque Industriali carries out brokering and liquid waste treatment services for private and public companies, as well as activities related to the integrated water cycle, mainly consisting of the **recovery and disposal of organic sludge**, through the management of **several platforms**. In 2023, the sites at Poggibonsi, Pisa Nord and Pontedera were inactive²⁰⁶; treated waste decreased and amounted to approximately 25,205 tonnes of liquid waste (-50% compared to 2022). In addition, the Company provided brokerage services for approximately 30,000 tonnes of waste during the year (-19% compared to 2022).

Acque Industriali uses technologies that **support recovery of raw materials contained in waste, energy saving and the efficient use of resources**, such as stripping/absorption of ammonia in a closed cycle that enables the **recovery of ammonium sulphate**, which can be used as an agricultural conditioner, of which **22,000 kg**²⁰⁷ was

produced in 2023. The Company also provides services for the design, creation and management of plants for the treatment of wastewater for third parties, decontamination of polluted sites and environmental consulting for the management of plants.

For details on the incoming waste, the types of resources used, the waste produced and other specific information, see the *Environmental Report*.

The **Berg** plant is a **polyfunctional platform for the storage and processing of hazardous and non-hazardous waste**, authorised for the sale and brokerage of waste and the creation of plants for treatment and processing of liquid waste.

Specifically, the plant has two departments: storage and treatment of liquid waste and storage and treatment of solid waste. In 2023 **approximately 131,900 tonnes of waste, both solid and liquid**, was processed, with almost zero tonnes of intermediated waste. The Chiusi plant²⁰⁸ handles the chemical/physical and biological treatment of **non-hazardous liquid waste**²⁰⁹ and the **treatment of sewerage**. In 2023 approximately **96,300 tonnes of liquid waste** were processed and approximately 86,900 m³ of wastewater.

WATER BUSINESS

SCOPE

The scope includes the companies Acea Ato 2, Acea Ato 5, AdF, Gori and Gesesa.

Some water companies - Acque, Publiacqua and Umbra Acque - not included in the scope of the *Consolidated Non-Financial Statement* (pursuant to Legislative Decree no. 254/2016) have been

included only in the water graphs, with evidence of their contribution, and in a few other global data (water fed into the system and analytical calculations). Specific data concerning these Companies are provided in a separate chapter: *Water company data sheets and overseas activities*.



1.1% reduction in total lost water resources by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa compared to 2022



almost **34,730 km** of **drinking-water network** managed by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa



768,757 analytical tests on drinking water (Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa)

The Acea Group is a leader in Italy in terms of the number of citizens it serves and is one of the primary operators in the water sector.

The **management of water resources**, which includes the collection, supply and distribution of water for civil use, sewerage and wastewater treatment are carried out with an increasing focus on preserving

and safeguarding water and natural ecosystems, from springs to bodies of the water where the water returns to the environment. Safeguarding of water resources is also expressed through **recovering leaks** (see the section *Attention to water consumption*), the **circular economy**, activities to combat **climate change**, **protection**

²⁰⁶ In addition to the two platform closures (Pisa Nord and Pontedera) in 2022, the platform at Poggibonsi suspended operations in June 2021 pending the issue of the standard operation permit.

²⁰⁷ Estimated value.

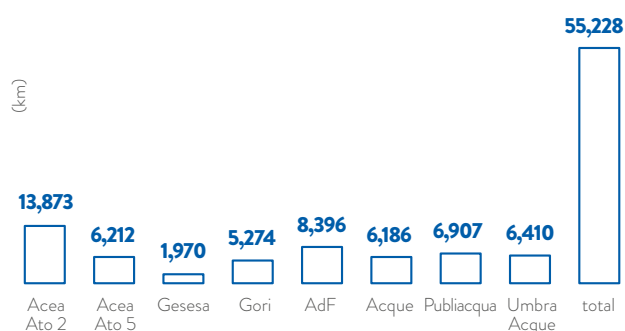
²⁰⁸ The Chiusi plant fell under Società Bio Ecologia Srl, which merged with Acea Ambiente in May 2021.

²⁰⁹ The quantities of liquid waste authorised for treatment (excluding wastewater) have a maximum limit of 99,900 tonnes/year.

of springs and other sites of interest at an EU, regional or local level and natural parks (see section *Safeguarding of land and biodiversity*) and also **monitoring** of internal water consumption, with the goal of reducing consumption.

The **total** pool of users served in Italy **by the Group**²¹⁰ is over 8.8 million residents, with **volumes of drinking water fed into the network** in 2023 equal to 1,274 million cubic metres. The distribution networks of the main Group Companies operating within the integrated water service stretches 55,228 km (see Chart no. 54).

Chart no. 54 – The water distribution network of the main Group Companies in Italy (2023)



Note: the kilometres of network include the aqueducts.

The **volumes of drinking water drawn and fed into the grid by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa**, during the year, was **1,005 million cubic metres**, with a total delivery²¹¹ of 480 million cubic metres to the **6.3 million residents** served. The specific data on the three Companies, are provided in the *Environmental Accounts*. 99.9% of the volumes drawn are fresh water, with the remainder, at approximately 760,000 m³ seawater and drawn in Tuscany by AdF. The supply sources are located in areas at potential risk of water stress, as defined by the *Aqueduct Water Risk Atlas*, drawn up by the *World Resources Institute* (WRI), which illustrates countries' water availability, taking into account physical global data²¹². The Companies within the Water Business implement various initiatives to mitigate the impacts associated with these risks, for example, defining and implementing **Water Safety Plans** (see the section "Water Safety Plans - WSPs"), actions to **minimise leaks** on distribution networks and investments to secure water supplies.

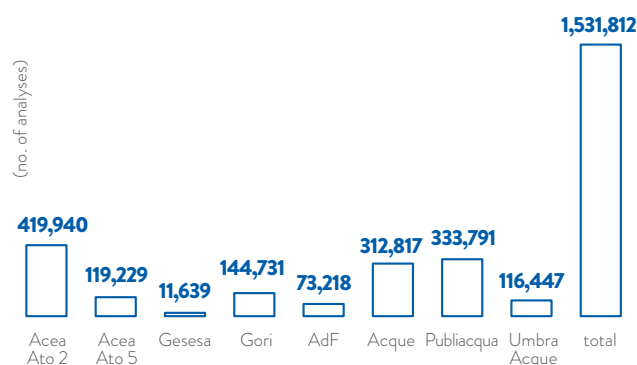
In **ATO 2 - Lazio Centrale**, which includes Rome and 112 other municipalities²¹³, at 31 December 2023, Acea Ato 2 managed the entire integrated water service²¹⁴ for 90²¹⁵ municipalities, thanks to the completion of the acquisition in 2023 of Rignano Flaminio.

The **volume of water drawn and issued from and to the network**, serving approximately 4 million citizens, was approximately **670 million cubic metres**²¹⁶.

WATER QUALITY

As shown in Chart no. 55, water quality is monitored by companies in the Water Business. The **analytical checks**, in addition to those performed by the Local Water Authorities, are performed on a scheduled, ongoing basis and regard drinking water supplied to users, essential due to the **associated health effects**, and water returned to the environment following treatment, both of which are **functional to monitoring the environmental quality of the region**. Compliance with drinking water analyses for all companies within the scope of reporting is between 96% and 100%.

Chart no. 55 – Analytical checks on drinking water, total and by company (2023)



In **Rome**, the qualitative characteristics of the resource collected and distributed are monitored through **continuous testing**, with instruments located along the water systems and through **daily sampling** at the collection points and in the distribution network. In Lazio, there are certain volcanic areas where groundwater contains mineral elements, such as fluoride, arsenic and vanadium in concentrations higher than permitted by law. In these areas, for some time, Acea Ato 2 has been working to resolve these issues, such as by decommissioning some local sources of supply and replacing them with higher quality springs. In 2022-2023, in particular, **Acea Ato 2** built new drinking water plants and upgraded/expanded existing plants in the municipalities of Allumiere, Ariccia, Rignano Flaminio, Manziana.

Monitoring of the chemical-biological parameters of the water in

²¹⁰ The data for total number of citizens served by the water business, volume fed into the network, and size of the networks and checks on the water (shown in specific charts) include the main Operating Companies of the Group, including those outside the scope of the *Consolidated Non-Financial Statement*: Acque, Publiacqua and Umbra Acque.

²¹¹ This refers to the total amount of drinking water dispensed and billed by the Companies within the scope.

²¹² As per the Standard GRI 303, the *Aqueduct Water Risk Atlas*, available on the website *World Resource Institute*: <https://www.wri.org/aqueduct> was used in this regard using open-source, peer reviewed data to map water risks, such as flooding, drought and stress.

²¹³ On 14.07.2021 with Regional Council Resolution no. 10, which followed Regional Executive Resolution no. 752 of 03.11.2020, Optimal Territorial Area no. 2, Central Lazio-Rome, was modified including in it the Municipality of Campagnano di Roma, which previously belonged to OTA no. 1 North Lazio-Viterbo.

²¹⁴ Acea was entrusted with the running of the capital's aqueduct service since 1937, the water treatment system since 1985 and the entire sewerage system since 2002, effective 1 January 2003.

²¹⁵ In 16 other municipalities the integrated water service was managed partially.

²¹⁶ The water balance items for the last three years were determined using the calculation criteria provided by ARERA. The figure does not include the municipalities subject to exemptions in 2023 for the macro-indicator M1 pursuant to ARERA Resolution 917/2017/R/IdR. See also the *Environmental Accounts*.

the distribution network of the water system allows a high quality and safety level to be achieved. Overall in 2023, **419,940 analyses were conducted in the area managed by OTA 2**, for a total of 14,412 samples of drinking water. In addition to the analyses conducted to **check water quality**, performed by Acea Ato 2, with the support of Acea Infrastructure, analyses were performed by Acea Infrastructure for **study and research purposes** aimed at continuous improvement of monitoring of the drinking-water system.

Acea Infrastructure, accredited pursuant to the ISO/IEC 17025 standard²¹⁷, performs and certifies chemical and microbiological analyses in different substrates, including water (see Table no. 59 for the

analyses performed on Rome drinking water). **AdF**, which outsources analyses to Acqua SpA, took 3,841 samples in 2023, identifying representative withdrawal points in the context of districts, with equivalent characteristics, into which the entire network of the aqueduct is divided. All withdrawal points are georeferenced using the GPS system and area available in a WebGis. Furthermore, having launched its own analysis laboratory last year, the internalisation of its wastewater samples was completed in 2023 and **accreditation for the main testing methods was obtained**, which was applied to the water matrices intended for human consumption.

Table no. 59 – Analytical determinations in Rome (2021-2023) and main quality parameters of the drinking water distributed in Lazio, in Campania and in Tuscany (2023)

ANALYSES PERFORMED BY ACEA INFRASTRUCTURE ON DRINKING WATER – ROME HISTORICAL NETWORK (2021-2023)							
withdrawal area	no. with- drawal points	no. samples		no. analyses			
	2023	2021	2022	2023	2021	2022	2023
collection	13	344	307	330	15,267	15,180	16,820
water system and water feed pipes	12	104	116	105	3,997	4,736	4,335
tanks/water centres	18	198	135	189	7441	5,321	7,423
distribution networks	544	3,379	3,102	4,041	107,709	101,580	131,502
total	587	4,025	3660	4,665	134,414	126,817	160,080
MAIN AVERAGE CHEMICAL AND MICROBIOLOGICAL CHARACTERISTICS OF THE DRINKING WATER DISTRIBUTED IN LAZIO, IN CAMPANIA AND IN TUSCANY (2023)							
parameters	measurement unit	average value – Acea Ato 2	average value – Acea Ato 5	average value – Gori	average value – Gesesa	average value – AdF	parameter Legislative Decree no. 18/23
chlorides	mg/l Cl	11.9	6.0	45	18.2	28.0	<250
sulphates	mg/l SO ₄	14.9	7.7	26	17.8	41.0	<250
calcium	mg/l Ca	87.2	70.7	115	exempt (*)	53.5	not applicable
magnesium	mg/l Mg	17.1	15.6	27	exempt (*)	10.3	not applicable
sodium	mg/l Na	10.3	4.5	31	16.2	18.0	<200
potassium	mg/l K	7.5	1.6	14	exempt (*)	2.4	not applicable
calculated fixed residue	mg/l	385.9	286.4	563	336.5	267.0	not applicable
nitrates	mg/l NO ₃	5.8	3.7	19	14.3	3.9	<50
fluorides	mg/l F	0.27	0.08	0.47	0.2	0.3	<1.50
bicarbonates	mg/l HCO ₃	360.2	271.2	476	exempt (*)	175.0	not applicable

(*) In accordance with Legislative Decree no. 18/23 and in agreement with the health authority, Gesesa is exempted from supplying the parameter.

In 2023, **Gesesa** continued a project for the creation of an **activated-carbon filtration system** for treatment of drinking water for the water plant in Benevento, in the Pezzapiana area²¹⁸.

With regard to the **processing of drinking water**, at the Grottarossa and Montanciano plants of **Acea Ato 2**, monitoring and analysis activity continued on treatment processes (such as chemical conditioning and pre-oxidisation, clariflocculation, sand filtration, and others), evaluating the efficiency of the removal of pollutants, specialised parameters for emerging organic species, both microbiological and sub-products of disinfection, in relation to the main management parameters of the plant. In addition, with reference to **forecasting the availability of water resources**, during 2023 Acea

Ato 2 implemented and continued to develop a **machine learning algorithm** to identify **meteorological proxies** (temperature and/or precipitation) or **management proxies** (volumes drawn) correlated to the **variability of the state of preservation of the resource, with reference to the different collection sources (springs, well fields, etc.)**. In addition to scheduled checks, the water companies also carry out **extraordinary checking**, on the request of utilities, Local Health Authorities (ASL) etc., to monitor specific parameters like **radioactivity and PFAS** (poly and perfluoroalkyl compounds). In 2023, as happened in the previous two-year period, Acea Ato 2 and Acea Ato 5 subscribed to the campaign launched by the Lazio Region to monitor and check radioactivity in water intended for human consumption.

²¹⁷ In February 2023, the laboratory was successful in renewing its accreditation pursuant to UNI CEI EN ISO/IEC 17025:2018. The next inspection is scheduled for January 2024.

²¹⁸ The filtration plant will provide adequate water resources for the city of Benevento, maintaining the values for the substances tetrachloroethylene and trichloroethylene below the Contamination Concentration Limits (CCL) defined by Italian Legislative Decree 152/2006.

WATER SAFETY PLANS (WSPS)

The implementation of Water Safety Plans (WSP)²¹⁹ enables the **prevention and reduction of the risks inherent in the drinking water service**, by analysing dangerous events along the entire water supply chain, from collection to treatment and distribution, and through to the user's meter. The risk is calculated on the basis of the severity and probability of the pollution event or water shortage, defining **risk mitigation actions, monitoring systems, the operating procedures** under normal and emergency conditions, the **water quality control plan**, and methods for **informing the public and competent authorities**.

Acea Ato 2 began implementation of the WSPs in 2018 with a pilot project, completed in 2019, for the water system connected with the emergency drinking water plant for water from the Tiber River, in the Grottarossa area, under the supervision of the Istituto Superiore di Sanità (ISS)²²⁰. The Company then **launched 10 WSPs for main aqueduct systems under its management**, covering an area of approximately 640 km. In 2021, the WSPs for the Peschiera-Capone, Appio Alessandrino, Marcio, New and Old Simbrivio, Laurentino, and New Vergine aqueducts were submitted to the Italian Ministry of Health, followed by the WSP for the Doganella aqueduct system in 2022. In 2023, Acea Ato 2 completed and submitted the WSPs for the Municipalities of Albano Laziale, Manziana and Marcellina, and has begun drafting the Risk Management Plan (RMP) for the CoBIS treatment plant, in accordance with Regulation (EU) 2020/741 which is being implemented in Italy.

Following the issuing of Italian Legislative Decree 18/23, which transposes (EU) Directive 2020/2184 and requires the implementation of 100% of the WSPs by 2029 along the entire managed drinking water supply chain, the Company continued working on implementing the WSPs, preparing those relating to the supply and distribution systems for the Municipalities of Grottaferrata, Palestina and Rignano Flaminio, based on the new national Guidelines (ISTISAN Report 22/33).

In 2023, **AdF** continued with the planned implementation of the WSPs according to a multi-year programme that will enable their full realisation across all water systems in the area by the end of 2028. More specifically, AdF developed the WSP for the **78 WSZ (Water Supply Zone)** water system, corresponding to a resident population of **163,444 people**, the equivalent of **43.2% of the total**. In 2023, the Company **further developed the application (PSApp)**, created in 2022 to standardise WSP implementation methodologies, which makes it possible to store data and **automatically calculate the risk index** for each plant and network, for each hazardous event identified and for each type of risk, both in relation to current scenarios as well as project scenarios referring to the priority risks identified. With this system, it will be possible to update evaluations and view the implementation status of control measures, providing full traceability and information to the competent authorities and monitoring the progress of each project against the project time line. After creating a cloud environment, also with Control Bodies, for the sharing of information on the drinking-water supply chain and

useful for the implementation and approval of WSPs, and then drawn up operating instructions and procedures for managing documents, cloud access and the **operating instruction manual for risk management** in 2022, **Gori established a new multi-disciplinary team** in 2023, which also extended to Asl, Arpac, the Campania Region and other entities. In line with the work already done, the pilot project has seen the WSP applied across all the infrastructure in the Municipality of Siano. The WSP is being completed with regard to infrastructure in the Municipality of Castel San Giorgio and inspections have begun to compile the relative check-lists for the Municipality of Bracigliano. Gori organised training courses for 142 people to disseminate the WSP objectives and support its effective implementation.

In 2023, **Gesesa** continued with training plans and authorisations on the training necessary to manage WSPs, which will be prepared in collaboration with the University of Sannio.

Acea Ato 5 drafted the WSP for the Anagni Tufano spring in 2023, which was shared with the Asl in Frosinone and ARPA Lazio.

WATER LEAKS

The issue of **minimising losses on distribution networks**, with all Group Companies in the segment involved, forms the basis for the sustainable management of water. Each year, **intensive activity is carried out to identify leaks**, with the aim of recovering the greatest possible quantity of water. The process of **dividing the network into districts** is used to optimise operating pressures and reduce losses, with activities focusing on losses in the **most critical districts**. With greater control of the individual parts of the network, it is possible to reduce losses, promptly identifying them or picking up on other anomalies.

Overall, **Acea Ato 2** has created **759 measurement districts for over 13,000 km** of georeferenced network. The activity consisted of surveys, flow and pressure measurements, map production, user analysis and water balancing, creation of measurement stations, installation of shut-off and adjustment elements, mathematical modelling and searches for leaks. The results of efficiency actions were imported into the geo-referenced systems. In addition, 2023 saw optimisation of the quality of process measurements, through verification and calibration of meters installed on sources and drinking water plants, and progress in survey activity and georeferencing of networks. The measures **reduced the volume of lost water resources by 2%** compared to 2022 (a reduction of about 19% compared to 2019²²¹). In addition, the work to make the service more energy efficient, based on the same scope as 2019, has reduced total leaks to around 38.4%²²² (at 38.9% in 2022), with the total leaks for the Rome network also decreasing to 27.8% (at 27.9% in 2022). Data and reductions in losses for 2021-2022 are presented in the *Environmental Report* and for 2019 in the *2020-2024 Sustainability Plan* in The Corporate Identity chapter. In 2023, Acea Ato 5 completed district planning for the networks of **9 new municipalities** and improved efficiency in previously established districts to optimise the distribution service. The Company has created **54 new districts**

²¹⁹ The implementation of a Water Safety Plan (WSP) is required pursuant to the Decree of the Italian Ministry of Health of 14/06/2017, in implementation of EU Directive 2015/1787, which adopted the WSP methodology developed by the World Health Organization (WHO). In Italy, the Istituto Superiore di Sanità (ISS) has adopted WHO guidelines and approves WSPs.

²²⁰ For the WSP in question, in 2020 the initial draft of the Plan was finished and submitted to the Ministry of Health.

²²¹ See also the 2020-2024 Group Sustainability Plan.

²²² Value calculated in line with the reporting boundary for total losses in 2019, the reference year for the targets defined in the 2020-2024 Group Sustainability Plan.

covering **405 km of network**. Active control of pressures has continued, with the installation of meters, reducers and flow-control valves at strategic points (**11 hydro valves** installed during the year), with the dual objective of reducing flows into the networks and improving pressure management over 24 hours. Thanks to the measures implemented, **leakage volumes decreased** from 70.7 million m³ in 2022 to **67.4 million m³ in 2023**, reducing the total amount of water entered into the system from 109.8 million m³ to 105.6 million m³, an immediate savings of approximately **4.2 million m³**. Losses fell in 2023 to 63.8% (64.3% in 2022).

AdF conducted intensive activity to search for system leaks on its own water networks, making considerable improvements to efficiency thanks to the provision of advanced technology to all operators, and inspecting around 2,000 km of the distribution network in 2023. Particular attention was paid to municipalities with higher water losses. The measures carried out led to **reductions in water leaks** from 21.9 million m³ in 2022 to **20.8 million m³ in 2023**, decreasing water losses to 36.2% in 2023 (37.2% in 2022).

During the year in question, **Gori** continued its leak detection activities. Thanks to the call for "Expressions of Interest on the formulation of Project Proposals under Axis IV" (React - EU)²²³, and based on a Framework Agreement, the Company pursued the district networking and regulating of pressure regimens and the detection of leaks in the 17 most critical Municipalities from a water leaks' perspective. In the scope of the tender, leak detection activities were carried out over **1,672 km of the water distribution network**, with the installation of 123 pressure control valves and the **replacement** of around **76 km of damaged pipes**. At the same time, Gori conducted conventional systemic leak detection controls and in response to faults, with the help of internal resources, **for an addi-**

tional 1,300 km of water network detected in the entire managed area. This combined action enabled a recovery of water resources estimated at approximately **426 l/s over the entire Water District Zone**. After the measures taken, total losses fell from 47.8% in 2022 to 42.9% in 2023, with a **14.1 Mm³ reduction in losses**.

Gori also made use of the **Internet of Things (IoT) and advanced sensing** to collect data in real time, on the status of the water network. The installation of IoT sensors continued in 2023, bringing to 900 the total number of monitored network points. The sensors remotely provide data, which is subsequently processed using water balance software and modelling, which will be essential in detecting and eliminating network losses. Finally, the increase in withdrawals from the managed area's more important sources (Santa Maria La Foce Spring in Sarno and Santa Marina di Lavorate Spring in Nocera Superiore), for more natural availability, resulted in a consistent reduction in withdrawals from underground water, contributing to **preserving groundwater reserves**.

In **Gesesa**, the **Recovery Plan for water resources** continued in 2023 in the city of Benevento and other managed Municipalities, which involves the replacement of damaged pipes, application of a system to reduce water leaks and reduction of operating pressures on the network. Losses for the year were 55.91% of total water fed into the aqueduct system (55.94% in 2022), **reducing lost volumes** from 10 million m³ in 2022 to 9.8 million m³ in 2023. Actions will continue in 2024, involving all the Municipalities.

Overall, thanks to the actions taken by the Company, **losses fell by 1.1%** in the year, from 437.8 Mm³ (consolidated figure) in 2022 to 433.1 Mm³. When compared to 2020 data (507.5 Mm³), this reduction was **14.7%**. For details on this issue and the individual water balances, see the *Environmental Report*.

SEWERAGE SERVICE AND TREATMENT SYSTEM



14,565 km of sewerage network and **490 treatment plants** managed by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa, for **798 Mm³** of water treated

Once it has been used for civil purposes, wastewater is **collected through the sewer system** and **sent to the treatment plants**. The treatment process enables the **removal of solids and pollutants via physical processes** (filtering, sedimentation, flocculation) and **biological methods** (aerobic and/or anaerobic decomposition of the organic substance with bacteria), and the production of sludge.



approximately **154,900 t** of **sludge produced** by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa, of which **81% recovered** (+18% compared to 2022)

With **864 treatment plants** (of which **490** managed by Acea Ato 2, Acea Ato 5, AdF, Gori and Gesesa), the total volumes of water processed by the Group main companies²²⁴ in 2023, were **978 Mm³**, of which **798 Mm³** by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa²²⁵. The total number of treatment plants has come down in recent years, from 895 between 2019 and 2023, to 864 plants,

²²³ Gori was awarded a €50 million grant. The contracted works funded by the grant were delivered on 9 September 2022.

²²⁴ Data relating to the number of treatment plants, the volumes treated, the size of the networks and the controls refer to the main Group companies operating in the water sector, including three subsidiaries not consolidated on a line-by-line basis. Acque, Publiacqua and Umbra Acque.

²²⁵ Gesesa started installing the first flow meters on certain plants in 2020 and estimating the quantities of wastewater treated; this activity continued in 2023 as well.

on the basis of the progressive **centralisation of the treatment of wastewater**, where possible, with the improvement of certain purification plants and decommissioning of others, from a perspective of rationalising and making the service more efficient (see also the information box on Acea Ato 2).

The volumes of wastewater treated and the percentage coverage of

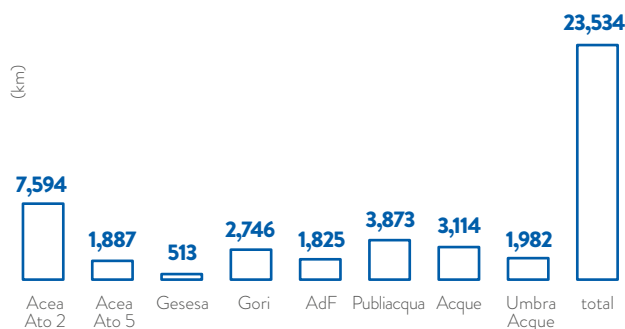
sewerage and treatment services, out of the total number of users served by the aqueduct, for Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa are shown in Tables 60 and 61. The sewerage networks managed in 2023 total **23,534 km**, of which **14,565 km** relate to the five Companies listed.

Table no. 60 – Volumes of wastewater treated by Water Companies operating in Lazio, in Campania and in Tuscany (2021-2023) (mm³)

company	2021	2022	2023	destination
Acea Ato 2	601.5	589.5	603.9	99.8% returned to the environment (river/channel), sea (0.2%) and soil (0.01%).
Acea Ato 5	25.0	24.8	24.9	surface water body (river)
Gori	124.0	117.5	142.0	surface water body and sea (in sea, in 2023, 22%, equal to approximately 30.6 million cubic metres ²²⁶)
AdF	25.9	25.6	25.3	surface water body and sea (0.5% in sea)
Gesesa (*)	2.3	1.8	2.1	surface water body (river)

(*) Since 2020, Gesesa began installing flow meters at the entry to treatment plants. Installations continued in 2023. The data is estimated.

Chart no. 56 – Sewer networks of the main Group Companies in Italy (2023)



The water in output from the plants cited, after having undergone the purification treatments described, **has chemical and biological properties compatible with the life of the receiving body of water** and in accordance with the parameters established (as per Italian Legislative Decree no. 152/2006).

Almost 100% of the wastewater treated, which can be defined entirely as “fresh water”, containing less than 1,000 mg/l of total dissolved solids, **flows into bodies of surface water**. In 2023, only 0.2% of the water treated by Acea Ato 2, 0.5% of the water treated by AdF and 22% of the water treated by Gori is discharged into the sea, representing approximately 4% of total water treated²²⁷. The portion of water discharged into the sea from Gori travels through underwater pipes, following treatment at the coastal purification plants on the Sorrento Peninsula (Sorrento, Massa Centro and Marina del Cantone), the island of Capri (Gasto, Occhio Marino and La Selva) and Foce Sarno.

The main basins affected by the discharge from the 490 plants²²⁸ are presented in Table No. 62.

Table no. 61 – Percentage coverage of the sewer and purification services for total user accounts of the Water Companies in the NFS (2021-2023)

company	2021		2022		2023	
	sewer	purification	sewer	purification	sewer	purification
Acea Ato 2 (*)	91.5%	88.1%	91.6%	88.5%	91.5%	88.5%
Acea Ato 5	67.1%	57.7%	69.6%	60.7%	69.1%	60.3%
Gori	86.7%	76.1%	87.5%	77.6%	88.7%	81.2%
Gesesa	80.6%	34.8%	82.9%	34.6%	84.6%	34.9%
AdF	84.1%	74.8%	84.1%	76.3%	84.3%	77.1%

(*) The 2023 data include an estimated percentage of users in newly acquired municipalities not yet migrated to Acea Ato 2's commercial systems.

²²⁶ Plants that discharge into the sea for the Company Gori are those on the islands of Capri, the Sorrento Peninsula and that of Foce Sarno.

²²⁷ The discharge of water, as for intake, occurs in areas at potential risk of water stress, as defined by the cited Aqueduct Water Risk Atlas.

²²⁸ The wastewater treatment plants for the NFS companies, Acea Ato 2, Acea Ato 5, AdF, Gori and Gesesa total 490. By also including Acque, Publiacqua and Umbra Acque, the number goes up to 864.

Table no. 62 – Hydrographic basins affected by discharges of COMPANIES within the scope of NFS

company	hydro graphic basins affected
Acea Ato 2	basins of rivers Tiber, Aniene, Mignone and Arrone
Acea Ato 5	basins of rivers Gari, Sacco, Cosa and Liri, Fosso della Maddalena, tributary of the River Sacco, Fosso del Diluvio, tributary of Lago di Canterno
Gesesa	basins of rivers Calore, Sabato, Isclero and Tammaro
Gori	basins of the river Sarno and Regni Lagni canals
AdF	basins of the rivers Ombrone, Orcia, Fiora, Albegna, Elsa, Pecora

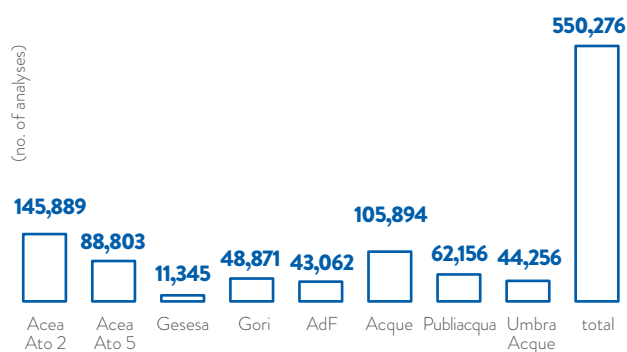
CENTRALISATION PLAN FOR THE ACEA ATO 2 TREATMENT PLANTS

To improve the quality of treated water, Acea Ato 2 has defined a Centralisation Plan for treatment plants aimed at streamlining the service, centralising treatment, where sustainable, at a limited number of sites identified through analysis of the land from a geomorphological and urban-planning perspective. In fact, with a high number of small and medium-sized treatment facilities and sewerage systems managed (127 treatment plants with capacity below 10,000 P.E.), service coverage is guaranteed primarily by large and medium-large treatment plants (44 treatment plants with capacity above 10,000 P.E.). **In the last three years (2021-2023), 13 small and medium-capacity treatment facilities were decommissioned.** The reduced fragmentation in favour of medium-large plants,

combined with integration of sewerage collector systems, has allowed **greater control of treatment efficacy** and optimisation of management and energy costs. Acea Ato 2 has therefore prepared a rationalisation plan, which it keeps up to date, choosing between centralisation and upgrading of small plants on a case-by-case basis. The optimal solution depends on many factors that must be carefully evaluated for the specific case. In 2023, the Centralisation Plan reached the goal of **eliminating a further 3 minor treatment plants** (Giustinianella, Trigatoria e Case and Campi in the Municipality of Rome), **in addition to one medium-large plant** “Palmarola” again in the Municipality of Rome.

Water companies manage treatment processes in line with the authorisations required for each plant and on the basis of the regulatory context in which they operate. **The discharge limits each plant are established through an authorisation issued by the competent administrative body**, which, on the basis of technical and environmental assessments during the evaluation stage, **may set stricter parameters** compared to those applicable nationally. In this regard, for example, the regulatory framework in which **Acea Ato 2** operates is characterised by prescriptive standards for discharge which are **generally higher** than the national regulatory reference level, while **Acea Ato 5** is subjected to stricter authorisations regarding the **quality of water discharged** than those established by sector-wide regulations. This is a **precautionary approach**.

The companies that perform analyses to verify the proper treatment of water report the **percentages of non-compliance** with discharge limits, which are **very low** relative to the total quantities analysed: 2.2% for Acea Ato 2, approximately 0.6% for Acea Ato 5, 0% for Gori, 3.6% for AdF and 0.2% for Gesesa²²⁹.

Chart no. 57 – Analytical checks on wastewater, total and by company (2023)

The **145,889 controls** conducted by **Acea Ato 2** on **wastewater** confirmed the high purification standards achieved by the treatment process.

In the “historic” area managed by Acea Ato 2, which includes **Rome and Fiumicino**, the **main treatment plants** in 2023, **treated approximately 515 million of cubic metres of wastewater**, a figure that is slightly lower than the previous year (510 million cubic metres). Considering the 171 smaller treatment systems and the plants of the municipalities acquired in OTA 2, this makes a **total volume of 604 million cubic metres of wastewater treated** (589 Mm³ in 2022).

²²⁹ The percentages correspond to the M6 value, as defined by ARERA, but still in the consolidation stage, except for Gesesa, which reports non-compliances according to an alternative calculation method and where the M6 data was not available at the time of publication.

Table no. 63 shows the figures of the most important parameters from the main treatment plants of Acea Ato 2, Acea Ato 5, Gori, AdF and

Gesesa. The section *Sustainability performance: Water Business* in the *Environmental Report* details other treatment efficiency indicators.

Table no. 63 – Output parameters of the main treatment plants managed by Acea Ato 2, Acea Ato 5, Gori, AdF And Gesesa (2023)

parameter	Acea Ato 2	Acea Ato 5	Gori	AdF	Gesesa (Benevento)	concentration limits in surface water (Legislative Decree no. 152/06)
average of values (mg/l)						
BOD ₅	4	3	9	7	10	≤ 25
COD	22	9	17	36	10	≤ 125
SST	6	5	20	14	10	≤ 35
nitrogen (ammoniacal, nitrate, nitrous)	6	3	7	12	5	-
phosphorous	2	1	1	3	1	-
quantity output (t)						
COD	15,902	1,136	2,410	610	30	-
SST	4,641	221	2,826	246	9	-

The **sludge produced** during the treatment process is mostly sent for **recovery of material** (see *Intermediation and Transport of Waste* in the *Environment Business*, and the chapter on Waste).

In 2023, work continued to reduce the **sludges produced by treatment plants** managed by Group companies²³⁰ and make treatment processes more efficient (see *Management and minimi-*

sation of waste produced in the chapter *Waste*).

Acea Ato 2, completed the **upgrading** of two **plants producing biomethane** in 2023, which is fed into the gas distribution network managed by Italgas Reti, **from the biogas produced by the anaerobic digestion processes** at the Roma Nord and Roma Est treatment plants.

THE USE OF MATERIALS, ENERGY AND WATER



energy efficiency (Areti, the Environment Segment and the Water Segment):

36.9 GWh and approx.
11,620 t of CO₂
not emitted in total



around **316 GWh** of
electricity consumption
of the Group Companies
from renewable energy with
guarantee of origin, equal to
approximately **99,580 t**
of **CO₂ emissions avoided**



approximately
65,340 m³ of water
recovered in the Environment
Business:
34% of the total used
in industrial processes
in the same segment

THE CONSUMPTION OF MATERIALS AND ENERGY

CONSUMPTION OF MATERIALS

The main materials used in production processes differ according to the business sector. For the **Companies in the Environmental Business**, the most important resources include **incoming waste for**

the production of compost and electricity (waste-to-energy from pulper waste and SRF); Thermoelectric plants, managed by **Acea Produzione**, use **fossil fuels (natural gas and diesel) to produce electricity**. For the electricity distribution process, **Areti** uses the gas sulphur hexafluoride (SF₆) in **medium and high-voltage**

²³⁰ It is noted with regard to AdF that the production of sludges increased for a specific reason: the urban wastewater treatment plant IDLS. Giovanni - at Pianetto in the Municipality of Grosseto - stopped hydrolysis treatment in January 2023 and restored aerobic treatment, as had been done in the past. This was in the context of criminal proceedings, where the Preliminary Investigations Judge ordered the preventative seizure of only the areas intended for the surplus transfer of sludge. Investigations are still ongoing. AdF complied with all the prescriptions issued by the Judicial Authorities and Administrative Authorities.

plants for its specific electrical and thermal insulation properties. The **Companies in the water segment**, use the **chemical products** required for process management, such as reactants for drinking water processing, the disinfection and treatment of wastewater. Finally, **Acea Energia** as well as the structures managing commercial

activity for the **Water Companies**, whilst all committed to digitalisation of processes, all use **paper** for customer invoicing. Please see Table no. 64 and the *Environmental Accounts* for details of resources used by each area.

Table no. 64 – Type and consumption of materials by the main Group Companies (2021-2023)

materials	u.m.	2021	2022	2023
incoming waste for composting and landfill	t	249,867	556,003	637,020
pulper	t	99,730	97,796	82,217
SRF	t	307,391	289,550	294,174
methane	Nm ³ x 1,000	23,912	24,131	22,667
diesel (Montermartini power station)	l	646,730	883,290	260,756
SF ₆	t	22.9	22.8	23.0
various chemicals of water companies	t	22,995	21,976	19,665
paper	t	341	320	312

Note: data on incoming waste includes waste at the Orvieto Ambiente landfill, waste entering the Deco and Ecologica Sangro landfills (both since 2022), and waste processed for the production of compost (sludge, green, OFMSW and other agrofood waste). Pulper and SRF for waste-to-energy are resources with a renewable component linked to the biodegradable fraction of the waste. In 2023, the renewable and biodegradable portions of pulper waste and SRF were respectively 44% and 47%. The net decrease in diesel consumption in 2023 is attributable to the Montemartini power station coming into operation. The SF₆ data refer the total used Areti and Acea Produzione; data on paper use is associated with invoicing activities of the companies Acea Energia, Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa. Some values for the previous two-year period have been adjusted for consolidation.

ENERGY CONSUMPTION

Total energy consumption amounts to approximately **12,281 TJ**, decreasing compared to 2022 (-5%). Net of energy sold, consumption stood at 8,896 TJ (see Table 65).

The decrease in consumption refers to various factors occurring during the production processes, for example, higher rainfall, which resulted in lower energy expenditure for lifting systems used by the Company in the water segment, which at the same time, increased the availability of gravity collected water; consumption at the waste-to-energy plants were more contained due largely to the

Terni plant being stopped in November for revamping work. The many interventions to increase energy efficiency also contributed to reducing consumption.

Electricity consumption of the main Companies, connected to the distribution of drinking and non-drinking water, treatment processes and internal consumption at work sites, **originates partly from renewable sources with a Guarantee of Origin, for a total of approximately 316 Gwh²³¹**, which, despite the decrease on the previous year²³², was equal to **46% of specific consumption (690.8 GWh)** in 2023 (Table 65).

Table no. 65 – Energy consumption by source (2021-2023) (*)

energy per source	2021	2022	2023
TJ (GWh)			
SRF and pulper waste (waste-to-energy) – non-renewable share	2,770.1 (769.5)	3,012.7 (836.9)	2,972.0 (825.6)
biogas (100% renewable – waste management and water business)	424.1 (117.8)	608.7 (169.1)	687.7 (191.0)
photovoltaic	3.4 (0.9)	9.4 (2.6)	9.6 (2.7)
GO electricity	1,498.5 (416.3)	1,256.4 (349.0)	1,138.1 (316.1)
total fuel and electricity consumption from renewable sources	4,696.1 (1,304.5)	4,887.3 (1,357.6)	4,807.4 (1,335.3)
SRF and pulper waste (waste-to-energy) – non-renewable share	3,659.0 (1,016.4)	3,883.4 (1,078.7)	3,362.5 (934.0)
methane (for electricity generation, district heating, processes, water business dryers and heating for offices)	1,331.6 (369.9)	1,278.8 (355.2)	1,266.0 (351.7)

231 Acea Energia estimated data.

232 The additional rise in the cost of electricity certifications from renewable sources was deemed no longer sustainable by certain Group companies.

diesel (for electricity generation, other uses, composting plants and road haulage)	176.0 (48.9)	184.0 (51.1)	161.6 (44.9)
LPG (heating, road haulage and processing)	2.1 (0.6)	2.2 (0.6)	0.7 (0.2)
petrol (road haulage)	18.0 (5.0)	28.5 (7.9)	33.6 (9.3)
LSC oil for process (disposal of Acque Industriali wastewater)	1.3 (0.4)	0.0 (0.0)	0.0 (0.0)
electrical energy losses on the distribution networks and transport	1,112.0 (308.9)	1,015.5 (282.1)	963.3 (267.6)
own use of electricity for the implementation of distribution and transmission activities	110.5 (30.7)	104.2 (28.9)	100.4 (27.9)
consumption for public lighting	242.4 (67.3)	242.7 (67.4)	236.8 (65.8)
non-GO electricity for internal use (water systems, environmental processes, laboratories and offices)	1,124.2 (312.3)	1,359.1 (377.5)	1,348.8 (374.7)
total fuel and electricity consumption from non-renewable sources	7,777.1 (2,160.4)	8,098.3 (2,249.5)	7,473.8 (2,076.0)
total fuel and electricity consumption	12,473.1 (3,464.8)	12,985.6 (3,607.1)	12,281.1 (3,411.4)
total energy sold	3,758.8 (1,044.1)	3,107.8 (863.3)	3,385.2 (940.3)
energy consumed	8,714.3 (2,420.7)	9,877.8 (2,743.8)	8,896.0 (2,471.1)

(*) Certain 2021 figures were adjusted for energy data consolidation; Ecologica Sangro was included in the 2022 figures, for the purposes of comparability with the last two-year period, and other figures were adjusted for the consolidation.

