

# 1. General information

## 1.1 GENERAL CRITERIA FOR SUSTAINABILITY REPORTING AND DISCLOSURES IN RELATION TO SPECIFIC CIRCUMSTANCES

**ESRS 2 BP-1; ESRS 2 BP-2** This Sustainability Report has been prepared in accordance with the standards applied pursuant to Directive 2022/2464/EU (CSRD – Corporate Sustainability Reporting Directive) and Legislative Decree No. 125/2024, which transposed it into Italian law; the disclosures required by the Taxonomy included in the Environmental Information section are in line with the specifications adopted pursuant to Regulation 2020/852 and subsequent amendments and additions, having deferred the application of Delegated Regulation 2026/73, approved in January 2026, by one year, as provided for in Article 4 of that Regulation.

The Report is prepared on a consolidated basis, approved by the Board of Directors of Acea SpA and subject to a limited review.

The scope of reporting includes the holding company and the companies consolidated on a line-by-line basis in the annual Financial Statements. In this regard, it should be noted that, as at 23 December 2025, the special-purpose vehicles Easolar Srl and Acea Renewable 2 Srl, which own photovoltaic plants, were de-consolidated. The technical data relating to these companies (energy production) are reported as annual totals; no data on staff are provided. The report highlights any changes to the data for 2024 compared with the data reported in the previous report, stating the reason (methodological revision, data correction or changes to the unit of measurement, etc.). Specifically, the 2024 figures for the following indicators have been revised: E1-6 gross Scope 3 emissions, E1-6 emissions intensity, E2-4 air pollutants, E2-4 water pollutants, E3-4 water for domestic use, E3-4 water intensity, E5-4 inflows, S1-16 gender pay gap (Honduras and Peru).

As detailed in the following paragraphs, this report covers the key themes of the ESRS standards, which focus on environmental, social and governance topics, and has been prepared in line with the approach adopted for the previous edition.

In particular, it should be noted that, in accordance with the “Quick Fix” Delegated Act, the phase-ins already adopted by Acea and described in the previous report shall continue in 2025:

- SBM-1, paragraph 40(b) and (c): breakdown of total revenue by ESRS sector
- SBM-3, paragraph 48(e), on the expected financial effects associated with risks, in relation to E1-9, E2-6, E3-5, E4-6 and E5-6

- ESRS S1-7: Characteristics of non-employee workers
- ESRS S1-11: Social protection
- ESRS S1-14: Health and safety for non-employee workers

Furthermore, to improve the transparency and comprehensiveness of the report, a number of significant entity-specific indicators have been included to reflect the Group’s activities; these indicators are identified by a sequential code (KPI-ESxx) and are listed in the annex under paragraph 5.1:

- Water Balance and volumes of water treated by the companies operating the integrated water service, as also reported in the 2024 report;
- new social KPIs relating to: the gender pay gap and new hires (ESRS S1), human rights violations - forced labour, child labour and working conditions (ESRS S2), monitoring of stakeholder engagement initiatives (ESRS S3), data breaches and litigation relating to unfair commercial practices (ESRS S4).

Entity-specific social indicators relating to human rights violations, data breaches and proceedings for unfair commercial practices are also reported for the value chain, partly to support the strengthening of integrated and responsible supplier oversight. With this aim in mind, stakeholders across the value chain are involved in Acea’s strategies through their compliance with the Group’s principles and policies, such as the Code of Ethics and policies on environment protection, human rights, sustainable procurement, consumer protection and information security.

Upstream and downstream stakeholders are also involved in the process to identify impacts, risks and opportunities relevant to Acea through a double materiality analysis.

To avoid the duplication of data and information, the Sustainability Report makes reference to sections of the Report on Operations to draw attention to information contained therein, such as the business model, the reference context, and the main market risks and uncertainties. Any further information referencing other internal documents is clearly specified. Finally, no information relating to intellectual property, innovation outcomes, forthcoming developments or matters under negotiation has been omitted.

## 1.2 GOVERNANCE **ESRS GOV-1; ESRS GOV-2; ESRS GOV-3**

**ESRS 2 GOV-1; ESRS 2 GOV-2** The Acea SpA Board of Directors consists of 13 members: 7 men (54%) and 6 women (46%); 3 board members are aged between 30 and 50, while the remaining 10 are over 50; 11 board members (85%) are classified as independent. Only one Board Member, the Chief Executive Officer, holds executive positions. Board members have experience in Acea’s business sectors, specifically in the energy, water and environmental sectors, in national and international contexts, as shown in the CVs included in the Annexes.