Note: data on energy produced by the companies' plants, energy fed into the network and energy sold are illustrated in the *Environmental Report* (Products – Energy business).

Table no. 66 shows the **energy consumption intensity** indices. Public lighting decreased slightly, due to improved lamp efficiency; regarding the two water service indicators, the first came down due to the decrease in volumes issued, which depend on the efficiency of the IIS, including the decrease in leaks, as well as the lower

consumption of electricity, which mainly depends on the higher contribution from gravity sourced water; the second came down due to increased operational efficiency: electricity consumption increased for sewerage and treatment plants, but not as much as the increase in treated wastewater.

Table no. 66 – Energy intensity indices (2021-2023)

ENERGY CONSUMPTION INTENSITY INDEX	u.m.	2021	2022	2023
electricity consumed for public lighting per lamp	TJ/lamp	0.00106	0.00105	0.00102
total electricity consumed by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa/water issued into aqueduct systems	TJ/Mm ³	2.471	2.557	2.475
electrical energy consumed by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa for sewer service and treatment/water treated	TJ/Mm ³	1.263	1.282	1.268

ENERGY CONSUMPTION ALONG THE SUPPLY CHAIN

Acea works to increase awareness and constantly monitor its supply chain in relation to environmental and specifically energy issues. Since 2015, it has been monitoring **energy consumption**, requiring a representative panel of suppliers to fill out a specific questionnaire. In December 2023 the questionnaire was **sent to 100 suppliers, the principal parties in terms of value of orders for the**

year. Thanks to the results **from 51 suppliers** (equal to 31% of the total Acea expenditure for the procurement of goods/services and works), the total energy consumption for all suppliers was estimated at approximately 418,428 GJ²³³. The questionnaire has included a specific section on water consumption (see the section *Attention to water consumption*, further on in the document).

233 The figure is obtained by readjusting the consumption of respondents relative to the total purchased during the year.

ENERGY SAVING

Ecogena is the organisation registered to develop **energy-efficiency initiatives for the Group Companies** and report their results to the Gestore dei Servizi Energetici (GSE) for the **awarding of Energy Efficiency Certificates (EECs)**. From their activation to 31 December 2023, the cogeneration plants managed by Ecogena received a total of 9,661 **EECs** under the Ministerial Decree of 5 September 2011, of which **531 were in 2023**. Furthermore, the energy efficiency initiatives implemented by the Acea Group, reported by Ecogena and validated by the GSE, received a total of **26,438 EECs**, of which **7,424 in 2023**.

Areti, in its capacity as a distribution company, is required to reach a quantitative annual primary energy saving target defined by the authorities in terms of EECs. In this regard, in 2023 the Company cancelled 38,668 EECs, of which 16,729 were related to the 2022 quota and the remaining 21,939 to the previous quota.

ENERGY EFFICIENCY ACTIONS

Every year, Acea **implements measures to improve energy efficiency**, aimed specifically at **Companies operating in the Water and Environment Business and Areti**.

In 2023, considering the **photovoltaic systems** at the plants of Acea Ato 2, AdF, Deco, Orvieto Ambiente and Terni, total energy consumption (on-site self-consumption) was **2,670 MWh**, with a consequent approximately **840 tonnes of CO₂ emissions avoided**. In the water sector, the Company implemented the following **energy efficiency measures** in 2023:

Acea Ato 2 achieved a **total saving of 35.1 TJ** (9.8 GWh). The most significant efficiency gains, amounting to **31.3 TJ** (8.7 GWh), concerned two water centres, while for the water treatment sector, specific optimisation work was carried out at two treatment plants, with a resulting efficiency gain of **approximately 3.5 TJ** (0.96 GWh). Additionally, further savings related to reduced water losses. For **Acea Ato 5** increases in efficiency, corresponding to **3.7 TJ** (1.0 GWh), are mainly attributable to replacing the pumps used for withdrawal at springs and well fields, installing inverters, and increasing the efficiency of the treatment system.

Gori implemented measures to increase efficiency for total savings of **61.7 TJ** (17.1 GWh), primarily through the use of more energy efficient water sources, the use of higher-efficiency electric pumps, and increasing the efficiency of certain processes at treatment plants. Specifically, the reduction in sourcing from underground

water, and consequent less use of certain lifting devices that are more costly from an energy perspective, resulted in a consistent reduction in electricity consumption²³⁴.

AdF achieved efficiencies for approximately **10.2 TJ** (2.8 GWh) by increasing efficiencies at the collection plant, district planning, management of pressure levels and leak detection and the energy optimisation of a treatment plant. **Gesesa** has achieved a savings by improving the efficiency of **0.5 TJ** (0.2 GWh) resulting from actions to manage pressure in the context of the current district planning process.

Overall, thanks to the measures referred to above, the **Water Business avoided over 9,700 t di CO₂**.

In the **Environment Business**, actions to improve energy efficiency in 2023 included the works at the **San Vittore del Lazio plant** to optimise combustion on three lines which led to annual efficiency gains of approximately **19 TJ** (5,300 MWh of electricity). At the composting sites in Aprilia, Monterotondo and the compost line at the Orvieto Ambiente plant, additional energy efficiencies were introduced to optimise processes based on the use of an inverter and other specific management improvements, which resulted in savings of **0.8 TJ** (213 MWh). In total, **CO₂ avoided** at sites in the Environment segment, including the two waste-to-energy plants, amounted to approximately **1,700 t**.

In the Energy Infrastructure segment, **Areti** continued with energy efficiency measures on the managed electricity distribution networks in 2023, specifically **by replacing 105 MV/LV traditional transformers** with the same number of **ultra-low loss transformers**, reducing electricity consumption by 136 MWh, and working on the HV/MV/LV distribution **network** to optimise the MV network structure and upgrade the HV and LV lines, for a total of 514 MWh of savings, as estimated to date (including the use of transformers). In total, **in 2023**, there was an **energy saving** of approximately **1.9 TJ** (0.5 GWh), thus **avoiding 162 tonnes of CO₂**²³⁵.

Consumption for public lighting in 2023 was slightly down at **237 TJ (66 GWh)** (-2.4% compared to 2022). The ratio of LED lamps to total lamps was **92%**.

In 2023, Areti's operating personnel used a total of **87 electric vehicles** (35 via car sharing, and 52 vehicles assigned individually to operating personnel and work teams). According to monitoring by Areti, total journeys amounted to approximately 207,570 km, consumption was around 33 MWh and a net saving of approximately **21,060 kg** of CO₂ was achieved thanks to the avoidance of diesel-powered vehicles.

²³⁴ The overall reduction recorded in 2023 compared to 2022, on the same scope, was approximately 9,500 MWh, the equivalent of a 4.4% total reduction in overall consumption recorded in 2022.

²³⁵ Calculations for estimation of CO₂ emissions avoided in the entire section Relations with the environment have been carried out using the 2021 Terna location-based conversion factor, equal to 0.315 tonnes of CO₂/MWh. In the Sustainability Plan reporting, the same estimate is made using the 2019 conversion factor, in line with the calculation for definition of the 2024 target.

ATTENTION TO THE USE OF WATER RESOURCES

Water resources are used in a number of industrial processes, such as the generation of electricity and thermal energy, the compost producing processes, as well as clean treatment plant tanks and anaerobic digestion tanks. Water is also used in small quantities for laboratory activity.

Group companies are committed to reducing drinking water withdrawals and implement measures to enable the use of recycled water. In this regard, there has been a gradual increase in the quantity of recovered water, from around 2.2 million m³ in 2021 to almost **2.7 million m³** in 2023, **an increase of 21%**. Specifically, in 2023 certain companies in the water sector developed initiatives to reuse treated water within the treatment plants themselves. The treatment plans currently managed by **Gorifor** example, **re-use the treated effluent** The wastewater used for this purpose, defined as “technical wastewater”, is distributed within plants through specific pipes and used for washing equipment (screens, units for thickening and drying of sludge), backwashing of certain parts of the treatment plant (membranes, fabric or sand filters), and washing of sand and screens. The first reused water-flow meter was installed at the Scafati plant; additional flow gauges are expected to be installed in 2024 with the implementation of *water audits* to assess water withdrawals and consumption from treatment processes and identify strategies to increase savings and reuse possibilities.

Acea Ato 2, for some years now, has implemented restructuring and integration in the industrial water network based on a logic of sustainable and circular water management of the water resource, so as to optimise the internal uses of drinking water (non-drinking water, recovered from the output of the treatment process for urban wastewater) at the main treatment plants: “**Roma Sud**”, “**Roma Nord**”, “**CoBIS**” and “**Ostia**”. In 2023, the Company further extended the industrial water networks at the **Roma Sud** treatment plant, so that industrial water could be used in the new thermal dryer and at the **Ostia treatment plant**, making it possible to reuse the treated water at the new *soil washing* plant under construction²³⁶. The programme of interventions underway has already increase the volume of treated water reused internally as process water, by about 1.8 million m³ in 2022 **to approximately 2.1 million m³ in 2023, corresponding to around 52% of the total water used**. At **Acea Ato 5** approximately **534,600 m³** of treated water was used in the same

treatment plants for the services relating to their operation (washing of screen systems and filtration, service water to operate the drying systems, irrigation of green areas, etc.)

The **Companies in the Environment segment** limit the use of drinking water, mainly using **water from wells**. In addition, at the **plants of San Vittore del Lazio, Orvieto Ambiente, Aprilia, Monterotondo Marittimo and Terni**, there are active **systems for the recovery of rainwater**. At the Terni plant, for example, rainwater is collected in **two tanks** equipped with a filtration system and storage tanks, before industrial use. The **Aprilia composting plant** also has a system for treating **residual water from unprocessed waste**, allowing it to be reused in production processes. The **Monterotondo Marittimo** plant also has a **rainfall recovery system** that, after phytodepuration, enables collection of the water in special aerated reservoirs as a reserve for fire-fighting and as a reserve of industrial water for process use²³⁷. At the **waste-to-energy** plant in San Vittore del Lazio, rainwater goes through a special chemical/physical treatment process to produce demineralised water, which is then entirely reused within the same system as part of a closed cycle, with no water discharge to the environment. The **Orvieto Ambiente plant** **hubcollects rainwater** from the roofs of certain buildings and transfers it to underground storage tanks serving the fire-fighting reserve. The **Chiusi plant** of Acea Ambiente, recovers water from the final effluent: the recovered water is used to wash surfaces at the plant. Thanks to the various solutions described, **a volume of approximately 65,339 m³ was recovered from the Environment segment** in 2023.

A project is underway at the **Tor di Valle** thermoelectric power station to reuse water after treatment for industrial purposes in the district heating network.

Water withdrawals of the main Group companies associated with industrial processes and civil use are illustrated in Table 67. While withdrawals **were slightly up** during the year, the measures detailed above have **significantly increased the amount of re-used water over the three-year period**.

The reuse of treated waste water **is an effective response to water stress** in Acea's areas of operation, but specific regulatory interventions are required to further expand its potential. In this sense, the recent European Regulation 2020/741 on the reuse of treated water in agriculture, in addition to setting the provisions that will be adopted with national regulations, facilitates the option of increasing this reuse.

²³⁶ Located at the Ostia treatment plant, the new sand washing treatment plant, will make it possible to recover up to 80% of the incoming solid material, with the aim of generating three types of products that can be used on the market as secondary raw materials (sand, gravel and pebbles) in the building or road works sectors. In addition to the recovery of waste made up of solid-sandy materials generally destined for disposal, *soil washing* exploits the synergy with the nearby Ostia treatment plant, from which it receives the treated water to use in its washing process, and returns the process water and forecourt water for treatment, thus optimising the water usage.

²³⁷ A non-substantial amendment to the integrated plant authorisation was approved during 2023, which requires various improvements to reorganise the water recovery system, including the recovery of rainwater coming from the roofs. The high quality and quantities of water from the roofs will further reduce the network's consumption of drinking water.

Table no. 67 – Water withdrawal and recovery (2021-2023)

	2021	2022	2023
	(Mm ³)		
Withdrawals (*)			
industrial processes (district heating, thermoelectric generation, Ambiente plants, Water companies) (**)	0.215	0.343	0.293
of which aqueduct	0.107	0.199	0.166
of which well	0.104	0.120	0.108
of which river water (***)	0.003	0.023	0.019
water consumption for civil use (****)	2.535	2.516	2.612
total water withdrawals (*****)	2.750	2.858	2.905
Recovery			
water recovered and used in industrial processes	2.222	2.393	2.691

Note: intake of freshwater occurs in areas at potential risk of water stress, as defined by the Aqueduct Water Risk Atlas, the map drawn up by the World Resources Institute (WRI).
 (*) The figures for the 2021-2022 two year period have been adjusted following consolidation and changes to the calculation method.

(**) Water withdrawn for industrial use was partly used in processes totalling 0.090 Mm³ in 2021, 0.179 Mm³ in 2022 and 0.148 in 2023; the discharge of water withdrawn for industrial use over the three-year period was 0.009 Mm³ in 2021, 0.007 Mm³ in 2022 and 0.001 in 2023.

(***) The data refers to river withdrawals for the Orvieto Hub and sites managed by Deco.

(****) Water withdrawn for civil/sanitary use from aqueducts, representing 99.9% of total withdrawal for this purpose, is discharged into the public sewerage system after reuse and returned to the environment.

(*****) Out of the total water withdrawn, water consumption in the three-year period was 8% in 2021, 12% in 2022 and 10% in 2023.

The Group promotes informed and careful use of water resources, **also throughout the supply chain**, raising awareness among suppli-

ers through issue of a questionnaire (see also the sub-section *Energy consumption along the supply chain*).

WATER INTAKE OF PANEL OF SUPPLIERS MONITORED

Since 2020, to raise awareness along the supply chain of the importance of safeguarding water resources, the Sustainability Planning & Reporting Unit, with the support of the Procurement and Material Management Function, has sent a request to a panel of suppliers for environmental data, which includes information on water intake, divided by process and civil uses. **45 suppliers** out of 100 suppliers invited to replied to the section on **water resources**,

corresponding 28% of the total expenditure of the Acea Group for procurements of goods, services and labour. Water intake for the above suppliers in 2023 equalled 32,971 m³, divided into 26,682 m³ for industrial uses and 6,288 m³ for civil uses²³⁸. Acea intends to continue to send this questionnaire in the coming years, with the goal of raising awareness about the topic among its suppliers and improving the quality of the surveys.

Discharges of water withdrawn and used occur within the scope of **authorised and closely controlled processes**. For example, at the **Terni waste-to-energy plant**, residual water from production processes is **first treated by internal treatment plants**, and then discharged into public sewerage. Water used in the waste-to-energy process at the **San Vittore del Lazio plant** is collected and stored in special underground tanks and then disposed of as waste, as it may contain substances that make it unsuitable for normal discharge. Wastewater from toilet facilities on the production lines and at the relevant offices is collected in septic tanks and subsequently dis-

posed of, while the sewage from the administration building is collected and conveyed to an Imhoff tank with a sub-irrigation system for subsurface clarification.

Water intake for industrial uses in activities connected to the integrated water service, and in particular water treatment, undergoes the **same treatment as waters transported via public sewerage**, i.e. it is retreated at the treatment plants and sent to the locations described in the section *Sewerage service and treatment system*, in the chapter *Water Business*. The civil water intake from the aqueduct ends up directly in the sewer network.

238 Suppliers' water data parametrized in relation to the portion of work/services sales for Acea.

EMISSIONS



continuous analysis of waste-to-energy emissions: **values of pollutants significantly lower than legal limits**



decrease in absolute terms of indirect Scope 2 **emissions:**
328,701 t
(-5.7%)



improved intensity index for emissions under Scope 1: gross electricity produced at **366 g/kWh** (-20%)

ATMOSPHERIC EMISSIONS

Atmospheric emissions from production activities are **monitored in a planned and constant manner**. The plants are managed according to UNI EN ISO 14001 and UNI EN ISO 45001 management standards. Acea Ambiente also applies the UNI EN ISO 50001 management system, while the waste-to-energy plants, the Orvietto Ambiente plant and the Deco and Ecologica Sangro sites are also **registered under the European EMAS III scheme**, extended until 2024²³⁹.

The main **macro-pollutants** from the Acea Ambiente and Acea Produzione plants, are monitored through Continuous Emission Monitoring Systems (CEMs). In 2023, macro-pollutants were recorded at very low values and are decreasing compared to previous years (see Table 68).

Table no. 68 – Total atmospheric emissions of pollutants from the main Group plants (2021-2023)

emissions	2021	2022	2023
	(t)		
CO	7.68	5.95	5.16
NO _x	198.11	191.30	171.85
SO _x	1.60	1.51	1.03
particles (particulate matter)	0.74	0.36	0.25

Note: the emissions refer to the plants of Acea Ambiente – waste-to-energy and Acea Produzione.

Specifically, monitoring conducted at the **waste-to-energy plants** is carried out using fixed and mobile stations that **sample and analyse the fumes coming out of the chimneys**, measuring concentrations for multiple parameters that are periodically checked by internal personnel and certified by qualified external laboratories. As in previous years, in 2023, these concentrations were **significantly below the legal limits** (see Table No. 69).

At the **San Vittore del Lazio plant**, the monitoring campaigns carried out for PM10, PM2.5²⁴⁰, heavy metals (fixed and mobile survey stations) and PAHs (polycyclic aromatic hydrocarbons), dioxins and furans (mobile only) did not detect any critical values. Other actions in the year including the monitoring of diffuse and fugitive emissions and the continuation of a biomonitoring campaign using bees as bioindicator insects (see *Safeguarding of Land and Biodiversity*, in the chapter *Environmental Sustainability and the Main Challenges*). Finally, each waste-to-energy line has systems to monitor emissions from the chimney, enabling continuous tracking for concentrations of pollutants 24/7, with availability of data on the Group website (www.gruppoaceait).

Environmental monitoring is carried out at all plants. For example, at the Aprilia plant, an **experiment was conducted using drones and the “Acea Nose” control unit**. At the same time, a **ground survey campaign was undertaken on certain parameters**, including hydrogen sulphide (H₂S), odours, volatile organic compounds (VOC), nitrogen oxide (NO₂) and methane (CH₄), etc. The outcome of this campaign found that the **impact** of the relative composting plant on the surrounding urban areas **was zero** in terms of gas and odour emissions.

²³⁹ In the case of Deco, the EMAS registration is valid from 2022 to 2025.

²⁴⁰ PM10 refers to particles with a diameter less than or equal to 10 µm. The term PM2.5 refers to particles with a diameter less than or equal to 2.5 µm.

Table no. 69 – Concentrations of atmospheric emissions generated by waste-to-energy plants (2021-2023)

pollutant	u. m.	scope of reference (**)	San Vittore del Lazio plant (*)			scope of reference (**)	Terni plant (*)		
			2021	2022	2023		2021	2022	2023
HCl	mg/Nm ³	8	0.064	0.139	0.314	8	3.701	3.919	4.267
NO _x	mg/Nm ³	70	29.488	29.560	30.087	180	120.644	122.070	122.45
SO ₂	mg/Nm ³	40	0.310	0.310	0.269	25	0.928	0.563	0.520
HF	mg/Nm ³	1	0.016	0.020	0.015	1	1.040	0.854	0.888
CO	mg/Nm ³	40	1.083	0.910	0.699	25	0.049	0.093	0.155
total particles (particulate)	mg/Nm ³	3	0.049	0.040	0.042	25	0.760	0.468	0.216
PAH (polycyclic aromatic hydrocarbons)	mg/Nm ³	0.01	0.000007	0.00001	0.00001	0.01	0.00002	0.000005	0.000007
dioxins and furans (PCDD +PCDF)	ng/Nm ³	0.1	0.0023	0.0032	0.0024	0.1	0.0000	0.0000	0.0000
heavy metals (Sb, As, Pb, Cr, Co, Cu, Mn, Ni, V)	mg/Nm ³	0.5	0.0315	0.0372	0.0168	0.3	0.04	0.03	0.02
Hg	mg/Nm ³	0.05	0.0022	0.0020	0.0010	0.05	0.0018	0.0008	0.0003

(*) The analysis of PAH, dioxins and furans and heavy metals and their composites are four-monthly and discontinuous. The “<” symbol identifies the concentration values that are equal to or below the thresholds that the devices used by the laboratory are capable of measuring.

(**) Reference parameters, Legislative Decree no. 46/2014, 2000/76/EC and IEA, are separate for each waste-to-energy plant.

Note: For San Vittore del Lazio, over the years the recorded concentrations of the parameters HCl, SO₂, dust and HF were close to the instrument's detection limit. Therefore, in these measurement areas deviations are to be considered insignificant for absolute changes in concentrations and masses.

Monitoring carried out on installations at risk²⁴¹ has shown **the absence of emissions** in significant quantities **of substances responsible for reducing the ozone layer** (for consumption see the section *Resources used*, in the *Environmental accounts*).

GREENHOUSE-GAS EMISSIONS

CO₂ emissions are quantified by **monitoring and evaluating the carbon footprint of the individual macro production processes** according to the guidelines of the *GHG protocol*²⁴² which requires reporting in the **direct (Scope 1)** and **indirect (Scope 2 and Scope 3)** categories.

Direct Scope 1 emissions mainly come from the Group's two waste-to-energy plants and the thermoelectric power stations. As of 2022, two plants are subject to the **Emission Trading Scheme (ETS)**, specifically the Montemartini and Tor di Valle power stations. As of March 2022 and with retroactive²⁴³ effect, the Terni waste-to-energy plant is no longer included in the scope of application of the ETS Directive.

The allowances assigned according to the NAP (National Allocation Plan) are lower every year and essentially very small, compared to the actual emissions recorded. Data for the three-year period 2021-2023 is presented Table no. 70.

Table no. 70 – CO₂ emission allowances as per the National Allocation Plan (NAP) and actual emissions by plant (2021-2023)

plant	2021		2022		2023	
	(t)		(t)		(t)	
	assigned by NAP	actual	assigned by NAP	actual	assigned by NAP	actual
Tor di Valle (*) (**)	3,564	51,839	3,472	54,443	3,380	50,125 (***)
Montemartini	0	1,712	0	2,338	0	690

(*) As with previous years, in 2023 the applicable legislative framework allowed the Tor di Valle plant to benefit from free of charge emission allowances (3,380 t) as it serves a district-heating network.

(**) The 2022 figures for actual emissions have been updated with the certified figures.

(***) Estimated emissions, pending certification by the responsible body.

241 This is primarily air conditioning equipment using refrigerant gases subject to the 1987 Montreal protocol, particularly chlorofluorocarbons.

242 See www.ghgprotocol.org for more information.

243 In March 2022, following an exemption request submitted to the MISE, with Resolution 66/22 the National Committee for the management of Directive 2003/87/EC and for support in the management of project activities of the Kyoto Protocol, determined, with retroactive effect, the exclusion of the Terni plant as of 31 December 2020.

Scope 1 emissions include other components deriving from certain processes of plants in the Environment Segment (composting, treatment and disposal of liquid waste), from drying at treatment plants, from petrol and diesel vehicles in the fleet, from leaks of sulphur hexafluoride (SF6) that may arise at Areti plants, from combustion processes for heating of premises and offices, and finally from leaks of freon gases from air-conditioning units.

The amount of CO₂ emitted by waste-to-energy plant in 2023 **decreased compared to 2022, by -13%** (see Table no. 71); this was mainly attributable to the stoppage of the Terni plant in November, which had in fact produced less electricity compared to 2022 (-17.5%).

The reduction in the CO₂ emissions also produced by Acea Produzione thermoelectric power stations refers to lower production of thermoelectric power, and consequently, to less use of fuel; the other Scope 1 emissions were essentially stable in relation to 2022.

Scope 2 greenhouse gas emissions from electricity consumption in 2023 were down compared to 2022 (approximately -6%). Rendering the water business more efficient, for example, combined with lower consumption due to less pumping, due to more abundant rainfall and more intense usage of gravity-based water sources, all contributed to this improvement. For more details see the paragraph on Energy Saving. Emissions due to technical losses on the electricity network came down (by about -5%) due to reduced demand on the network (-2.6%) and interventions to increase efficiency.

Scope 3 emissions (see Table no. 71) include those deriving from gas and electricity sales, electricity consumption by suppliers of purchased goods, services and works, business travel and the main subsidiaries²⁴⁴ (Scope 3 category “Investments”).

In 2023, similarly to the previous year, **business travel emissions rose again**, with the end of the restrictions caused by the pandemic and resumption of normal business travel, also considering that less employees were working remotely over the last year.

Scope 3 emissions associated with the purchase of goods, services and labour are calculated using monitoring data for energy consumption outside the Group, requested from a **representative panel of suppliers** using a questionnaire (see the section *Energy consumption outside the Group*). In particular, the data requested refers to energy (consumption of fuels, electricity and vehicle fuels) and data relating to refrigerant gases used in-house, which contribute to this category of Scope 3.

To reduce emissions from **electricity sales** (calculated in the table using both the location-based and market-based methods), Acea Energia offers customers GO-certified green electricity commercial rates. Since 2021, all new retail customers on the free market are exclusively offered GO-certified green energy, with the gradual roll-out to contracts signed before this date. The “sustainable” rate also covers gas thanks to offsetting through the purchase of VER (Verified Emission Reduction) certified carbon credits. The carbon credits purchased for 2023 contributed to funding projects to reduce carbon dioxide emissions in Peru and Vietnam with tangible benefits for the local communities. See also the Chapter *Customers*, paragraph *Customer care*.

In 2023, Acea Energia **sold more “green” energy**²⁴⁵, to customers on the free market, estimated at 3,000 GWh, **increasing by over 18%** compared to the volumes consolidated in 2022 (at 2,536 GWh). The **share** of this item out of the **total energy sold** in the year to free market customers (around 5,369 GWh, see also *Environmental Accounts*) **reached 56%** (42% on the 2022 consolidated figures).

The **sale of electricity with GO certification** has therefore led to a **saving of approximately 945,000 t of CO₂ in the Scope 3 category**. For gas sales in 2023, offsetting measures are expected to cover **approximately 120 MSm³** (estimated figure; 54 MSm³ in 2022), corresponding to approximately **238,900 t of CO₂**.

INTENSITY INDICES FOR GREENHOUSE GAS EMISSIONS

The emissions intensity index linked to value added improved, decreasing by 15% compared to 2022. Total Scope 1 plus Scope 2 emissions came down by 9%, while value added increased by 7% (see Table 71). The performance of the **Scope 1 emissions on energy produced (-20%)**²⁴⁶ improved. The indicator stands at 366.1 g/kWh (326.2 g/kWh considering also the photovoltaic production of the subsidiary not consolidated on a line-by-line basis), with a decrease due to increased electricity production from hydroelectric (+27% compared to 2022 production) and the reduction in Scope 1 emissions already referred to. The indices for greenhouse-gas emissions under **Scope 2**, resulting from **losses on the electricity distribution networks compared to the total electricity issued**, recorded a **decrease of around 2% compared to 2022**: going from 0.0088 t/MWh (updated figure after consolidation) to 0.0086²⁴⁷.

244 Acque, Publiacqua and Umbra Acque.

245 As in previous years, the figure for G.O. certified green energy sold in 2024 by Acea Energia and AEMA also includes the main Group companies' internal consumption (contributing for around 316 GWh).

246 The index is calculated using emissions from production (Acea Produzione's thermoelectric power stations, Ecogena plants, waste-to-energy plants) as numerator and total energy produced by the Group's plants as denominator.

247 The figure is estimated.

Table no. 71 – Environmental indicators: CO₂ emissions, greenhouse gas intensity indices (2021-2023)

EMISSIONS OF CO₂				
SCOPE 1 EMISSIONS				
FROM ENERGY PRODUCTION PLANTS				
	u.m.	2021	2022	2023
emissions of CO ₂ from Acea Produzione thermoelectric power stations(*)	t	53,551	56,781	50,815
emissions of CO ₂ from Ecogena plants	t	7,829	5,191	6,110
emissions of CO ₂ from Acea Ambiente waste-to-energy plants(*)	t	325,684	327,670	284,746
FROM WASTE MANAGEMENT, ENERGY DISTRIBUTION, HEATING PLANTS AND VEHICLE FLEET				
emissions of CO ₂ from waste-management plants(**)	t	1,895	2,028	1,991
emissions of CO ₂ from water-plant processes of the IWS (***)	t	7,486	8,152	7,876
emissions of CO ₂ from heating	t	881	758	792
emissions of CO ₂ from vehicle fleet	t	10,533	11,077	11,460
emissions of CO ₂ from Areti and Acea Produzione plants (from SF ₆) (****)	t	7,045	4,959	5,370
emissions of CO ₂ from refrigerants (HCFC) (*****)	t	0	2	0
TOTAL SCOPE 1 EMISSIONS	t	414,904	416,618	369,160
SCOPE 2 EMISSIONS				
location-based Scope 2 emissions (market based) (*****)	t	357,669 (271,973)	348,443 (291,578)	329,997 (285,073)
of which CO ₂ emissions from network leaks	t	97,301	88,853	84,291
SCOPE 3 EMISSIONS (*****)				
CO ₂ emissions deriving from the purchase of goods/services and works (*****)	t	31,701	26,674	30,183
emissions of CO ₂ from business travel	t	38	143	185
emissions of CO ₂ from gas volumes sold	t	346,567	337,895	348,557
CO ₂ emissions from the sale of electricity, location based (market based)	t	2,447,005 (2,555,276)	2,323,676 (2,210,141)	1,691,148 (1,082,862)
emissions of CO ₂ from Investee operating companies ("investments")	t	38,224	39,183	39,266
INTENSITY INDICES FOR GREENHOUSE-GAS EMISSIONS				
intensity indices of the GHG emissions	u.m.	2021	2022	2023
emissions of CO ₂ (Scope 1+ Scope 2)/Acea Group added value	(t/k€)	504.3	475.2	405.2
Scope 1 emissions of CO ₂ /gross production (*****)	(g/kWh)	381.1	458.1	366.1
Scope 2 CO ₂ emissions deriving from losses on the electrical energy distribution network/issued MWh	(t/MWh)	0.0099	0.0088	0.0086

Note: come figures for 2022 have been restated after consumption calculations. Emission factors for Scope 1 emissions are taken from the standard parameters – ISPRA data 2023, DEFRA 2023 and GHG Protocol-5th Assessment Report-AR5.

(*) The 2022 figures for the Tor di Valle and Terni plants have been adjusted after the ETS certification, while the 2023 figure is estimated pending certification by a third-party body for Tor di Valle and the definitive analyses for Terni.

(**) The figure includes the emissions of the ancillary services of the waste-to-energy plants, not strictly related to the production of electricity, of Acque Industriali, Aquaser, Berg and Demap.

(***) Data refers to uses of dryers and generators.

(****) These are the tonnes of equivalent CO₂ corresponding to the emissions of insulating SF₆ present in Areti's HV equipment (1 t of SF₆ equates to 23,500 t of CO₂, GHG Protocol-5th Assessment Report- AR5).

(***** In the last three years, the replenishment of HCFC fluids in the Group's plants was so small that it did not lead to significant CO₂ emissions.

(***** The indirect emissions (Scope 2) include all the Companies within the NFS scope. As an emission factor per unit of electricity consumed (t CO₂/MWh), for the location-based calculation the value of 0.315 was used for the three-year period, as per Terna's "International Comparisons" document. For the calculation of Scope 2 emissions using the market-based method, the residual mix coefficients are the following for 2021, 2022 and 2023, respectively: 0.4586, 0.4566 and 0.4572 (Source: AIB document "European Residual Mixes"). Emissions due to technical network losses in 2022 were restated, whereas the figure for 2023 was estimated.

(***** As of 2022 emissions from commuting are not calculated as the values are negligible.

(***** This value, estimated, refers to suppliers of goods, services and works. The 2023 figure is broken down as follows: 25,240 tonnes of CO₂ for suppliers of services and works and 4,943 tonnes of CO₂ for suppliers of goods.

(***** Scope 1 emissions included are those from power generation plants, including Ecogena. If the photovoltaic production of the investee company not consolidated on a line-by-basis were also taken into account, the indicator for the year would be 326.2 g/kWh.

WASTE



52% of waste recovered against total waste produced
(191,695 t/369,266 t)



83% ash recovered against total produced in waste-to-energy plants
(51,479 t/ 61,805 t)



81% of sludge recovered against total sludge produced by Acea Ato 2, Acea Ato, Gori, AdF and Gesesa
(124,782/154,903 t)

The chapter outlines **total waste produced by companies, according to segment**. Each Company has defined the streams for **process and non-process waste**. The latter category includes waste that

does not derive from production activity in a strict sense, and generally represents a minimal part of total waste, also having a very variable composition determined by non-recurring events.

Table no. 72 – Total waste produced (2021-2023)

waste produced	2021	2022	2023
	t		
total waste	366,019	383,812	369,266
hazardous	67,640	72,352	69,508
non-hazardous	298,379	311,460	299,759
detail by type of processing			
entirely recovered waste (*) (**)	158,747	178,054	191,695
entirely disposed of waste (***)	207,272	205,758	177,571
waste-to-energy	2,919	5,580	6,200
incineration	5,351	5,486	3,235
landfill and other disposal operations	199,002	194,692	168,137

(*) Waste sent for recovery in 2023 was divided as follows: 143,550 t for preparation for reuse, 44,463 t for recycling 3,682 t for other recovery operations.

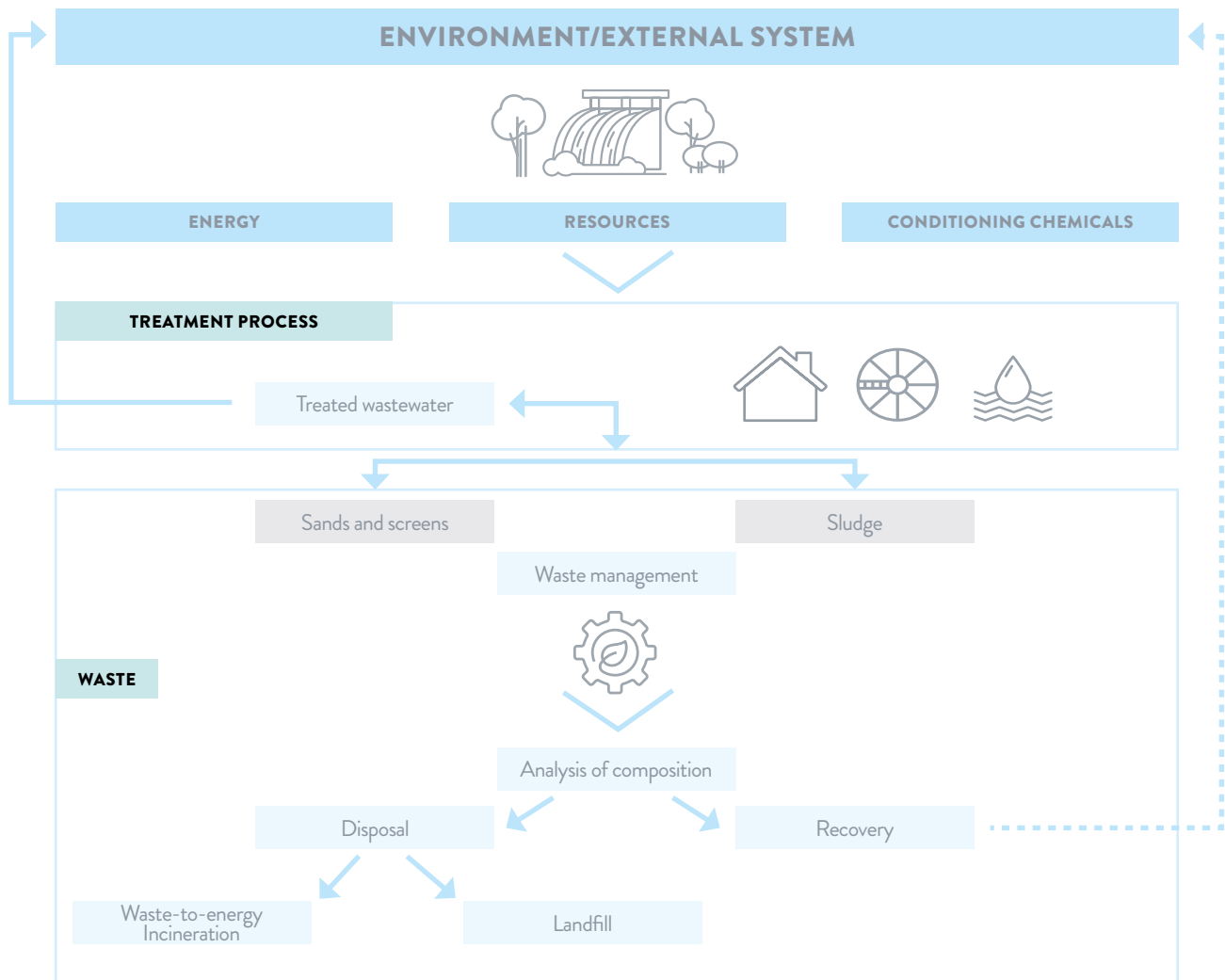
(**) In 2023, hazardous waste sent for recovery amounted to 51,898 t; non-hazardous waste amounted to 139,797 t.

(***) In 2023, no hazardous waste was sent to waste-to-energy plants or incineration. Non-hazardous waste sent to waste-to-energy plants was 6,200 t, while 3,235 t was sent for incineration. 17,610 t of hazardous waste and 150,526 t of non-hazardous waste was sent to landfill and other disposal operations.

WASTE FROM THE INTEGRATED WATER SYSTEM

In the Water Business, the production of waste largely corresponds with the production of **sludge from the treatment process**, and to a lesser extent, with **sand and screens** used in the same process. The former is essentially composed of water, biomass and a portion of chemical substances used for conditioning during drying, which helps to reduce the volumes of waste outputs. Sands and screens originate from the pre-treatment of wastewater, and contain plastic, aggregates and paper materials. The remainder is composed of

residual material from cleaning to maintain systems. This may include sludge from regeneration of cation-exchange resins. Chart no. 58 shows an example of waste streams for the water sector. All companies in the segment are involved in the **recovery of sludge** with **81% of all sludge produced recovered** (at 66% in 2022). Specifically, in 2023 AdF recovered 90%, Acea Ato 2 recovered 89%, Gori recovered 78% and Acea Ato 5 recovered 34%.

Chart no. 58 – Waste streams for the Water Business companies**Table no. 73 – Waste produced by Water Business companies (2021-2023)**

water business waste	2021	2022	2023
	t		
total waste	176,702	183,562	182,840
hazardous	379	208	193
non-hazardous	176,323	183,354	182,646
of which sludge, sand and screens	167,182	175,711	173,057
detail by type of processing			
entirely recovered waste	110,169	115,181	134,679
of which sludge, sand and screens for recovery (*)	108,767	113,595	131,661
entirely disposed of waste (**)	66,533	68,381	48,160
of which sludge, sand and screens for disposal (**)	58,415	62,116	41,395
waste-to-energy	2,919	1,304	438
incineration	5,351	5,486	3,235
landfill and other disposal operations	58,264	61,590	44,488

(*) In 2023, 124,782 t of sludge and 6,879 t of sand and screens were sent for recovery.

(**) In 2023, the following was sent for disposal: 30,121 t of sludge and 11,274 t of sand and screens.

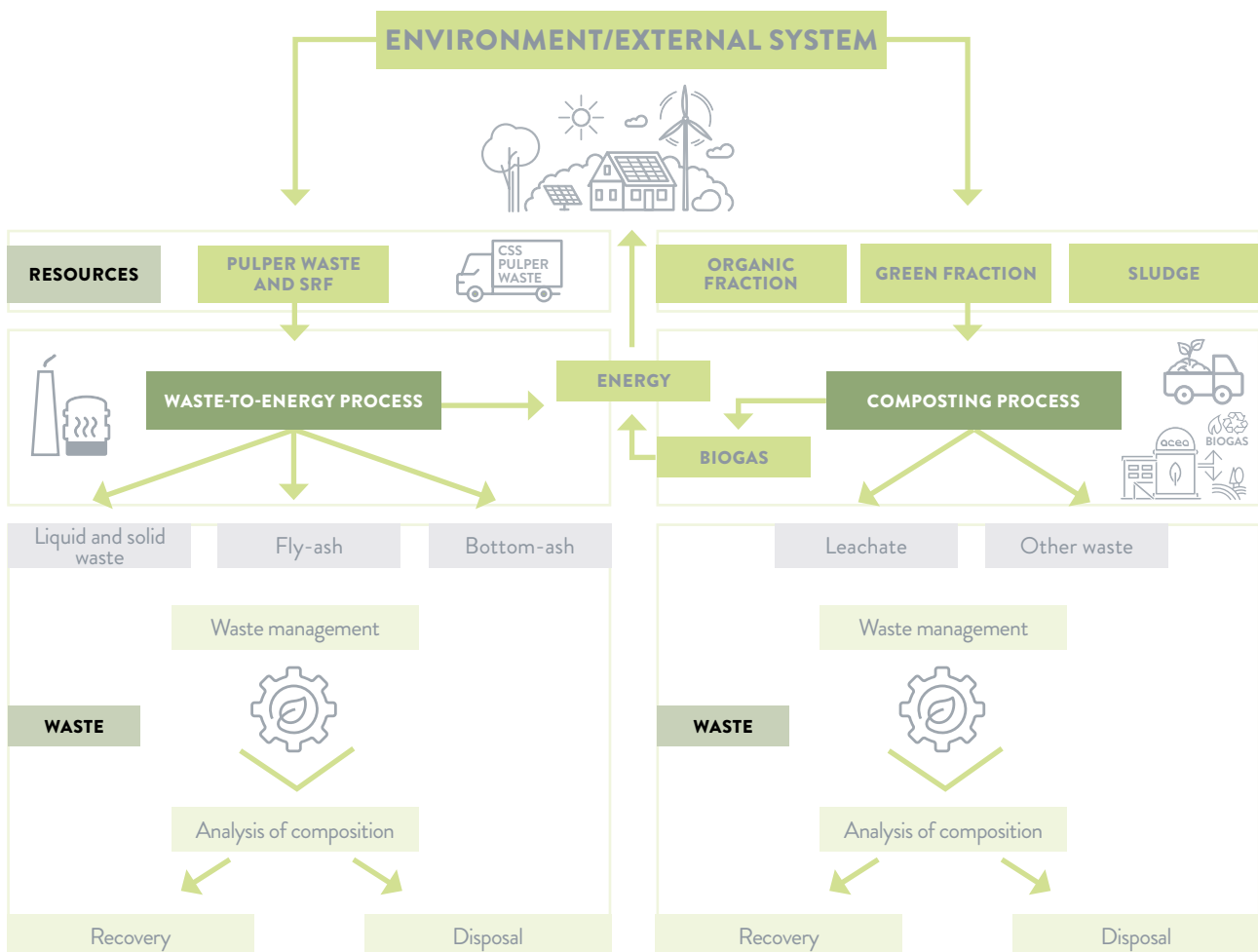
Aquaser acts as a broker **for certain Group water companies** (Acea Ato 2, Acea Ato 5 and AdF), carrying out the pick-up, transport and recovery/disposal of waste (solid and liquid), with identification of final-destination sites for special waste with regard to solid materials, and providing logistical services (pick-up, transport and discharge) for liquid waste that is handed over to authorised plants.

ENVIRONMENT BUSINESS WASTE

Waste streams in the Environment business are extremely diverse due to the range of types of plants and the broad spectrum of services provided by the Companies. Business activities can be grouped in the four macro categories: waste-to-energy, composting, treatment and management of liquid and solid waste and brokerage/transport. Details are provided for the first three, whereas, with regard to trans-

port and brokerage, reference is made to *Brokering and the Transport of Waste* in the paragraph *Waste-to-energy, composting, disposal of liquid waste and related services*. Waste-to-energy activity, with the plants of San Vittore del Lazio and Terni, produces the greatest quantity of waste, totalling 85,219 t in 2023. The majority of waste produced by these plants is fly-ash, bottom-ash and water from the buffer tank²⁴⁸. In 2023, **51,479 tonnes of ash were recovered** (approximately **83%** of the total). The Orvieto Ambiente hub, the Deco and Ecologica Sangro sites and the Acea Ambiente composting plants (Aprilia and Monterotondo Marittimo) produce leachate as their primary waste in terms of quantity, derived from stabilisation of waste and primarily sent for disposal (94%). As an example, streams of treatment, disposal and recovery for waste-to-energy and composting sites are illustrated in Chart no. 59. The treatment plants handling liquid waste of the Companies Acque Industriali, Berg and the Chiusi plant²⁴⁹, which primarily produce sludge.

Chart no. 59 – Main waste streams in the Environment Business (waste-to-energy and compost sites)



²⁴⁸ Water from buffer tanks or “water for technical purposes”, refers to liquid solutions used as a buffer for acidic components that develop during combustion of waste.

²⁴⁹ The waste from the Chiusi plant derive both from treatment of liquid waste and treatment of wastewater.

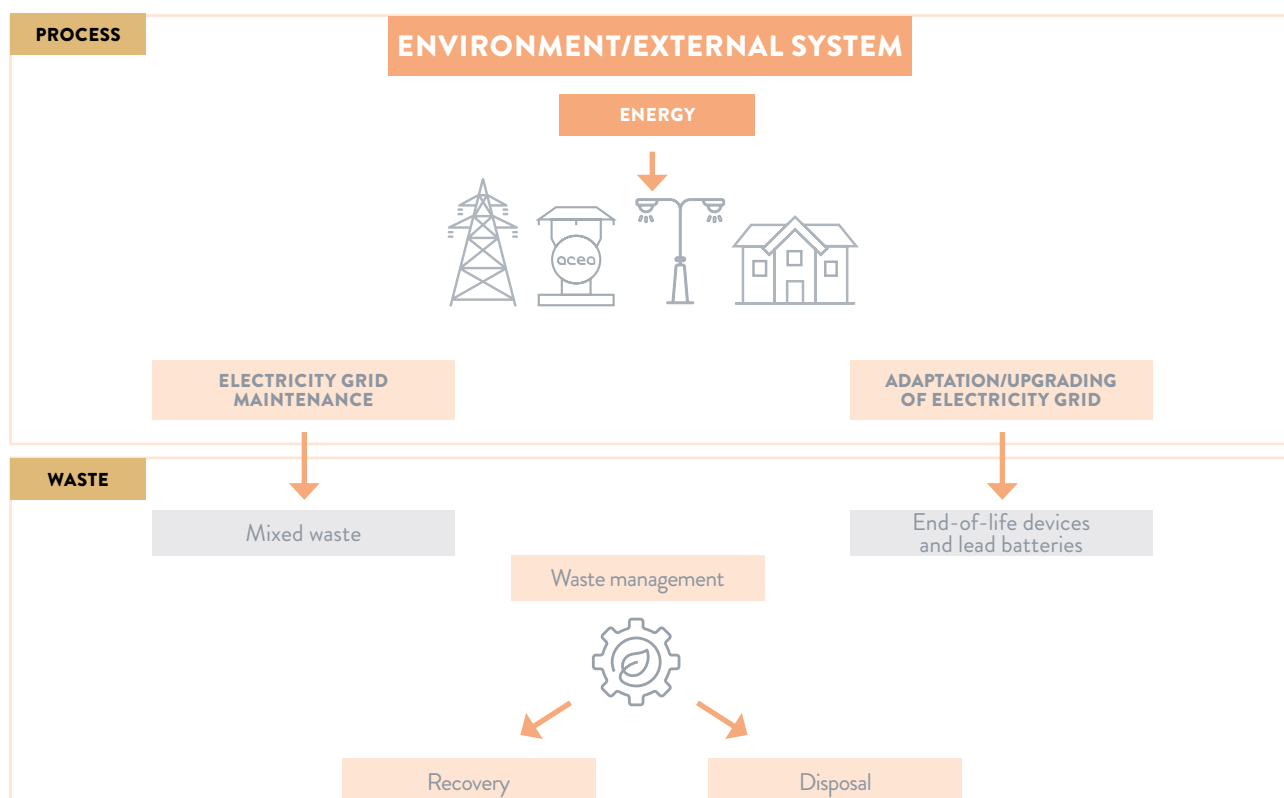
Table no. 74 – Waste produced by Environment Business companies (2021-2023)

Environment business waste	2021	2022	2023
	t		
total waste	186,291	197,348	184,204
hazardous	65,538	70,103	68,204
of which ash	59,142	63,645	61,805
non-hazardous	120,753	127,245	116,000
of which liquid waste (leachate and buffer water)	67,741	61,705	59,656
detail by type of processing			
entirely recovered waste	46,859	60,471	56,384
of which ash	43,425	52,782	51,479
entirely disposed of waste (*)	139,432	136,877	127,819
of which ash	15,717	10,863	10,326
of which sent to landfill and subject to other disposal operations	139,432	132,601	122,057

WASTE FROM DISTRIBUTION OF ELECTRICITY

Areti manages the distribution of electricity for Rome and Formello and primarily produces waste derived from the maintenance or replacement of infrastructure. No non-process waste is generally produced. Special waste, produced during activity performed

by contractors, is considered under the responsibility of the same and its collection and management is also their responsibility²⁵⁰. The waste flow generated by described activities are illustrated in Chart 60.

Chart no. 60 – Waste streams for Areti

²⁵⁰ This management occurs according to procedure (PRO00.11QAS "Waste Management") and the quantities produced are handed over for recovery or disposed of by authorised third parties.

Table no. 75 – Waste produced by the Areti Company (2021-2023)

Areti waste	2021	2022	2023
	t		
total waste	2,153	2,454	1,359
hazardous	1,645	1,996	1,036
non-hazardous	508	459	323
detail by type of processing			
entirely recovered waste	902	1,992	499
entirely disposed of waste (*)	1,251	463	860

MANAGEMENT AND MINIMISATION OF WASTE PRODUCED

The **circular economy** concept drives the shared goal pursued by all Group companies, who together contribute to the effort **to reduce waste**.

At Acea SpA²⁵¹, separated waste collection in 2023, was almost double the volumes reached in 2022, both for paper and plastic, thanks to the office restructuring, with the recovery of the materials used and less use being made of plastic folders and containers. In total, **approximately 780 tonnes of paper** and **560 tonnes of plastic** were sent for separated waste collection.

For example, the water companies aim to reduce the volume of sludge produced by implementing new drying lines, latest-generation centrifuges and other specific systems. These initiatives have a major impact in terms of the circular economy: reducing the water content of the sludge optimises opportunities to use it in material and/or energy processes and reduces disposal costs. The economic, environmental and social costs of transporting sludge are also lessened.

Acea Ato 2, in 2023, continued with the “**Sludge Management Plan**” a series of structural and strategic actions with the dual objective of reducing volumes of treatment sludge produced and exploiting the solid components both in terms of materials and energy. The range of different actions, rationalising the entire treatment segment and transforming large treatment plants into *hubs* for centralised sludge processing. In this context, a number of small treatment plants were decommissioned in the year as part of the centralisation measures. During the year, Acea Ato 2 achieved **a reduction of approximately 7.5%** in the volumes of sludge produced compared to 2022, due to the new thermal dryer coming into operation at the Roma Sud plant.

At the **Gori** sites, to reduce the overall quantity of waste, a number of interventions were undertaken to strengthen the treatment plants, thus reducing the quantity of sludge requiring landfill disposal.

At **AdF**, around 90% of the sludge produced in 2023 was sent for recovery through an authorised disposal company²⁵².

Waste from the majority of Group Companies is sent to external sites²⁵³.

Finally, for all Companies, waste is managed by companies outside the Group, with the exception of Acea Ato 2, Acea Ato 5 and AdF, which, as mentioned, handover their waste to Aquaser, in the role of broker with identification of final-destination sites²⁵⁴. The reliability of third parties is guaranteed by the mandatory **authorisation required by the specific regulations** to perform certain activities and by periodic checks on documentation.

The data and information on waste for the main Companies is managed with dedicated management software²⁵⁵. Quantitative data on waste disposed of derives from direct measurements taken using weighing systems, which are periodically calibrated and certified. For the Companies of the Environment business, in almost all cases there is a difference between the outgoing weights and incoming weights, due to the scales used for approximation in the systems adopted, in any case documented using the forms applicable by law. These Companies, including Acea Produzione, also conduct systematic checks on the legislative compliance of suppliers with regard to environmental issues.

In 2023, there were no significant releases of pollutants into the environment, such as mineral oils, fuels or chemical products.

251 This refers to the offices of Cedet, the headquarters in Piazzale Ostiense n.2 and the car park of the latter.

252 At Acea Ato 2, 89% of sludge was sent for recovery, with this at 78% for Gori and 34% for Acea Ato 5.

253 The Orvieto Ambiente plants and the Decoand Ecologica Sangro sites, which are plant hubs with internal waste streams and destinations, are exceptions.

254 Liquid waste from the plants of Acea Ato 2 are assigned to Aquaser solely for logistical services, being transported and discharged at plants authorised pursuant to art. 110 of Italian Legislative Decree 152/2006 managed by Acea Ato 2 itself.

255 With the exception of Gesesa and Areti, all companies have dedicated management software.

WATER COMPANY DATA SHEETS AND OVERSEAS ACTIVITIES

This chapter illustrates the activities of some Group companies not included in the scope of the *Consolidated Non-Financial Statement* (see *Disclosing sustainability: methodological note*). In particular, data and information are provided relating to the main operating Companies for the water sector in Umbria and Tuscany, consolidated using the equity method in the statutory financial statements, and to the companies that are active abroad in the same sector.

Water activities in Umbria and Tuscany

UMBRA ACQUE

Umbra Acque SpA is a company with predominantly public capital, 40% owned by Acea SpA, which manages the Integrated Water

Service in the area of the Integrated Water Services no. 1 and 2 of the Umbria Region, consisting of 38 Municipalities, of which 37 in the province of Perugia and 1 in the province of Terni, with a total population of around 490,000 inhabitants served.

MANAGEMENT SYSTEMS

Umbra Acque has an **Integrated Quality, Environment and Safety Management System (QAS)**, in compliance with the **UNI ISO 9001:2015, UNI ISO 14001:2015 and ISO 45001:2018** standards. It also holds the **SOA certification** for the **OG6** (in class III)²⁵⁶ and **OS22** (in class II)²⁵⁷ categories and **qualification for design and construction** (up to the VIII classification). The analysis laboratory is accredited according to the **UNI ISO/IEC 17025:2018** standard and for the purposes of monitoring drinking water.

QUALITY DELIVERED: MAIN INTERVENTIONS ON THE NETWORKS AND CONTROLS ON DRINKING WATER AND WASTE WATER

SIZE OF NETWORK, MAIN WORKS, METERS AND CHECKS ON DRINKING WATER AND NETWORKS (2023)

size of drinking-water network - data in GIS	6,410 km (1,379 km of supply network, 5,031 km of distribution)
type of work	
interventions due to network failure/leak detection	18,267 interventions (18,200 due to faults, 67 leak detection)
meter installations (new installation and replacement)	20,917 interventions (5,580 new installation, 15,337 replacements)
network extension	38.0 km of expanded network
network reclamation	51.7 km of reclaimed network
drinking water quality control	6,472 samples collected and 116,447 tests performed

SIZE OF NETWORK, WORKS AND CHECKS ON SEWERAGE WATER AND NETWORKS (2023)

size of sewerage network - data in GIS	1,982 km
type of work	
interventions due to network failure	912 interventions
planned interventions	41 interventions
network extension	70.0 km of expanded network
network reclamation	24.4 km of network under video inspection with in-house equipment and personnel
quality control on wastewater for sewerage networks	5,305 samples collected and 44,256 tests performed

HUMAN RESOURCES IN FIGURES

GENERAL DATA ON PERSONNEL (2022-2023)

(no.)	2022			2023		
	men	women	total	men	women	total
composition of the staff						
executives	5	0	5	5	0	5
managers	14	2	16	14	2	16
clerical workers	77	93	170	76	96	172
workers	212	1	213	209	1	210
total	308	96	404	304	99	403
contract type						
staff with permanent contract	288	92	380	296	94	390
<i>of which part-time staff</i>	0	7	7	0	7	7
permanent staff	19	4	23	6	5	11
staff under apprenticeship contracts	1	0	1	2	0	2
total	308	96	404	304	99	403
changes						
incoming staff	20	6	26	7	5	12
outgoing staff	8	4	12	11	2	13
turnover rate (%)	9.1	10.4	9.4	5.9	7.1	6.2
incoming rate (%)	6.5	6.3	6.4	2.3	5.1	3.0
outgoing rate (%)	2.6	4.2	3.0	3.6	2.0	3.2

256 Aqueducts, gas pipelines, oil pipelines, irrigation and evacuation systems.

257 Drinking water and water treatment plants.

INDUSTRIAL ACCIDENTS AND FREQUENCY AND SEVERITY INDICES (2022-2023)

	2022	2023
accidents (no.)	13	6
total days of absence	8,072	390
hours worked (*)	658,145	661,576
frequency index (FI) (number of accidents per 1,000,000/working hours) (*)	19.8	9.1
severity index (SI) (days of absence per 1,000/working hours) (*)	12.3	0.6

(*) The 2022 figure was updated following its consolidation subsequent to the submission to ACEA.

TRAINING 2022-2023

course type, hours provided and costs

course type	courses (no.)		training (hours)		costs (€)	
	2022	2023	2022	2023	2022	2023
advanced training	1	1	42	34	0	1,425
technical-specialised	120	86	4,849	2,406	115,935	84,242
legal	8	6	65	45	2,495	2,684
managerial	9	5	71	26	3,125	1,617
safety	31	27	2,802	3,740	36,752	43,132
total	169	125	7,829	6,251	158,307	133,100

employees trained

(no.)	2022			2023		
	men	women	total	men	women	total
	308	96	404	304	99	403

breakdown of training hours by qualification

executives	216	0	216	158	0	158
managers	313	74	387	244	1	245
clerical workers	1,468	2,029	3,497	858	770	1,628
workers	3,725	4	3,729	4,198	22	4,220

Training provided during the year covered **different topics**, such as legal requirements and responsibilities, monitoring and reporting on the National Recovery and Resilience Plan (NRRP), public tenders and contracts, sustainability, energy efficiency and water quality, biological treatment plants and water discharges-sewerage spillages, management of company waste, tariff method, water unbundling, internal control system and risk management, gender equality certification, new HR process to renew management software

(Employee Central), welders' certifications and CQC. Specifically important, the commitment by the technical and management area - SAP Asset Managers - and the Commercial and Operational Segments (Sales force training execution such as Sales force field service), with technical courses on digital skills focusing on new management software.

Furthermore, every year training on is provided on **safety** in compliance with applicable laws.

ENVIRONMENTAL ACCOUNTS

PRODUCTS AND ANALYTICAL TESTS

	u. m.	2021	2022	2023	Δ% 2023/2022
WATER BALANCE					
drinking water from the environment	Mm³	56.3	56.0	54.6	-2.5
from the surface	Mm ³	0	0	0	-
from wells	Mm ³	42.8	45.2	40.3	-10.8
from springs	Mm ³	10.2	8.1	11.9	46.9
of which water from other aqueduct systems	Mm ³	3.3	2.7	2.4	-11.1
total drinking water leaving the aqueduct system (c) = (a+b)	Mm³	31.0	31.7	31.2	-1.6
total drinking water dispensed and billed in the network (a)	Mm³	28.6	28.6	27.2	-4.9
measured volume of water delivered to users	Mm ³	28.6	28.6	27.2	-4.9
volume consumed by users and not measured	Mm ³	0	0	0	-
total drinking water authorised and not billed in the network (b)	Mm³	2.4	3.0	4.0	33.3
measured unbilled authorised consumption	Mm ³	0.7	0.5	1.4	180.0
unmeasured unbilled authorised consumption	Mm ³	1.7	2.5	2.6	4.0
LOSS ASSESSMENT ACCORDING TO ARERA RESOLUTION 917/17 R/IDR					
water leaks	Mm ³	25.3	24.3	23.43	-3.6
water loss percentages	%	44.9	43.3	42.9	-0.9
TREATED WASTE WATER					
water treated in the main treatment plants (*)	Mm³	59.3	45.5	43.8	-3.7
ANALYTICAL TESTS ON DRINKING WATER AND WASTE WATER					
no. analytical tests on drinking water	no.	116,891	116,419	116,447	-
of which no. analytical tests on surface water	no.	7,350	6,822	6,975	2.2
no. analytical tests on wastewater (**)	no.	42,404	42,160	44,256	4.0

(*) The 2021 figures are estimated. Figures for the 2022-2023 two-year period were partially measured (for treatment plants above 10,000 PE in 2022 and for those above 2,000 AE in 2023). The sharp decline in 2022 is due in part to the new reporting method and in part to the modest precipitation in 2022, which reduced the quantity of mixed water input.

(**) The figure includes analyses carried out at treatment plants and industrial waste.

RESOURCES USED	u. m.	2021	2022	2023	Δ% 2023/2022
COLLECTION, SUPPLY AND DISTRIBUTION OF DRINKING AND NON-DRINKING WATER					
materials					
sodium hypochlorite	t	93	87	92	5.7
sodium chloride	t	222	217	210	-3.2
hydrochloric acid	t	210	214	208	-2.8
aluminium polychloride	t	11	9	4	-55.6
phosphoric acid (10%)	t	0	0	0	-
WASTE WATER TREATMENT					
materials					
polyelectrolyte emulsion	t	95	138	126	-8.7
ferric chloride (40%)	t	114	201	165	-17.9
mineral oil and fats	t	0	0	0	-
OTHER CONSUMPTION					
drinking water (*)	m³	53,178	35,189	48,299	48.9
drinking water consumed for non-industrial water uses (offices, outside showers, etc.)	m ³	10,416	12,770	19,451	210.2
drinking water consumed for process water uses (washing machinery and bays, etc.)	m ³	42,762	22,419	28,848	10.2

(*) The 2022 figures were updated following their consolidation subsequent to the submission to ACEA. The 2023 figures reflect a sharp increase in the use of drinking water relating to the progressive return of staff to the office after the health emergency in previous years.

There are no active internal water reuse processes, but the Company has supplied 278,426 m³ of non-potable water for industrial use to two local businesses.

ENERGY CONSUMPTION (*)	u. m.	2021	2022	2023	Δ% 2023/2022
FUELS					
vehicle fuels					
diesel	l	456,600	444,900	407,662	-8.4
petrol	l	5,800	4,935	12,725	157.9
ELECTRICITY					
total electricity for drinking water	GWh	69.4	74.8	71.7	-4.1
electricity for water pumping stations	GWh	69.1	74.0	71.0	-4.1
electricity for offices	GWh	0.3	0.8	0.7	-12.5
total electricity for waste water	GWh	23.2	22.8	25.7	12.7
electricity for treatment	GWh	17.9	17.8	17.1	-3.4
electricity for pumping stations	GWh	5.2	4.9	5.5	12.2
electricity for offices	GWh	0.1	0.1	0.1	-

(*) The figures for the 2021-2022 two year period were adjusted after rounding off.

ENERGY EFFICIENCY (2021-2023)

action	energy savings achieved (kWh)		
	2021	2022	2023
extraordinary maintenance on plants	150,000	415,000	900,000

Energy efficiency maintenance work was carried out during 2023 at the following plants:

- replacement of electrical pump at the Murelli water system, Municipality of Perugia;
- revamping Raggio water system, Municipality of Gubbio;
- revamping oxidation system Montesperello treatment plant, Municipality of Magione;
- revamping oxidation system Genna treatment plant (line 30,000 PE), Municipality of Perugia.

WASTE	u. m.	2021	2022(**)	2023	Δ% 2023/2022
SPECIFIC WASTE FROM TREATMENT OF WASTE WATER					
treatment sludge (*)	t	13,868	17,974	11,641	-35.2
sand and sediment from treatment	t	1,353	1,645	961	-41.6
WASTE EXCLUDING SLUDGE AND SAND					
hazardous waste (***)	t	8.0	16.1	11.9	-26.1
non-hazardous waste	t	3,767	3,194	2,735	-14.4

(*) The item includes liquid sludge transported to other plants for the dewatering process, for a value of 2,525 t in 2021, 5,253 t in 2022 and 827 t in 2023.

(**) Some figures for 2022 have been updated following consolidation.

(**) The increase in 2022 is due to the exceptional disposal of vehicles and company cars.

TOTAL COD IN INPUT AND OUTPUT (2021-2023)

(t/year)	2021	2022	2023
COD _{in}	13,401	12,395	15,692
COD _{out}	1,556	1,711	1,244

OUTPUT PARAMETERS FOR THE MAIN TREATMENT PLANTS (2021-2023)

parameter	average values (mg/l) 2021	average values (mg/l) 2022	average values (mg/l) 2023
BOD ₅ (*)	12.3	12.9	12.3
COD	21.0	21.0	17.9
SST	12.0	13.7	8.5
NH ₄ ⁺	2.0	2.0	1.3
phosphorous	2.0	1.9	1.8

(*) The output BOD₅ value is expressed with the value of the limit of quantification (LOQ) equal to 12.3, resulting in all analytical calculations being lower than this value.

PURIFICATION EFFICIENCY OF THE MAIN TREATMENT PLANTS (2021-2023)

parameter	average values (%) 2021	average values (%) 2022	average values (%) 2023
$100 \times (\text{COD}_{\text{in}} - \text{COD}_{\text{out}}) / \text{COD}_{\text{in}}$	88.4	91.3	92.6
$100 \times (\text{SST}_{\text{in}} - \text{SST}_{\text{out}}) / \text{SST}_{\text{in}}$	95.7	93.4	95.8
$100 \times (\text{NH}_4^+_{\text{in}} - \text{NH}_4^+_{\text{out}}) / \text{NH}_4^+_{\text{in}}$ (*)	93.8	93.1	94.8
$100 \times (\text{P}_{\text{in}} - \text{P}_{\text{out}}) / \text{P}_{\text{in}}$ (*)	35.0	27.8	26.5

(*) Umbra Acque does not detect phosphates leaving treatment plants, as the standard does not establish a limit, but rather total phosphorus as specified in Table 2 of Annex 5 to Part III of the Consolidated Environmental Law (TUA), with more stringent monitoring of the nutrient discharged into surface water bodies.

PUBLIACQUA

Publiacqua SpA is a mixed ownership Company with a majority public interest, owned by Acea through Acque Blu Fiorentina SpA, which manages the Integrated Water Service in the area of Optimal Territorial Conference no. 3 – Medio Valdarno, with a total population of over 1.2 million citizens served.

MANAGEMENT SYSTEMS

Publiacqua has implemented the **Integrated Quality, Environment, and Safety (QAS) Management System**, which complies with **UNI EN ISO 9001:2015, 14001:2015 and 45001:2018** standards for the primary operating activities. It is certified for the **Anti-Bribery Management System UNI ISO 37001:2016**, and the analysis laboratory is accredited in accordance with **UNI ISO/IEC 17025:2005**.

QUALITY DELIVERED: MAIN INTERVENTIONS ON THE NETWORKS AND CONTROLS ON DRINKING WATER AND WASTE WATER**SIZE OF NETWORK, MAIN WORKS, METERS AND CHECKS ON DRINKING WATER AND NETWORKS (2023)**

size of drinking-water network - data in GIS	6,906 km (1,233 km of supply network, 5,673 km of distribution)
TYPE OF WORK	
interventions due to network failure/leak detection	15,304 interventions (13,426 due to fault reporting, 1,878 due to leak detection activities)
meter installations (new installation and replacement)	4,938 interventions (2,698 new installation, 2,240 replacements due to faults/breakages) and 7,403 massive replacements with contract
network extension	2.45 km of expanded network
network reclamation	34.03 km of reclaimed network
drinking water quality control	9,294 samples collected and 333,791 tests performed

SIZE OF NETWORK, WORKS AND CHECKS ON SEWERAGE WATER AND NETWORKS (2023)

size of sewerage network - data in GIS	3,872.90 km
TYPE OF WORK	
interventions due to network failure	5,281 interventions
planned interventions	2,505 interventions
network extension	3.31 km of expanded network
network reclamation	12.05 km of reclaimed network
quality control on wastewater for sewerage networks	3,410 samples collected and 62,156 tests performed

HUMAN RESOURCES IN FIGURES

GENERAL DATA ON PERSONNEL (2022-2023)

(no.)	2022			2023		
	men	women	total	men	women	total
composition of the staff						
executives	3	1	4	4	1	5
managers	14	8	22	15	8	23
clerical workers	184	156	340	182	156	338
workers	269	3	272	274	3	277
total	470	168	638	475	168	643
contract type						
staff with permanent contract	421	153	574	425	160	585
<i>of which part-time staff</i>	3	7	10	3	8	11
permanent staff	6	2	8	10	7	17
staff under apprenticeship contracts	37	0	37	35	1	36
total	464	155	619	470	168	638
changes						
incoming staff	44	25	69	33	6	39
outgoing staff	39	11	50	27	7	34
turnover rate (%)	17.7	21.4	18.6	12.6	7.7	11.3
incoming rate (%)	9.4	14.9	10.8	6.9	3.6	6.1
outgoing rate (%)	8.3	6.5	7.8	5.7	4.2	5.3

INDUSTRIAL ACCIDENTS AND FREQUENCY AND SEVERITY INDICES (2022-2023)

	2022	2023
accidents (no.) (*)	8	10
total days of absence (**)	217	343
hours worked (***)	1,033,301	1,062,287
frequency index (FI) (number of accidents per 1,000,000/working hours)	7.74	9.41
severity index (SI) (days of absence per 1,000/working hours)	0.21	0.32

(*) Accidents with effects lasting for more than one day are considered.

(**) The value also excludes days of absence related to persistent or reopened injuries from previous years.

(***) This is the sum of ordinary and overtime hours.

TRAINING 2022-2023

course type, hours provided and costs

course type	courses (no.)		training (hours)		costs (€)	
	2022	2023	2022	2023	2022	2023
advanced training (*)	0	0	0	0	0	0
IT	2	4	24	104	2,100	4,887
technical-specialised	112	94	5,593	7,901	61,250	67,948
managerial	4	19	490	3,000	27,290	138,902
administrative-managerial	30	46	1,924	2,838	95,300	43,972
safety	40	42	2,725	3,183	50,823	49,066
total	188	205	10,756	17,026	236,763	304,775

employees trained (**)

(no.)	2022			2023		
	men	women	total	men	women	total
	503	180	683	478	168	646
breakdown of training hours by qualification						
executives	104	21	125	56	0	56
managers	217	191	408	334	487	821
clerical workers	1,622	1,322	2,960	3,593	3,462	7,055
workers	7,227	43	7,263	9,001	93	9,094

(*) The advanced training courses provided to employees are managed by Acea SpA, which bears the costs.

(**) Figures are higher because they also include employees who left before the year.

In addition to the mandatory training jointly decided with the Prevention and Protection Service Manager (RSPP), an investigation was conducted when drawing up the Plan, involving organisational structure managers to assess their requirements.

The changes included, a course for managers on the topic of **Diversity & Inclusion**, outlining international and external scenarios, starting with **inclusive leadership**. In this context, all staff was offered a detailed online training course on **inclusive communication**, dealing with stereotypes and prejudices, as well the corporate inclusive vision and mission.

Team building events were also held, involving around 150 people, including the entire structure staff component, with a maximum of 25 people per function, and representative groups for the larger

functions. All functions undertook an external training day on emotional development, collaboration and nurturing team spirit.

Additional training courses were provided during the year on the following topics: **Cyber Security** and **Data Protection**; **specialist training** referring to amendments to legislation for the different organisational functions; updates and applications referring to legislation on the new **Public Contracts Code**; **safety** and **first aid**; **Italian Legislative Decree no. 231/anti-corruption**.

Finally, a course was held on the secure use of **ABB Drive Service devices**, which have made it possible for the company to become independent in managing, maintaining, operating and replacing the technical equipment supplied on an exclusive basis by the relevant company.

ENVIRONMENTAL ACCOUNTS

PRODUCTS AND ANALYTICAL TESTS

	u. m.	2021	2022 (*)	2023 (**)	Δ% 2023/2022
WATER BALANCE					
drinking water from the environment	Mm³	147.0	143.9	141.2	-1.9
from the surface	Mm ³	93.5	93.0	91.2	-1.9
from wells	Mm ³	43.5	41.1	40.4	-1.7
from springs	Mm ³	9.3	9.1	8.9	-2.2
of which water from other aqueduct systems	Mm ³	0.66	0.70	0.71	1.4
total drinking water leaving the aqueduct system (e) = (a+b+c+d)	Mm³	87.9	86.9	86.4	-0.6
total drinking water dispensed and billed in the network (a)	Mm³	78.8	80.1	79.1	-1.2
measured volume of water delivered to users	Mm ³	78.1	79.2	78.2	-1.3
volume consumed by users and not measured	Mm ³	0.66	0.95	0.95	-
total drinking water authorised and not billed in the network (b)	Mm³	0.4	0.53	0.56	5.7
measured unbilled authorised consumption	Mm ³	0	0.13	0.16	23.1
unmeasured unbilled authorised consumption	Mm ³	0.4	0.4	0.4	-
drinking water exported (sub-distributors) (c)	Mm³	0.9	0.005	0.008	60.0
measured process losses (d)	Mm³	7.8	6.3	6.7	6.3
LOSS ASSESSMENT ACCORDING TO ARERA RESOLUTION 917/17 R/IDR					
water leaks (***)	Mm ³	59.1	57.0	54.8	-3.9
water loss percentages	%	40.2	39.6	38.8	-2.0
TREATED WASTE WATER					
water treated in the main treatment plants	Mm³	98.3	93.0	91.2	-1.9
ANALYTICAL TESTS ON DRINKING WATER AND WASTE WATER					
no. analytical tests on drinking water	no.	296,620	319,572	333,791	4.4
of which no. analytical tests on surface water (****)	no.	24,949	29,435	31,953	8.5
no. analytical tests on waste water	no.	38,676	55,794	62,156	11.4

(*) Some figures for 2022 have been updated following consolidation.

(**) The 2023 figures are estimated.

(***) The value of the water losses coincides with the "total lost volume (WLtot)" and includes the unmeasured treatment losses, the supply losses and the total distribution water losses.

(****) Analysis of crude surface water (untreated).

RESOURCES USED	u. m.	2021	2022 (*)	2023	Δ% 2023/2022
COLLECTION, SUPPLY AND DISTRIBUTION OF DRINKING AND NON-DRINKING WATER					
materials					
sodium hypochlorite	t	1,097	1,160	959	-17.3
sodium chloride	t	349	409	478	16.9
hydrochloric acid	t	402	429	491	14.4
flocculant	t	5,015	4,590	4,341	-5.4
purate	t	414	345	323	-6.4
sulphuric acid	t	608	528	522	-1.1
oxygen	t	76	19	27	42.1
acetic acid	t	112	65	85	30.8
carbon dioxide (excluding drinking fountains)	t	648	740	712	-3.8
ferrous chloride	t	37	27	36	33.3
phosphoric acid	t	18	16	20	25.0
WASTE WATER TREATMENT					
materials					
polyelectrolyte emulsion	t	307	323	113	-65.0
sodium hypochlorite	t	64	48	60	25.0
peracetic acid, caustic soda, polyamine/anti-foaming agent	t	12	12	6	-50.0
polyaluminium chloride (PAC)	t	4,122	3,196	3,329	4.2
lime	t	693	568	56	-90.1
acetic acid 80%	t	684	765	868	13.5
OTHER CONSUMPTION					
drinking water	m³	275,109	191,432	199,125	4.02

(*) Some figures for 2022 have been updated following consolidation.

ENERGY CONSUMPTION	u. m.	2021	2022 (*)	2023	Δ% 2023/2022
FUELS					
process fuels - wastewater					
methane	Sm ³	90,195	93,889	66,882	-28.8
biogas produced	m ³	593,478	562,421	494,273	-12.1
heating fuels					
methane	Sm ³	60,641	63,125	48,130	-23.7
diesel fuel	l	5,000	4,125	4,000	-3.0
lpg	l	1,750	2,170	2,150	-0.9
vehicle fuels					
diesel	l	360,131	363,564	345,133	-5.1
petrol	l	26,172	28,515	31,690	11.1
ELECTRICITY					
total electricity for drinking water	GWh	71.2	72.6	71.7	-1.2
electricity for water pumping stations	GWh	69.6	70.6	69.9	-1.0
electricity for offices	GWh	1.6	2.0	1.8	-10.0
total electricity for waste water	GWh	35.0	35.8	35.1	-2.0
electricity for treatment	GWh	30.5	30.5	30.7	0.7
electricity for pumping stations	GWh	4.4	5.2	4.3	-17.3
electricity for offices	GWh	0.1	0.1	0.1	-

(*) Some figures for 2022 have been updated following consolidation

In 2023, energy efficiency work was carried out to reduce consumption on distribution networks.

ENERGY EFFICIENCY (2021-2023)

action	energy savings achieved (kWh)				
		2021		2022	2023
network efficiency improvement		3,195,000		1,500,000	830,000
Soa Coverciano – Power quality management		-		3,990	-
offices relamping		-		250,000	-
WASTE	u.m.	2021	2022 (*)	2023	Δ% 2023/2022
SPECIFIC WASTE FROM TREATMENT OF WASTE WATER					
treatment sludge	t	30,873	29,731	24,572	-21.0
sand and sediment from treatment	t	1,296	1,054	1,406	33.4
waste pursuant to Italian Legislative Decree no. 152/06 excluding sludge and sand					
hazardous waste	t	83.6	26.6	49.6	86.5
non-hazardous waste	t	8,009	7,591	9,035	19.0

(*) Some figures for 2022 have been updated following consolidation.

TOTAL COD IN INPUT AND OUTPUT - SAN COLOMBANO TREATMENT PLANT (2021-2023)

(t/year)	2021	2022 (*)	2023
COD _{in}	14,851	13,755	13,696
COD _{out}	1,691	1,468	1,233

(*) Some figures for 2022 have been updated following consolidation.

OUTPUT PARAMETERS – SAN COLOMBANO TREATMENT PLANT (2021-2023) (*)

parameter	average values (mg/l) 2021	average values (mg/l) 2022	average values (mg/l) 2023
BOD ₅	2.1	2.3	2.7
COD	15.6	15.8	13.5
SST	4.9	4.9	7.0
NH ₄ ⁺	1.0	0.8	0.8
phosphorous	0.7	0.8	0.7

(*) The San Colombano waste water treatment plant (600,000 population equivalent) treats about half of Publiacqua's global waste water.

OUTPUT PARAMETERS FOR THE MAIN TREATMENT PLANTS (2021-2023) (*)

parameter	average values (mg/l) 2021	average values (mg/l) 2022 (**)	average values (mg/l) 2023
BOD ₅	2.1	2.3	2.5
COD	17.1	16.5	13.5
SST	4.7	4.8	6.2
NH ₄ ⁺	1.1	1.1	0.9
phosphorous	0.8	0.9	0.8

(*) The figures include 39 treatment plants, including San Colombano, which treat a total of 98% of wastewater and 96% of the organic load (COD) of Publiacqua.

(**) Some figures for 2022 have been updated following consolidation.

PURIFICATION EFFICIENCY SAN COLOMBANO TREATMENT PLANT (2021-2023)

parameter	average values (%) 2021	average values (%) 2022	average values (%) 2023
$100 \times (\text{COD}_{\text{in}} - \text{COD}_{\text{out}}) / \text{COD}_{\text{in}}$	93.2	87.4	89.9
$100 \times (\text{SST}_{\text{in}} - \text{SST}_{\text{out}}) / \text{SST}_{\text{in}}$	92.3	91.2	88.4
$100 \times (\text{NH}_4^+_{\text{in}} - \text{NH}_4^+_{\text{out}}) / \text{NH}_4^+_{\text{in}}$	95.8	97.3	96.8
$100 \times (\text{PO}_4^{3-}_{\text{in}} - \text{PO}_4^{3-}_{\text{out}}) / \text{PO}_4^{3-}_{\text{in}}$	72.7	73.7	74.6

PURIFICATION EFFICIENCY OF THE MAIN TREATMENT PLANTS (2021-2023) (*)

parameter	average values (%) 2021	average values (%) 2022 (**)	average values (%) 2023
$100 \times (\text{COD}_{\text{in}} - \text{COD}_{\text{out}}) / \text{COD}_{\text{in}}$	88.4	89.3	91.0
$100 \times (\text{SST}_{\text{in}} - \text{SST}_{\text{out}}) / \text{SST}_{\text{in}}$	93.9	92.7	90.8
$100 \times (\text{NH}_4^+_{\text{in}} - \text{NH}_4^+_{\text{out}}) / \text{NH}_4^+_{\text{in}}$	95.8	96.7	96.7
$100 \times (\text{PO}_4^{3-}_{\text{in}} - \text{PO}_4^{3-}_{\text{out}}) / \text{PO}_4^{3-}_{\text{in}}$	73.0	73.4	74.3

(*) The figures include 39 treatment plants, including San Colombano, which treat a total of 98% of wastewater and 96% of the organic load (COD) of Publiacqua.

(**) Some figures for 2022 have been updated following consolidation.

ACQUE

Acque SpA manages the Integrated Water Service in the area of Optimal Territorial Conference 2 Lower Valdarno on the basis of the concession agreement issued by the Autorità Idrica Toscana (AIT), consisting of 55 Municipalities in the provinces of Pisa, Lucca, Florence, Pistoia and Siena, with a total population of over 761,000 user accounts served.

During the year, the merger by incorporation took place of Acque Servizi Srl into Acque SpA, following which, the 2023 figures referring to human resources, training, accidents and energy consumption include the information for Acque Servizi SpA.