### Corporate Governance

Acea adheres to the Corporate Governance Code of Borsa Italiana, ensuring that its own corporate governance system complies with the Code’s principles and recommendations.

Specifically, the Board of Directors’ actions are characterised by the pursuit of sustainable success, which centres on the creation of long-term value for shareholders while also taking into account the interests of other relevant stakeholders.



The Chairperson of the Board of Directors is assigned a central role by the Board in overseeing issues related to the environmental impact and social sustainability of the corporate operations and processes. Among its other responsibilities, the Board of Directors is tasked with defining the guidelines for the Internal Control and Risk Management System (SCIGR).

The Board of Directors has set up three internal Committees to provide preliminary, propositional and advisory support to the administrative Body, namely: the Appointments and Remuneration Committee, the Control and Risks Committee and the Ethics, Sustainability and Inclusion Committee. The Committees meet to deal with the issues falling within their remit, according to a schedule approved by each committee, based on the proposals of the respective Chairpersons. This schedule is updated when deemed opportune or necessary according to developments in corporate operations. At the invitation of the respective Chair, the meetings of each Committee may be attended by other members of the Board of Directors or by representatives of company departments or third parties whose presence may be of assistance. At the meetings, committees are updated on sustainability issues relevant to Acea, ongoing actions and developments such as the adoption of policies and the implementation of operational plans.

The Ethics, Sustainability and Inclusion Committee (ESIC) is a collegial body with full and autonomous powers of action and control designated with providing preliminary, propositional and advisory support to the Board of Directors within the context of corporate ethics and environmental, social and governance topics. The Committee is tasked, inter alia, with the following:

- promoting the integration of sustainability in the strategies and culture of the company and encouraging its dissemination among employees, shareholders, users, clients, the territory and all stakeholders in general;
- overseeing the sustainability topics associated with the exercising of business activities and interaction dynamics between the company and all stakeholders and examine the main corporate rules and procedures proving to be of relevance upon comparison;
- examining the guidelines of the Sustainability Plan and the implementation procedures;
- monitoring the implementation of the Sustainability Plan approved by the Board of Directors;
- reviewing non-profit strategies;
- monitor, regarding matters of competence, the adequacy of the Code of Ethics and its effective implementation;
- expressing, on the request of the Board of Directors, opinions on other matters regarding sustainability;
- liaising with the pertinent corporate structures and bodies in relation to aspects of ethics and sustainability;
- promoting, in light of international best practices, a culture of valuing diversity, avoiding and countering all forms of discrimination, to encourage the adoption of a diverse approach to people management, spreading sensitivity and awareness of the value of differences at all levels of the organisation and monitoring overall development.

The Control and Risks Committee (CRC) was established to assist the Board of Directors, ensuring adequate preliminary investigations and support in the assessments and the decisions related to the Internal Control System, as well as the approval of the financial and non-financial reports. In particular, the Committee carries out activities that include:

- the definition of the Guidelines for the Internal Control System and Risk Management System, so that the main risks that may

impact Acea and its subsidiaries – including the various risks which may become significant with a view to medium-long term sustainability – are correctly identified, and adequately measured, managed and monitored;

- assessing the adequacy of periodic financial and non-financial reports to accurately reflect the business model, strategies, the impact of the activities managed and the performance achieved, also with regard to the application of reporting standards and in coordination with the Ethics and Sustainability Committee.

During meetings held in 2025 between the Ethics, Sustainability and Inclusion Committee and the Control and Risk Committee, a number of topics were discussed and updates were provided on relevant issues, including: developments in European sustainability legislation (the “Omnibus Package”), the internal control model for financial and sustainability reporting, projects and activities relating to diversity, equity, inclusion and belonging, the gender equality management system (UNI/PdR 125:2022), sustainability in the supply chain, the guidelines and approach of the transition and adaptation plan, sustainability in remuneration systems, monitoring of the 2024–2028 Sustainability Plan, the Sustainability Report, sustainability training for Acea staff, the integration of ERM and sustainability, the analysis of the activities of second-level control bodies and the Ethics Officer, the UNI ISO 37001 anti-corruption system, occupational health and safety, and the governance of artificial intelligence.