MANAGEMENT SYSTEMS

Acque has implemented and certified an **Integrated Management System for Quality, Environment, Safety, Energy Efficiency and Social Responsibility, Road Safety and the Prevention of Corruption**. In addition, the laboratory is accredited pursuant to the **UNI CEI EN ISO/IEC 17025:2018** standard and the Pagnana treatment plant in Empoli has **EMAS IV registration**.

QUALITY DELIVERED: MAIN INTERVENTIONS ON THE NETWORKS AND CONTROLS ON DRINKING WATER AND WASTE WATER

SIZE OF NETWORK, MAIN WORKS, METERS AND CHECKS ON DRINKING WATER AND NETWORKS (2023)

size of drinking-water network - data in GIS(*)	6,186 km
TYPE OF WORK	
interventions due to network failure/leak detection	12,821 interventions (11,888 due to faults, 933 leak detection)
meter installations (new installation and replacement)	28,408 interventions (6,438 new installation, 21,970 replacements)
network extension	4.8 km of expanded network
network reclamation	45.5 km of reclaimed network
drinking water quality control	11,177 samples collected and 312,817 tests performed

SIZE OF NETWORK, WORKS AND CHECKS ON SEWERAGE WATER AND NETWORKS (2023)

size of sewerage network (*) - data in GIS	3,114 km
TYPE OF WORK	
interventions due to network failure	3,748 interventions
planned interventions	1,685 interventions
network extension	26 km of expanded network
network reclamation	8.5 km of reclaimed network
quality control on wastewater for sewerage networks	8,723 samples collected and 105,894 tests performed

(*) Estimated figure equal to the figure for 2022.

HUMAN RESOURCES IN FIGURES

GENERAL DATA ON PERSONNEL (2022-2023)

(no.)	2022			2023		
	men	women	total	men	women	total
composition of the staff						
executives	2	2	4	3	2	5
managers	8	4	12	9	5	14
clerical workers	103	167	270	141	178	319
workers	157	1	158	260	1	261
total	270	174	444	413	186	599
contract type						
staff with permanent contract	259	173	432	396	181	577
of which part-time staff	2	34	36	3	39	42
permanent staff	1	1	2	3	5	8
staff under apprenticeship contracts	10	0	10	14	0	14
total	270	174	444	413	186	599
changes						
incoming staff	30	15	45	28	10	38
outgoing staff	14	6	20	13	6	19
turnover rate (%)	16.3	12.1	14.6	9.9	8.6	9.5
incoming rate (%)	11.1	8.6	10.1	6.8	5.4	6.3
outgoing rate (%)	5.2	3.5	4.5	3.1	3.2	3.2

The increase in the staff component from 444 units in 2022 to 599 in 2023, mainly refers to the merger of Acque Servizi Srl into Acque SpA referred to above. Certain activities were also internalised by Le Soluzioni Scarl, with the consequent acquisition of staff and new hires.

INDUSTRIAL ACCIDENTS AND FREQUENCY AND SEVERITY INDICES (2022-2023)

	2022	2023
accidents (no.) (*)	7	5
total days of absence (**)	317	178
hours worked	667,351	943,191
frequency index (FI) (number of accidents per 1,000,000/working hours)	10.49	5.30
severity index (SI) (days of absence per 1,000/working hours)	0.48	0.19

(*) Considering typical occupational accidents and other accidents due to causes not pertaining to work (excluding commuting). In 2023, there was one occupational related accident, with the others referring to causes not pertinent to work or taking place in places not relevant to the workplace (e.g. public roads).

(**) The value also excludes days of absence related to persistent or reopened injuries from previous years.

TRAINING 2022-2023

course type, hours provided and costs (*)

course type	courses (no.)		training (hours)		costs (€)	
	2022	2023	2022	2023	2022	2023
IT	4	8	1,000	1,046	1,320	0
new hires	1	1	2,162	3,495.75	0	0
technical-specialised	35	72	1,857	4,791.75	29,600	16,176
managerial	4	10	311	1,470.5	2,800	3,900
safety	27	40	3,325	6,268.5	21,208	31,860
environment	3	1	50	4	2,701	110
cross-cutting	9	12	311	452.5	6,386	4,780
training pursuant to Legislative Decree no. 231/01	1	3	41	190	0	1,336
e-learning training	11	1	77	124	0	0
total	95	148	9,134	17,843	64,015	58,162

employees trained

(no.)	2022			2023		
	men	women	total	men	women	total
	274	161	435	406	180	586

breakdown of training hours by qualification

executives	99.5	70.5	170	217	130	347
managers	229.5	112.5	342	564	216.5	780.5
clerical workers	3,251	3,610	6,861	3,761.75	6,423.5	10,185.25
workers	1,740	21	1,761	6,508.75	21.5	6,530.25

(*) Emergency tests are excluded; by new hires, we mean the coaching of new staff by more experienced workers. E-learning training and training on the integrated management system accessible via the Acea Group On-Boarding.

ENVIRONMENTAL ACCOUNTS

PRODUCTS AND ANALYTICAL TESTS

	u. m.	2021	2022	2023	Δ% 2023/2022
WATER BALANCE (*)					
drinking water from the environment	Mm³	74.4	73.5	73.5	-
from the surface	Mm ³	3.1	3.1	3.1	-
from wells	Mm ³	57.5	57.7	57.7	-
from springs	Mm ³	6.3	5.5	5.5	-
of which water from other aqueduct systems	Mm ³	7.5	7.2	7.2	-
total drinking water leaving the aqueduct system (e) = (a+b+c+d)	Mm³	47.3	47.0	47.0	-
total drinking water dispensed and billed in the network (a)	Mm³	44.2	43.3	43.3	-
measured volume of water delivered to users	Mm ³	43.9	43	43	-
volume consumed by users and not measured	Mm ³	0.3	0.3	0.3	-
total drinking water authorised and not billed in the network (b)	Mm³	0.3	0.3	0.3	-
measured unbilled authorised consumption	Mm ³	0.1	0.02	0.02	-
unmeasured unbilled authorised consumption	Mm ³	0.2	0.3	0.3	-
drinking water exported to other systems (c)	Mm³	1.2	1.2	1.2	-
measured process losses (d)	Mm³	1.6	2.2	2.2	-

LOSS ASSESSMENT ACCORDING TO ARERA RESOLUTION 917/17 R/IDR

water leaks	Mm ³	27.1	26.8	26.8	-
water loss percentages	%	36.7	36.5	36.5	-
TREATED WASTE WATER					
water treated in the main treatment plants	Mm³	44.6	41.9	45.2	7.9
ANALYTICAL TESTS ON DRINKING WATER AND WASTE WATER					
no. analytical tests on drinking water (including analytical tests on surface water)	no.	297,342	362,759	312,817	-13.8
no. analytical tests on waste water	no.	122,803	116,775	105,894	-9.3

(*) The figures for 2022 have been restated after the consolidation. The 2023 figures are estimated to be equal to those for 2022.

RESOURCES USED	u. m.	2021	2022	2023	Δ% 2023/2022
COLLECTION, SUPPLY AND DISTRIBUTION OF DRINKING AND NON-DRINKING WATER (*)					
materials					
laboratory reagents (chemical section and microbiological section)	t	2	2	2	-
sodium hypochlorite	t	231	240	258	7.5
hydrochloric acid	t	339	343	445	29.7
potassium permanganate	t	4	5	4	-20.0
aluminium polychloride	t	194	210	198	-5.7
DREFLO 908 PG powder	t	0	1	0.85	-15.0
salt in bags	t	1	0	1	-
sodium chloride	t	362	341	407	19.4
caustic soda	t	1	2	1	-50.0
citric acid	t	1	0	0.71	-
alifons L	t	0	0.05	0.09	80.0
oxalic acid	t	0	0.025	0	-100
sodium hydroxide sol. 30%	t	0	0.25	2	300.0
DRYFLOC™ Polyelectrolyte EM494SFC	t	0	0.10	0.90	800.0
WASTE WATER TREATMENT					
materials					
polyelectrolyte emulsion	t	194	194	151	-22.2
aluminium polychloride	t	8	6	0	-100
ferric chloride for sludge dehydration	t	546	570	392	-31.2
sodium hypochlorite for final disinfection	t	11	42	105	150.0
acetic acid	t	0.05	0	0	-
sulphuric acid	t	0	0	0	-
caustic soda (sodium hydroxide) - Solvay	t	1	0	0	-
citric acid removed	t	0.05	0.15	0	-100
biotek base L - biological reactivator	t	0	0	0	-
biotek clar - biological reactivator	t	0.3	0	0	-
desmell Bio L - odorogenic emissions treatment	t	0.1	0.1	0	-100
nutrients	t	1,320	867	912	5.2
hydrochloric acid 9%	t	0	0.5	0.3	-40.0
OTHER CONSUMPTION (*)					
drinking water	m³	295,508	320,865	320,865	-
drinking water consumed for non-industrial water uses (offices, outside showers, etc.)	m ³	225,835	306,135	306,135	-
drinking water consumed for process water uses (washing machinery and bays, etc.)	m ³	69,673	14,730	14,730	-

(*) The 2022 figures have been restated following consolidation and differ from those previously published. The 2023 figures are estimated to be equal to those for 2022.

In 2023, Acque **reused** approximately **448,094 m³** of water, equally divided between **recovered water for washing the sheets** of the sludge dehydration equipment (belt presses) and **water used for backwashing the filters** at the Pollino (LU) water plant. Because it

was not possible to determine the quantity of reused water during the last year at the Pollino plant due to a fault with the meter, the figure for this year has doubled.

ENERGY CONSUMPTION (*)	u.m.	2021	2022	2023	Δ% 2023/2022
FUELS					
process fuels - drinking water/non-drinking water					
diesel fuel	l	2,050	1,100	2,500	127.3
process fuels - wastewater					
diesel fuel	l	500	550	0	-100
heating fuels					
methane	Sm ³	55,583	49,576	55,559	12.0
lpg	l	17,847	11,130	9,128	-18.0
vehicle fuels					
diesel	l	240,882	247,012	569,628	130.6
petrol	l	26,950	44,215	51,884	17.3
methane	kg	15,308	9,589	13,573	41.5
ELECTRICITY (**)					
total electricity for drinking water	GWh	51.0	53.3	52.8	-0.9
electricity for water pumping stations	GWh	50.3	52.6	52.1	-1.0
electricity for offices	GWh	0.7	0.7	0.7	-
total electricity for waste water	GWh	31.9	30.3	30.5	0.7
electricity for treatment	GWh	24.5	23.9	24.5	2.5
electricity for pumping stations	GWh	7.0	6.0	5.6	6.7
electricity for offices	GWh	0.4	0.4	0.4	-

(*) The 2023 figure referring to energy fuels includes consumption for Acque Servizi Srl based on the aforementioned merger with Acque SpA.

(**) The 2023 figures are estimated, based on the invoices received at 31.01.2024.

A project was launched towards the end of 2022 to improve the procurement of energy via renewable sources. The following objectives were achieved in 2023:

- work was undertaken to install a turbine at the Montecatini water plant, which should be completed by the end of February 2024;

- the design of a photovoltaic field was completed for the Pagani-co (LU) water plant, with the tender awarded.
- the necessary information was obtained to apply for white certificates and the preliminary assessment application was sent to the GSE.

ENERGY EFFICIENCY (2021-2023)

action	energy savings achieved (kWh)		
	2021	2022 (*)	2023 (**)
Pieve a Nievole (PT) inter-municipal treatment plant: implementation of microbubbles oxidative section Line 2	303,095	331,916	0
treatment plant via Hangar Pontedera (PI): implementation of microbubbles oxidative section	208,020	198,328	0
La Fontina (PI) treatment plant: replacement of air distribution plates lines 1 and 2	472,605	589,760	0
C.le Caldaccoli (PI) – replacement pumps S. Giuliano T.me network	-	-	35,609

(*) The figures for 2022 have been updated following consolidation.

(**) Work on the treatment plants no longer provide energy savings.

WASTE	u.m.	2021	2022	2023	Δ% 2023/2022
specific waste from treatment of waste water					
treatment sludge	t	20,247	18,660	17,560	-5.9
sand and sediment from treatment	t	1,413	1,359	1,083	-20.3
WASTE EXCLUDING SLUDGE AND SAND					
hazardous waste	t	16.8	20.2	32.98	63.3
non-hazardous waste (*)	t	63,778	59,025	51,060	-13.5

(*) Installations with a treatment capacity greater than or equal to 10,000 population equivalent are considered.

TOTAL COD IN INPUT AND OUTPUT (2021-2023) (*)

(t/year)	2021	2022	2023
COD _{in}	22,021	16,860	17,430
COD _{out}	1,212	988	756

(*) Installations with a treatment capacity greater than or equal to 10,000 population equivalent are considered.

OUTPUT PARAMETERS FOR THE MAIN TREATMENT PLANTS MANAGED BY ACQUE (2021-2023) (*)

parameter	average values (mg/l) 2021	average values (mg/l) 2022	average values (mg/l) 2023
BOD ₅	4.7	7.2	4.0
COD	24.3	32.0	23.0
SST	5.9	8.3	5.3
NH ₄ ⁺	3.3	3.9	2.6
phosphorous	2.2	2.6	2.5

(*) Installations with a treatment capacity greater than or equal to 10,000 population equivalent are considered.

TREATMENT EFFICIENCY OF THE MAIN TREATMENT PLANTS MANAGED BY ACQUE (2021-2023) (*)

parameter	average values (%) 2021	average values (%) 2022	average values (%) 2023
$100 \times (\text{COD}_{\text{in}} - \text{COD}_{\text{out}}) / \text{COD}_{\text{in}}$	95.4	94.1	95.7
$100 \times (\text{SST}_{\text{in}} - \text{SST}_{\text{out}}) / \text{SST}_{\text{in}}$	98.2	97.3	98.4
$100 \times (\text{NH}_4^+_{\text{in}} - \text{NH}_4^+_{\text{out}}) / \text{NH}_4^+_{\text{in}}$	92.7	91.9	94.2
$100 \times (\text{PO}_4^{3-}_{\text{in}} - \text{PO}_4^{3-}_{\text{out}}) / \text{PO}_4^{3-}_{\text{in}}$	68.3	71.3	72.5

(*) Installations with a treatment capacity greater than or equal to 10,000 population equivalent are considered.

Overseas activities

Acea operates abroad, in the water sector²⁵⁸, with regards to **technical aspects or the commercial management of the service**. In particular, it is present in Honduras, Dominican Republic and Peru through companies created **in partnership with local and international stakeholders**, in an area with approximately 10 million people.

AGUAS DE SAN PEDRO

Aguas de San Pedro SA holds a 30-year contract and operates the integrated water service in San Pedro Sula in Honduras, which

began in 2001, and, in 2023, it continued with the projects for the **expansion, treatment and improvement of the water service and sewerage network** in the city. The water network stretches 2,186 km and the sewerage network 1,281 km.

The Company has a **Quality Management System** certified according to the **UNI ISO 9001:2008** standard and the laboratories accredited according to the **UNI ISO/IEC 17025:2005** standard. In 2022, it also obtained a certificate for the **Anti-bribery Management System** according to the **UNI ISO 37001:2016** standard.

AGUAS DE SAN PEDRO SA – MAIN COMPANY AND OPERATING DATA

country (area)	Honduras (San Pedro Sula)
users	124,384
inhabitants served	801,287 (estimated figure)
customer	municipal administration
duration of the contract	01.02.2001 – 01.02.2031
purpose of the project	concession of the integrated water service for the town of San Pedro Sula
shareholders	Acea International 60.65%, IRETI SpA 39.35%
no. of employees	419
turnover (in € thousand)	46,347

²⁵⁸ Overseas activities have a limited incidence from an economic and financial viewpoint, in terms of consolidation percentage, but a brief description of them is given here because of their social importance.

With the aim of enhancing and developing people's skills, in 2023, the Company provided **training courses** including virtually, on a variety of subjects, such as Quality Management Systems (for ISO 9001:2015 and 17025 certifications), on the prevention of corruption, environmental sustainability, health and safety in the workplace, and courses on medical assistance and psychological-physical well-being.

66 courses were provided on the Human Resources Management Plan aimed at **skills development**, involving 1,037 people. Compared to last year, 15 activities were added in this context to consolidate Knowledge Management.

Furthermore, during the year, **13 initiatives** were undertaken to promote **female empowerment, gender equality, equality and inclusion**, for a total of 573 attendances. The initiatives aimed at promoting equality and inclusion, involved employees with disabilities in corporate culture promotion campaigns, such as the rational use of water and the promotion of inclusion (sign language).

To promote a culture of **health and safety**, **78 training courses** were provided, with 7,051 attendances. On average, in 2023, every employee participated in 17 activities focusing on health protection, provided via educational meetings, on psychological-physical health, health at the workplace and activities aimed at ensuring a safe and healthy work environment.

In addition, during the period under review, the Company supported **community and environmental initiatives**, especially in the **El Merendón Nature Reserve**, which has been designated a protected area for water production in San Pedro Sula. In this area, the Company has implemented the reforestation project "*Un millón de árboles para el Merendón (One Million Trees for el Meredón)*", which was launched in 2006 to restore degraded areas of the reserve,

with the target of planting **1,113,106 million fruit and timber trees** on **981.6 hectares** achieved in 2023. Support was provided to 356 producers in 2023, in the scope of the Aguas de San Pedro project: 95 producers received technical assistance, 261 benefited from the creation of 105.3 hectares of fruit and timber trees planted and agro-forestry systems. Producers are spread across 39 rural communities within the reserve.

The **fire prevention/extinguishing** activities continued: thanks to the observation towers built in the past, a dedicated team managed to intercept and stop the outbreak of several fires. Of the 19 bush fires that broke out in the reserve in 2023, the teams at Aguas de San Pedro were directly involved in managing 12 bush fires that affected 111.54 hectares.

With regard to the **rural communities in Merendón**, specifically the communities in the micro-basins of the Manchaguala, Frío and El Palmar rivers, Aguas de San Pedro organised **18 workshops** to understand the phenomena of climate change and global warming, as well as other information workshops on environmental issues.

Finally, 3 new Children's Health Committees were established, and monitoring continued on the existing committees.

ACEA DOMINICANA SA

Acea Dominicana deals with the commercial management of the water service **in the northern and eastern areas of Santo Domingo** in the **Dominican Republic**. The activities include the management of customer relations, the billing cycle and cost estimates, the installation of new meters, maintenance of existing meters and directing the works for new connections.

The Company implemented a **Quality Management System** certified according to the **UNI ISO 9001:2015** standard, which covers all activities performed.

ACEA DOMINICANA SA – MAIN CORPORATE AND OPERATING DATA

country (area)	Dominican Republic (north and east Santo Domingo)
users served	198,301
customers	Corporación del Acueducto y Alcantarillado de Santo Domingo (CAASD) and Corporación de Acueducto y Alcantarillado de Boca Chica (CORAABO)
duration of the contract	01.10.2003 - 30.09.2023 CAASD 01.10.2013 - 30.09.2024 CORAABO
purpose of the project	commercial management of the water service
shareholders	Acea International 100%
no. of employees	134 in September 2023, 40 in December 2023
turnover (in € thousand)	4,102

Acea Dominicana provides **training** on a number of topics to promote the development of employees' skills, such as the management of wages, writing and spelling, internal audits and the Microsoft Excel tool, for a total of 1,881 training hours.

To improve relations with customers and promote digital services, a **chat** was developed for customer services on the CAASD project.

OPERATING COMPANIES IN PERU

The Consortia operating in Lima (Peru) manage part of the water services on behalf of the local, publicly owned water company SEDAPAL (drinking water and sewerage service in Lima) with projects defined in their calls for tenders. This refers to **Consorcio Agua Azul, Consorcio Acea, Consorcio Acea Lima Norte, Consorcio Acea Lima Sur e Acea Peru with the PTAR Norte contract**.

The company **Consorcio Servicio Sur**, which was responsible for the extraordinary maintenance necessary for the operation of the water and sewerage service, improving sanitation and environmental conditions, ended operations in August 2022 and is currently being liquidated.

MAIN CORPORATE AND OPERATING DATA

country (area)	Peru (Lima)
customer	Sedapal (Drinking water and sewerage service in Lima, state owned)
duration of the contracts	Consortio Agua Azul: 07.04.2000 – 18.06.2027 Consortio Acea: 5.12.2020 – 5.12.2023 (contract extended for an additional 10 months) Consortio ACEA Lima Norte: 7.01.2021 – 7.01.2024 Consortio Acea Lima Sur: 18.12.2021 – 18.12.2024 PTAR Norte - Acea Peru: 8.08.2022 – 08.08.2024
shareholders	Consortio Agua Azul: Acea SpA (44%), Marubeni Co. (29%), Inversiones Liquiditas S.A.C (27%) Consortio Acea: Acea Peru SAC (99%), Acea Ato 2 (1%) Consortio ACEA Lima Norte: Acea Peru SAC (99%), Acea Ato 2 (1%) Consortio Acea Lima Sur: Acea Peru SAC (99%), Acea Ato 2 (1%) PTAR Norte - Acea Peru: contract with Acea Peru SAC
no. of employees	Consortio Agua Azul: 31 Consortio Acea: 1,014 Consortio ACEA Lima Norte: 537 Consortio Acea Lima Sur: 210 PTAR Norte - Acea Peru: 127
turnover (in € thousand)	Consortio Agua Azul: 15,716 Consortio Acea: 8,493 Consortio ACEA Lima Norte: 12,639 Consortio Acea Lima Sur: 6,432 PTAR Norte - Acea Peru: 2,357

Specifically:

- **Consortio Agua Azul**, a subsidiary of **Acea International**, manages the treatment and supply of drinking water in the **northern area of Lima**.
- To this end, using the surface and underground waters of the Chillón river it built a water treatment plant capable of satisfying the drinking water needs of the area, which it will manage until 2027, when it will be transferred to the State;
- **Consortio Acea**, controlled by **Acea Peru** manages 262 pumping stations for drinking water serving the **Ate, Breña and San Juan de Lurigancho areas in the central area of Lima**;
- The **Consortio Acea Lima Norte**, owned by Acea Peru, manages maintenance for the drinking water and sewerage infrastructure for the **Comas and Callao areas in the northern part of Lima**;
- the **Consortio Acea Lima Sur**, a subsidiary of **Acea Peru**, carries out corrective maintenance activities on the drinking water and sewerage systems for the **Surquillo area in the southern area of Lima**.
- the **PTAR Norte** contract, incorporated into the company **Acea Peru**, includes the maintenance and upkeep of the Wastewater Treatment Plants (PTAR) in the areas north and east of Lima.

Below is some significant information from the standpoint of sustainability relating to the various Consortia operating in Peru.

The **Consortio Agua Azul** has adopted an **Integrated Quality and Environment System** according to **UNI ISO 9001:2015** and **UNI ISO 14001:2015**, aimed at optimising production processes and reducing the environmental impact through energy efficiency and the limited use of materials.

The Consortium has continued its **occupational safety and first aid training programme**, which has made it possible to **maintain the result of zero accidents at work** in 2023. In addition, specialised staff training continued, including support for the **undergraduate and graduate education** of two employees.

In 2023, in the scope of activities aimed at consolidating relations with the community, **Consortio Agua Azul** completed the implementation of **new hygiene services in 7 schools** in the area. In the same schools, **2,288 educational kits were delivered** with the goal of **boosting school attendance and contributing to education**. For the Christmas holidays, children at local schools and the children of employees were delivered toys and Christmas packages.

The consortia administering the management and maintenance contracts for the water network, namely **Consortio Acea, Consortio Acea Lima Norte, Consortio Acea Lima Sur and PTAR Norte**, follow the regulations referring to the certified management systems obtained by the parent company Acea Peru. Specifically, Acea Peru has an **Anti-bribery Management System** according to the **UNI ISO 37001:2016** standard, a **Quality System** according to the **UNI ISO 9001:2015** standard, and an **Occupational Health and Safety Management System** according to the **UNI ISO 45001:2018** certification. The first two certificates cover the activities of **Consortio Acea Lima Norte** and **Consortio Acea Lima Sur**, while the third covers the activities of **Consortio Acea Lima Norte** and **Consortio Acea**.

In 2023, the Consortia continued with **employee training initiatives on inclusion and organisational wellness**, covering subjects such as gender equality and healthy nutrition, as well as **occupational health and safety**.

In the scope of **health prevention and raising awareness on vaccinations**, 38 training hours were provided by **Consortio Acea**, 22 hours by **Consortio Acea Lima Norte**, 16 hours by **Consortio Acea Lima Sur** and 12 hours by **PTAR Norte - Acea Peru**.

To protect the land, **Consortio Acea, Consortio Acea Lima Norte and Consortio Acea Lima Sur** have taken measures to lessen their environmental impact by disposing of 100% of electromechanical, uniform, and PPE waste appropriately.

GRI CONTENT INDEX: REPORTING PRINCIPLES, UNIVERSAL STANDARDS, SPECIFIC STANDARDS AND MATERIAL TOPICS

The Sustainability Report has been prepared **in accordance with the GRI Standards**.

The Index contains:

- the “Statement of use”;
- reference to the **GRI 1: Foundation 2021, i.e. to the reporting principles**;
- definition of the **30 general disclosures (GRI 2: General Disclosures 2021)**, the **3 disclosures on material topics (GRI 3: Material Topics 2021)** and the **71 specific disclosures of the GRI** (also including the GRI 306-3 of GRI 306: Effluents and waste 2016, as required by the framework, which therefore appears

twice in the index), selected, as part of the respective Specific Standards, for their **correlation with Acea’s material topics**, with evidence of the sections and pages of the document, where it is possible to consult the requested contents or the feedback directly reported in the index.

The GRI content index, in accordance with the specific Standards, contains the list of related material topics of the Acea Group; for details on the compliance of Acea’s material topics of high relevance and the GRI specific disclosures, please refer to table no. 1 (see *Disclosing sustainability: methodological note*).

GRI CONTENT INDEX

Statement of use	Acea has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.	
GRI standard	definition of GRI standards notes (replies or reporting of omissions) sections and reference pages	Alignment with Legislative Decree no. 254/2016
UNIVERSAL STANDARDS		
GRI 1: FOUNDATION 2021		
GRI 2: GENERAL DISCLOSURES 2021		
THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1 Organizational details. Acea SpA Piazzale Ostiense 2, 00154 Rome <i>Disclosing sustainability: methodological note</i> pages 14-16 and Tables nos. 2 and 3; <i>Corporate identity</i> pages 20-21 and Chart no. 2, 32.		Art. 3 paragraph 1, letter a): the corporate management and organisation model
2-2 Entities included in the organization's sustainability reporting (specify the differences between the list of entities included in its financial reporting and the list included in its sustainability reporting). <i>Disclosing sustainability: methodological note</i> , pages 14-16 and Tables nos. 2 and 3 and note 22; <i>Relations with the stakeholders</i> pages 106, 157; <i>Relations with the environment</i> pages 213, 218, 222; <i>Environmental Accounts</i> pages 278, 282, 285-286.		Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries
2-3 Reporting period, frequency and contact point. <i>Disclosing sustainability: methodological note</i> pages 10-11, 17; <i>GRI Content index</i> page 259. Questions and information can be requested at the email address RSI@aceaspa.it.		Art. 2 paragraph 1: public interest bodies prepare a disclosure for each financial year Art. 3 paragraph 3: the information (...) is provided with a comparison with the information provided in previous years
2-4 Restatements of information. Any recalculation or groupings that require changes to the data published in 2022 are appropriately flagged and justified in the report. <i>Disclosing sustainability: methodological note</i> page 14; <i>Relations with the stakeholders</i> pages 110, 112; <i>Relations with the environment</i> pages 238 Table no. 71.		Art. 3 paragraph 10: the information (...) is provided with a comparison with the information provided in previous years
2-5 External assurance (current policy and practice for seeking external assurance, etc.). <i>Disclosing sustainability: methodological note</i> page 11; <i>Opinion Letter</i> pages 313-315.		Art. 3 paragraph 10: (...) verification of the non-financial statement

ACTIVITIES AND WORKERS

2-6 Activities, value chain and other business relationships (activities, products, services, markets served, supply chain, etc.).

Corporate identity pages 20-21 and Chart no. 2, 22-27, 32 and Table no. 5; *Relations with the stakeholders* pages 106-109 and Table no. 21, 125, 140, 157-158, 187.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-7 Employees (n. of employees for employment contract – permanent, temporary, full-time, part-time – broken down by gender and by region).

Over 99% (6,682 employees out of 6,729) of the Company population has Italian citizenship; the rest is equally distributed between other citizenships of EU countries (24) and non-EU countries (26).

Corporate identity page 20, Table no. 4; *Relations with the stakeholders* pages 165, 168 and Tables no. 45.

Art. 3 paragraph 2, letter d):
aspects relating to staff management

2-8 Workers who are not employees (n. of workers who are not employees and whose work is controlled by the organization, describing the most common types of contractual relationship with the organization and the type of work they perform).

In 2023, 99 non-employees (62 men and 37 women) worked for Acea with a temporary contract activated through specialized agencies (temporary).

Relations with the stakeholders pages 162, 166.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model;
paragraph 2 letter d): aspects relating to staff management

GOVERNANCE

2-9 Governance structure and composition (including committees of the highest governance body, executive and non-executive members, etc.).

Corporate identity pages 80 and Chart no. 13, 81 and Table no. 13, 82.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-10 Nomination and selection of the highest governance body (describing the criteria used, independence and competencies, etc.).

In the composition of corporate bodies, Acea ensures balanced representation of genders, as set out in Law, and guarantees the presence of Independent Directors, governed by the By-laws and current regulations.

Gender diversity of the Governance Body and the Committees is an important element, in tempering "single-mindedness" as well as for the different ways in which men and women exercise their leadership. Selection processes involve shareholders who, in accordance with the recommendations of the Corporate Governance Code, are guided in the choice of candidates to propose in the lists by the guidelines provided by the Board of Directors of Acea, having received the opinion of the Appointments and Remuneration Committee and taking into account the results of self-assessment, on the size and composition of the Governance Body.

Corporate identity page 81.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-11 Chair of the highest governance body (report whether the chair of the highest governance body is also a senior executive, if the chair is also a senior executive, explain their function with the organization's management, the reasons for this arrangement, and how conflicts of interest are prevented and mitigated).

Corporate identity page 81 and Table no. 13.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-12 Role of the highest governance body in overseeing the management of impacts (including the role of the highest governance body and of senior executives in developing, approving, and updating the organization's strategies, policies, and goals related to sustainable development, etc.).

Disclosing sustainability: methodological note pages 11-12; *Corporate identity* pages 54-57 and Charts nos. 11 and 12, 58-79, 80 and Chart no. 13, 81-84, 89, 95; *Relations with the stakeholders* page 187.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model;
letter c): the impact, where possible on the basis of realistic assumptions or scenarios also in the medium term, on the environment as well as on health and safety

2-13 Delegation of responsibility for managing impacts (process for delegating responsibility for managing the organization's impacts on the economy, the environment and people, etc.).

The Board of Directors confers management powers to the Chief Executive Officer, who, in the context of the corporate macrostructure established by the same Board, confers powers and proxies to management, in accordance with the missions and responsibilities of the different structures. The standard practice for any type of assignment of powers, and therefore for economic, environmental and social areas, is based on analysis of the requirement/need for such assignment.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model;
letter c): the impact, where possible on the basis of realistic assumptions or scenarios also in the medium term, on the environment as well as on health and safety

2-14 Role of the highest governance body in sustainability reporting.

Disclosing sustainability: methodological note page 11; *Corporate identity* page 82.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model;
paragraph 7: the responsibility to ensure that the report is drawn up and published in accordance with the provisions of this legislative decree lies with the directors of the public interest body

2-15 Conflicts of interest (describe the processes for the highest governance body to ensure that conflicts of interest are prevented and mitigate, etc.).

The risk of conflicts of interest in Acea is monitored employing corporate governance systems and procedures (Management, Organisation and Control Model, Code of Ethics, and Independent Directors). These tools act in different contexts where conflicts of interest could arise: in relations between controlling shareholders and minority shareholders, between Acea and the Public Administration.

Corporate identity pages 80-81.

Art. 3 paragraph 1 letter a):
the corporate management and organisation model

2-16 Communication of critical concerns (whether and how critical concerns are communicated to the highest governance body, etc.).

The Board of Directors (BoD) receives constant information on potentially critical situations, primarily through the work performed by the Control and Risks Committee, to which the Internal Audit Function manager periodically reports, which interacts with BoD. The activities performed and results of activity of the Supervisory Body (pursuant to Italian Legislative Decree no. 231/01), which may identify the risk of liability for the Company, are subject to information flows to the BoD. The Chief Executive Officer, also in his role as Director in Charge of the Internal Control and Risk Management System, provides constant updates to the Board on developments in management and the existence of any potentially critical situations.

Corporate identity pages 83, 87-89, 91-92 and Table no. 15, 97.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model;
paragraph 2, letter e): regarding human rights, the measures adopted to prevent breaches thereof and measures to avoid conduct and actions that are in any case discriminatory

2-17 Collective knowledge of the highest governance body (measures taken to advance the collective knowledge, skills, and experience on sustainable development).

Disclosing sustainability: methodological note page 11; *Corporate identity* pages 54-57 and Charts nos. 11 and 12, 80 and Chart no. 13, 81-82.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-18 Evaluation of the performance of the highest governance body (overseeing the management of the organization's impacts on the economy, environment, and people).

Non-executive Directors receive a fixed fee, set by the Shareholders' Meeting on the basis of the commitment requested of them.

Corporate identity pages 80 and Chart no. 13, 81, 83, 97; *Relations with the stakeholders* pages 182.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-19 Remuneration policies (of the highest governance body and senior executives).

For Top Management, Executives Holding Key Positions and other executives with roles of particular impact on the Acea Group's business, the clawback clause applies: i.e. the right to request the return of variable components of remuneration, short and medium-long term linked to performance and results, if these do not prove to be effective or are the result of intentional and/or gross negligence.

Corporate identity pages 80 and Chart no. 13, 81, 83; *Relations with the stakeholders* page 182.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-20 Process to determine remuneration.

In 2023, no external consulting companies were involved in processes for the determination of remuneration.

Corporate identity pages 80 and Chart no. 13, 71, 73;

Relations with the stakeholders pages 170-171, 181-182, 183.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

2-21 Annual total compensation ratio (ratio of the annual total compensation for the highest-paid individual to the average annual total compensation for all employees - excluding the highest-paid individual; ratio of the percentage increase in annual total compensation for the highest-paid individual to the average percentage increase in annual total compensation for all employees).

The ratio between the total annual salary of the person who received the maximum salary in 2023 and the median salary of employees is equal to 12.10. The ratio of the percentage increase in annual total compensation of the highest-paid person and the median percentage increase in total annual compensation for all employees is equal to -9.20.

Corporate identity page 83.

Art. 3 paragraph 1, letter a):
the corporate management and organisation model

STRATEGY, POLICIES AND PRACTICES

2-22 Statement on sustainable development strategy (statement from the highest governance body or most senior executive about the relevance of sustainable development to the organization and its strategy for contributing to this).

Letter to the stakeholders page 4; *Corporate identity* pages 22-27, 51-57, 89;

Relations with the stakeholders pages 152-153; *Relations with the environment* page 202.

Art. 3 paragraph 7):
the responsibility to guarantee that the report is (...) compliant rests with the directors

2-23 Policy commitments.

Corporate identity pages 51, 54-57, 58-79, 80-81, 84, 87, 89, 91-92 Table no. 15, 86 Table no. 17;

Relations with the stakeholders pages 155, 175, 176-177, 183-184, 193, 195-199;

Relations with the environment pages 219, 235.

Art. 3 paragraph 1 letter a):
the corporate management and organisation model;
letter b): the policies implemented by the company

2-24 Embedding policy commitments.

Corporate identity pages 54-57, 80 Chart no. 13, 89, 91-92 Table no. 15;
Relations with the stakeholders pages 155, 181 Table no. 50, 183-184;
Relations with the environment page 235.

Art. 3 paragraph 1 letter a):

the corporate management and organisation model;
letter b): the policies implemented by the company

2-25 Processes to remediate negative impacts.

Corporate identity pages 88, 91-92 Table no. 15; *Relations with the stakeholders* page 139.

Art. 3 paragraph 1, letter a):

the corporate management and organisation model;
letter b): the policies implemented by the company

Art. 3 paragraph 1, letter c): the impact, where possible on the basis of realistic assumptions or scenarios also in the medium term, on the environment as well as on health and safety

2-26 Mechanisms for seeking advice and raising concerns (describe the mechanisms for individuals to seek advice on implementing the policies and practices for responsible business conduct; raise concerns about the business conduct).

Corporate identity pages 80 Chart no. 13, 87-88.

Art. 3 paragraph 1, letter a):

the corporate management and organisation model;
paragraph 2, letter c): regarding human rights, the measures adopted to prevent breaches thereof and measures to avoid conduct and actions that are in any case discriminatory

2-27 Compliance with laws and regulations (including the total number of significant instances of non-compliance with laws and regulations; the total number and the monetary value of fines for instances of non-compliance).

Corporate identity pages 88, 95; *Relations with the stakeholders* pages 120-124, 139-140, 144, 152, 157, 173, 190; *Relations with the environment* page 204; *Environmental accounts* page 300.

Art. 3 paragraph 1, letter b):

the policies implemented by the company (...) and the results achieved through them

2-28 Membership associations (industry, category and other associations in which it participates in a significant role).

Relations with the stakeholders pages 194, 195-199; *Relations with the environment* page 202.

Art. 3 paragraph 1, letter a):

the corporate management and organisation model

STAKEHOLDER ENGAGEMENT

2-29 Approach to stakeholder engagement (including a description of the categories of stakeholders engaged and how they are identified; the purpose of the engagement and how the organization seeks to ensure their meaningful engagement).

Disclosing sustainability: methodological note pages 11-13 and Table no. 1; *Corporate identity* pages 22-27, 51, 87, 98-103 and Table no. 18; *Relations with the stakeholders* pages 110-116 and Tables nos. 22-23, 119, 126, 129-137, 139-142, 148-154, 155, 160-164, 172, 174-176, 177-182, 183-185, 186-187, 188, 192-193, 195-199; *Relations with the environment* pages 202, 204, 231.

Art. 3 paragraph 1, letter a):

the corporate management and organisation model

2-30 Collective bargaining agreements (report the percentage of total employees covered by collective bargaining agreements; indicate how working conditions are determined for workers not covered by collective bargaining agreements).

Relations with the stakeholders page 172.

Art. 3 paragraph 2, letter d):

aspects relating to staff management

GRI 3: MATERIAL TOPICS 2021**3-1 Process to determine material topics.**

Disclosing sustainability: methodological note pages 11-13;
Corporate identity pages 22-27, 51-57;
GRI Content index pages 259-273.

Art. 3 paragraph 1, letter a):

the corporate management and organisation model;
letter c): the impact, where possible on the basis of realistic assumptions or scenarios also in the medium term, on the environment as well as on health and safety;
Art. 4 paragraph 1: to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

3-2 List of material topics.

Disclosing sustainability: methodological note pages 11-13, Table no. 1; *Corporate identity* pages 80-81 and Table no. 12; *GRI Content index* pages 259-273.

Art. 4 paragraph 1:

to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

SPECIFIC STANDARDS AND MATERIAL TOPICS		
TOPIC	ECONOMIC PERFORMANCE (related material topics: 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 11-13; <i>Corporate identity</i> pages 22-27, 32, 51-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no. 15, 101-103 Table no. 18.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed (including revenues, operating costs, employee wages and benefits, payments to providers of capital, payments to government and community investments). <i>Corporate identity</i> pages 32 and Table no. 5, 98-103 and Tables nos. 19-20; <i>Relations with the stakeholders</i> pages 170-171, 187, 189	Art. 3 paragraph 1, letter d): social aspects and aspects relating to staff management
	201-2 Financial implications and other risks and opportunities due to climate change. <i>Corporate identity</i> pages 22-27, 32, 93; <i>Relations with the environment</i> pages 204, 230, 232.	Art. 3 paragraph 1, letter c): the impact (...) on the environment
	201-3 Defined benefit plan obligations and other retirement plans. <i>Le relazioni con gli stakeholder</i> pagg. 171 e tabella n. 48.	Art. 3 paragraph 1, letter d): social aspects and aspects relating to staff management
	201-4 Financial assistance received from government. <i>Corporate identity</i> page 103 note 60.	-
TOPIC	INDIRECT ECONOMIC IMPACTS (related material topics: 3, 4, 5, 8, 10, 11, 12)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 53-57, 58, 91-92 Table no. 15, 98-103 and Table no. 18; <i>Relations with the stakeholders</i> pages 116-137, 152-154, 156-157.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported (the organization shall report: the extent of development of significant infrastructure investments; current or expected impacts on communities, including positive and negative impacts where relevant; whether these investments and services are commercial, in-kind, or pro bono engagements, etc). <i>Corporate identity</i> pages 98-103; <i>Relations with the stakeholders</i> pages 116-137 and Tables nos. 21 and 31, 152-154, 195 and Chart no. 48; <i>Relations with the environment</i> page 211.	Art. 3 paragraph 2, letter c): the impact (...) on the environment as well as on health and safety

	<p>203-2 Significant indirect economic impacts (examples of significant identified indirect economic impacts of the organization, including positive and negative impacts, etc.). <i>Corporate identity</i> pages 98-103; <i>Relations with the stakeholders</i> pages 107-108, 116-137 and Table no. 24, 150, 152-154, 155-159 and Tables nos. 42-43; <i>Relations with the environment</i> page 214.</p>	<p>Art. 3 paragraph 2, letter c): the impact (...) on the environment as well as on health and safety</p>
TOPIC	<p>PROCUREMENT PRACTICES (related material topics: 12)</p>	
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 and Table no. 15, 101-103 and Table no.18; <i>Relations with stakeholders</i> pages 155-157.</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>
GRI 204: Procurement Practices 2016	<p>204-1 Proportion of spending on local suppliers (in relation to the significant locations of operation). There is no specific preferential strategy for local suppliers, although, particularly for sourcing of works, the prevalence of local suppliers arises naturally. <i>Relations with the stakeholders</i> pages 158-159 and Table no. 43.</p>	<p>Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance</p>
TOPIC	<p>ANTI-CORRUPTION (related material topics: 2, 9, 12)</p>	
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 85 Table no. 14, 88, 89, 97, 101-103 and Table no.18; <i>Relations with the stakeholders</i> page 180.</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>
GRI 205: Anti-corruption 2016	<p>205-1 Operations assessed for risks related to corruption (report the total number and percentage of operations assessed for risks related to corruption). <i>Corporate identity</i> pages 77-78.</p> <p>205-2 Communication and training about anti-corruption policies and procedures (report the total number and percentage of employees that the organization's anti-corruption policies and procedures have been communicated to). All members of the Board of Directors and the Board of Statutory Auditors and the Group's employees receive information on the regulations and procedures adopted by the company regarding anti-corruption, also through newsletters and intranet. <i>Corporate identity</i> pages 26, 88; <i>Relations with the stakeholders</i> pages 180-181 and Table no. 50.</p> <p>205-3 Confirmed incidents of corruption and actions taken (total number and nature of confirmed incidents of corruption, etc.). No instances of corruption were recorded.</p>	<p>Art. 3 paragraph 1, letter c): the main risks generated or suffered; paragraph 2, letter f): anti-corruption and bribery measures</p> <p>Art. 3 paragraph 1 letter a): the corporate management and organisation model; paragraph 2, letter f): anti-corruption and bribery measures</p> <p>Art. 3 paragraph 2, letter f): anti-corruption and bribery measures</p>
TOPIC	<p>ANTI-COMPETITIVE BEHAVIOR (related material topics: 2, 11)</p>	
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 54-57, 58, 84, 86, 88, 89, 91-92 and Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 180, 190.</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>

**GRI 206:
Anti-competitive
Behavior
2016**

206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices (number of legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation).
Relations with stakeholders pages 190-191.

Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance

TOPIC

MATERIALS

(related material topics: 1, 5, 6, 12)

**GRI 3:
Material
Topics 2021**

3-3 Management of material topics.

Disclosing sustainability: methodological note pages 12-13; *Corporate identity* pages 22-27, 54-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no.17, 101-103 and Table no.18; *Relations with the environment* page 204; *Environmental accounts* page 278.

Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them

Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

**GRI 301:
Materials
2016**

301-1 Materials used by weight or volume (materials that are used to produce and package the organization's primary products and services, by non-renewable and renewable materials used).

Relations with the environment pages 229-230 and Table no. 64, 234 and Table no. 67; *Environmental accounts* pages 278, 289, 290-291.

Art. 3 paragraph 2, letter c): the impact (...) on the environment

301-2 Recycled input materials used.

Relations with the environment pages 229-230 and Table no. 64.

Art. 3 paragraph 2, letter c): the impact (...) on the environment

TOPIC

ENERGY

(related material topics: 1, 3, 4, 5, 10, 12)

**GRI 3:
Material
Topics 2021**

3-3 Management of material topics.

Disclosing sustainability: methodological note pages 12-13; *Corporate identity* pages 22-27, 52-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no.17; *Relations with the stakeholders* pages 180, 183-184; *Relations with the environment* pages 202-203, 204, 213-215, 219-221, 229-230.

Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them

Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

**GRI 302:
Energy
2016**

302-1 Energy consumption within the organization.

Relations with the environment pages 220, 230 and Table no. 65.

Art. 3 paragraph 2, letter a): use of energy resources

302-2 Energy consumption outside of the organization.

Relations with the environment page 231.

Art. 3 paragraph 2, letter a): use of energy resources

302-3 Energy intensity.

Relations with the environment pages 231 and Table no. 66, 232.

Art. 3 paragraph 2, letter a): use of energy resources

302-4 Reduction of energy consumption.

Relations with the environment pages 217, 220, 232.

Art. 3 paragraph 2, letter a): use of energy resources

302-5 Reductions in energy requirements of products and services.

Relations with the environment page 232.

Art. 3 paragraph 2, letter a): use of energy resources

TOPIC

WATER AND EFFLUENTS

(related material topics: 1, 3, 5, 8, 10, 11, 12)

**GRI 3:
Material
Topics 2021**

3-3 Management of material topics.

Disclosing sustainability: methodological note pages 12-13; *Corporate identity* pages 22-27, 53-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no.17, 101-103 and Table no.18; *Relations with the stakeholders* pages 125, 129-137, 183-184; *Relations with the environment* pages 202, 204, 210-211, 222-223, 225-227, 233.

Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them

Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

GRI 303: Water and effluents 2018	303-1 Interactions with water as a shared resource. <i>Relations with the stakeholders</i> pages 125, 129-137, 149; <i>Relations with the environment</i> pages 202, 210-211, 222-223, 225, 228 and Table no. 62, 228, 233-234 and Table no. 67; <i>Environmental accounts</i> pages 284-286.	Art. 3 paragraph, 1 letter a): the corporate management and organisation model; letter b): the policies implemented by the company Art. 3 paragraph 2, letter c): the impact (...) on the environment
	303-2 Management of water discharge-related impacts. <i>Relations with the stakeholders</i> pages 130, 131; <i>Relations with the environment</i> pages 223-224, 226-227, 233; <i>Environmental accounts</i> pages 284-286.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	303-3 Water withdrawal. <i>Relations with the environment</i> pages 211-212 and Table no. 53, 222-223, 233-234 and Table no. 67; <i>Environmental accounts</i> pages 284-286, 289.	Art. 3 paragraph 2, letter a): use of water resources
	303-4 Water discharge. <i>Relations with the stakeholders</i> page 131; <i>Relations with the environment</i> pages 223-224, 226-227 and Tables nos. 60 and 62, 228, 233-234; <i>Environmental accounts</i> pages 287-288.	Art. 3 paragraph 2, letter a): use of water resources; letter c): the impact (...) on the environment
	303-5 Water consumption. <i>Relations with the environment</i> pages 225, 233-234; <i>Environmental accounts</i> pages 284-286.	Art. 3 paragraph 2, letter a): use of water resources
TOPIC	BIODIVERSITY (related material topics: 1, 3, 8, 10)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-17; <i>Corporate identity</i> pages 22-27, 54-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 131, 183-184; <i>Relations with the environment</i> pages 202-203, 204-205, 206-211, 226.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. <i>Relations with the environment</i> pages 205-206 and Chart no. 49, 210.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	304-2 Significant impacts of activities, products, and services on biodiversity. <i>Relations with the stakeholders</i> page 130; <i>Relations with the environment</i> pages 205-211, 216.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	304-3 Habitats protected or restored. <i>Relations with the environment</i> pages 207-208, 210-211.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk. <i>Relations with the environment</i> page 207 and Chart no. 50.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
TOPIC	EMISSIONS (related material topics: 3, 4, 11, 12)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 52-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 93, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 140-141, 151, 180, 183-184; <i>Relations with the environment</i> pages 202-204, 219-221, 230, 235.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions. Biogenic CO ₂ was calculated for the Environment and Water sectors and in 2023 equalled 308,670 t. <i>Relations with the environment</i> pages 236-238 and Table no. 71; <i>Environmental accounts</i> pages 292-293, 296.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-2 Energy indirect (Scope 2) GHG emissions. <i>Relations with the environment</i> pages 236-238 and Table no. 71; <i>Environmental accounts</i> pages 292-293.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-3 Other indirect (Scope 3) GHG emissions. <i>Relations with the environment</i> pages 236-238 and Table no. 71.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-4 GHG emissions intensity. <i>Relations with the environment</i> pages 236-238 and Table no. 71.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-5 Reduction of GHG emissions as a direct result of reduction initiatives. <i>Relations with the environment</i> pages 217, 236-238 and Table no. 71.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-6 Emissions of ozone-depleting substances (ODS). <i>Relations with the environment</i> page 236; <i>Environmental accounts</i> pages 289, 291.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions. <i>Relations with the environment</i> page 235 Table no. 68; <i>Environmental accounts</i> pages 292-293.	Art. 3 paragraph 2, letter b): Greenhouse-gas emissions
TOPIC	WASTE (related material topics: 3, 6, 10, 12)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 53-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no. 17, 101-103 and Table no. 18, 183-184; <i>Relations with the environment</i> pages 202-203, 204, 218-222, 229, 239-243; <i>Environmental accounts</i> page 278.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 306: Effluents and waste 2016	306-3 Significant spills. During the reporting period, there were no cases of significant spills.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts. <i>Relations with the environment</i> pages 239-243.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	306-2 Management of significant waste-related impacts. <i>Relations with the environment</i> pages 239-243; <i>Environmental accounts</i> pages 292-295.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	306-3 Waste generated. <i>Relations with the environment</i> pages 239-243 and Tables nos. 72-75.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	306-4 Waste diverted from disposal. <i>Relations with the environment</i> pages 221-222, 239-243 and Tables nos. 72-75.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
	306-5 Waste directed to disposal. <i>Relations with the environment</i> page 239-243 and Tables nos. 72-75.	Art. 3 paragraph 2, letter c): the impact (...) on the environment
TOPIC	SUPPLIER ENVIRONMENTAL ASSESSMENT (related material topics: 8, 10, 12)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 and Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 155, 157, 160-164; <i>Relations with the environment</i> pages 231, 237.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated

GRI 308: Supplier Environmental Assessment 2016	<p>308-1 New suppliers that were screened using environmental criteria (indicate the percentage). <i>Relations with the stakeholders</i> pages 157, 160-164; <i>Relations with the environment</i> page 231.</p> <p>308-2 Actual and potential negative environmental impacts in the supply chain and actions taken. <i>Relations with the stakeholders</i> pages 160-164; <i>Relations with the environment</i> pages 237.</p>	<p>Art. 3 paragraph 1, letter c): the main risks generated or suffered (...) deriving from the business, its products, services or commercial relations, including, where relevant, supply and subcontracting chains</p> <p>Art. 3 paragraph 1, letter c): the main risks generated or suffered (...) deriving from the business, its products, services or commercial relations, including, where relevant, supply and subcontracting chains;</p> <p>paragraph 2, letter c): the impact (...) on the environment</p>
TOPIC	<p>EMPLOYMENT (related material topics: 8, 9, 13)</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them</p> <p>Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 155, 160-164, 165-166, 170, 179-183, 186-187.</p>	<p>Art. 3 paragraph 2, letter d): aspects relating to staff management</p>
GRI 401: Employment 2016	<p>401-1 New employee hires and employee turnover (report the total number and rate of new employee hires and employee turnover, broken down by age group, gender and region). <i>Relations with the stakeholders</i> pages 165-166, 169 and Table no. 46.</p> <p>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees. <i>Relations with the stakeholders</i> page 183.</p> <p>401-3 Parental leave (including return-to-work rate and retention rates of employees that took parental leave, by gender). Acea operates in accordance with the Consolidated Law on supporting maternity and paternity (Italian Legislative Decree 151/2001 as amended), which governs leave, rest days, days off for specific reasons and economic support for female and male workers connected with maternity, paternity of children, adopted children and fostered children. The law prohibits any discrimination for reasons related to gender, with particular reference to any less favourable treatment on the basis of being pregnant, maternity and paternity. It establishes mandatory maternity leave for a period of five months and guarantees the work post during this period, imposing a prohibition on dismissal. It also establishes the reintegration of the employee into the activities performed prior to the leave period or equivalent activities, with fines applicable for employers contravening these rules. Therefore, 100% of employees making use of this type of leave maintain their post and return to work. The employees who took leave for parenthood in 2023 numbered 476, of which 231 were men and 245 women. All of these, after the leave period, returned to work and are still employed.</p>	<p>Art. 3 paragraph 2, letter d): aspects relating to staff management</p> <p>Art. 3 paragraph 2, letter d): aspects relating to staff management;</p> <p>letter e): actions taken to prevent attitudes and conduct that are in any case discriminatory</p>
TOPIC	<p>LABOR/MANAGEMENT RELATIONS (related material topics: 9)</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them</p> <p>Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 172-173.</p>	<p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them</p> <p>Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>

GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes (report whether the notice period and provisions for consultation and negotiation are specified in collective agreements). <i>Relations with the stakeholders</i> page 173.	Art. 3 paragraph 2, letter d): methods of dialogue with trade unions
TOPIC	OCCUPATIONAL HEALTH AND SAFETY (related material topics: 2, 7, 8, 12, 13)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 155, 160-164, 174, 176-177, 180.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
	403-1 Occupational health and safety management system. <i>Corporate identity</i> pages 95-97; <i>Relations with the stakeholders</i> pages 155-156, 162, 164, 172-174.	Art. 3 paragraph 1 letter a): the corporate management and organisation model; letter b): the policies implemented by the company
	403-2 Hazard identification, risk assessment, and incident investigation. <i>Relations with the stakeholders</i> pages 163, 174, 176 Table no. 49.	Art. 3 paragraph 1 letter a): the corporate management and organisation model; letter b): the policies implemented by the company; letter c): the main risks generated or suffered (...) deriving from the business, its products, services or commercial relations, including, where relevant, supply and sub-contracting chains Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
GRI 403: Occupational Health and Safety 2018	403-3 Occupational health services. <i>Relations with the stakeholders</i> pages 174, 176-177.	Art. 3 paragraph 1 letter a): the corporate management and organisation model; letter b): the policies implemented by the company Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
	403-4 Worker participation, consultation, and communication on occupational health and safety. Acea observes the indications of Italian Legislative Decree no. 81/2008 on health and safety in the workplace. 100% of workers are represented in formal health and safety commissions (composed of representatives from management and workers), through appointed figures. <i>Relations with the stakeholders</i> pages 156, 163, 172-174.	Art. 3 paragraph 1 letter a): the corporate management and organisation model; letter b): the policies implemented by the company Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management (...) methods of dialogue with trade unions
	403-5 Worker training on occupational health and safety. <i>Relations with the stakeholders</i> pages 163-164, 175.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
	403-6 Promotion of worker health. <i>Relations with the stakeholders</i> pages 172-173, 185-186.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management

GRI 403: Salute e sicurezza sul lavoro 2018	403-8 Workers covered by an occupational health and safety management system. <i>Relations with stakeholders</i> page 174.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
	403-9 Work-related injuries. <i>Relations with the stakeholders</i> pages 164, 175 and Chart no. 46, 176 Table no. 49.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
	403-10 Work-related ill health. <i>Relations with the stakeholders</i> pages 164, 177.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety; letter d): aspects relating to staff management
TOPIC	TRAINING AND EDUCATION (related material topics: 9)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 88, 89, 91-92 Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 177-184.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee (by gender and employee category. <i>Relations with the stakeholders</i> pages 180-181 and Table no. 50.	Art. 3 paragraph 2, letter d): aspetti attinenti alla gestione del personale
	404-2 Programs for upgrading employee skills and transition assistance programs. <i>Relations with the stakeholders</i> pages 175, 177-183.	Art. 3 paragraph 2, letter d): aspetti attinenti alla gestione del personale
	404-3 Percentage of employees receiving regular performance and career development reviews. In 2023, in the context of the Human Resources Management System in force, all personnel of Group Companies within the scope of reporting (100%) were subject to evaluation. <i>Relations with the stakeholders</i> page 182.	Art. 3 paragraph 2, letter d): aspetti attinenti alla gestione del personale
TOPIC	DIVERSITY AND EQUAL OPPORTUNITY (related material topics: 13, 14)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 Table no. 15, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 170, 183-186.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees (reporting the percentage of individuals of governance bodies and employees by gender, age group and other diversity indicators if relevant). Regarding representation of the different age brackets for members of the governance bodies, considering these to include the BoD and the Board of Statutory Auditors, it is noted that 26% of members are in the 30-50 years bracket, and the remaining 74% are in the over-50 bracket. <i>Corporate identity</i> page 81; <i>Relations with the stakeholders</i> pages 167-169 Tables nos. 45 and 47, 184-186.	Art. 3 paragraph 2, letter d): social and staff management aspects
	405-2 Ratio of basic salary and remuneration of women to men (for each employee category, by significant locations of operation). In 2023, the overall incidence of women's actual gross salary on men's is equal to 99.1% and that of the basic salary is equal to 106.1% (with 6.1 percentage points in favor of women). The data broken down by category are reported in the Staff chapter. <i>Relations with the stakeholders</i> page 170.	Art. 3 paragraph 2, letter d): social and staff management aspects

TOPIC	NON DISCRIMINATION (related material topics: 2, 8, 13)	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 85 Table no. 14, 88, 89, 91-92 Table no.15, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 180, 183-186.	
GRI 406: Non discrimination 2016	406-1 Incidents of discrimination and corrective actions taken. <i>Corporate identity</i> page 88; <i>Relations with the stakeholders</i> page 186.	Art. 3 paragraph 2, letter d): social and staff management aspects; letter e): actions taken to prevent attitudes and conduct that are in any case discriminatory
TOPIC	LOCAL COMMUNITIES (related material topics: 2, 8, 10)	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 54-57, 58, 89, 91-92 Table no. 15, 95-97 and Table no.17, 98-103 and Table no.18; <i>Relations with the stakeholders</i> pages 110-116, 117-137, 148-150, 189-190, 191-193.	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs (indicate the percentage). 100% of the main Group Companies have initiatives in place for stakeholder engagement. <i>Disclosing sustainability: methodological note</i> pages 11-13; <i>Corporate identity</i> pages 95-97 and Table no. 17, 98-103; <i>Relations with the stakeholders</i> pages 110-116, 119, 126, 129-137, 143, 148-150, 155-156, 160-164.	Art. 3 paragraph 2, letter c): the impact (...) on the environment as well as on health and safety
	413-2 Operations with significant actual and potential negative impacts on local communities. <i>Corporate identity</i> pages 98-103; <i>Relations with the stakeholders</i> pages 191-193.	Art. 3 paragraph 2, letter c): the impact (...) on the environment as well as on health and safety
TOPIC	SUPPLIER SOCIAL ASSESSMENT (related material topics: 7, 8, 10, 12)	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 22-27, 54-57, 58, 89, 91-92 and Table no. 15, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 155-157, 160-164.	

GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria (indicate the percentage). <i>Relations with the stakeholders</i> pages 157, 160-164.	Art. 3 paragraph 1, letter c): the main risks generated or suffered (...) deriving from the business, its products, services or commercial relations, including, where relevant, supply and subcontracting chains; paragraph 2, letter c): the impact (...) on health and safety
	414-2 Negative social impacts in the supply chain and actions taken. <i>Relations with the stakeholders</i> pages 156, 160-164.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety
TOPIC	CUSTOMER HEALTH AND SAFETY (related material topics: 2, 8, 10, 11)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 54-57, 58, 89, 91-92 Table no. 15, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 127 Table no. 32, 130-131, 191-192; <i>Relations with the environment</i> pages 223-224.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories (report the percentage of significant product and service categories for which impacts are assessed). <i>Corporate identity</i> pages 95-97 and Table no.17; <i>Relations with the stakeholders</i> pages 127 Table no. 32, 130-131; <i>Relations with the environment</i> pages 223-224.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services (specifying whether they have generated a fine, penalty or warning). <i>Relations with the environment</i> page 204.	Art. 3 paragraph 2, letter c): the impact (...) on health and safety
TOPIC	MARKETING AND LABELING (related material topics: 2, 11)	
GRI 3: Material Topics 2021	3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 54-57, 58, 89, 91-92 Table no. 15, 95-97 and Table no.17, 101-103 and Table no.18; <i>Relations with the stakeholders</i> pages 110-116, 117-137 and Tables nos. 27-30 and nos. 34-38, 139, 141-144, 151, 164.	Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling. The GRI international indicator, on the basis of the reference to "services" in addition to products, is indicated, adapting it to the national situation and operations of a multiutility company, both in terms of the main parameters of quality of water distributed and in relation to the commercial, contractual and technical quality performance of the services managed in the water and energy sectors, which are subject to regulation by the national industry authority (ARERA). <i>Relations with the stakeholders</i> pages 116-137 and Tables nos. 27-30, no. 33 and nos. 34-38, 138, 140-142, 144-145, 190; <i>Relations with the environment</i> pages 223-224.	Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance
	417-2 Incidents of non-compliance concerning product and service information and labeling (specifying whether they have generated a fine, penalty or warning). <i>Relations with the stakeholders</i> pages 116-137 and Tables nos. 27-30 and nos. 34-38, 139, 144, 190.	Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance
	417-3 Incidents of non-compliance concerning marketing communications (specifying whether they resulting in a fine, penalty or in a warning). <i>Relations with the stakeholders</i> pages 163, 190.	Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance

TOPIC	CUSTOMER PRIVACY (related material topics: 2, 11)
GRI 3: Material Topics 2021	<p>3-3 Management of material topics. <i>Disclosing sustainability: methodological note</i> pages 12-13; <i>Corporate identity</i> pages 54-57, 58, 84, 86, 89, 91-92 Table no. 15; <i>Relations with the stakeholders</i> pages 142, 180.</p> <p>Art. 3 paragraph 1, letter b): the policies implemented by the company (...) and the results achieved through them Art. 4 paragraph 1: the consolidated statements include the data of the parent company and its fully consolidated subsidiaries. (...) to the degree necessary to ensure the understanding of the group's business, its performance, results, and the impact it generated</p>
GRI 418: Customer Privacy 2016	<p>418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data (received from outside parties and/or received from regulatory bodies). During the year 2023, the office of the DPO received 155 new requests regarding utilisation of rights pursuant to Arts 15-22 of Regulation (EU) 679/2016 - GDPR (requests for updating, erasure, modification and refusal of consent etc.), for which a dedicated procedure has been launched. To date, none of the aforementioned requests, managed within the terms of the law, have given rise to a request for information/complaint by the Data Protection Authority (Guarantor for the Protection of Personal Data). On 2 February 2023, some Acea SpA information systems were the subject of a cyber attack by unknown persons which involved several Group companies. Following the incident, the notification procedures were carried out to the Guarantor and the obligation to communicate to the interested parties was complied with, at the same time activating a toll-free number for any requests for clarification, without prejudice to the DPO's address as the contact point. An inspection procedure was initiated by the Guarantor for the Protection of Personal Data with the acquisition of all the required documentation and an additional communication to employees.</p> <p>Art. 3 paragraph 1, letter b): fundamental indicators of non-financial performance</p>

INDEX OF CHARTS AND TABLES

CHARTS

No. 1 – Relevant topics for the Company and its stakeholders: Acea materiality matrix – 2023	12
No. 2 – The businesses of the main Acea Group Companies in the local area	21
No. 3 – Acea's Business Model	28
No. 4 – Acea SpA organisation chart as at 31.12.2023	30
No. 5 – Ownership structure as at 31.12.2023	32
No. 6 – Geographical representation of Acea institutional investors	32
No. 7 – Contribution of the businesses to overall EBITDA (2022-2023)	33
No. 8 – Percentage turnover, CapEx and OpEx attributable to Group activities that are aligned, eligible but not aligned, not eligible and not assessed	37
No. 9 – Taxonomy-aligned CapEx, OpEx and Turnover percentage shares, by business	38
No. 10 – Sustainability tools	51
No. 11 – The 2020-2024 Sustainability Plan in numbers	56
No. 12 – The sustainability strategy guidelines	57
No. 13 – Activities of the Corporate Governance Committees	80
No. 14 – The architecture of the SCIGR	84
No. 15 – The main actors of the SCIGR	85
No. 16 – The ERM Unit and the corporate focal points	90
No. 17 – The certified integrated management system	96
No. 18 – Stakeholders and their involvement	98
No. 19 – Stakeholder mapping	99
No. 20 – Prosumer trend (no.) and energy fed into the grid (GWh) – 2021-2023	107
No. 21 – Overall opinion and on electricity service aspects – sale and distribution of energy – 2023 (scale of 1-10)	111
No. 22 – Overall opinion and on aspects of the public lighting service in Rome and Formello – 2023 (scale of 1-10)	112
No. 23 – Overall opinion and on aspects of the water service – sale and distribution of water in Rome and Fiumicino – 2023 (scale of 1-10)	112
No. 24 – Overall opinion and on aspects of the water service – sale and distribution of water in Frosinone and its province – 2023 (scale of 1-10)	113
No. 25 – Overall opinion and on aspects of the water service – sale and distribution of water in Sarnese Vesuviano – 2023 (scale of 1-10)	113
No. 26 – Overall opinion and on aspects of the water service – sale and distribution of water in Territorial Conference No. 6 "Ombrone" – 2023 (scale of 1-10)	113
No. 27 – Overall opinion and on aspects of the water service – sale and distribution of water in Benevento and its province – 2023 (scale of 1-10)	113
No. 28 – Types of public lighting faults out of total reports received (2023)	121
No. 29 – Electricity price trend for a standard domestic customer (€ cent/kWh) (2022-2023)	138
No. 30 – Total telephone traffic of Acea toll-free numbers (2022-2023)	144
No. 31 – Percentage distribution of telephone traffic received by Acea toll-free numbers (2023)	144
No. 32 – Acea corporate website 2023: access methods	151
No. 33 – Value of ordered goods, services and works and percentage on total (2023)	158
No. 34 – Orders (goods, services, works) by business area (2022-2023)	158
No. 35 – Geographical distribution of the amounts for goods and services in Italy and abroad (2023)	158
No. 36 – Geographical distribution of the amounts of works awarded in Italy (2023)	158
No. 37 – Presence of certified management systems and policies with suppliers evaluated by Ecovadis (2023)	162
No. 38 – Composition of the staff: gender, age and category (2023)	166
No. 39 – Contract types and length of the employment relationship (2023)	166
No. 40 – Types of entries and age of the staff (2023)	166
No. 41 – Types of entries and age of the staff (2023)	167
No. 42 – The distribution of the staff from a gender perspective (2023)	167
No. 43 – Presence of women in the corporate governance bodies (2021-2023)	167
No. 44 – Hours worked by the staff and absences (2023)	170
No. 45 – Women's pay as a percentage of men's pay by qualification and age group (2023)	171
No. 46 – Accidents and indices by gender and business area (2023)	175
No. 47 – Members that have used CRC services (2023)	187
No. 48 – Breakdown and investments by macro-area (2022-2023)	195
No. 49 – Acea sites/plants analysed, with potential impacts on biodiversity and protected areas intersected	206

No. 50 – Number of species listed in the IUCN Red List with habitat in the protected areas intersected	207
No. 51 – Installed electricity power of companies included in the NFS divided by energy source (MW) (2023)	214
No. 52 – Electricity produced subdivided by primary energy source (TJ) (2023)	215
No. 53 – Incoming volumes of waste managed by type of plant/activity (t) (2023)	219
No. 54 – The water distribution network of the main Group Companies in Italy (2023)	223
No. 55 – Analytical checks on drinking water, total and by company (2023)	223
No. 56 – Sewer networks of the main Group Companies in Italy (2023)	227
No. 57 – Analytical checks on wastewater, total and by company (2023)	228
No. 58 – Waste streams for the Water Business companies	240
No. 59 – Main waste streams in the Environment Business (waste-to-energy and compost sites)	241
No. 60 – Waste streams for Areti	242

TABLES

No. 1 – List of the Acea “material topics” in order of significance and gri “specific disclosures” related to topics of high significance	13
No. 2 – Companies included in the Parent Company’s full consolidation area (2023)	14
No. 3 – Scope of the Acea Group Consolidated Non-Financial Statement for 2023 (pursuant to Legislative Decree no. 254/2016 and the GRI Standards)	16
No. 4 – Acea Group in numbers – 2023	20
No. 5 – The main economic and equity data of the Acea Group (2022-2023)	32
No. 6 – Acea Group’s share of Turnover from products or services associated with Taxonomy-aligned economic activities – disclosure for 2023	40
No. 7 – Eligibility percentage and alignment for each environmental goal (Turnover KPI)	42
No. 8 – Acea Group’s share of capital expenditure (CapEx) from products or services associated with Taxonomy-aligned economic activities – disclosure for 2023	42
No. 9 – Percentage of eligibility and alignment for each environmental goal (CapEx KPI)	44
No. 10 – Acea Group’s share of operating expenses (OpEx) from products or services associated with Taxonomy-aligned economic activities – disclosure for 2023	46
No. 11 – Eligibility percentage and alignment for each environmental goal (OpEx KPI)	48
No. 12 – Taxonomy-eligible but not aligned nuclear and fossil gas related economic activities	50
No. 13 – Structure of the Board of Directors and Committees of Acea SpA (as at 31.12.2023)	81
No. 14 – Models and controls	85
No. 15 – Acea material topics, risks and management methods	91
No. 16 – Risks and opportunities related to climate change: CDP evidence	93
No. 17 – Certified management systems in the Acea Group (as at 31/12/2023)	96
No. 18 – Main impacts perceived by stakeholders, associated with 2023 material issues with high and medium significance	101
No. 19 – Economic value directly generated and distributed (2022-2023)	103
No. 20 – Breakdown of value generated by stakeholder (2022-2023)	103
No. 21 – Acea Group customers (energy and water sectors) (2021-2023)	109
No. 22 – Results of customer satisfactions surveys: sales and distribution of energy, public lighting service (2022-2023)	114
No. 23 – Results of customer satisfactions surveys: water service (2022-2023)	115
No. 24 – Main interventions for the management and development of electricity grids and substations (2023)	118
No. 25 – Public lighting in Rome in figures (2023)	119
No. 26 – Main efficiency, safety, repair and maintenance projects (2023)	120
No. 27 – Public lighting recovery: Acea penalties, standards and performance (2022-2023)	120
No. 28 – Main specific and general levels of commercial quality – energy distribution (2022-2023) (ARERA parameters and Areti performance – 2022: data submitted to ARERA; 2023: estimated data)	122
No. 29 – Main specific and general levels of commercial quality – energy sales (2022-2023) (ARERA parameters and Acea Energia performance – 2022 data submitted to ARERA, 2023 data not consolidated)	124
No. 30 – Service continuity data – energy distribution (2021-2023) (ARERA parameters and Areti performance – 2021-2022: data certified by ARERA; 2023: provisional data)	124
No. 31 – Water network areas (2023)	126
No. 32 – Main interventions on the drinking water and sewerage networks and controls on drinking water and wastewater (2023)	127
No. 33 – Number, type and duration of disruptions in the supply of water (2021-2023)	129
No. 34 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Acea Ato 2 (ARERA parameters, improvement standards and Acea Ato 2 performance – 2022 data are consolidated, 2023 data are not consolidated)	133
No. 35 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Acea Ato 5 (ARERA parameters, improvement standards from the Service Charter, and Acea Ato 5 performance – 2022 data are consolidated, 2023 data are not consolidated)	134
No. 36 – The main specific and general levels of contractual quality in the water sector (2022-2023) – Gori (ARERA parameters and Gori performance – 2022 data are consolidated, 2023 data are not consolidated)	135

No. 37 – Main specific and general levels of contractual quality in the water sector (2022-2023) – Gesesa (ARERA parameters and Gesesa performance – 2022 data are consolidated, 2023 data are not consolidated)	136
No. 38 – The main specific and general levels of contractual quality in the water sector (2022-2023) – AdF (ARERA parameters, improvement standards from the Service Charter, and AdF performance – 2022 data are consolidated, 2023 data are not consolidated)	137
No. 39 – Average water prices applied (2023)	138
No. 40 – Energy: performance of toll-free numbers and branches (2022-2023) (*)	145
No. 41 – Water: performance of toll-free numbers and branches (2022-2023) (*)	146
No. 42 – Procurement data (2022-2023)	159
No. 43 – Procurement nationwide (2022-2023)	159
No. 44 – Evolution of employees by macro-area (2021-2023)	165
No. 45 – General data on personnel (2021-2023)	168
No. 46 – Movements of personnel (2021-2023)	169
No. 47 – Age groups, employment contract length (2021-2023)	169
No. 48 – Hours worked, absences, remuneration and members of the supplemental pension fund (2021-2023)	171
No. 49 – Health and safety (2021-2023)	176
No. 50 – Training (2022-2023)	181
No. 51 – Performance of stock exchange indexes and Acea shares (2023)	187
No. 52 – 2023 rating	188
No. 53 – The principal sources under protection	211
No. 54 – Installed power of the electric power stations of Acea Produzione	214
No. 55 – Electricity produced (by primary energy source) (2021-2023)	215
No. 56 – Number of overhead and underground distribution lines and plants (2021-2023)	216
No. 57 – The San Vittore del Lazio waste-to-energy plant: operating data (2021-2023)	219
No. 58 – Terni waste-to-energy plant: operating data (2021-2023)	220
No. 59 – Analytical determinations in Rome (2021-2023) and main quality parameters of the drinking water distributed in Lazio, in Campania and in Tuscany (2023)	224
No. 60 – Volumes of wastewater treated by Water Companies operating in Lazio, in Campania and in Tuscany (2021-2023) (mm ³)	227
No. 61 – Percentage coverage of the sewer and purification services for total user accounts of the Water Companies in the NFS (2021-2023)	227
No. 62 – Hydrographic basins affected by discharges of Companies within the scope of NFS	228
No. 63 – Output parameters of the main treatment plants managed by Acea Ato 2, Acea Ato 5, Gori, AdF And Gesesa (2023)	229
No. 64 – Type and consumption of materials by the main Group Companies (2021-2023)	230
No. 65 – Energy consumption by source (2021-2023) (*)	230
No. 66 – Energy intensity indices (2021-2023)	231
No. 67 – Water withdrawal and recovery (2021-2023)	234
No. 68 – Total atmospheric emissions of pollutants from the main Group plants (2021-2023)	235
No. 69 – Concentrations of atmospheric emissions generated by waste-to-energy plants (2021-2023)	236
No. 70 – CO ₂ emission allowances as per the National Allocation Plan (NAP) and actual emissions by plant (2021-2023)	236
No. 71 – Environmental indicators: CO ₂ emissions, greenhouse gas intensity indices (2021-2023)	238
No. 72 – Total waste produced (2021-2023)	239
No. 73 – Waste produced by Water Business companies (2021-2023)	240
No. 74 – Waste produced by Environment Business companies (2021-2023)	242
No. 75 – Waste produced by the Areti Company (2021-2023)	243

ENVIRONMENTAL ACCOUNTS

PRODUCT SYSTEMS	278
THE PRODUCTS	279
THE RESOURCES USED	288
EMISSIONS AND WASTE	292
KEY ENVIRONMENTAL PERFORMANCE INDICATORS (KPI)	296
EXPLANATORY NOTES	301

SCOPE

The scope of the *Environmental Accounts* is consistent with the reporting scope of the *Sustainability Report (Consolidated Non-Financial Statement)* pursuant to Legislative Decree no. 254/2016/NFS), as defined in the *Methodological Note*. The company Società Orvieto Ambiente Srl was established on 21 February 2023, operating in environmental services and the production of electricity from renewable sources, responsible for managing the plant hub at Orvieto (TR). As from 2023, the Environmental Accounts also present

the information for Società Ecologica Sangro, starting from the 2022 figures, when it was acquired by the Group.

The water Companies in which Acea has an investment: Acque, Publiacqua and Umbra Acque - consolidated in the Financial Statements with the equity method - are marginally included in the Environmental Accounts and only relative to the aspects which are specifically signalled in the text. Please see the chapter *Water Company data sheets and overseas activities* (outside the scope of the NFS).²⁵⁹

The *Environmental Accounts*, integral part of the *Sustainability Report*, combines and presents systematically the information and environmental performance data of the principal Companies of the Group.

The data is divided into “product systems” pertaining to the energy, environment and water fields, according to the Life Cycle Assessment approach (standard ISO Series 14040), which assesses the entire life cycle of the systems.

The Report comprises **over 500 items and parameters monitored** which quantify the physical flows generated by the activities and some performance indicators.

For the three Areas — Energy, Environment, Water — the substances used by the Group over a three-year period — whether natural, like water, or not natural, like *chemicals*, renewable or not — the products, emissions, effluents and waste related to the activities managed are attributable to **producing and distributing energy**, for **collecting and distributing drinking water, treatment**, and all the processes associated with **waste management**, including **waste-to-energy**.

Every use of resources is reduced to a minimum in terms of quantity and every substance is selected carefully in terms of quality, safety and environmental sustainability.

PRODUCT SYSTEMS



ENERGY BUSINESS

- ENERGY GENERATION (HYDROELECTRIC + THERMOELECTRIC + PHOTOVOLTAIC + FROM WASTE AND BIOGAS)
- DISTRIBUTION OF ELECTRICITY
- PRODUCTION AND DISTRIBUTION OF HEAT
- PUBLIC LIGHTING
- CONTROLS AND MEASUREMENTS



ENVIRONMENT BUSINESS

- SOLID AND LIQUID WASTE DISPOSED OF
- COMPOST PRODUCTION
- ANALYSIS AND MEASUREMENTS



WATER BUSINESS

- DRINKING WATER SUPPLY
- WATER DISTRIBUTION
- ADDUCTION/PURIFICATION WASTEWATER
- ANALYSIS AND MEASUREMENTS

The data are provided for the 2021-2023 three-year period and aggregated in three homogeneous categories:

- **the products supplied,**
- **the resources used,**
- **emissions and waste produced.**

The service indicators and the principal environmental performance indicators are explained below for every business.

In the *Explanatory Notes*, we provide additional information regarding the **quality of the data presented**, in particular, whether it was **measured, estimated** or **calculated**, and the principal items of the *Environmental Accounts*, indicated in the tables and in the text by a number in brackets, including a brief description.

²⁵⁹ The Demap, Aquaser and Acea Innovation companies are present in the Environmental Accounts, and precisely in *Resources* (fuel used by the main Group Companies for transport and heating) and in *Emissions* (the emissions of carbon dioxide from transport and packaging). In fact, they cannot be present in the other product systems (according to ISO 14040) as they do not have a product cycle system that can be reported.

PRODUCTS – ENERGY BUSINESS

The financial statement data for the generation of electricity refer to **Acea Produzione, Ecogena, Acea Ambiente** – waste-to-energy (San Vittore del Lazio and Terni plants) and biogas production (Aprilia and Monterotondo Marittimo plants) – **Orvieto Ambiente, Deco** and **Ecologica Sangro** (production of biogas).

The data presented in the tables below reflect two perspectives. The first refers to an expanded reporting scope that includes the photovoltaic plants of Acea Produzione's operating subsidiary, even though they are not fully consolidated²⁶⁰, and the second refers solely to the reporting scope associated with the NFS.

SUMMARY POWER GENERATION DATA, INCLUDING PHOTOVOLTAIC SUBSIDIARIES (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total gross electricity produced	GWh	1,015.56	948.94	1,047.37	10.4
total net electricity produced	GWh	938.68	870.52	967.27	11.1
electricity from fossil fuels (thermoelectric)	GWh	317.33 31.2% of total gross electricity	304.77 32.1% of total gross electricity	290.45 27.7% of total gross electricity	-4.7
electricity from renewable sources (hydroelectric, photovoltaic, biodegradable portion of waste and biogas)	GWh	698.22 68.8% of total gross electricity	644.17 67.9% of total gross electricity	756.93 72.1% of total gross electricity	17.5

(*) Some figures for the 2021-2022 two year period have been restated following consolidation, specifically after the entry of Ecologica Sangro in the scope of consolidation with data from 2022.

SUMMARY POWER GENERATION DATA - NFS SCOPE (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total gross electricity produced (1)= (5+10+13+16+22)	GWh	1,015.56	850.51	933.35	9.7
total net electricity produced (2) = (9+12+15+18+26)	GWh	938.68	773.08	855.79	10.7
from fossil fuels (thermoelectric) (7 + 0.53x 13 _{San Vittore del Lazio} + 0.59x 13 _{Terni})	GWh	317.33 31.2% of (1)	304.77 35.8% of (1)	290.45 31.1% of (1)	-4.7
from renewable sources (hydroelectric, photovoltaic, biodegradable portion of waste and biogas) (6+10+0,47x13 _{San Vittore del Lazio} +0,44 x 13 _{Terni} +16)	GWh	698.22 68.8% of (1)	545.74 64.2% of (1)	642.91 68.9% of (1)	17.8

(*) Certain figures for the 2021-2022 two year period have been restated following consolidation, specifically with the entry of Ecologica Sangro in the scope of consolidation.