The Internal Control and Risk Management System (SCIGR) is designed to identify, measure, manage and monitor key business risks, ensuring that the organisation operates effectively and in compliance with regulations. The SCIGR contributes to company management aimed at sustainable development, maximising the value of the company and in line with the company objectives defined by the Board of Directors of each Company, supporting Management in informed decision-making where the main risks are identified, assessed, managed and monitored, in relation to their ability to influence the achievement of the objectives and impact the value of the company.

Within the framework of the functions covered and in the achievement of the related objectives, Management ensures the SCIGR is appropriate for the activities within its remit, actively participating in its proper functioning. To this end and also depending on the risks being managed, Management establishes specific control activities and monitoring processes to ensure the effectiveness and efficiency of the SCIGR.

Within the system of controls for the governance and management of the SCIGR and sustainability issues, we note the Risk Management & Sustainability structure, with the mission, inter alia, of ensuring the valorisation of ESG aspects in Acea, integrating sustainability principles and issues into corporate management, coordinating the planning and monitoring of sustainability objectives, and attending to ESG reporting. This structure, which reports in hierarchical terms to the Chief Executive Officer, interacts, discusses promotes and analyses the relevant sustainability issues on an ongoing basis with Group functions and operating companies.

The Board of Directors defines the Acea’s strategic objectives, which are formalised through the Business Plan, in order to guide corporate management over the medium term. This method also applies to the development of the Sustainability Plan which, developed with input from the operating companies and the various functions of the holding company, highlights the alignment between the development guidelines outlined in the Business Plan and the social and environmental impact of business operations.

The strategic planning process envisages the approval of the Plan by the Board of Directors and its recurrent monitoring, with a six-monthly review and an annual report included in the Sustainability Report, as well as a periodic review and update to maintain its consistency with business developments and strategic orientations. Acea has implemented certified management systems relating to environmental, social and governance sustainability (UNI EN ISO 14001, EMAS, UNI EN ISO 50001, UNI EN ISO 45001, UNI/PDR 125:2022, SA8000, UNI ISO 37001). The functioning of these systems involves, among other things, identifying and evaluating the relevant aspects and impacts and continuous monitoring, including reviews by Management to assess the degree to which the systems are being applied and the relative effectiveness.

In 2025, the Chairperson, together with the Chief Executive Officer, prepared a training programme for the Board of Directors that was also attended by the Board of Statutory Auditors, aimed at providing the Directors with a thorough knowledge of the company's activities and organisation, its sector and the regulatory framework and self-regulatory framework, the company dynamics and their evolution and the role to be performed with respect to the specific nature of Acea. Furthermore, the Board possesses specific expertise in sustainability, particularly in relation to management issues within the energy and utilities sectors, such as the energy transition and climate impacts.

For its current three-year term of office, the Board of Directors has resolved to carry out an assessment of its size, composition and functioning (Board Evaluation) with the support of an independent external consultant. The assessment, which will be completed in early 2026, covers onboarding procedures, induction requirements and recommendations on how these should evolve over time, and is designed to ensure that individual members possess an

appropriate mix of skills in the areas of governance, strategy, risk and controls specific to Acea.

The current Board of Statutory Auditors of Acea SpA comprises three standing auditors (one woman and two men) and two alternate auditors, appointed by the Ordinary General Meeting of shareholders on 28 April 2025 for a term of three years, with the possibility of re-appointment upon expiry of their term of office. There must be a gender balance in the composition of the Board of Statutory Auditors, as governed by the applicable laws in force from time to time.

## 1.2.1 SUSTAINABILITY-RELATED REMUNERATION

**ESRS 2 GOV-3** Acea's ongoing commitment to pursuing social and environmental goals, alongside those related to financial performance, is demonstrated by the inclusion of sustainability targets in the variable remuneration model for company management. This approach is reflected in the structure of the short and long-term incentive schemes, which seek to strike an appropriate balance between financial and sustainability-related objectives. The Appointments and Remuneration Committee is the internal body responsible for proposing the remuneration policy for directors, senior managers and executives with strategic responsibilities, promoting medium to long-term sustainability and a balance between fixed and variable remuneration components. The 2025 results for the sustainability targets included in the short-term (MBO 2025) and long-term (third cycle LTIP 2021-2023) variable remuneration schemes, as submitted to the Appointments and Remuneration Committee prior to approval by the Board of Directors, are shown below.