SUMMARY THERMAL POWER GENERATION DATA	u. m.	2021	2022	2023	Δ% 2023/2022
gross thermal energy produced (3) = (19+22)	GWh	121.94	105.29	100.60	-4.5
net thermal energy produced (4) = (21+27) (*)	GWh	95.42	79.81	73.98	-7.3

(*) The figure for 2022 was restated following consolidation of item (20).

²⁶⁰ We refer, in particular, to KT 4 Srl, Solaria Real Estate Srl, Acea Sun Capital Srl, Trinovolt Srl, Marche Solar Srl, Fergas Solar Srl, Euroline 3 Srl, IFV Energy Srl, PF Power of Future Srl, JB Solar Srl, M2D Srl, PSL Srl, Solarplant Srl, and Acea Green Srl, which produce photovoltaic energy and left the scope of full consolidation in March 2022, following the transaction described in the *Methodological Note*, and merged into **AE Sun Capital**, a subsidiary of Acea Produzione. The plants in question produced 114.02 GWh in 2023.

BREAKDOWN OF POWER GENERATION DATA - NFS SCOPE (*)					Δ%
	u. m.	2021	2022	2023	2023/2022
Acea production – hydroelectric and thermoelectric					
total gross electricity produced (5) = (6+7)	GWh	542.44	450.18	533.35	18.5
total gross hydroelectric energy (6)	GWh	434.70	335.30	425.14	26.8
A. Volta Castel Madama	GWh	28.99	16.29	25.04	53.8
G. Ferraris Mandela	GWh	18.42	8.50	11.60	36.4
G. Marconi Orte	GWh	70.31	46.81	61.03	30.4
Sant'Angelo	GWh	146.11	91.52	156.76	71.3
Salisano	GWh	167.62	168.98	167.53	-0.9
Other minor	GWh	3.26	3.21	3.17	-0.9
total gross thermoelectric energy (7)	GWh	107.74	114.88	108.21	-5.8
from diesel fuel - Montemartini power plant (*)	GWh	1.65	2.21	0.67	-69.8
from natural gas - Tor di Valle power plant - CAR	GWh	106.09	112.67	107.54	-4.6
total loss of electrical energy (8)	GWh	13.21	12.93	12.31	-4.8
self-consumption - hydroelectric plants	GWh	2.19	1.95	1.85	-5.1
self consumption thermoelectric plants (Tor di Valle, Montemartini)	GWh	5.40	5.45	5.18	-5.0
first processing losses	GWh	5.63	5.53	5.29	-4.4
total net electricity produced by Acea Produzione (9) = (5-8)	GWh	529.23	437.25	521.03	19.2
Acea Production and other Companies - photovoltaic					
gross photovoltaic electrical energy (10)	GWh	78.61	13.51	20.38	50.8
Acea Produzione	GWh	9.66	13.51	20.38	50.8
other PV Companies (**)	GWh	68.95	-	-	-
total electricity losses including own consumption (11)	GWh	0.79	1.51	1.80	19.3
Acea Produzione	GWh	0.10	1.51	1.80	19.3
other PV Companies (**)	GWh	0.69	-	-	-
net photovoltaic energy (12) = (10-11)	GWh	77.82	12.01	18.59	54.8
Acea Produzione	GWh	9.57	12.01	18.59	54.8
other PV Companies (**)	GWh	68.26	-	-	-
Acea Ambiente - waste-to-energy					
total gross electricity produced (13)	GWh	356.41	337.08	320.48	-4.9
San Vittore del Lazio plant	GWh	267.74	251.26	249.70	-0.6
Terni plant	GWh	88.67	85.81	70.78	-17.5
self consumption + losses from first processing (14)	GWh	45.64	43.23	42.13	-2.5
San Vittore del Lazio plant	GWh	36.83	34.43	34.12	-0.9
Terni plant	GWh	8.81	8.79	8.01	-8.9
total net electricity produced (15) = (13-14)	GWh	310.77	293.85	278.34	-5.3
Acea Ambiente, Orvieto Ambiente and Deco - biogas (***)					
total gross electricity produced from biogas (16)	GWh	31.39	44.34	50.09	13.0
Orvieto Ambiente hub	GWh	13.99	12.67	16.58	30.9
Aprilia plant	GWh	12.32	15.04	15.12	0.5
Monterotondo Marittimo plant	GWh	5.07	5.95	6.25	5.0
Deco sites	GWh	-	2.84	1.38	-51.6
Ecologica Sangro site	GWh	-	7.84	10.76	37.2
self consumption (17)	GWh	15.43	16.77	17.72	5.7
Orvieto Ambiente hub	GWh	0.89	0.89	0.97	8.1
Aprilia plant	GWh	9.59	9.98	10.63	6.5
Monterotondo Marittimo plant	GWh	4.94	5.19	5.33	20.3
Deco sites	GWh	-	0.19	0.09	-51.4
Ecologica Sangro site	GWh	-	0.51	0.70	38.3
total electricity transferred in network (18) = (16-17)	GWh	15.96	27.58	32.27	17.4

(*) The Montemartini power plant is maintained operational but in reserve mode.

(**) The figure for 2021 pertains to the PV Companies, which left the full consolidation scope in March 2022 due to the transaction described in the *Methodological Note*.

(***) Some data from 2022 was restated following the consolidation, and entry of Ecologica Sangro into the scope of consolidation.

BREAKDOWN OF GENERATION, DISTRIBUTION AND SALES DATA - THERMAL ENERGY					Δ%
	u. m.	2021	2022	2023	2023/2022
Acea Produzione					
gross thermal energy produced Tor di Valle power station (19)	GWh _t	98.67	87.69	83.86	-4.4
total losses of thermal energy (20)	GWh _t	23.94	23.82	24.43	2.5
distribution losses	GWh _t	20.37	21.49	21.13	-1.7
production losses	GWh _t	3.57	2.33	3.30	41.4
net thermal energy sold (21) = (19-20)	GWh _t	74.73	63.87	59.43	-7.0
Ecogena					
gross electricity produced (22)	GWh	6.71	5.40	9.06	67.7
gross thermal energy produced (23)	GWh _t	23.27	17.60	16.74	-4.9
gross refrigeration energy produced (24)	GWh _f	11.07	11.60	11.60	-
total consumption (25)	GWh	5.46	5.88	6.84	16.3
self-consumed electricity	GWh	1.82	3.00	3.60	20.3
heat dissipated	GWh _t	2.58	1.66	2.20	32.2
refrigeration energy consumed	GWh _f	1.06	1.22	1.03	-15.2
net electricity (26)	GWh	4.88	2.41	5.46	126.7
net thermal energy (27)	GWh _t	20.69	15.94	14.55	-8.7
net refrigeration energy (28)	GWh _f	10.01	10.38	10.57	1.7
ELECTRICITY TRANSPORT AND SALES					
	u. m.	2021	2022	2023	Δ% 2023/2022
in Rome and Formello - summary data					
supply from Acea Group (29)	GWh	3.47	3.18	4.84	52.2
electricity from the market (30)	GWh	9,826.70	10,058.83	9,795.62	-2.6
from Single Buyer	GWh	2,230.42	2,096.22	1,671.08	-20.3
from importation	GWh	78.56	77.71	76.93	-1.0
from wholesalers + other producers	GWh	7,517.72	7,884.90	8,047.61	2.1
electricity requested by the network (31) = (29+30) = (32+33+34+35+36)	GWh	9,830.17	10,062.01	9,800.46	-2.6
distribution, transport and commercial losses (32)	GWh 6.0% of (31)	593.35	653.62	604.87	-7.5
uses for own transmission and distribution (33)	GWh	30.71	28.94	27.88	-3.6
net electricity transferred to third parties (34)	GWh	102.19	103.49	102.76	-0.7
net electricity conveyed from Acea to clients of the open market (35)	GWh	7,410.22	7,884.90	8,047.61	2.1
net electricity sold by Acea Energia to clients of the open market on distribution company grid (Areti)	GWh	5,909.37	6,341.77	1,442.09	-77.3
net electricity sold by other sellers to clients of the open market on distribution company grid (Areti)	GWh	1,500.85	1,543.13	6,605.52	328.1
net electricity sold to managed clients (36)	GWh	1,693.70	1,391.06	1,017.34	-26.9
net electricity sold by Acea Energia to managed clients (36A)	GWh	.	-	1,016.80	-
sale in Italy - summary data					
net electricity sold by Acea Energia on the open market - including sale on Rome (37)	GWh	6,074.57	5,985.69	5,368.72	-10.3
net electricity sold by Acea Energia in Italy (open market + managed) (38) = (36A)+(37)	GWh	7,768.27	7,376.75	6,385.52	-13.4
GAS SALES					
	u. m.	2021	2022	2023	Δ% 2023/2022
gas sold by Acea Energia in Italy (39)	MSm ³	174.68	170.40	175.07	2.7
PUBLIC LIGHTING					
	u. m.	2021	2022	2023	Δ% 2023/2022
luminous flux to Rome (40)	Mlumen	2,021	1,877	1,845	-1.7

CONTROLS AND MEASUREMENTS	u. m.	2021	2022	2023	Δ% 2023/2022
measurement and control activity (41)	no.	420	226	230	1.8
electro-magnetic field measurements	no.	41	25	9	-64.0
noise measurements	no.	34	6	10	66.7
PCB chemical analyses	no.	69	25	25	-
waste classification	no.	23	48	38	-20.8
transformer diagnostics	no.	253	122	148	21.3

PRODUCTS – ENVIRONMENT BUSINESS

Data refers to the plants of **Acea Ambiente, Orvieto Ambiente**²⁶¹, **Acque Industriali, Berg, Deco and Ecologica Sangro sites**²⁶². For Acea Ambiente, these are the three composting plants (located in Aprilia, Monterotondo Marittimo and Sabaudia), the chemical/physical and biological treatment plant for non-hazardous liquid waste, the Grasciano2 plant located in Notaresco and operated by Deco, and the treatment plant at Chiusi. For Orvieto Ambiente, this refers to the plant hub managing waste at Orvieto, comprising a landfill and composting plant. For Acque Industriali the data refers to the liquid waste disposal plants located in the Tuscan provinces of Pisa (Pontedera and Pisa-San Jacopo), Florence (Empoli-Pagnana) and Siena (Poggibonsi). Berg only has one facility where waste stor-

age, disposal and treatment is carried out. The Waste Management Hub, owned by Deco, consists of the facilities from the landfills located at Casoni and Colle Cese²⁶³ and a Mechanical Biological Treatment Plant (MBT).

It is noted that at **31.12.2023, certain plants were not operational**. Specifically: **the Sabaudia plant** has been inactive since 2020 (pending the revamping authorisation); **the Poggibonsi plant** has been inactive since June 2021 pending the release of a new authorisation; **the Pisa-San Jacopo plant** stopped operations in February 2020 and was decommissioned in July 2022, similarly to the **Pontedera plant** that was closed.

ORVIETO AMBIENTE HUB - INCOMING WASTE, DISPOSED OF AND RECOVERED	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming waste (42) = (43+44)	t	108,361	97,661	99,513	1.9
waste sent for treatment (43)	t	67,155	45,674	59,045	29.3
waste sent to the anaerobic digester and aerobic treatment	t	32,855	31,193	45,463	45.7
sent for aerobic treatment or just shredding	t	34,299	14,480	13,582	-6.2
waste sent directly to landfill (44)	t	41,207	51,988	40,468	-22.2
waste sent to landfill after treatment (45)	t	31,239	17,549	19,244	9.7
waste recovered (46)	t	52	28	23	-15.5
quality compost (47)	t	3,559	3,412	4,328	26.8
reduction due to stabilisation (48) = (42-44+45+46+47)	t	32,304	24,684	35,451	43.6

DECO SITES - INCOMING WASTE, DISPOSED OF AND RECOVERED (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming waste (49) = (50+51)	t	-	243,566	324,852	33.4
waste entering the landfills (Casoni and Grasciano2) (50)	t	-	1,924	72,565	-
waste sent to MBT plant (51)	t	-	241,642	252,286	4.4
leaving the MBT plant and proceeding to recovery - SRF (52)	t	-	96,093	95,869	-0.2
leaving the MBT plant and proceeding to recovery - metals (53)	t	-	4,121	4,101	-0.5
waste leaving the MBT plant and proceeding to disposal (54)	t	-	84,162	89,984	6.9
reduction due to stabilisation (55) = (49-50+52+53+54)	t	-	57,266	62,332	8.8

(*) Sites owned and operated by Deco have been included in the reporting since 2022.

ECOLOGICA SANGRO - INCOMING AND DISPOSED WASTE	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming waste sent to landfill (55B)	t	-	65,591	56,197	-14.3

261 The company Società Orvieto Ambiente Srl was established on 21 February 2023 and is responsible for managing the plant hub at Orvieto (TR).

262 Ecologica Sangro entered the NFS scope as from 2023. Figures are included in the financial statements from 2022, when the Company became part of the Acea Group.

263 Exhausted landfill site, under post-operational management.

COMPOST PRODUCTION	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming organic waste (56) = (57+58+59)	t	141,506.00	149,184.88	156,457.54	4.9
incoming sludge (57)	t	26,912.42	31,490.46	28,912.88	-8.2
<i>Aprilia plant</i>	<i>t</i>	<i>9,005.22</i>	<i>13,114.68</i>	<i>9,459.46</i>	<i>-27.9</i>
<i>Monterotondo Marittimo plant</i>	<i>t</i>	<i>17,907.20</i>	<i>18,375.78</i>	<i>19,453.42</i>	<i>5.9</i>
incoming green (58)	t	26,184.14	26,347.66	33,992.98	29.0
<i>Aprilia plant</i>	<i>t</i>	<i>14,529.62</i>	<i>15,799.06</i>	<i>18,408.10</i>	<i>16.5</i>
<i>Monterotondo Marittimo plant</i>	<i>t</i>	<i>11,654.52</i>	<i>10,548.60</i>	<i>15,584.88</i>	<i>47.7</i>
organic fraction of municipal solid waste and other agrifood waste (59)	t	88,409.44	91,346.76	93,551.68	2.4
<i>Aprilia plant</i>	<i>t</i>	<i>60,274.56</i>	<i>67,253.54</i>	<i>66,055.08</i>	<i>-1.8</i>
<i>Monterotondo Marittimo plant</i>	<i>t</i>	<i>28,134.88</i>	<i>24,093.22</i>	<i>27,496.60</i>	<i>14.1</i>
quality compost (60)	t	24,686.75	38,580.72	43,206.00	12.0
<i>Aprilia plant (*)</i>	<i>t</i>	<i>13,001.75</i>	<i>18,131.72</i>	<i>20,000.00</i>	<i>10.3</i>
<i>Monterotondo Marittimo plant</i>	<i>t</i>	<i>11,685.00</i>	<i>20,449.00</i>	<i>23,206.00</i>	<i>13.5</i>
non-compostable material for disposal (61)	t	11,813.09	5,768.53	5,220.84	-9.5
<i>Aprilia plant</i>	<i>t</i>	<i>7,365.30</i>	<i>2,476.90</i>	<i>1,354.04</i>	<i>-45.3</i>
<i>Monterotondo Marittimo plants</i>	<i>t</i>	<i>4,447.79</i>	<i>3,291.63</i>	<i>3,866.80</i>	<i>17.5</i>
reduction due to stabilisation (62) = (57+58-60-61) (*)	t	105,006.16	104,835.63	108,030.70	3.0

(*) The quantities of compost produced in 2022 were adjusted, as they had estimated for the previous report, and consequently also the figures relating to the reduction due to stabilisation.

LIQUID WASTE AND WASTE WATER DISPOSAL - CHIUSI PLANT	u. m.	2021	2022	2023	Δ% 2023/2022
liquid waste (63)	t	92,792	98,023	96,334	-1.7
waste water treated (64)	m³	148,862	81,996	86,888	6.0

ANALYTICAL DETERMINATIONS ON WASTE AND ON QUALITY COMPOST	u. m.	2021	2022	2023	Δ% 2023/2022
total analytical determinations (65)	no.	125	211	259	22.7
<i>analytical determinations on compost - Orvieto Ambiente plant</i>	<i>no.</i>	<i>10</i>	<i>12</i>	<i>14</i>	<i>16.7</i>
<i>analytical determinations on compost - Aprilia and Monterotondo Marittimo plants</i>	<i>no.</i>	<i>48</i>	<i>64</i>	<i>75</i>	<i>17.2</i>
<i>analytical determinations on waste - Orvieto Ambiente plant</i>	<i>no.</i>	<i>67</i>	<i>65</i>	<i>79</i>	<i>21.5</i>
<i>analytical determinations on waste - Deco and Ecologica Sangro sites</i>	<i>no.</i>	<i>-</i>	<i>70</i>	<i>91</i>	<i>30.0</i>

LIQUID WASTE DISPOSAL AND INDUSTRIAL WATER TREATMENT (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming waste (66) = (67+68+69+70)	t	92,381.1	49,922.1	25,204.8	-49.5
incoming sludge (67)	t	24,520.8	8,741.9	2,362.4	-73.0
<i>Pagnana plant</i>	<i>t</i>	<i>10,574.5</i>	<i>5,681.3</i>	<i>2,362.4</i>	<i>-58.4</i>
<i>Pontedera plant</i>	<i>t</i>	<i>8,896.1</i>	<i>3,060.6</i>	<i>0.0</i>	<i>-</i>
<i>Poggibonsi plant</i>	<i>t</i>	<i>5,050.3</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>
<i>San Jacopo plant</i>	<i>t</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>
liquid waste (68)	t	10,649.9	7,774.0	7,275.8	-6.4
<i>Pagnana plant</i>	<i>t</i>	<i>3,832.0</i>	<i>4,129.0</i>	<i>7,275.8</i>	<i>76.2</i>
<i>Pontedera plant</i>	<i>t</i>	<i>6,817.9</i>	<i>3,645.0</i>	<i>0.0</i>	<i>-</i>
Sewage waste and others (69)	t	7,627.2	7,796.7	2,085.0	-73.3
<i>Pagnana plant</i>	<i>t</i>	<i>1,331.0</i>	<i>5,421.0</i>	<i>2,085.0</i>	<i>-61.5</i>
<i>Pontedera plant</i>	<i>t</i>	<i>6,156.4</i>	<i>2,375.7</i>	<i>0.0</i>	<i>-</i>
<i>Poggibonsi plant</i>	<i>t</i>	<i>139.8</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>
<i>San Jacopo plant</i>	<i>t</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-</i>

leachate (70)	t	49,583.2	25,609.5	13,481.6	-47.4
Pagnana plant	t	30,338.1	20,177.6	13,481.6	-33.2
Pontedera plant	t	19,245.1	5,431.9	0.0	-
Poggibonsi plant	t	353.7	0.0	0.0	-
Ammonium sulphate produced (71)	kg	219,670.0	139,040.0	22,000.0	-84.2
Pagnana plant	kg	141,930.0	84,260.0	22,000.0	-73.9
Pontedera plant	kg	77,740	54,780.0	0.0	-
TREATED AND DISCHARGED WATER - INDUSTRIAL WATER	u. m.	2021	2022	2023	D% 2023/2022
Treated and discharged water (72)	m³	93,916	50,998	29,697	-41.8
Pagnana plant	m ³	55,655	41,730	29,697	-28.8
Pontedera plant	m ³	30,483	9,268	0	-
Poggibonsi plant	m ³	7,778	0	0	-
San Jacopo plant	m ³	0	0	0	-

LIQUID WASTE AND SOLIDS DISPOSAL - BERG	u. m.	2021	2022	2023	Δ% 2023/2022
total incoming waste (73) = (74+75)	t	133,090.69	93,689.15	131,879.89	40.8
solid waste (74)	t	226.32	123.80	61.16	-50.6
liquid waste (75)	t	132,864.37	93,565.35	131,818.73	40.9

PRODUCTS – WATER BUSINESS

Water data **summarized at the national level** include water companies Acea OTA 2 and Acea OTA 5 (Lazio), Gesesa and Gori (Campania), Umbra Acque (Umbria), and Acque, Publiacqua and AdF (Tuscany). The details of the water balances are presented only for the Companies in the reporting scope of the *Consolidated Non-Financial Statement* (NFS, pursuant to Legislative Decree No. 254/2016):

Acea OTA 2, Acea OTA 5, Gesesa, Gori and AdF. Regarding the water balances of other Group companies not in the NFS scope, see the chapter *Water companies data sheets and overseas activities*. The loss assessment was conducted according to ARERA Resolution 917/17 R/IDR. In particular, ARERA procedures establish that water losses are calculated on the entire scope of the aqueduct system (and not only on the distribution network) and include apparent losses.

SUMMARY WATER DATA - NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF) AND MAIN SUBSIDIARIES (ACQUE, UMBRA ACQUE, PUBLIACQUA) (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total drinking water collected from the environment or from other systems and fed into the aqueduct systems (76)	Mm³	1,317.3	1,282.9	1,273.8	-0.7
total drinking water supplied and billed (77)	Mm³	633.2	624.2	630.0	0.9
total drinking water leaving the system (78)	Mm³	740.2	737.3	736.1	-0.2

(*) Some figures for 2022 have been updated following consolidation. Some 2023 items were estimated and will be consolidated in the months following publication.

SUMMARY WATER DATA OF THE COMPANIES OPERATING IN THE NFS SCOPE: ACEA OTA 2, ACEA OTA 5, GESESA, GORI, AND ADF (*)	u. m.	2021	2022	2023	Δ% 2023/2022
total drinking water collected from the environment or from other systems and fed into the aqueduct systems (79)	Mm³	1,039.7	1,009.6	1,004.5	-0.5
total drinking water supplied and billed (80)	Mm³	482.0	472.2	480.4	1.7
total drinking water leaving the system (81)	Mm³	574.0	571.8	571.4	-0.1

(*) The figures for 2022 have been updated following consolidation. The 2023 figures are estimated and will be consolidated with the subsequent reporting.

SUMMARY WATER BALANCES NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF)(*)					
	u. m.	2021	2022	2023	Δ% 2023/2022
Acea Ato 2 for Ato 2 – central Lazio (Rome + municipalities acquired as at 31.12.2023)(**)					
drinking water collected from the environment or from other systems and fed into the aqueduct systems (82)	Mm ³	667.8	656.2	670.7	2.2
<i>surface (lakes and rivers)</i>	Mm ³	0.0	0.0	3.5	-
<i>from wells</i>	Mm ³	87.0	95.3	95.7	0.4
<i>from springs</i>	Mm ³	575.1	555.5	564.1	1.5
<i>from other aqueduct systems</i>	Mm ³	5.7	5.5	7.4	34.5
total drinking water leaving the aqueduct system (83) = (84+85+86+87)	Mm ³	401.3	400.8	401.3	0.1
total drinking water released and invoiced into the OTA 2 network (84)	Mm ³	331.6	323.8	332.1	2.6
<i>measured volume of water delivered to users</i>	Mm ³	306.6	305.7	309.8	1.3
<i>volume consumed by users and not measured</i>	Mm ³	25.0	18.1	22.3	23.2
total drinking water authorised and not billed in the network (85)	Mm ³	21.9	29.2	31.6	8.2
<i>measured unbilled authorised consumption</i>	Mm ³	0.5	0.3	0.1	-66.7
<i>unmeasured unbilled authorised consumption</i>	Mm ³	21.4	28.9	31.5	9.0
drinking water exported to other systems (86)	Mm ³	46.4	46.2	35.7	-22.7
measured drinking water losses (87)	Mm ³	1.4	1.7	1.9	11.8
loss assessment according to ARERA Resolution 917/17 R/IDR					
water losses (88)	Mm ³	266.5	255.4	269.4	5.5
water loss percentages (89)	%	39.9	38.9	40.2	3.3
Acea Ato 5 for Ato 5 – Southern Lazio - Frosinone (86 municipalities)					
drinking water collected from the environment or from other systems and fed into the aqueduct systems (90)	Mm ³	115.8	109.8	105.6	-3.8
<i>from wells</i>	Mm ³	55.6	54.4	51.4	-5.5
<i>from springs</i>	Mm ³	46.0	42.1	42.1	-0.1
<i>from other aqueduct systems</i>	Mm ³	14.2	13.2	12.1	-8.3
total drinking water leaving the aqueduct system (91) = (92+93+94)	Mm ³	38.8	39.1	38.2	-2.3
total drinking water dispensed and billed in the network (92)	Mm ³	26.5	26.8	27.0	0.7
<i>measured volume of water delivered to users</i>	Mm ³	19.4	24.7	25.9	4.9
<i>volume consumed by users and not measured</i>	Mm ³	7.1	2.1	1.1	-47.6
total drinking water authorised and not billed in the network (93)	Mm ³	6.9	7.1	7.1	-
<i>measured unbilled authorised consumption</i>	Mm ³	0.0	0.0	0.0	-
<i>unmeasured unbilled authorised consumption</i>	Mm ³	6.9	7.1	7.1	-
drinking water exported to other systems (94)	Mm ³	5.4	5.1	4.12	-19.6
loss assessment according to ARERA Resolution 917/17 R/IDR					
water losses (95)-	Mm ³	77.1	70.7	67.4	-4.7
water loss percentages (96)-	%	66.5	64.4	63.8	-0.9
Gesesa – Sannita District Area²⁶⁴, Benevento (21 municipalities)					
drinking water collected from the environment or from other systems and fed into the aqueduct systems (97)	Mm ³	19.4	17.8	17.52	-1.7
<i>from wells</i>	Mm ³	6.0	5.1	5.2	2.0
<i>from springs</i>	Mm ³	3.2	2.4	2.4	0.0
<i>drinking water collected from other aqueduct systems</i>	Mm ³	10.2	10.4	9.9	-4.8
total drinking water leaving the aqueduct system (98) = (99+100+101)	Mm ³	8.2	7.9	7.7	-2.5
total drinking water dispensed and billed in the network (99)	Mm ³	8.0	7.7	7.5	-2.6
<i>measured volume of water delivered to users</i>	Mm ³	7.4	7.2	6.9	-4.2
<i>volume consumed by users and not measured</i>	Mm ³	0.6	0.5	0.6	20.0
total drinking water authorised and not billed in the network (100)	Mm ³	0.0	0.0	0.0	-

264 Previously known as OTA Calore Irpino. DGR 434 of 3 August 2022, amending Regional Law 14/2015.

drinking water exported to other systems (101)	Mm ³	0.1	0.1	0.2	-
loss assessment according to ARERA Resolution 917/17 R/IDR					
water losses (102)	Mm ³	11.2	10.0	9.8	-2.0
water loss percentages (103)	%	57.8	55.9	55.9	-
Gori – Sarnese-Vesuviano District (75 municipalities)					
drinking water collected from the environment or from other systems and fed into the aqueduct systems (104)	Mm ³	176.0	166.9	153.4	-8.1
from wells	Mm ³	50.4	50.0	33.0	-34.0
from springs	Mm ³	2.0	1.7	1.7	0.0
drinking water collected from other aqueduct systems	Mm ³	123.6	115.2	118.7	3.0
total drinking water leaving the aqueduct system (105) = (106+107+108)	Mm ³	88.7	87.0	87.6	0.7
total drinking water dispensed and billed in the network (106)	Mm ³	87.2	85.3	85.5	0.2
measured volume of water delivered to users	Mm ³	81.4	80.4	82.6	2.7
volume consumed by users and not measured	Mm ³	5.7	4.9	2.9	-40.8
total drinking water authorised and not billed in the network (107)	Mm ³	1.2	1.3	1.6	23.1
measured unbilled authorised consumption	Mm ³	0.0	0.0	0.0	-
unmeasured unbilled authorised consumption	Mm ³	1.2	1.3	1.6	23.1
drinking water exported to other systems (108)	Mm ³	0.4	0.5	0.5	-
loss assessment according to ARERA Resolution 917/17 R/IDR					
water losses (109)	Mm ³	87.3	79.9	65.8	-17.6
water loss percentages (110)	%	49.6	47.8	42.9	-10.3
AdF - Optimal Territorial Conference 6 Ombrone (55 Municipalities)					
drinking water collected from the environment or from other systems and fed into the aqueduct systems (111)	Mm ³	60.7	58.9	57.3	-2.7
surface water (***)	Mm ³	1.1	1.0	1.0	-
from wells	Mm ³	17.4	18.2	17.2	-5.5
from springs	Mm ³	41.6	38.9	38.5	-1.0
from other aqueduct systems	Mm ³	0.6	0.7	0.6	-14.3
total drinking water leaving the aqueduct system (112) = (113+114+115+116)	Mm ³	37.0	37.0	36.6	-1.1
total drinking water dispensed and billed in the network (113)		28.7	28.6	28.3	-1.1
measured volume of water delivered to users	Mm ³	28.7	28.6	28.3	-1.0
volume consumed by users and not measured	Mm ³	0.0	0.0	0.0	-
total drinking water authorised and not billed in the network (114)	Mm ³	4.2	4.3	4.4	2.3
measured unbilled authorised consumption	Mm ³	0.00	1.9	3.1	63.2
unmeasured unbilled authorised consumption	Mm ³	4.2	2.4	1.3	-45.8
drinking water exported to other systems (115)	Mm ³	1.7	1.6	1.3	-18.8
measured drinking water losses (116)	Mm ³	2.4	2.5	2.6	4.0
loss assessment according to ARERA Resolution 917/17 R/IDR					
water losses (117)	Mm ³	23.7	21.9	20.8	-5.0
water loss percentages (118)	%	39.0	37.2	36.2	-2.7

(*) Some figures for 2022 have been updated following consolidation. The 2023 figures are estimated and will be consolidated with the subsequent reporting.

(**) 2023 data is consistent with the calculation method provided by the Tariff Data Collection Authority and also includes the recently acquired municipalities, in derogation for the achievement of the technical quality goals. 2021 and 2022, data does not include the recently acquired municipalities and the municipalities of Civitavecchia and Percile. 2022 and 2023 data may undergo slight changes following with audit and validation process by the control bodies.

(***) This is fresh water, apart from the 1% of the amount drawn from marine sources.

TOTAL WASTEWATER TREATED - NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF) AND MAIN SUBSIDIARIES (ACQUE, UMBRA ACQUE, PUBLIACQUA)	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the main treatment plants of the main Group companies in Italy (119) (*) (GRI 303-4)	Mm ³	980.9	939.6	978.5	4.1

(*) The 2021 figure for Publiacqua was restated following consolidation.

SUMMARY TOTAL WASTEWATER TREATED DATA - NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF)	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the principal treatment plants of Acea OTA 2, Acea OTA 5, Gesesa, Gori and AdF (120) (*)	Mm ³	778.7	759.2	798.3	5.1

(*) Gesesa company estimated the figure for the first time in 2020, having started to install the first flow meters during the same year.

WASTE WATER TREATED BY ACEA ATO 2	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the main treatment plants (121)	Mm ³	516.4	510.2	515.3	1.0
Rome South	Mm ³	290.1	287.2	282.7	-1.6
Rome North	Mm ³	88.5	90.0	95.0	5.5
Rome East	Mm ³	97.2	98.9	102.0	3.2
Rome Ostia	Mm ³	29.5	24.6	25.5	3.9
CoBIS	Mm ³	6.8	5.7	6.7	17.8
Fregene	Mm ³	4.2	3.9	3.4	-12.4
other – Municipality of Rome	Mm ³	9.2	8.2	8.0	-2.8
other – outside the Municipality of Rome	Mm ³	75.9	71.1	80.6	13.5
total waste water treated by Acea Ato 2 (122)	Mm ³	601.5	589.5	603.9	2.5

WASTE WATER TREATED BY ACEA ATO 5	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the main treatment plants (123)	Mm ³	25.0	24.8	24.9	0.2

WASTE WATER TREATED BY GESESA	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the main treatment plants (124)	Mm ³	2.3	1.8	2.1	15.8

WASTE WATER TREATED BY GORI	u. m.	2021	2022	2023	Δ% 2023/2022
Total waste water treated (125)	Mm ³	124.0	117.5	142.0	20.9

WASTE WATER TREATED BY ADF	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated in the main treatment plants (126)	Mm ³	16.6	16.5	17.2	4.2
waste water treated in other plants	Mm ³	9.3	9.1	8.1	-10.9
total waste water treated by AdF (127)	Mm ³	25.9	25.6	25.3	-1.2

ANALYTICAL DETERMINATIONS ON DRINKING WATER AND WASTEWATER - NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF) AND MAIN SUBSIDIARIES (ACQUE, UMBRA ACQUE, PUBLIACQUA) (*)	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on total drinking water (128)	no.	1,449,341	1,537,655	1,531,812	-0.4
analytical determinations on total waste water - main Group Companies (129)	no.	478,361	514,724	550,276	6.9

(*) The 2022 figure for AdF was restated following consolidation.

ANALYTICAL DETERMINATIONS ON DRINKING WATER AND WASTEWATER OF OPERATING COMPANIES IN THE NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, AdF) - SUMMARY DATA	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on drinking water of Acea OTA 2, Acea OTA 5, Gesesa, Gori and AdF (130)	no.	738,488	738,905	768,757	4.0
analytical determinations on waste water of Acea OTA 2, Acea OTA 5, Gori, Gesesa and AdF (131)	no.	274,478	299,995	337,970	12.7

(*) The 2022 figure for AdF was restated following consolidation.

ANALYTICAL DETERMINATIONS ACEA ATO 2	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on Acea Ato 2 drinking water (132)	no.	346,164	365,546	419,940	14.9
analytical determinations on Acea Ato 2 waste water (133)	no.	127,417	135,906	145,889	7.3
ANALYTICAL DETERMINATIONS ACEA ATO 5	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on Acea Ato 5 drinking water (134)	no.	105,430	107,420	119,229	11.0
analytical determinations on Acea Ato 5 waste water (135)	no.	40,636	67,810	88,803	31.0
GESESA ANALYTICAL DETERMINATIONS	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on Gesesa drinking water (136)	no.	11,955	12,307	11,639	-5.4
analytical determinations on Gesesa waste water (137)	no.	11,448	12,234	11,345	-7.3
GORI ANALYTICAL DETERMINATIONS	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on Gori drinking water (138)	no.	136,156	132,538	144,731	9.2
analytical determinations on Gori waste water (139)	no.	43,270	43,564	48,871	12.2
ADF ANALYTICAL DETERMINATIONS (*)	u. m.	2021	2022	2023	Δ% 2023/2022
analytical determinations on AdF drinking water (140)	no.	138,783	121,094	73,218	-39.5
analytical determinations on AdF waste water (141)	no.	51,707	40,481	43,062	6.4

(*) The 2022 figure for AdF was restated following consolidation.

RESOURCES USED - ENERGY BUSINESS

The data on the resources used refer to Acea Produzione, Ecogena, Orvieto Ambiente, the Deco and Ecologica Sangro sites, Acea Ambiente's waste-to-energy plants and Areti.

GENERATION, TRANSPORT AND SALE OF ELECTRICITY AND HEAT, PUBLIC LIGHTING	u. m.	2021	2022	2023	Δ% 2023/2022
natural gas					
electricity generation and heat (142) = (143+144)	Nm ³ x 1,000	31,329	30,308	30,017	-1.0
thermoelectric and heat production (143)	Nm ³ x 1,000	27,208	26,687	25,808	-3.3
Tor di Valle – high-efficiency cogeneration (CAR)	Nm ³ x 1,000	23,912	24,131	22,667	-6.1
Ecogena Plants	Nm ³ x 1,000	3,296	2,557	3,141	22.8
waste-to-energy (144)	Nm ³ x 1,000	4,122	3,621	4,209	16.2
San Vittore del Lazio waste-to-energy plant	Nm ³ x 1,000	3,764	3,244	3,337	2.8
Terni waste-to-energy plant	Nm ³ x 1,000	358	377	872	131.6

diesel for thermoelectric generation

Thermoelectric production (145)	l x 1,000	707	937	310	-66.9
Montemartini power plant	l x 1,000	647	883	261	-70.5
San Vittore del Lazio and Terni plants	l x 1,000	60	54	49	-8.6

RDF (Refuse-Derived Fuel) processed

San Vittore del Lazio waste-to-energy plant (146)	t x 1,000	307.391	289.550	294.174	1.6
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waste-to-energy paper mill pulper

Terni waste-to-energy plant (147)	t x 1,000	99.730	97.796	82.217	-15.9
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biogas for the production of electricity (*)

composting and waste management plants (148)	Nm³ x 1,000	17,633	25,921	29,003	11.9
Orvieto Ambiente plant	Nm³ x 1,000	9,131	8,462	10,144	19.9
Aprilia plant	Nm³ x 1,000	6,090	7,013	7,104	1.3
Monterotondo Marittimo plant	Nm³ x 1,000	2,411	2,646	2,824	6.7
Deco sites	Nm³ x 1,000	-	2,086	1,045	-49.9
Ecologica Sangro site	Nm³ x 1,000	-	5,714	7,885	38.0

water (*)

derivation from hydroelectric production (149)	Mm³	3,894	2,672	3,489	30.6
process water (150)	Mm³	0.24	0.27	0.22	-18.5
water for civilian/sanitary uses (151)	Mm³	0.33	0.31	0.31	-

miscellaneous materials

dielectric mineral oil in operation (152)	t	10,122	10,215	10,083	-1.3
dielectric mineral oil - reintegrations	t	1.19	1.34	0.54	-59.7
SF₆ in operation (153)	t	22.87	22.81	22.97	0.7
SF ₆ -reintegrations	t	0.30	0.21	0.23	8.3
cooling fluids (HCFC type) in operation (154)	t	1.78	1.78	1.65	-7.3
cooling fluids (HCFC type) - reintegrations	t	0.00000	0.00050	0.00000	-
Miscellaneous chemicals (155)	kg	10,898,850	11,315,365	10,074,060	-11.0
sodium chloride	kg	9,000	12,750	6,000	-52.9
sodium hydroxide (caustic soda)	kg	173,260	186,130	136,970	-26.4
sodium bicarbonate	kg	8,333,700	8,707,070	7,860,600	-9.7
hydrochloric acid	kg	219,480	236,970	201,660	-14.9
ammonia solution	kg	526,850	582,250	673,400	15.7
activated carbon	kg	673,040	668,120	539,020	-19.3
carbamine	kg	190,220	257,735	82,630	-67.9
other (for TLR e waste-to-energy)	kg	773,300	664,340	573,780	-13.6
miscellaneous oils and greases/lubricants (156)	kg	36,111	55,428	38,596	-30.4

electricity (*)

consumption for electrical distribution (157) = (32)	GWh	593.35	653.62	604.87	-7.5
consumption for electricity production (158) = (1)-(2)	GWh	79.48	77.43	77.57	0.2
consumption for offices (50% of the electricity consumed by the Parent Company) (159)	GWh	5.38	5.47	5.00	-8.6
other consumption (160)	GWh	4.58	2.89	3.53	22.1
other personal uses (161)	GWh	30.71	28.94	27.88	-3.6
total (162) = (157+158+159+160+161)	GWh	710.90	768.35	718.86	-6.4

public lighting

consumption for Public Lighting (163)	GWh	67.33	67.42	65.78	-2.4
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(*) Some figures for the 2021-2022 two year period have been restated following consolidation, and due to the entry of Ecologica Sangro in the scope of consolidation from 2022.

RESOURCES USED - ENVIRONMENT BUSINESS

The data refers to Acea Ambiente's three composting plants in Aprilia, Sabaudia and Monterotondo Marittimo, the waste management hub at Orvieto Ambiente, the Grasciano hub operated by Deco, sites owned by Deco, the Ecologia Sangro site (data from 2022), the Chiusi site, the Berg plant and the four Acque Industriali plants in Pagnana, Pontedera, Poggibonsi, and San Jacopo, which have partially ceased operations.

ORVIETO AMBIENTE HUB WASTE MANAGEMENT AND DECO AND ECOLOGICA SANDRO SITES (*)	u. m.	2021	2022	2023	Δ% 2023/2022
miscellaneous chemicals (164)	t	77.2	64.6	64.5	-0.1
oils and lubricants (164a)	t	22.0	37.3	36.9	-1.1
electricity (165)	GWh	4.476	15.328	16.754	9.3
diesel (166)	l	262,762	278,843	252,850	-9.3
process water (167)	m ³	6,041	23,225	18,543	-20.2
water for civilian/sanitary uses (168)	m ³	1,055	3,250	2,921	-10.1

COMPOST PRODUCTION	u. m.	2021	2022	2023	Δ% 2023/2022
miscellaneous chemicals (composting plants of Aprilia and Monterotondo Marittimo) (169)	t	1,694.72	1,976.59	2,168.86	9.7
Oils and lubricants (169a)	t	3.9	14.4	18.2	26.7
electricity (composting plants of Aprilia, Monterotondo Marittimo and Sabaudia) (170)	GWh	2.266	0.874	0.755	-13.6
Diesel (composting plants of Aprilia and Monterotondo Marittimo) (171)	l x 1,000	286.31	320.57	352.85	10.1
process water (composting plants of Aprilia and Monterotondo Marittimo) (172)	m ³	35,337.0	37,591.6	43,408.3	15.5
water for civil use (composting plants of Aprilia and Monterotondo Marittimo) (173)	m ³	2,650	3,100	3,340	7.7

(*) The 2022 figures have been restated taking into consideration the data for Ecologia Sangro, which entered the scope from 2023, starting with 2022 data.

DISPOSAL OF INDUSTRIAL WASTE WATER (AI), BERG AND CHIUSI PLANTS (*)	u. m.	2021	2022	2023	Δ% 2023/2022
miscellaneous chemicals (AI plants, Berg and Chiusi plant) (174)	t	2,301.5	1,657.2	1,940.3	17.1
electricity (AI plants - Berg and Chiusi plant) (175)	GWh	3.023	2.702	2.415	-10.6
methane (AI and Berg plants) (176)	Sm ³	38,315	41,280	34,308	-16.9
diesel fuel (Berg and Chiusi plant) (177)	l	6,775	6,098	6,623	8.6
BTZ (Basso Tenore di Zolfo - Low Sulphur Content) combustible Oil (Pontedera plant) (178)	t	0.031	0.000	0.000	-
process water (AI plants - Berg and Chiusi plant) (179)	m ³	70,140	75,446	68,292	-9.5
water for civil use (AI plants - Berg and Chiusi plant) (180)	m ³	619	464	511	10.1

(*) Some 2022 figures have been adjusted after the final calculations.

RESOURCES USED - WATER BUSINESS

The data refers to the Water Companies of the Group included in the reporting scope of the *Consolidated Non-Financial Statement* (NFS, pursuant to Legislative Decree no. 254/2016): **Acea OTA 2, Acea OTA 5, Gesesa, Gori and AdF**.

COLLECTION, SUPPLY AND DISTRIBUTION OF DRINKING AND NON-DRINKING WATER (*)	u. m.	2021	2022	2023	Δ% 2023/2022
reagents for purification and disinfection (181)	t	4,666.0	4,110.9	4,013.1	-2.4
reagents for chemical analyses (182)	t	1.55	1.69	1.56	-7.7
gas for chemical analyses (183)	MNm ³	6.30	4.77	6.36	33.5
cooling fluids (HCFC type) in operation (184) = (154)	t	1.78	1.78	1.65	-7.3
cooling fluids (HCFC type) - reintegrations	t	0.00000	0.00050	0.00000	-
total electricity consumed (185)	GWh	447.21	453.71	415.79	-8.4
water pumping plants (186)	GWh	440.34	446.68	409.38	-8.4
offices/personal use (50% of energy consumed by the Parent Company) (187) = (159)	GWh	5.38	5.47	5.00	-8.6
Acea Infrastructure offices (188)	GWh	1.49	1.56	1.41	-9.5
drinking water					
total drinking water consumed (189)	Mm ³	2.12	2.20	2.29	4.1
civilian/sanitary uses	Mm ³	1.92	2.00	2.08	3.9
offices (50% of the drinking water consumed by the Parent Company)	Mm ³	0.20	0.20	0.21	5.7
non-drinking water					
total non-drinking water consumed (190) (**)	Mm ³	2.16	2.33	2.63	13.0
process uses	Mm ³	2.16	2.33	2.63	13.0

(*) Some figures for the 2021-2022 two-year period have been adjusted following consolidation.

(**) It is water recovered from treatment plants.

WASTEWATER TREATMENT (*)	u. m.	2021	2022	2023	Δ% 2023/2022
miscellaneous materials and natural resources					
reagents for purification waste water (191)	t	18,329	17,865	15,652	-12.4
polyelectrolyte for sludge dehydration	t	2,472	3,386	3,170	-6.4
sodium hypochlorite for final disinfection	t	4,244	3,328	2,922	-12.2
ferric chloride for sludge dehydration	t	1,008	1,046	702	-32.9
aluminium polychloride	t	132	161	47	-70.7
peracetic acid	t	5,382	4,752	4,240	-10.8
other (anti-foaming etc.)	t	5,091	5,193	4,572	-12.0
reagent kit for on-site controls (192)	no.	100,461	98,375	103,125	4.8
oil and fat (193)	t	18.5	18.6	9.0	-51.8
electricity					
sewerage and purification (194)	GWh	273.2	270.4	281.2	4.0
fuels					
Methane for processes (dryers and other processes) (195)	Nm ³ x 1,000	3,527.2	3,706.4	3,583.0	-3.3
diesel for processes and generators (196)	lx1.000	69.0	146.2	128.7	-12.0
petrol for processes and generators (197)	lx1.000	3.4	3.8	3.2	-16.2
biogas produced and consumed on site (198)	Nm ³ x 1,000	3,282.3	3,342.5	3,708.3	10.9

(*) Some figures for the 2021-2022 two-year period have been adjusted following consolidation.

FUEL USED BY THE MAIN GROUP COMPANIES FOR TRANSPORT AND HEATING

The figures refer to **all the Companies in the NFS reporting scope**.

TYPE OF FUEL (*)	u. m.	2021	2022	2023	Δ% 2023/2022
TRANSPORT (CAR FLEET)					
petrol (199)	l x 1,000	562.1	886.7	1,046.9	18.1
diesel (200)	l x 1,000	3,452.1	3,356.3	3,367.9	0.3
methane (201)	Nm ³ x1,000	0.7	0.4	1.4	-
LPG (202)	l x 1,000	24.5	22.0	6.3	-71.1
HEATING					
diesel (203)	l x 1,000	0.0	0.0	0.0	-
methane (204)	Nm ³ x 1000	408.4	335.9	352.3	4.9
LPG (205)	l x 1,000	25.9	26.0	21.3	-17.9

(*) Some 2022 data has been adjusted with the inclusion of Ecologica Sangro data and following the final calculations.

EMISSIONS AND WASTE - ENERGY BUSINESS

The data on the emissions and waste refer to **Acea Produzione, Ecogena, to the waste-to-energy plants of Acea Ambiente and Areti**.

ATMOSPHERIC EMISSIONS	u. m.	2021	2022	2023	Δ% 2023/2022
CO₂ (206) = (207+208+209+210+211) (*)	t	394,109	394,601	347,041	-12.1
Acea Produzione (207)	t	53,551	56,781	50,815	-10.5
Ecogena (208)		7,829	5,191	6,110	17.7
Areti and Acea Produzione – reintegrations of SF ₆ (209)	t	7,045	4,959	5,370	8.3
HCFC replenishment (210)	t	0.0	1.0	0.0	-
waste-to-energy (211)	t	325,684	327,670	284,746	-13.1
NO_x (212) = (213+214)	t	198.11	191.30	171.85	-10.2
Acea Produzione (213)	t	26.05	27.56	18.77	-31.9
waste-to-energy (214)	t	172.06	163.74	153.09	-6.5
CO (215) = (216+217)	t	7.68	5.95	5.16	-13.3
Acea Produzione (216)	t	4.13	2.90	2.89	-0.6
waste-to-energy (217)	t	3.55	3.05	2.28	-25.4
SO₂ (218) = (219+220)	t	1.60	1.51	1.03	-31.8
Acea Produzione (219)	t	0.02	0.03	0.01	-72.6
waste-to-energy (220)	t	1.57	1.48	1.02	-30.9
powders (221) = (222+223)	t	0.74	0.36	0.25	-30.4
Acea Produzione (222)	t	0.03	0.05	0.01	-72.4
waste-to-energy (223)	t	0.71	0.31	0.23	-24.0
HCl (224)	t	3.07	2.91	3.50	20.3
HF (225)	t	0.08	0.11	0.13	26.9
organic carbon (226)	t	0.58	0.52	0.55	5.9

(*) Some figures for 2022 have been adjusted after the final calculations, in particular, the ETS data after certification.

OTHER EMISSIONS AND WASTE	u. m.	2021	2022	2023	Δ% 2023/2022
waste water treated (227)	Mm ³	0.0200	0.0252	0.0069	-72.5
electrical fields at 50 Hz	kV	monitored commitment to maintain the value below the legal limit			
magnetic fields at 50 Hz	μT	monitored commitment to maintain the value below the legal limit			
noise	dB	monitored commitment to maintain the value below the legal limit			
luminous flux dissipated	MIumen	commitment to design the plants in order to limit to the utmost the emission value dissipated upwards			

WASTE	u. m.	2021	2022	2023	Δ% 2023/2022
hazardous waste - excluding waste-to-energy area (228)	t	1,705.0	2,025.5	1,080.8	-46.6
production energy own area	t	1,704.4	2,025.2	1,069.4	-47.2
proportion for the activities performed by the Parent Company (*)	t	0.6	0.3	11.3	-
hazardous waste from waste-to-energy (229)	t	64,672.5	69,624.4	67,726.7	-2.7
non-hazardous waste - excluding waste-to-energy area (230)	t	1,257.5	824.9	1,075.0	30.3
production own energy business	t	1,223.4	793.9	1,044.8	31.6
proportion for the activities performed by the Parent Company (**)	t	34.1	31.0	30.2	-2.3
non-hazardous waste from waste-to-energy (231)	t	28,092.9	24,196.4	17,492.3	-27.7

(*) The portion is equal to 50% of the waste produced by the Parent Company.

EMISSIONS AND WASTE - ENVIRONMENT BUSINESS

The data refer to Acea Ambiente's two composting plants located in Aprilia and in Monterotondo Marittimo, the waste management hub of Orvieto Ambiente and the sites owned and managed by Deco (including Grasciano2 owned by Acea Ambiente), the Cerratina plant managed by Ecologica Sangro, the Chiusi plant (Acea Ambiente), Berg, and Acque Industriali's four plants in Pagnana, Pontedera, Poggibonsi, and San Jacopo, which have been partly closed since 2022.

ORVIETO AMBIENTE WASTE HUB AND DECO SITES, ACEA AMBIENTE COMPOSTING PLANTS (*)	u. m.	2021	2022	2023	Δ% 2023/2022
hazardous waste Orvieto Ambiente hub (232)	t	12.3	12.5	10.9	-13.0
non-hazardous waste Orvieto Ambiente hub including leachate (233)	t	23,758.0	19,071.6	21,084.3	10.6
non-hazardous waste Deco and Ecologica Sangro sites (234)	t	-	18.0	21.3	18.7
non-hazardous waste Deco and Ecologica Sangro sites (235)	t	-	28,726.6	25,873.8	-9.9
hazardous waste - composting plants of Aprilia and Monterotondo Marittimo (236)	t	221.2	38.0	27.0	-28.9
non-hazardous waste composting plants of Aprilia and Monterotondo Marittimo (237)	t	40,469.8	46,257.5	43,918.1	-5.1

(*) Some figures from the previous two-year period have been updated after the final calculations and following the inclusion of Ecologica Sangro data.

ATMOSPHERIC EMISSIONS - ORVIETO AMBIENTE HUB AND ACEA AMBIENTE COMPOSTING PLANTS	u. m.	2021	2022	2023	Δ% 2023/2022
CO ₂ (238)	t	1,644	1,745	1,754	0.5
particles (239)	t	0.613	0.720	0.625	-13.2
total organic compounds (TOC) (240)	t	1.049	1.841	3.087	67.7
ammonia (241)	t	8.608	1.956	5.268	169.4
volatile inorganic compounds (SIV) (242)	t	0.420	0.544	2.420	344.9

ATMOSPHERIC EMISSIONS - DECO AND ECOLOGICA SANGRO SITES (*)	u. m.	2021	2022	2023	Δ% 2023/2022
CO ₂ (243)	t	-	1.5	0.0	-
particles (244)	t	-	0.871	1.426	63.7
hydrochloric acid (245)	t	-	0.103	0.088	-15.2
hydrofluoric acid (246)	t	-	0.020	0.020	-
Hydrogen Sulphide (247)	t	-	0.015	0.019	25.8
SO _x (248)	t	-	0.359	0.430	19.8
NO _x (249)	t	-	15.904	19.503	22.6
CO (250)	t	-	4.574	4.939	8.0
Total Organic Carbon (TOC) (251)	t	-	1.998	1.034	-48.2
ammonia (252)	t	-	0.346	1.107	219.9
VOCs (253)	t	-	63.916	63.731	-0.3
Cd (254)	t	-	0.00007	0.00011	65.8
Hg (255)	t	-	0.00007	0.00007	3.6
heavy metals (256)	t	-	0.00245	0.00049	-80.0

(*) 2022 data has been updated to inclusion emission figures for Ecologica Sangro.

CHIUSI WASTE PLANT	u. m.	2021	2022	2023	Δ% 2023/2022
hazardous waste Chiusi plant (257)	t	5.7	5.6	4.3	-23.8
non-hazardous waste Chiusi plant (258)	t	6,330.6	6,192.5	5,780.0	-6.7

ATMOSPHERIC EMISSIONS - CHIUSI PLANT	u. m.	2021	2022	2023	Δ% 2023/2022
CO ₂ (259)	t	2.3	1.8	9.5	-

BERG'S WASTE	u. m.	2021	2022	2023	Δ% 2023/2022
hazardous waste (260)	t	613.7	407.1	413.8	1.6
non-hazardous waste (261)	t	2,526.9	2,179.6	1,505.8	-30.9

ATMOSPHERIC EMISSIONS – BERG	u. m.	2021	2022	2023	Δ% 2023/2022
CO ₂ (262)	t	15.7	14.5	6.4	-55.9
particles (263)	t	0.037	0.033	0.030	-8.3
organic carbon (264)	t	0.747	0.673	0.774	15.0
hydrogen sulphide and mercaptans (265)	t	0.001	0.011	0.025	131.9
ammonia (266)	t	0.076	0.062	0.029	-53.9

INDUSTRIAL WASTE WATER	u. m.	2021	2022	2023	Δ% 2023/2022
hazardous waste Pagnana plant (267)	t	0.35	0.00	0.50	-
non-hazardous waste of Pagnana, Pontedera, Poggibonsi and San Jacopo (268)	t	1,470.5	618.5	344.8	-44.2

ATMOSPHERIC EMISSIONS – INDUSTRIAL WATER	u. m.	2021	2022	2023	Δ% 2023/2022
CO ₂ (269)	t	229.6	143.4	34.8	-75.7
Hydrogen Sulphide (270)	t	0.015	0.015	0.001	-93.3
ammonia (271)	t	0.011	0.002	0.007	204.3

EMISSIONS AND WASTE - WATER BUSINESS

The data refers to the **Acea OTA 2, Acea OTA 5, Gesesa, Gori and AdF** water Companies.

WASTE PRODUCED (*)	u. m.	2021	2022	2023	Δ% 2023/2022
specific process waste from treatment of waste water (**)					
total purification sludge (272) = (273+274+275+276+277)	t	152,979	160,244	154,903	-3.3
Acea Ato 2 purification sludge (273)	t	66,605	63,229	58,456	-7.5
Acea Ato 5 purification sludge (274)	t	13,803	12,474	8,260	-33.8
Gesesa purification sludge (275)	t	699	940	1,132	20.4
Gori purification sludge (276)	t	65,635	78,703	78,205	-0.6
AdF purification sludge (277)	t	6,238	4,898	8,850	80.7
total sand and slabs from purification (278) = (279+280+281+282+283)	t	14,203	15,468	18,153	17.4
Acea Ato 2 sand and slabs (279)	t	8,359	9,095	11,413	25.5
Acea Ato 5 sand and slabs (280)	t	225	176	108	-38.6
Gesesa sand and slabs (281)	t	10	66	110	65.3
Gori sand and slabs (282)	t	4,597	5,235	5,355	2.3
AdF sand and slabs (283)	t	1,012	896	1,167	30.3
other waste from treatment (284)					
other Acea Ato 2	t	1,957	1,614	1,867	15.7
other Acea Ato 5	t	5,441	4,305	4,528	5.2
other Gesesa	t	0	0	0	-
other Gori	t	148	166	97	-41.8
other AdF	t	0	0	0	-
extra process waste					
total hazardous waste (285) = (286+287+288+289+290+291)	t	309.5	174.0	187.8	7.9
Acea Infrastructure (286)	t	16.6	16.6	18.4	11.0
Acea Ato 2 (287)	t	188.9	127.5	126.6	-0.7
Acea Ato 5 (288)	t	0.4	1.2	0.2	-80.5
Gori (289)	t	51.0	19.3	16.8	-13.0
AdF (290)	t	52.0	9.1	14.4	58.7
Proportion for the activities performed by the Parent Company (291) (***)	t	0.59	0.27	11.35	-
total non-hazardous waste (292) = (293+294+295+296+297+298)	t	1,728	1,647	3,171	92.6
Acea Ato 2 and Acea Infrastructure (293)	t	1,039	1,258	2,796	122.2
Acea Ato 5 (294)	t	26	44	28	-37.0
Gesesa (295)	t	0	0	0	-
Gori (296)	t	129	87	126	43.9
AdF (297)	t	499	226	191	-15.4
Proportion for the activities performed by the Parent Company (298) (***)	t	34	31	30	-2.3
other emissions and waste					
CO₂ from dryers and generators (299)	t	7,478	8,152	7,876	-3.4
CO₂ from HCFC replenishment (300)	t	0.0	1.0	0.0	-
noise	dB	monitored commitment to maintain the value below the legal limit			
odours		monitored commitment to maintain the value below the limit of perception and in the areas adjacent to the treatment plants			

(*) Some of the 2022 figures have been updated after the final calculations.

(**) All 2023 process waste is non-hazardous apart from 35 t of contaminated waste from the waste oil produced by Gori.

(***) The portion is equal to 50% of the waste produced by the Parent Company.

THE EMISSIONS OF CARBON DIOXIDE FROM TRANSPORT AND PACKAGING

The figures refer to **all the Companies in the NFS reporting scope**.

GROUP COMPANIES (*)	u. m.	2021	2022	2023	D% 2023/2022
transport					
CO ₂ (301)	t	10,533	11,077	11,460	3.5
heating					
CO ₂ (302)	t	881	758	792	4.5

(*) Some 2022 figures have been restated following consolidation and from the inclusion of Ecologica Sangro in the NFS scope.

ENVIRONMENTAL SUSTAINABILITY PERFORMANCE – ENERGY BUSINESS

Environmental Key Performance Indicators.

INDICATOR	u. m.	2021	2022	2023
energy used for the processes (*)				
A consumption in the distribution of electricity	TJoule (GWh)	1,112.0 (308.9)	1,015.5 (282.1)	963.3 (267.6)
B consumption in the production of electricity		276.8 (76.9)	278.8 (77.4)	279.2 (77.6)
C heat lost in the district heating network		86.2 (23.9)	85.8 (23.8)	87.9 (24.4)
D consumption for public lighting		242.4 (67.3)	242.7 (67.4)	236.8 (65.8)
E Environment Business consumption		35.2 (9.8)	68.1 (18.9)	71.7 (19.9)
F water distribution		1,590.9 (441.1)	1,613.7 (448.2)	1,478.9 (410.8)
G water purification		983.7 (273.3)	973.4 (270.4)	1,012.4 (281.2)
H electricity for offices		38.7 (10.8)	39.4 (10.9)	36.0 (10.0)
I consumption for heating offices		15.6 (4.3)	13.3 (3.7)	13.0 (3.6)
L water business dryer consumption		129.7 (36.0)	140.7 (39.1)	133.6 (37.1)
M layoffs		143.2 (39.8)	150.0 (41.7)	155.3 (43.1)
total consumption = indirect consumption + consumption through mobility + heating		4,653.9 (1,292.7)	4,621.4 (1,283.7)	4,468.2 (1,241.2)
EMISSIONS, EFFLUENTS AND WASTE				
Greenhouse gas emissions (CO ₂)	t	414,893	416,495	368,973
SO₂, NO_x emissions and other significant gases by type from the Energy Business				
NO _x	t	198.11	191.30	171.85
CO	t	7.68	5.95	5.16
SO ₂	t	1.60	1.51	1.03
NO _x /thermoelectric production	g/kWh	0.42	0.42	0.39

CO ₂ /thermoelectric ₂ /thermoelectric production	g/kWh	822	852	781
CO ₂ /Acea Produzione thermoelectric production	g/kWh	497	494	470
CO ₂ /thermoelectric production including Acea Produzione thermal energy	g/kWh	265	266	259
CO ₂ /total Acea Produzione production, including thermal energy (**)	g/kWh	74	87	68
Co ₂ /total ₂ /total gross production (**)	g/kWh	381	410	326
CO ₂ /total gross production including thermal energy (**)	g/kWh	338	368	295
SO ₂ /thermoelectric production	g/kWh	0.0	0.0	0.0

PRODUCTS AND SERVICES: electricity

performance of the electrical production process of Acea Produzione

gross average performance thermoelectric production	%	40.3	40.3	40.6
Tor di Valle power plant (electrical performance cogeneration only)		40.6	40.7	40.7
Montemartini power plant		26.3	25.7	26.3
gross average thermoelectric production out included thermal energy recovered		70.1	67.6	69.6
gross average performance hydroelectric production		82.4	83.5	81.3
gross average hydroelectric production		74.0	72.5	73.0
gross average thermoelectric production, including recovered thermal energy		80.1	80.2	79.4

performance of the electrical production process - waste-to-energy plants

San Vittore in Lazio

SRF produced/gross energy produced	kt/GWh	1.148	1.152	1.178
gross performance SRF conversion into electricity	kWh/kg SRF	0.87	0.87	0.85
electrical efficiency	%	20.2	19.6	19.5
total waste produced/hours worked	t/h	3.28	3.56	3.25

Terni

gross performance Pulper conversion into electricity	kWh/kg pulp- er waste	0.89	0.88	0.86
electrical efficiency	%	11.4	9.1	9.1
total waste produced/hours worked	t/h	1.7	1.6	1.6

performance of the electrical production process - photovoltaic energy

average efficiency photovoltaic modules	%	14.0	14.0	14.0
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other indicators (territory, public lighting, controls, losses)

protection of the territory (total length of HV cable lines/(length of overhead HV lines + cable lines) x 100)	%	47.0	49.3	50.0
public lighting illumination efficiency	Lumen/kWh	30.0	27.8	28.0
average performance of installed lamps (total lighting flow/total electrical power)	Lumen/W	127.8 (15,809 kW)	117.0 (16,037 kW)	117.8 (15,661 kW)
specific consumption per lamp (kWh/no. lamps)	kWh/no. lamps	295.77 (227,635)	291.44 (231,347)	283.11 (232,334)
percentage of roads illuminated	% (km of roads illumi- nated/ total km of roads)	89.6 (6,368/7,110)	89.1 (6,461/7,252)	89.6 (6,500/7,252)
reintegrations of SF6/km electricity distribution network	kg/km	0.0094	0.0065	0.0065
total loss of electrical energy (***)	% energy requested	6.0	6.5	6.2

(*) The figures for the previous two-year period have been updated for data consolidation.

(**) The denominator also includes PV energy produced by the subsidiary and is not fully consolidated.

(***) The total losses of electricity include: transformation losses, transport losses and commercial losses, these last due to fraud and incorrect readings.

ENVIRONMENTAL SUSTAINABILITY PERFORMANCE – WATER BUSINESS

Environmental Key Performance Indicators.

INDICATOR (*)	u. m.	2021	2022	2023
WATER SERVICE				
Energy consumption on water delivered and billed				
total electricity consumption in MWh/total water delivered and billed in Mm ³	MWh/Mm ³	1.48	1.52	1.44
carbon footprint				
total CO ₂ /m ³ of water supplied (integrated water service) (**)	kgCO ₂ /m ³	0.47	0.48	0.45
CO ₂ /m ³ of water supplied (water distribution process)	kgCO ₂ /m ³	0.29	0.30	0.27
CO ₂ /m ³ of water treated (purification process)	kgCO ₂ /m ³	0.11	0.11	0.11
PRODUCT: DRINKING WATER				
Acea Ato 2 network				
specific electricity consumption per input in the water network (***)	kWh/m ³	0.263	0.282	0.243
intensity of the checks on drinking water distributed	No./Mm ³	863	912	1,046
drinking water additive index	g/m ³	9.2	8.3	8.2
Acea Ato 5 network				
specific electricity consumption per input in the water network (***)	kWh/m ³	0.486	0.537	0.516
intensity of the checks on drinking water distributed	No./Mm ³	2,721	2,746	3,118
drinking water additive index	g/m ³	7.1	7.1	6.9
Gesesa network				
specific electricity consumption per input in the water network (***)	kWh/m ³	0.476	0.497	0.529
intensity of the checks on drinking water distributed	No./Mm ³	1,462	1,568	1,507
drinking water additive index	g/m ³	4.4	6.7	6.8
Gori network				
specific electricity consumption per input in the water network (***)	kWh/m ³	0.955	0.973	0.999
intensity of the checks on drinking water distributed	No./Mm ³	1,534	1,523	1,653
drinking water additive index	g/m ³	2.5	1.5	1.6
AdF network				
specific electricity consumption per input in the water network (***)	kWh/m ³	0.476	0.503	0.484
intensity of the checks on drinking water distributed	No./Mm ³	3,751	3,274	2,001
drinking water additive index	g/m ³	11.8	9.1	7.8
SERVICE: WASTE WATER TREATMENT				
Acea Ato 2				
sludge disposed of	t	66,605	63,229	58,456
sand and slabs removed	t	8,359	9,095	11,413
COD input	t	143,568	162,320	169,799
COD removed	t	127,527	146,599	153,898
efficiency of COD removal	%	89	90	91
SST input	t	91,904	99,998	109,875
SST removed	t	84,461	95,285	105,233
efficiency of SST removal	%	92	95	96
efficiency of BOD removal	%	90	93	94
total N input (as NH ₄ + NO ₂ + NO ₃ + organic)	t	15,611	15,567	15,693
total N removed	t	11,649	11,408	11,733
efficiency of N removal	%	75	73	75
Acea Ato 2 waste water additivation index	g/m ³	20.1	19.2	17.5
Acea Ato 2 specific consumption of electricity by purification process (****)	kWh/m ³	0.286	0.293	0.290
Acea Ato 5				
sludge disposed of	t	13,803	12,474	8,260
sand and slabs removed	t	225	176	108
COD input	t	11,382	10,598	8,318
COD removed	t	10,457	9,776	7,182

efficiency of COD removal	%	92	92	86
total N input	t	922	836	783
total N removed	t	610	631	574
efficiency of N removal (NH ₄ ⁺)	%	66	75	73
SST input	t	6,167	6,795	4,408
SST removed	t	5,854	6,584	4,188
efficiency of SST removal	%	95	97	95
Acea Ato 5 additivation index	g/m ³	28.8	33.9	26.5
Acea Ato 5 specific consumption of electricity by purification process (****)	kWh/m ³	0.570	0.528	0.548
Gesesa				
sludge disposed of	t	699	940	1,132
sand and slabs removed	t	10	66	110
COD input	t	366	325	342
COD removed	t	341	293	313
efficiency of COD removal	%	93	90	91
total N input	t	13	22	18
total N removed	t	9	10	10
efficiency of N removal (NH ₄ ⁺)	%	72	45	57
SST input	t	28	25	26
SST removed	t	22	16.94	17
efficiency of SST removal	%	78	67	66
Gori additive index	g/m ³	47.3	48.0	43.1
Gesesa specific consumption of electricity by purification process (****)	kWh/m ³	0.958	1.120	0.976
Gori				
sludge disposed of	t	65,635	78,703	78,205
sand and slabs removed	t	4,597	5,235	5,355
COD input	t	44,206	44,821	51,947
COD removed	t	42,314	42,073	49,537
efficiency of COD removal	%	96	94	95
total N input	t	4,519	3,098	3,957
total N removed	t	4,303	2,923	3,739
efficiency of N removal (NH ₄ ⁺)	%	95	94	94
SST input	t	17,118	19,984	30,577
SST removed	t	14,717	17,756	27,751
efficiency of SST removal	%	86	89	93
Gori additivation index	g/m ³	34.7	38.5	24.9
Gori specific consumption of electricity by purification process (****)	kWh/m ³	0.464	0.466	0.431
AdF				
sludge disposed of	t	6,238	4,898	8,850
sand and slabs removed	t	1,012	896	1,167
COD input	t	7,377	8,215	8,299
COD removed	t	6,792	7,561	7,688
efficiency of COD removal	%	92	92	93
total N input	t	889	860	890
total N removed	t	628	701	648
efficiency of N removal (NH ₄ ⁺)	%	82	82	82
SST input	t	3,303	3,469	4,082
SST removed	t	3,107	3,264	3,836
efficiency of SST removal	%	94	94	94
AdF additive index	g/m ³	75.7	108.5	44.4
AdF specific consumption of electricity by purification process (****)	kWh/m ³	0.946	0.971	1.043

(*) Some figures for the 2021-2022 two-year period have been adjusted following consolidation.

(**) These are emissions defined as "Scope 2", in other words resulting from the consumption of electricity by the water Companies in question.

(***) The indicator is calculated as the ratio of electricity used for the water segment to water withdrawn from the environment and other systems and fed into the aqueduct system.

(****) The indicator is calculated as the ratio of electricity used for the purification plant and sewerage segment to the total of treated wastewater.

ENVIRONMENTAL SUSTAINABILITY PERFORMANCE – ENVIRONMENT BUSINESS

Environmental Key Performance Indicators.

INDICATOR (*)	u. m.	2021	2022	2023
non-hazardous waste disposed in landfill/total incoming waste	t/t	0.67	0.34	0.39
waste disposed of in landfill/energy consumed net of photovoltaic energy	t/MWh	16.19	8.94	11.25
compost produced/incoming waste	t/t	0.11	0.17	0.19
compost produced/consumed electrical energy	kg/kWh	4.19	9.07	9.76
consumed electrical energy/incoming waste in the Pagnana plant	kWh/kg	0.005	0.006	0.008
consumed electrical energy/incoming waste in the Berg plant	kWh/kg	0.009	0.012	0.009
consumed electrical energy/incoming liquid waste in the Chiusi plant	kg/kWh	0.01	0.01	0.01
chemicals used/incoming waste at the Pagnana plant	kg/t	7.04	9.65	5.55
chemicals used/incoming waste Berg	kg/t	7.38	8.61	11.69
chemicals consumed/incoming waste in the Chiusi plant	kg/t	4.97	3.80	2.69
recovered water (reintegration or first rain)/total water consumed for Environment Business	m ³ /m ³	0.36	0.36	0.34

(*) Some 2022 figures have been restated following consolidation.

ENVIRONMENTAL COMPLIANCE

INDICATOR	u. m.	2021	2022	2023
COMPLIANCE - NFS SCOPE (ACEA OTA 2, ACEA OTA 5, GESESA, GORI, ADF) AND MAIN SUBSIDIARIES (ACQUE, UMBRA ACQUE, PUBLIACQUA)				
non-conformities related to rules/agreements of an environmental nature	no.	230	96	53
penalties paid for non-conformities related to rules/agreements of an environmental nature	€	388,094	389,549	196,139
COMPLIANCE WITH COMPANY IN NFS SCOPE				
penalties paid for non-conformities related to rules/agreements of an environmental nature	€	249,562	272,494	136,831
significant (*)	€	n/a	136,700	33,413
non-conformities related to rules/agreements of an environmental nature	no.	186	56	38
significant (*)	no.	n/a	6	2

(*) These are fines above €10,000. Data for 2021 is not available as it was not previously collected.

EXPLANATORY NOTES TO THE ENVIRONMENTAL ACCOUNTS

The numerical data presented in the *Environmental Accounts* is produced and certified by the competent Functions and has been checked as follows:

1. comparison with historical data to highlight and justify possible large deviations;
2. at least two repetitions of the acquisition process;
3. *feedback* to the Departments responsible for the final validation of the data.

The numerical data have been divided into the three categories:

- estimated;
- calculated;
- measured.

In the event of data resulting from estimates, the utmost attention was paid to the verification of the reasonableness of the basic criteria used, with the objective of resorting as little as possible, in the future, to this type of measurement of the sizes of environmental significance.

When data was achieved through calculation, the algorithm used was briefly explained to permit full understanding of the mathematical result.

Lastly, when the data was measured, an uncertainty estimate to be associated with the number was provided.

ADDITIONAL INFORMATION ON THE NUMERICAL DATA PROVIDED IN THE ENVIRONMENTAL ACCOUNTS

PRODUCTS – ENERGY BUSINESS

item no.	explanation – comment
1	Gross total energy produced by Acea Ambiente and Acea Produzione. From 2022, the figure is net of PV production from the Subsidiary. The figure is calculated.
2	Electricity produced net of the losses due to just the production phase. From 2022, the figure is net of PV production from the Subsidiary. The figure is calculated.
3	Total gross thermal energy. The sum of Acea Produzione and Ecogena's thermal energy. The figure is calculated.
4	Total thermal energy produced, net of losses. The figure is calculated.
5	Total electricity produced, inclusive of the losses, by the Acea Produzione power plants. Includes thermoelectric and hydro- electric energy. The figure is measured with an uncertainty of less than $\pm 0.5\%$.
6	Total gross hydroelectric energy. The figure is calculated.
7	Total gross thermoelectric energy. The figure is calculated.
8	Losses of electricity attributable to just the production phase of the Acea Produzione power plants. Includes: the self-consumption (thermal and hydro) and the losses of initial transformation. The figure is measured with an uncertainty of less than $\pm 0.5\%$.
9	Electricity produced by the Acea Produzione power plants net of the losses. The figure is calculated.
10	Gross energy produced by photovoltaic installations. From 2022, the figure is net of PV production from the Subsidiary. The figure is measured with an uncertainty of less than $\pm 0.5\%$.
11	Total losses during photovoltaic generating phase, due in particular to joule effect (dissipation during heating) in the equipment. Estimated figure.
12	Net photovoltaic electricity made available by the generating installations. From 2022, the figure is net of PV production from the Subsidiary. The figure is calculated.
13	Electricity produced by the Waste-to-Energy installations: waste-to-energy of San Vittore del Lazio and waste-to-energy of Terni of Acea Ambiente. We wish to specify that the fuel used in the two installations (SRF – solid recovered fuel – for San Vittore del Lazio and paper mill pulp for the Terni plant) is composed of both biodegradable organic material, neutral on the balance of the CO ₂ , and by non-biodegradable organic substance (plastic, resins, etc.). In 2023, the renewable share for the San Vittore del Lazio plant was equal to 46.6%, the Terni incinerator share to 43.6%.
14	Self-consumption of the two waste-to-energy plants of San Vittore del Lazio and Terni and initial transformation losses. The figure is measured with an uncertainty of less than $\pm 0.5\%$.
15	Electricity produced by the two waste-to-energy plants of San Vittore del Lazio and Terni, net of the self-consumption and initial transformation losses. The figure is calculated.
16	Electrical energy produced from biogas by the waste management plant at Orvieto Ambiente and the two composting plants in Aprilia and Monterotondo Marittimo (Acea Ambiente) and the Deco sites (owned and operated). The figure is calculated.

17	Self-consumption of biogas production plants, including small dissipations. The figure is measured with an uncertainty of less than $\pm 5\%$.
18	Net electricity produced from biogas and transferred to the network. The figure is measured with an uncertainty of less than $\pm 5\%$.
19	Thermal energy produced in the cogeneration plant of Tor di Valle including losses. The figure is measured with an uncertainty of $\pm 2\%$, near the delivery piping of the generators.
20	Losses of thermal energy of the district heating systems, due to: thermal dissipation, losses on the network, technical releases for maintenance operations, thermal reintegrations of the heat accumulation systems. The figure is calculated as the difference between the thermal energy produced and that actually supplied to the clients (invoiced).
21	Net thermal energy supplied to final clients. The figure, calculated, is obtained from the consumption invoiced.
22	Gross electricity produced by Ecogena plants. The Prepo facility was returned as of June 2022 due to assignment of the contract. The figure is calculated.
23	Gross thermal energy produced by Ecogena plants. The Prepo facility was returned as of June 2022 due to assignment of the contract. The figure is calculated.
24	Gross refrigeration energy produced by Ecogena plants. The figure is calculated.
25	Total self-consumption from Ecogena plants. The figure is calculated.
26	Electricity fed into the grid by Ecogena plants. A portion of the electrical output included in self-consumption is used to produce the other thermal carriers or for power plant operations. The figure is calculated.
27	Net thermal energy produced by Ecogena plants. The figure is calculated.
28	Net refrigeration energy produced by Ecogena plants. The figure is calculated.
29	Electricity supplied to Acea Produzione to Acea Energy with inter-Group exchange. The figure is marginal as a result of the choice made by the Acea Group to sell the electricity produced in Borsa (Stock Exchange) or through bilateral agreements.
30	Electricity supplied by the Single Purchaser and Market, including the amount imported subject to recalculation in relation to the ARERA DCO 492/2019/R/eel. The figure is measured with an uncertainty of $\pm 0.5\%$.
31	Energy requested on the electrical distribution network of Rome and Formello by all the client connected (open market + managed service). The figure is estimated.
32	Losses of electricity that occur during the distribution and transmission phase. They are attributable to: losses of transformation and transport, fraud and incorrect measurements. The figure is estimated.
33	Personal use of electricity for the implementation of the distribution activities. The figure is estimated.
34	This is electricity sold to distribution companies. The figure is measured with an uncertainty of $\pm 0.5\%$.
35	Total net electricity conveyed to final clients of the open market connected to the electrical distribution network of Rome and Formello. Includes both the quota of electricity sold by Acea Energia, and that sold by other operators active on the open market. The figure is measured with an uncertainty of $\pm 5\%$ according to Standard CEI 13-4.
36	Net electricity transferred to managed final clients. The decrease is the result of the progressive passage of managed service clients to the open market. In other words, it is a direct consequence of the deregulation process of the electricity market in effect in Italy since 1999 (Italian Legislative Decree no. 79/99). The figure is estimated based on the consumption invoiced.
36 A	Net electricity sold by Acea Energia to managed clients. "Non-domestic" clients (microbusiness clients) are excluded after March 2023. The figure is estimated.
37	Net electricity sold by Acea ENERGIA on the open market nationally. The figure is estimated.
38	Net electricity sold by Acea nationally on the open market and the standard service. The figure is calculated.
39	Natural gas sold by Acea on the national market. The figure is calculated.
40	Luminous flux supplied by the Public Lighting system in Rome. The figure, calculated, is the product of the number of lamps installed and the relative value of "rated" luminous flux.
41	Total number of measurements/controls performed in favour of the energy business, in particular, of Acea Produzione and Areti. The figure is calculated as the sum of the individual determinations carried out by the competent laboratories.

PRODUTTS – ENVIRONMENT BUSINESS

item no.	explanation – comment
42	Total incoming waste. They are the quantities arriving at the Orvieto Ambiente plant which include: unsorted municipal solid waste, organic fraction, green, non-hazardous industrial waste. The figure is calculated.

43	Waste partly sent for shredding only, partly just for aerobic treatment, partly both to the anaerobic digester and the aerobic treatment. The figure is calculated.
44	Waste disposed directly in landfill. The figure is measured with an uncertainty of $\pm 1\%$.
45	Waste disposed of in landfill after treatment. The figure is measured with an uncertainty of $\pm 1\%$.
46	Waste recovered and not sent to landfill. It is glass, paper and cardboard, iron and plastic. The figure is calculated.
47	Compost produced at the Orvieto Ambiente hub. Thanks to the combination of the anaerobic and aerobic processes, the product is Quality Compost. The figure is measured with an uncertainty of $\pm 1\%$.
48	Reduction due to stabilisation. This represents the loss of mass due to the natural transformations of the material and the loss of water through evaporation. The figure is calculated.
49	Total waste entering Deco sites: some directly to Casoni landfills (owned by Deco) and Grasciano2 landfills (owned by Acea Ambiente from 2022), some to the mechanical biological treatment plant. The figure is calculated.
50	Waste disposed of directly in landfills (Casoni and Grasciano2). The increase in 2023 results from the reopening of the Grasciano 2 landfill and the incoming waste from January of the same year. The figure is calculated.
51	Waste entering the Deco's mechanical biological treatment (MBT) plant. The figure is measured with an uncertainty of $\pm 1\%$.
52, 53.54	Waste that is sent for recovery or disposal at third-party sites after treatment. In 2023, Deco sites produced 95,869 tonnes of SRF, of which 53% was used at foreign cement plants and 47% at waste-to-energy plants in Italy. The figure is measured with an uncertainty of $\pm 1\%$.
55	Reduction due to stabilisation. This represents the loss of mass due to the natural transformations of the material and the loss of water through evaporation. The figure is calculated.
55 B	Incoming waste to Cerratina plant, landfill for non-hazardous waste. The figure is measured with an uncertainty of $\pm 1\%$.
56	Total incoming organic waste. They are the amounts arriving at the plants of Aprilia and Monterotondo Marittimo, which include: sludge, green and organic fraction. The figure is calculated.
57	Incoming sludge. It is the quantity of sludge entering the composting plants of Aprilia and Monterotondo Marittimo. The figure is measured with an uncertainty of $\pm 1\%$.
58	Incoming green. It is the quantity of green matter coming from the parks, woods or other areas arriving at the plants of Aprilia and Monterotondo Marittimo. The figure is measured with an uncertainty of $\pm 1\%$.
59	Organic fraction of municipal solid waste (OFMSW) entering the composting plant of Aprilia and OFMSW and other agrifood waste arriving at the Monterotondo Marittimo plant. The figure is calculated.
60	Quality Compost. It is the quantity of quality compost produced at the Aprilia and Monterotondo Marittimo plants. The compost estimate for the current year is based on the quantities transported daily for maturation or to the final storage areas. Due to process losses, at the time of sale the compost may be less than estimated. Compost production over the last two years at Monterotondo Marittimo was higher mainly due to the introduction of a new, higher-performance screening machine than the one used in previous years.
61	Non-compostable material for disposal. It is the non-biodegradable material (for example plastics) which is separated from the compostable material sent for disposal. The figure is measured with an uncertainty of $\pm 1\%$.
62	Reduction due to stabilisation. This represents the loss of mass due to the natural transformations of the material and the loss of water through evaporation. The figure is calculated. To note that the FSC waste classified under code EER 191210 and sent for energy recovery from the Aprilia plant is not included in item 61; consequently item 62 is indicative.
63	Liquid waste. Represents the quantity of incoming liquid waste. to the Chiusi plant (and, up until mid-2021, the plant at Buonconvento). The intermediated waste, for 718 tonnes in 2023, was not included. The figure is measured with an uncertainty of $\pm 1\%$.
64	Total wastewater treated by the Chiusi plant (and up until May 2021, also by the Buonconvento site). In 2022, the figure was significantly reduced as the management of the Buonconvento site was taken over by AdF, a Group Company in the industrial sector. The figure is measured with an uncertainty of $\pm 1\%$.
65	Total analytical determinations. These are all the analytical measurements made at the Orvieto Ambiente hub, Aprilia, Monterotondo Marittimo and Deco sites. The figure is calculated.
66	Total incoming waste. These are the amounts arriving at Acque Industriali's plants at Pagnana, Pontedera, Poggibonsi and San Jacopo. The figure is calculated. Since June 2021, operations at the Poggibonsi plant have been suspended pending the issuance of a new IEA. Since February 2020, operations at the San Jacopo plant have been suspended pending the determination of further interventions on the plant. The Pontedera site discontinued operations in 2022. Due to these factors, the incoming tonnage for 2022 were drastically reduced.