### 2025 MBO Final Plan

	Weight	Base Year (2024)	Target	Actual 2025
<b>▶ Composite sustainability objective</b>	<b>Weight 20%</b>			
<b>▶ PEOPLE</b>				
Reduction in the employee injury frequency rate (excluding accidents during commutes)	5%	6.28	6.12	5.84
<b>▶ WATER</b>				
number of projects involving the upgrading, decommissioning or centralisation of facilities to optimise the sewerage and wastewater treatment sector	5%	4	3	4
<b>▶ NETWORKS</b>				
Increase in remote control of MV secondary substations (% of remotely controllable substations)	5%	77%	80%	89%
<b>▶ ENVIRONMENT</b>				
Increase in plastics sent for recovery to boost the circular economy (t)	5%	38,560 t	40,500 t	44,492 t



## 2021-2023 LTI Final Plan – III cycle 2023-2025

	Weight	Base Year (2022)	Target	Actual 2025
<b>▶ Composite sustainability objective</b>	<b>Weight 15%</b>			
<b>▶ WATER</b> Reduction in water losses (% of water supplied)	3%	46.85%	44.17%	44.20%
<b>▶ WATER/ENVIRONMENT:</b> Reduction in sludge produced (t)	2%	151,138	100,695	95,162
<b>▶ NETWORKS</b> Increase in number of remote-controlled MV secondary substations (% of remotely controllable substations)	2%	61%	78%	86%
<b>▶ WATER/NETWORKS</b> Energy efficiency measures – Acea Ato 2 and areti (GWh reduction vs baseyear)	3%	-	-11.8	-22.5
<b>▶ PEOPLE</b> Reduction of injury severity rate	3%	0.23	0.21	0.21
<b>▶ PEOPLE</b> Increase in training hours per person (excluding safety)	2%	15	20	23.6


The data from both systems relating to customers, water losses and sludge have been revised to exclude Acquedotto del Fiora, which was deconsolidated in 2024. Furthermore, the new methodology set out by ARERA has been adopted for the calculation of water losses for Acea Ato 2. The energy efficiency target included in the LTI Plan corresponds to the “Decarbonisation” action line of the Sustainability

Plan, as indicated in the E1-4 disclosure set out in paragraph 2.2.3. During the year, new targets were also set for the short-term variable incentive scheme (MBO 2026) and for the new Long-Term Incentive Plan 2024–2026, with a composite sustainability target accounting for 20% of the total, broken down into social and environmental indicators relating to the various business units.


### MBO 2026

#### ▶ Composite sustainability objective

 **▶ PEOPLE**  
Reduction of injury frequency rate

 **▶ WATER**  
Optimisation of the sewerage and wastewater treatment sector through the upgrading, decommissioning and centralisation of treatment plants


 **▶ NETWORKS**  
Increase in remote control of MV secondary cabins


 **▶ ENVIRONMENT**  
Production of ammonium sulphate from composting and anaerobic digestion processes

### 2026-2028 LONG-TERM INCENTIVE PLAN

#### ▶ Composite sustainability objective

 **▶ PEOPLE**  
Equal gender representation in management roles

 **▶ WATER**  
Reduction in linear water leaks

 **▶ NETWORKS**  
Expansion and enhancement of low-voltage network resilience

 **▶ ENVIRONMENT**  
Increase in volume of waste treated at the S. Vittore del Lazio WtE plant

## 1.2.2 DUTY OF CARE STATEMENT

**ESRS 2 GOV-4** Acea applies a structured approach to its duty of care in order to identify, prevent, mitigate and, where necessary, remedy the negative impacts – both actual and potential – arising from its own activities and the business relationships of its operating companies. This commitment is formalised in internal policies and integrated into risk management processes and the Internal Control System.

The **Human Rights Policy** sets out the framework for the application of due diligence, establishing specific tools and measures such as second-level checks, dedicated analyses, mitigation measures and escalation procedures. The Policy provides for the systematic integration of human rights issues into the company’s risk assessment and management processes, strengthening organisational oversight of potential violations throughout the value chain.