67	Incoming sludge. Represents the quantity of incoming sludge at Acque Industriali's plants at Pagnana, Pontedera, Poggibonsi and San Jacopo. Due to the closure of the Pontedera site in July 2022 and the suspension of the Poggibonsi site in the same year, quantities have decreased. At the Pagnana site, quantities have been drastically reduced to preserve the wastewater output quality. Once accepted and implemented, an ongoing project involving minor plant modifications at Pontedera will enable waste with higher pollutant loads than at present to be processed while maintaining the quality of the final discharge. The figure is measured with an uncertainty of $\pm 1\%$.
68	Liquid waste. Represents the quantity of liquid waste coming into the Pagnana and Pontedera plants. The figure is calculated.
69	Sewage and other waste. Represents the quantity of sewage and other non-hazardous waste. The figure is calculated.
70	Leachate Represents the quantity of leachate coming into the Pagnana and Pontedera plants. The figure is measured with an uncertainty of $\pm 1\%$.
71	Ammonium Sulphate produced. Represents the quantity of quality of Ammonium Sulphate produced at the Pagnana and Pontedera plants. The figure is estimated.
72	Treated water before discharge at Acque Industriali facilities. These also include water that is consumed for industrial and/or civil use inasmuch as there are no distinct meters before discharge. The figure is calculated.
73	Total incoming waste. They are the quantities arriving at the Berg plant. The figure is calculated.
74	Solid incoming waste. They are the quantities arriving at the Berg plant. The figure is calculated.
75	Liquid incoming waste. They are the quantities arriving at the Berg plant. The figure is calculated.

PRODUCTS – WATER BUSINESS

item no.	explanation – comment
76	Total drinking water collected from the environment or from other systems and fed into the aqueduct systems. This is the total amount of water collected from the following Group Companies: Acea Ato 2, Acea Ato 5, Gesesa, Gori, AdF, Acque, Publiacqua, Umbra Acque. The figure is calculated.
77	Total drinking water supplied and invoiced to the respective clients by the Companies listed under line number 76. The figure is estimated.
78	Total amount of drinking water leaving the system from companies listed under 76. The figure is calculated.
79	Total drinking water collected from the environment or from other systems and fed into the aqueduct systems. This is the sum of the water taken from the Companies Acea Ato 2, Acea Ato 5, Gori, Gesesa, AdF. The figure is calculated.
80	Total drinking water supplied and invoiced to the respective clients by the Companies listed under line number 79. The figure is estimated.
81	Total amount of drinking water leaving the system from companies listed under 79. The figure is calculated.
82	Total drinking water collected from the environment or other systems by Acea Ato 2 and released into the aqueduct system of the "Ambito Territoriale Ottimale 2" of Central Lazio. The figure is measured with an uncertainty of $\pm 3\%$.
83	Total amount of drinking water leaving the Acea Ato 2 aqueduct system. This is the sum of drinking water supplied and billed, drinking water authorised and not billed, water exported to other systems and measured drinking water losses. The figure is calculated.
84	Total drinking water supplied and billed (in other words measured at the meters, where present) to the customers connected to the Acea Ato 2 network.
85	Total drinking water authorised and not billed in the Acea Ato 2 network. The figure is estimated.
86	Total amount of drinking water exported to other aqueduct systems by Acea Ato 2. The figure for the year is estimated and may undergo consolidation after publication.
87	Total Acea Ato 2 drinking water losses. The figure is measured with an uncertainty of $\pm 3\%$
88	Water losses - Acea Ato 2 network. This is the amount of water lost in the network distribution, calculated as the water collected from the environment or from other systems and fed into the network, from which the total water leaving the aqueduct system is subtracted.
89	Acea Ato 2 water losses as a percentage is equal to the value of water losses expressed as a percentage of the total withdrawn. They correspond to item M1b of ARERA Resolution 917/17 R/IDR.
90,91,92,93,94	Respectively: quantity of water collected from the environment and fed into the aqueduct system, leaving the system, supplied and billed, authorised and not billed, exported to other aqueduct systems, by Acea Ato 5.

95	Water losses - Acea Ato 5 network. This is the amount of water lost in the network distribution, calculated as the water collected from the environment or from other systems and fed into the network, from which the total water leaving the aqueduct system is subtracted.
96	Acea Ato 5 water losses as a percentage is equal to the value of water losses expressed as a percentage of the total withdrawn. They correspond to item M1b of ARERA Resolution 917/17 R/IDR.
97,98,99,100,101	Respectively: quantity of water collected from the environment and fed into the aqueduct system, leaving the system, supplied and billed, authorised and not billed, exported to other aqueduct systems, by Gesesa.
102	Water leaks - Gesesa network. This is the amount of water lost in the network distribution, calculated as the water collected from the environment or from other systems and fed into the network, from which the total water leaving the aqueduct system is subtracted.
103	Gesesa water losses as a percentage is equal to the value of water losses expressed as a percentage of the total withdrawn. They correspond to item M1b of ARERA Resolution 917/17 R/IDR.
104,105,106,107,108	Respectively: quantity of water collected from the environment and fed into the aqueduct system, leaving the system, supplied and billed, authorised and not billed, exported to other aqueduct systems, by Gori.
109	Water leaks - Gori network. This is the amount of water lost in the network distribution, calculated as the water collected from the environment or from other systems and fed into the network, from which the total water leaving the aqueduct system is subtracted.
110	Gori water losses as a percentage is equal to the value of water losses expressed as a percentage of the total withdrawn. They correspond to item M1b of ARERA Resolution 917/17 R/IDR.
111,112,113,114,115	Respectively: quantity of water collected from the environment and fed into the aqueduct system, leaving the system, supplied and billed, authorised and not billed, exported to other aqueduct systems, by AdF.
116	Total AdF drinking water losses. The figure is measured with an uncertainty of $\pm 3\%$
117	Water losses - Acea AdF network. This is the amount of water lost in the network distribution, calculated as the water collected from the environment or from other systems and fed into the network, from which the total water leaving the aqueduct system is subtracted.
118	AdF water losses as a percentage is equal to the value of water losses expressed as a percentage of the total withdrawn. They correspond to item M1b of ARERA Resolution 917/17 R/IDR.
119	Total treated waste water in the main treatment plants of the following water Companies of the Group: Acea Ato 2, Acea Ato 5, Gesesa, Gori, AdF, Umbra Acque, Publiacqua, Acque. The figure is calculated.
120	Total amount of waste water treated in the main treatment plants of the water companies in the NFS scope: Acea Ato 2, Acea Ato 5, Gori AdF and Gesesa.
121	Total waste water sent to the principal treatment plants of Acea Ato 2 and treated. The total figure is calculated.
122	Total waste water sent to the treatment plants and treated by Acea Ato 2, including the quantities treated in the small plants of the municipalities of Rome and in those outside the municipalities of Rome. The total figure is calculated.
123	Total waste water sent to the main treatment plants and treated by Acea Ato 5. The figure is calculated.
124	Estimated amount of waste water, for the first time in 2020, used and treated in the main treatment plants of Gesesa and treated. The estimate is based on the value of invoicing; in 2020 the first flow meters were installed, but not all the necessary meters are available.
125	Total amount of waste water sent to the main treatment plants of Gori and treated. The substantial increase in the quantities treated in the last few years is linked to the management transfer of several treatment plants from the Campania region. In particular, two large treatment plants were transferred in 2021. The total figure is calculated.
126	Total amount of wastewater sent to the main treatment plants with PE > 10,000 and treated by AdF.
127	Total amount of waste water used in treatment plants and treated by AdF, including the quantities treated in minor plants.
128	Number of analytical determinations conducted overall on the drinking water by the main Companies of the Acea Group. The figure is calculated.
129	Number of analytical determinations conducted overall on the waste water by the main Companies of the Acea Group. The figure is calculated.
130	Number of analytical determinations conducted overall on the drinking water by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa.
131	Number of analytical determinations conducted overall on the waste water by Acea Ato 2, Acea Ato 5, Gori, AdF and Gesesa.

132	Number of analytical determinations conducted overall on the drinking water by Acea Ato 2.
133	Number of analytical determinations conducted overall on the waste water by Acea Ato 2.
134	Number of analytical determinations conducted overall on the drinking water by Acea Ato 5.
135	Number of analytical determinations conducted overall on the waste water by Acea Ato 5.
136	Number of analytical determinations conducted overall on the drinking water by Gesesa.
137	Number of analytical determinations conducted overall on the waste water by Gesesa.
138	Number of analytical determinations conducted overall on the drinking water by Gori.
139	Number of analytical determinations conducted overall on the waste water by Gori.
140	Number of analytical determinations conducted overall on drinking water by Gesesa.
141	Number of analytical determinations conducted overall on waste water by Gesesa.

RESOURCES USED - ENERGY BUSINESS

item no.	explanation – comment
142	Total quantity of natural gas used to generate the electricity and heat at the Acea Produzione and Ecogena plants and at the waste-to-energy plants of Acea Ambiente. The figures expressed in Normal cubic metres (volume at 0°C and 1 Atm), is measured with an uncertainty of $\pm 0.5\%$. Estimated figure.
143	Total amount of natural gas used in the Tor di Valle power plant and the Ecogena plants. The figure is calculated.
144	Total quantity of natural gas used by waste-to-energy plants. The increase in 2023 is attributable to a generator fault during November, which resulted in emergency operations. The figure is measured with an uncertainty of $\pm 2\%$.
145	Total quantity of diesel used to generate electricity at the Montemartini power plant (turbogas) and for operations at the waste-to-energy plants of Terni and, for a small part, of San Vittore del Lazio. The consumption of the Montemartini power plant is significant during those years when the power plant produces more electricity in order to fulfil the normal scheduled periodic tests, and to conduct extraordinary maintenance. A lower number of technical tests was carried out in 2023. The figure is measured with an uncertainty of $\pm 2\%$.
146	Quantity of RDF (Refuse-Derived Fuel) sent for waste-to-energy processing in the San Vittore del Lazio plant. The figure is measured with an uncertainty of $\pm 1\%$.
147	Quantity of paper mill pulp sent to waste-to-energy in the Terni plant. The figure is measured with an uncertainty of $\pm 1\%$.
148	Amount of biogas produced for the purpose of producing electrical energy. A minimal part is not used and burned in a flame. The figure is measured with an uncertainty of $\pm 1\%$.
149	Total water derived from surface resources and aqueducts (as in the case of the hydroelectric power plant of Salisano) for the production of hydroelectric energy. The figure is calculated.
150	Total quantity of water used in the industrial processes. The various contributions are due to: reintegration for losses in the district heating network; various uses in the waste-to-energy plants of San Vittore del Lazio and Terni (of water from aqueducts, wells and recovery of first and second rain recovery). The figure is calculated as the sum of the various contributions.
151	Quantity of aqueduct water used by the Companies included in the energy business, for civilian/sanitary uses. It is consumption of Acea Produzione and Areti of the waste-to-energy plants and 50% of the consumption of the Holding Company. The figure, calculated, refers to the consumption invoiced.
152	This is the total amount of dielectric mineral oil in Areti's primary and secondary substations, including the amount of oil in the Petersen coils installed in some primary substations. From 2022 on, the published data will include the volumes of dielectric oil in Acea Produzione's facilities over a three-year period. The figure is estimated. Areti and Acea Produzione reinstatement figures are estimated.
153	This is the total amount of gaseous insulation (SF_6) in the Areti and Acea Produzione plants. The figure is estimated. The figure referred to the reintegrations, also estimated, represents the total quantity of SF_6 released ex-novo into the production circuit during the year.
154	It represents the total quantity of cooling fluids in operation. The reintegrations represent the quantity of cooling fluids used for the maintenance of the air-conditioning equipment, during which the gas in operation is recovered and replaced with the new one. The data refer to the previous year compared to the year as they are based on ISPRA annual statements following the publication of the <i>Sustainability Report</i> . Both figures are calculated by attributing all the gas supplied overall by the Parent Company to the energy business and the water business in equal parts (50%).

155	Total chemical substances used in the electrical and thermal generating process in the Acea Produzione power plants and the waste-to-energy plants of Acea Ambiente. The figure is calculated.
156	Quantity of lubricating oils and fats used by Acea Produzione and the Terni waste-to-energy plant. The figure is measured with an uncertainty of $\pm 0.5\%$.
157	The figure matches Item 28.
158	Matches the difference between Items 1 and 2.
159	Electricity consumed by the processes not directly connected to the production phase (offices). The figure is calculated at 50% of the electricity consumed overall by the parent company. The remaining 50% is attributed as consumption to the water business.
160	Consumption of electricity at other sites and plants, including the consumption of the waste-to-energy plants (Terni and San Vittore del Lazio). The figure is estimated.
161	Other uses of the electricity in the energy business. The figure is calculated.
162	Total electricity consumer by the product systems included in the energy business. The figure is calculated.
163	Total electricity consumed for public lighting in the municipality of Rome. The figure is calculated based on the consistencies of the installations in operation during the year.

RESOURCES USED - ENVIRONMENT BUSINESS

item no.	explanation – comment
Orvieto Ambiente hub and Deco sites	
164	Total chemical substances used at the Orvieto Ambiente hub and Deco sites. The figure is calculated.
164a	Amount of hydraulic oils and lubricants used mainly for power generation units at the Orvieto Ambiente hub and Deco sites. The data is measured with an uncertainty of $\pm 0.5\%$.
165	Electricity consumed at the Orvieto Ambiente plant and Deco sites. The considerable increase in 2022 is due to Deco entering the NFS scope. The figure is measured with an uncertainty of $\pm 1\%$.
166	Total amount of diesel consumed used at the Orvieto Ambiente plant and Deco sites. The data is measured with an uncertainty of $\pm 2\%$.
167	Total water consumed at the Orvieto Ambiente plant and Deco sites. It is specified that, for the Orvieto Ambiente plant, this resource comes partly from roofs (rainwater) and partly from the riverbed (river water). For Deco sites, this is a surface resource provided by the Consorzio di Bonifica. The figure is impacted from the entry of the Deco sites since 2022. Estimated data.
168	Amount of water used for civilian purposes by the Orvieto Ambiente hub and at Deco sites. It is supplied by tanker trucks for the Orvieto Ambiente plants, since the hub is not connected to the aqueduct. The 2022 figure is affected by the civilian consumption of Deco sites, which were added in the year. Estimated data.
Compost Production	
169	Total chemical substances used at the Aprilia and Monterotondo Marittimo plants. The figure is calculated.
169a	Amount of engine oils, hydraulic oils and lubricants used at the Aprilia and Monterotondo Marittimo plants.
170	Electricity consumed at the Aprilia, Monterotondo Marittimo and Sabaudia plants. The significant decrease in 2022 is primarily attributable to a change in the plant configuration at the Aprilia site and, in particular, optimising the administration of the anaerobic digester. The figure is measured with an uncertainty of $\pm 1\%$.
171	Total quantity of diesel fuel consumed at the Aprilia, Monterotondo Marittimo and Sabaudia plants. The figure is measured with an uncertainty of $\pm 2\%$.
172	Quantity of water consumed at the Aprilia and Monterotondo Marittimo plants. The quantities of water recycled are included. The figure is estimated.
173	Quantity of water used for civil purposes at the composting plants of Aprilia and Monterotondo Marittimo. The value is partially estimated.
Liquid waste disposal and Industrial Water treatment at Berg and the Chiusi plant	
174	Total chemical substances used at Acque Industriali's plants in Pagnana, Pontedera and Poggibonsi, at Berg and the Chiusi plant (Acea Ambiente). Any fluctuations that may be evident in the figure from one year to the next depend on the chemical composition of incoming waste. Greater chemical complexity can require a greater consumption of chemicals for treatment prior to disposal. The figure is calculated.
175	Electricity consumed at Acque Industriali's plants in Pagnana, Pontedera, Poggibonsi and San Jacopo, and at Berg and the Chiusi plant. The figure is measured with an uncertainty of $\pm 1\%$.

176	Amount of methane consumed at Acque Industriali's Pagnana plant and at Berg. The figure is measured with an uncertainty of $\pm 1\%$.
177	Amount of diesel fuel consumed at the Berg and Chiusi plants. The figure is calculated.
178	Amount of BTZ (Basso Tenore di Zolfo - Low Sulphur Content) combustible Oil at the Pontedera plant. The figure is measured with an uncertainty of $\pm 2\%$. In August 2021, the LSC boiler was replaced with a new LPG boiler.
178 A	Amount of LPG consumed by the boiler at the Pontedera plant. The figure is measured with an uncertainty of $\pm 2\%$.
179	Amount of water consumed at Acque Industriali's plants in Pagnana, Pontedera, Poggibonsi and San Jacopo, and at Berg and the Chiusi plant. The figure is calculated.
180	Amount of water used for civil purposes at Acque Industriali's plants in Pagnana, Pontedera, Poggibonsi and San Jacopo, and at Berg and the Chiusi plant. The figure is calculated.

RESOURCES USED - WATER BUSINESS

item no.	explanation – comment
181	The figure represents the sum of the consumption of reagents for the purification and disinfection of water for Acea Ato 2, Acea Ato 5, Gori and Gesesa. In particular, they are sodium hypochlorite, used as disinfectant at the request of the Health Authorities, aluminium polychloride, caustic soda and ozone. The figure is calculated.
182	Total quantity of chemical reagents used by the company Acea Infrastructure to carry out the official duties, namely the analytical checks for the Companies of the Acea Group. The figure is measured.
183	Total volume of pure gases for analysis, used by Acea Infrastructure. The figure is measured.
184	It represents the total quantity of cooling fluids in operation. The reintegrations indicate the quantity of cooling fluids used for the maintenance of the air-conditioning equipment, during which the gas in operation is recovered and replaced with the new one. The data refer to the previous year compared to the year as they are based on ISPRA annual statements following the publication of the <i>Sustainability Report</i> . Both figures are calculated by attributing all the gas supplied overall by the Parent Company to the energy business and the water business in equal parts (50%).
185	Total energy consumed in the water business. The figure is calculated.
186	Electricity used for the drinking water and non-potable water pumping stations. The figure is measured with an uncertainty of $\pm 1\%$.
187	Electricity consumed by the processes not directly connected to the production phase (offices). The figure is calculated at 50% of the electricity consumed overall by the parent company.
188	Electricity used by Acea Infrastructure. It includes all the energy related to the various fields of activity of the Company, not only the analytical laboratory activities. The figure is calculated.
189	This is the amount of drinking water for civil/sanitary uses at the offices of Acea S.p.A. (calculated at 50% of the water consumed overall by the Parent Company) and for Acea Ato 2, Acea Ato 5, Gori and Gesesa. The figure is calculated.
190	Quantity of water for process uses in Acea Ato 2 and Acea Ato 5. In 2022, only 1% of the quantity used by Acea OTA 5 is drinking water, The remaining amount (99%) is water recovered from treatment plants. The figure is calculated.
191	Total quantity of <i>chemicals</i> used in the purification process of waste water including: polyelectrolytes, sodium hypochlorite, iron chloride, lime. The figure is calculated.
192	Total number of reagent kits purchased from the Acea Ato 2 waste water treatment plants for additional controls beyond analytical testing. The use of the kits responds to the need of the laboratories connected to the treatment plants to be able to carry out complex analyses in a simple, fast manner. Acea Ato 2 uses photometers and rapid analysis systems for all the parameters of interest and to perform reliable monitoring of waste water legal limits.
193	Total quantity of lubricating oil and fat used for the equipment of the water business (pumps, centrifuges, motors etc.). The figure is calculated.
194	Electricity used to run the waste water treatment plants and to operate the sewerage network. The figure is measured with an uncertainty of $\pm 1\%$.
195	Amount of methane used in the treatment processes (for example in the dryers of Acea Ato 2 and Gori and for the treatment of sludge through thermochemical hydrolysis in the treatment plants of AdF). The figure is measured with an uncertainty of $\pm 2\%$.

196	Amount of diesel used in the purification and other (for example in the Ostia desiccator of Acea Ato 2 processes and for water, sewage and purification generators). The figure is measured with an uncertainty of $\pm 2\%$.
197	Quantity of petrol used in purification processes and generators. The figure is measured with an uncertainty of $\pm 2\%$.
198	Amount of biogas produced and consumed on site, excluding amounts burned in the flare. The figure is measured with an uncertainty of $\pm 2\%$.

FUELS USED BY THE GROUP (TRANSPORT AND HEATING)

item no.	explanation – comment
199	Total amount of petrol used for the main Companies of the Acea Group car fleet. The data come from the calculations of the Group's Energy managers. After two years marked by the COVID emergency, the increase in 2022 is primarily the result of increased operations. The 2023 Defra conversion factor was used to convert units of volume (litres) to units of mass (kg).
200	Total amount of diesel used for the main Companies of the Acea Group car fleet. The data come from the calculations of the Group's Energy managers. The 2023 Defra conversion factor was used to convert units of volume (litres) to units of mass (kg). The figure includes the fuel consumed by Aquaserv's vehicles.
201	Total amount of methane used for the main Companies of the Acea Group car fleet. The data comes from the calculations of the Group's Energy managers. The 2023 Defra conversion factor was used to convert units of mass (kg) to units of volume (m^3).
202	Total amount of LPG (Liquefied Petroleum Gas) used for the main Companies of the Acea Group car fleet. The 2023 Defra conversion factor was used to convert units of volume (litres) to units of mass (kg).
203	Total quantity of diesel used for heating work areas and for the supply of the generators. The figure is measured with an uncertainty of $\pm 0.5\%$.
204	Total quantity of natural gas used for heating the work spaces. The increase in 2023 is attributable to the higher consumption at the Piazzale Ostiense head office, with the increased work activity. The figure is measured with an uncertainty of $\pm 0.5\%$.
205	Total quantity of LPG (Liquefied Petroleum Gas) used to heat the work spaces. The figure is measured with an uncertainty of $\pm 0.5\%$.

EMISSIONS AND WASTE – ENERGY BUSINESS

item no.	explanation – comment
206	Total quantity of carbon dioxide released into the atmosphere as a result of generating thermoelectric energy from fossil fuels and from the waste-to-energy process of SRF and pulper. Includes the equivalent CO_2 estimated on the basis of the replenishment of SF6 and HCFC refrigerants. Estimated figure.
207	Quantity of carbon dioxide released into the atmosphere by the Acea Produzione power plants. The figure for the year preceding reporting is corrected in the year of publication, after ETS certification. The figure is calculated in accordance with current legislation.
208	Quantity of carbon dioxide released into the atmosphere by the Ecogena plants. The figure is calculated.
209	Quantity of equivalent CO_2 estimated based on the of SF6 replenishment, considering that 1 t of this gas has a heating power 23,500 times that of the CO_2 (source: GHG Protocol - IPCC Fifth Assessment Report).
210	Quantity of equivalent CO_2 estimated on the basis of refrigerant fluid replenishments (HCFCs), considering that 1 t of gas has a heating capacity of about 700-2,500 times that of CO_2 . The value depends on the specific type of gas (source: GHG Protocol - IPCC Fifth Assessment Report; for gas mixtures the factor is calculated on the primary source). Half of the emissions are allocated to the energy business and half to the water business, as is the case for the quantities of refrigerant fluids (HCFCs). The figure coincides with item No. 282.
211	Quantity of carbon dioxide released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure for 2021 was recorded following the issue of the ETS certificate. The figure is measured.
212	Total quantity of nitrogen oxides ($\text{NO} + \text{NO}_2$) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels, and from SRF and waste-to-energy processes. Their presence in traces of the emissions is due to undesired secondary reactions which occur at high temperature between the nitrogen and the oxygen of the air. The figure is calculated.

213	Total quantity of nitrogen oxides (NO + NO ₂) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels in the Acea Produzione power plants. The figure is calculated.
214	Quantity of nitrogen oxides (NO + NO ₂) released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
215	Total quantity of carbon oxide (CO) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels and the waste-to-energy process. The existence of the pollutant in the emissions is due to incomplete fuel reaction and represents a symptom of deterioration in the performance of the combustion reaction. The figure is calculated.
216	Total quantity of carbon oxide (CO) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels in the Acea Produzione power plants. The figure is calculated.
217	Quantity of carbon oxide (CO) released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
218	Total quantity of sulphur dioxide (SO ₂) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels and from the waste-to-energy process of SRF and paper mill pulp. The use of methane and diesel with low sulphur content in the power plants enables this type of emission to be contained. The figure is calculated.
219	Quantity of sulphur oxide (SO ₂) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels in the Acea Produzione power plants. The figure is calculated.
220	Quantity of sulphur dioxide (SO ₂) released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
221	Total quantity of powders (microscopic particles with average aerodynamic diameter equal or less than 10 thousand of a millimetre) released into the atmosphere as a result of generating thermoelectric energy from fossil fuels and from the SRF and pulper waste-to-energy processes. Basically, it is amorphous unburned carbon, with traces of other compounds of various composition, obtained as sub-product of the combustion when it achieved completely. The figure is calculated.
222	Quantity of powders released into the atmosphere as a result of generating thermoelectric energy from fossil fuels in the Acea Produzione power plants. The figure is calculated.
223	Quantity of powders released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
224	Quantity of hydrochloric acid (HCl) released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
225	Quantity of hydrofluoric acid (HF) released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
226	Quantity of organic carbon released into the atmosphere by the Acea Ambiente waste-to-energy plants. The figure is calculated.
227	Total quantity of waste water, treated, resulting from the thermoelectric energy production activities. The figure is measured with an uncertainty of $\pm 2\%$.
228	Total quantity of hazardous waste (pursuant to Italian Legislative Decree no. 152/06) disposed of by the main Companies of the Group excluding the waste-to-energy area. The figure is measured with an uncertainty of $\pm 2\%$.
229	Hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by the waste-to-energy area. It is essentially light ashes and slag resulting from the incineration processes. The figure is measured with an uncertainty of $\pm 2\%$.
230	Total quantity of non-hazardous waste (pursuant to Italian Legislative Decree no. 152/06) disposed of by the main Companies of the Group excluding the waste-to-energy area. The figure is measured with an uncertainty of $\pm 2\%$.
231	Non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by the waste-to-energy area. It is essentially heavy ashes and slag resulting from the incineration processes. The figure is measured with an uncertainty of $\pm 2\%$.

EMISSIONS AND WASTE – ENVIRONMENT BUSINESS

item no.	explanation – comment
232	Hazardous waste (pursuant to Legislative Decree no. 152/06) produced by the Orvieto Ambiente plant. The figure is measured with an uncertainty of $\pm 2\%$.
233	Non-hazardous waste (pursuant to Legislative Decree no. 152/06) produced by the Orvieto Ambiente plant. The figure is measured with an uncertainty of $\pm 2\%$.
234	Hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Deco sites. The figure is measured with an uncertainty of $\pm 2\%$.
235	Non-hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Deco sites. The figure is measured with an uncertainty of $\pm 2\%$.
236	Hazardous waste (pursuant to Legislative Decree no. 152/06) produced by the Aprilia and Monterotondo Marittimo plants. The increase is due to the almost fully operational restart of the Monterotondo Marittimo and Aprilia plants. The figure is calculated.

237	Non-hazardous waste (pursuant to Legislative Decree no. 152/06) produced by the Aprilia and Monterotondo Marittimo plants. The increase is due to the almost fully operational restart of the Monterotondo Marittimo and Aprilia plants. The figure is calculated.
238	CO ₂ emissions from the composting plants and Orvieto Ambiente hub and related to the ancillary services of the waste-to-energy plants, not strictly related to the production of electricity. They also include non-biogenic emissions from the combustion of biogas produced on site. The figure is measured with an uncertainty of $\pm 2\%$.
239, 240, 241, 242	They are powders, Total Organic Compounds (COT), ammonia and volatile inorganic substances (SIV) issued at the Monterotondo Marittimo plant. The other plants provide only concentration values, with no regulatory obligation to calculate absolute values. The values in mg/l of all plants are well below official limits. The increase in SIV and SOV data in 2023 is not due to a different mix of waste coming into the Monterotondo Marittimo plant; the legal limits were nonetheless fully complied with. The data is calculated starting from the measurement of the concentrations.
243	CO ₂ emissions from the Deco and Ecologica Sangro sites related to fuel consumption. The figure is calculated.
244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256	These are dust, hydrochloric acid, hydrofluoric acid, hydrogen sulphide, SO _x , NO _x , CO, TOC, ammonia, VOCs, Cd, Hg and heavy metals emitted at the Deco and Ecologica Sangro sites. The values in mg/l of all plants are well below official limits. The data is calculated starting from the measurement of the concentrations.
257	Hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Chiusi plant. The figure is measured with an uncertainty of $\pm 2\%$.
258	Non-hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Chiusi plant. The figure is measured with an uncertainty of $\pm 2\%$.
259	Emissions of CO ₂ from the Chiusi plant. The figure is calculated.
260	Hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Berg plant. The figure is measured with an uncertainty of $\pm 2\%$.
261	Hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Berg plant. The figure is measured with an uncertainty of $\pm 2\%$.
262	CO ₂ emissions related to the Berg plant. The figure is calculated.
263	Dust emitted by the Berg plant. The data is calculated starting from the measurement of the concentrations.
264	Organic carbon emitted by the Berg plant. The data is calculated starting from the measurement of the concentrations.
265	Hydrogen sulphide and mercaptans emitted by the Berg plant. The data is calculated starting from the measurement of the concentrations.
266	Ammonia emissions from the Berg plant. The data is calculated starting from the measurement of the concentrations.
267	Hazardous waste (pursuant to Italian Legislative Decree No. 152/06) produced by the Pagnana plant. The figure is calculated.
268	Non-hazardous waste (pursuant to Legislative Decree no. 152/06) produced by the Pagnana, Pontedera, Poggibonsi and San Jacopo plants. The figure is calculated.
269	Emissions of CO ₂ of the Acque Industriali plants relate to the consumption of fuels. The figure has come down significantly in 2023 because Pagnana is the only operational plant. The figure is calculated.
270	Hydrogen Sulphide emissions from the Pagnana and Pontedera plants. The data is estimated taking into account the maximum value that can be recorded in the plant.
271	Ammonia emissions at the Pagnana and Pontedera Plants. The data is estimated taking into account the maximum value that can be recorded in the plant.

EMISSIONS AND WASTE – WATER BUSINESS

item no.	explanation – comment
272	Total quantity of purification sludge disposed of by Acea Ato 2, Acea Ato 5, Gori, Gesesa and AdF. Non-hazardous waste. The figure is measured with an uncertainty of $\pm 2\%$.
273	Total quantity of purification sludge disposed of by Acea Ato 2. The figure is measured with an uncertainty of $\pm 2\%$.
274	Total quantity of purification sludge disposed of by Acea Ato 5. The figure is measured with an uncertainty of $\pm 2\%$.
275	Total quantity of purification sludge disposed of by Gesesa. The figure is measured with an uncertainty of $\pm 2\%$.
276	Total quantity of purification sludge disposed of by Gori. The strong increase in the quantities produced in the three-year period is due to the progressive transfer to Gori of the management of treatment plants previously managed by the Campania Region. The figure is measured with an uncertainty of $\pm 2\%$.
277	Total quantity of purification sludge disposed of by AdF. The increase in 2023 is due to criminal proceedings at the urban wastewater treatment plant called IDL S. Giovanni in Loc. Pianetto in the Municipality of Grosseto: from January 2023, AdF stopped hydrolysis treatment and restored aerobic treatment, as had been done in the past. This was in the context of criminal proceedings, where the Preliminary Investigations Judge ordered the preventative seizure of only the areas intended for the surplus transfer of sludge. Investigations are still ongoing. AdF complied with all the prescriptions issued by the Judicial Authorities and Administrative Authorities. The figure is measured with an uncertainty of $\pm 2\%$.

278	Total quantity of sand and slabs disposed of by Acea Ato 2, Acea Ato 5, Gori, Gesesa and AdF. The figure is measured with an uncertainty of $\pm 2\%$.
279	Total quantity of sand and slabs disposed of by Acea Ato 2. The figure is measured with an uncertainty of $\pm 2\%$.
280	Total quantity of sand and slabs disposed of by Acea Ato 5. The figure is measured with an uncertainty of $\pm 2\%$.
281	Total quantity of sand and slabs disposed of by Gesesa. The figure is measured with an uncertainty of $\pm 2\%$.
282	Total quantity of sand and slabs disposed of by Gori. The increase in the quantities produced is due to the progressive transfer to Gori of the management of treatment plants previously managed by the Campania Region. The figure is measured with an uncertainty of $\pm 2\%$.
283	Total quantity of sand and slabs disposed of by AdF. The figure is calculated.
284	Amount of other process waste, excluding sludge, sand and slabs. The figure is measured with an uncertainty of $\pm 2\%$.
285	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) including that disposed of by Acea Ato 2, Acea Infrastructure, Acea Ato 5, and a portion of waste produced by the Parent Company (attributed in equal parts to the energy and water segments). The figure is calculated.
286	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Acea Infrastructure. The figure is measured with an uncertainty of $\pm 2\%$.
287	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Acea Ato 2. The figure is measured with an uncertainty of $\pm 2\%$.
288	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Acea Ato 5. The figure is measured with an uncertainty of $\pm 2\%$.
289	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Gori. The figure is measured with an uncertainty of $\pm 2\%$.
290	Total quantity of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by AdF. A hydrolysis system activated in 2021 as a way to reduce treatment sludge volumes was deactivated in 2023 for technical reasons, bringing the volumes produced to the previous levels. The figure is measured with an uncertainty of $\pm 2\%$.
291	Proportion of hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by the Parent Company and attributed to the water business. The same proportion was attributed to the energy business.
292	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) including that disposed of by Acea Ato 2, Acea Ato 5, Gori Gesesa and AdF, and a portion of waste produced by the Parent Company (attributed in equal parts to the energy and water segments). The figure is calculated.
293	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Acea Ato 2 and Acea Infrastructure. The figure is calculated.
294	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Acea Ato 5. The figure is estimated.
295	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Gesesa. The figure is estimated.
296	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by Gori. The figure is estimated.
297	Total quantity of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by AdF. The data are derived from direct measurements.
298	Proportion of non-hazardous waste (pursuant to Legislative Decree no. 152/06) disposed of by the Parent Company and attributed to the water business. The same proportion was attributed to the energy business.
299	Total amount of carbon dioxide emitted by dryers and generators. The figures are calculated using the consumption of fuel and the emission coefficients (MATTM data).
300	Quantity of equivalent CO ₂ estimated on the basis of refrigerant fluid replenishments (HCFCs), considering that 1 t of gas has a heating capacity of about 700-2,500 times that of CO ₂ . The value depends on the specific type of gas (source: GHG Protocol - IPCC Fifth Assessment Report; for gas mixtures the factor is calculated on the primary source). Half of the emissions are allocated to the energy business and half to the water business, as is the case for the quantities of refrigerant fluids (HCFCs). The figure coincides with item No. 194. For 2021 and 2023, the figure is zero as there were no reintegrations in the year.

CO₂ EMISSIONS FROM TRANSPORT AND HEATING

item no.	explanation – comment
301	Total quantity of carbon dioxide issued by the motor pool of the Acea Group. The three-year figure is calculated using the consumption of fuel and the emission coefficients (ISPRA 2023). The figure is calculated.
302	Total quantity of carbon dioxide emitted by the systems used to air-condition the work spaces. The slight increase in 2023 is attributable to increased methane consumption due to higher work activity at the head office. The figure is calculated.

OPINION LETTER OF THE INDEPENDENT AUDITOR



Independent auditor's report on the consolidated non-financial statement

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254/2016 and article 5 of CONSOB regulation No. 20267 of January 2018

To the Board of Directors of Acea SpA

Pursuant to article 3, paragraph 10, of Legislative Decree No. 254 of 30 December 2016 (the "Decree") and article 5, paragraph 1 g), of CONSOB Regulation No. 20267/2018, we have undertaken a limited assurance engagement on the "Sustainability Report" (Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254/2016, prepared in accordance with GRI standards) of Acea SpA and its subsidiaries (hereinafter the "Group") for the year ended 31 December 2023 prepared in accordance with article 4 of the Decree and approved by the Board of Directors on 5 March 2024 (the "NFS").

Our review does not extend to the information set out in the section titled "Information required by the European Taxonomy" of the Group's NFS, required by article 8 of European Regulation 2020/852.

Responsibilities of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016 and updated to 2021, by the GRI - Global Reporting Initiative (the "GRI Standards"), which they identified as the reporting standard.

The Directors are also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the Directors are responsible for identifying the content of the NFS, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the Group and to the extent necessary for an understanding of the Group's activities, development, performance and related impacts.

Finally, the Directors are responsible for defining the business and organisational model of the Group and, with reference to the matters identified and reported in the NFS, for the policies adopted by the Group and for identifying and managing the risks generated and/or faced by the latter.

The Board of Statutory Auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

PricewaterhouseCoopers SpA

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Auditor's Independence and Quality Control

We are independent in accordance with the principles of ethics and independence set out in the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In the period this engagement refers to our firm applied International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintained a comprehensive system of quality control including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express a limited assurance conclusion, based on the procedures we have performed, regarding the compliance of the NFS with the Decree and the GRI Standards. We conducted our engagement in accordance with *International Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (hereinafter “ISAE 3000 Revised”), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to obtain limited assurance about whether the NFS is free from material misstatement. Therefore, the procedures performed were less in extent than for a reasonable assurance engagement conducted in accordance with ISAE 3000 Revised, and, consequently, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFS were based on our professional judgement and included inquiries, mainly of personnel of the Company responsible for the preparation of the information presented in the NFS, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

- 1 analysis of the relevant matters reported in the NFS in relation to the activities and characteristics of the Group, in order to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
- 2 analysis and assessment of the criteria used to identify the consolidation perimeter, in order to assess their compliance with the Decree;
- 3 comparison of the financial information and data reported in the NFS with the information and data reported in the Group's consolidated financial statements;
- 4 understanding of the following matters:
 - (a) business and organisational model of the Group with reference to the management of the matters specified by article 3 of the Decree;
 - (b) policies adopted by the Group with reference to the matters specified by article 3 of the Decree, actual results and related key performance indicators;
 - (c) key risks generated and/or faced by the Group with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFS and carried out the procedures described under item 5 a) below.



- 5 understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFS.

In detail, we held meetings and interviews with the management of Acea SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information and data to the function responsible for the preparation of the NFS.

Moreover, for material information, considering the activities and characteristics of the Group:

- at a parent level,
 - (a) with reference to the qualitative information included in the NFS, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - (b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information.
- for the following companies, Acea SpA, Acea ATO 2 SpA, Acea Ambiente Srl and Deco SpA which we selected on the basis of their activities, their contribution to the key performance indicators at a consolidated level and their location, we carried out site visits during which we met local management and gathered supporting documentation regarding the correct application of the procedures and calculation methods used for the indicators.

Conclusions

Based on the procedures performed, nothing has come to our attention that causes us to believe that the NFS of the Acea Group for the year ended 31 December 2023 is not prepared, in all significant respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusion above does not extend to the information set out in the paragraph titled “Information required by the European Taxonomy” of the Group’s NFS required by article 8 of Regulation (EU) 2020/852.

Rome, 21 March 2024

PricewaterhouseCoopers SpA

Signed by

Luigi Necci
(Partner)

Paolo Bersani
(Authorized signatory)

This report has been translated from the Italian original solely for the convenience of international readers. We have not performed any controls on the NFS 2023 translation.

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Photos taken by Acea Group employees for the Acea Photo Contest

Cover photo
Carmine Principe (GORI)
People's Prize Category
Foce Sarno treatment plant

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