The **Integrated Management and Sustainability Systems Policy** reaffirms Acea’s commitment to identifying, preventing, mitigating and stopping negative impacts on human rights and the environ-

ment relating to its business. This approach ensures alignment between sustainability targets, operational performance and accountability criteria throughout the entire business process cycle.

As part of its **double materiality analysis**, Acea actively involves various stakeholder groups in the impact assessment, with a particular focus on actual or potential negative external impacts. This process enables internal and external perspectives to be incorporated into the identification of the most significant risks, in line with the due diligence requirements set out in the ESRS.

For processes involving third parties (suppliers, customers, business partners, etc.) that are most exposed to ethical and professional risks, Acea carries out reputation checks by searching dedicated databases and using OSINT (Open Source Intelligence) methods, which involve analysing information from public sources. These checks support the proactive assessment of risks and help to strengthen the integrity of business relationships.

Fundamental elements of the duty of care	Paragraphs of the Sustainability Report
Integrating the duty of care into governance, strategy and the business model	1.2 Governance; 1.5 Policies; 1.7 Double materiality process: impacts, risks and opportunities; 2.2.1 Climate change strategy, 2.2.2 Climate change
Involving stakeholders during all key duty of care stages	3.1.1 and 3.1.2 ESRS S1 Own workforce; 3.2.1 and 3.2.2 ESRS S2 Workers in the value chain; 3.3.1 and 3.3.2 ESRS S3 Affected communities; 3.4.1 and 3.4.2 ESRS S4 Consumers and end users
Identifying and assessing negative impacts	1.7 Double materiality process: impacts, risks and opportunities; 3.1.1 and 3.1.2 ESRS S1 Own workforce; 3.2.1 and 3.2.2 ESRS S2 Workers in the value chain; 3.3.1 and 3.3.2 ESRS S3 Affected communities; 3.4.1 and 3.4.2 ESRS S4 Consumers and end users
Intervening to address negative impacts	2.2.3 ESRS E1 Climate Change 2.3.2 ESRS E2 Pollution; 2.4.2 ESRS E3 Water and marine resources; 2.5.3 ESRS E4 Biodiversity and ecosystems; 2.6.2 ESRS E5 Use of resources and the circular economy; 3.1.1 and 3.1.2 ESRS S1 Own workforce; 3.2.1 and 3.2.2 ESRS S2 Workers in the value chain; 3.3.1 and 3.3.2 ESRS S3 Affected communities; 3.4.1 and 3.4.2 ESRS S4 Consumers and end users; 4.2 ESRS G1 Business conduct
Monitoring the effectiveness of interventions and communicating	2.2.4 ESRS E1 Climate Change; 2.3.3 ESRS E2 Pollution; 2.4.3 ESRS E3 Water and marine resources; 2.5.4 ESRS E4 Biodiversity and ecosystems; 2.6.3 ESRS E5 Use of resources and the circular economy; 3.1.3 ESRS S1 Own workforce



### 1.2.3 RISK MANAGEMENT AND INTERNAL CONTROLS FOR SUSTAINABILITY REPORTING

**ESRS 2 GOV-5** In line with the requirements set out in Legislative Decree No. 125/2024, since 2024 Acea has been working to define and progressively implement a **risk management and internal control model for its sustainability reporting**. The model is aimed at ensuring compliance with the relevant legislation and supporting the Chief Executive Officer and the Financial Reporting Officer in issuing statements to the market regarding the compliance of the Sustainability Report with the relevant European standards (ESRS) and the specifications adopted pursuant to Regulation (EU) 2020/852, as amended (the European taxonomy). In 2025, Acea defined the main components of the Internal Control System for Sustainability Reporting, building on the supporting methodologies already identified in 2024. Specifically:

- the Integrated Control Model for the Acea's Financial and Sustainability Reporting was established; it was approved by the Board of Directors of Acea SpA in November 2025, with the aim of ensuring compliance with current legislation. The new Model represents an initial application of the evolving European regulatory framework on Sustainability Reporting and marks the gradual completion of the multi-year process of implementing the Internal Control System for Sustainability Reporting;
- responsibility for overseeing the integrated internal control system relating to financial and sustainability reporting was incorporated into the organisational unit supporting the Financial Reporting Officer;
- the methodological approach for assessing and prioritising risks and for identifying the scope of analysis of the control system was formalised, making it possible to draw up a roadmap for implementation for the coming years;
- the scope of risk analysis, the definition and implementation of controls relating to the process of preparing the Sustainability Report was extended to include the process of preparing the Taxonomy Disclosure in accordance with EU legislation and the process of collecting data relating to priority Disclosure Requirements;
- an initial methodological approach was defined for monitoring the controls set out in the sustainability procedures, with the aim of verifying their operational effectiveness;
- information flows to the Chief Executive Officer and the Financial Reporting Officer were defined and implemented, aimed at substantiating the Market Disclosure pursuant to art. 154-bis of the Consolidated law on finance (TUF), and to the administrative, management and supervisory Bodies.

Acea's Integrated Control Model for Financial and Sustainability Reporting is based on the framework developed by the Committee of Sponsoring Organizations of the Treadway Commission ("CoSO Report"), which, in March 2023, published a specific supplementary guide dedicated to sustainability reporting, entitled "Achieving Effective Internal Control of Sustainability Reporting" (ICSR).

Consistent with the principles of the CoSo Report, the methodology adopted for assessing and prioritising risks on Sustainability Reporting is based on the following approach aimed at identifying the scope of analysis of the internal control system:

- identification of the universe of analysis given by the Disclosure Requirements and by the data points subject to disclosure by Acea within the scope of the Sustainability Report, and by the disclosure envisaged pursuant to the EU Taxonomy Regulation;
- assessment and prioritisation of the Disclosure Requirements on the basis of a risk/relevance analysis, carried out by means of qualitative and quantitative assessment drivers representing a combination of external and internal factors, in order to obtain a risk assessment that balances external expectations and the internal connotations and characteristics of the business processes from which the data disclosed in the Sustainability Report originates. The main drivers used relate to the sustainability issues identified as priorities in the double materiality analysis, and their relevance to the objectives set out in the Acea Sustainability Plan and to the managerial incentives linked to ESG performance, which have already been reported on.

For the Disclosure Requirements assessed as most at-risk/material and for the operative companies that contribute significantly to them, the approach adopted by Acea involves analysing the business processes, identifying the risks and controls aimed at ensuring that the data and information included in the Sustainability Report meet the qualitative characteristics of relevance, faithful representation, comparability, verifiability and comprehensibility. The outcome of this analysis is represented by the sustainability procedures.

In addition, the digitisation of the process continued with the adoption, from an integrated reporting perspective, of the same computer application already used to prepare Acea's Consolidated Financial Statements. The digitisation of the process of collecting and consolidating sustainability data and information is an enabling factor to optimise and strengthen the control system through accountability, traceability, automated controls and monitoring dashboards.

Since the implementation of the Internal Control System for Sustainability Reporting, the main risks identified, taking into account the "qualitative characteristics of information" governed by ESRS 1 - Appendix B, concerned:

- the completeness and integrity of the data;
- the accuracy and completeness of qualitative information;
- the accuracy of estimates;
- the availability and timeliness of data and information;
- the authorisation of data and information;
- compliance with the relevant legislation.

The following main types of controls are provided for to safeguard against these risks:

- approval and management review controls;
- data reconciliation checks;
- automatic checks to ensure the calculation and correct imputation of data in computer systems;
- controls on logical access to the systems and traceability of operations performed on the system used for Sustainability Reporting;
- consistency checks on the alignment of sustainability reporting with ESRS reference standards and the EU Taxonomy Regulation;
- analysis of the deviation of the data from the available time series.

As a further risk mitigation measure within the sustainability reporting process, Acea strengthened the internal control environment in 2025, consisting of a set of different elements, consist-

ent with each other, which contribute in an integrated manner to establishing the environment Acea's people operate in, directing their activities and encouraging the taking of conscious decisions aimed at achieving corporate objectives, integrating and extending it to ESG areas.

During 2025, specific information flows were addressed to the Board of Directors, Management and Control Bodies and the independent auditors to illustrate the progress of Acea's programme in complying with the CSRD Directive, including the development activities of internal control and risk management processes related to Sustainability Reporting. Finally, a series of workshops were held for people involved in activities relating to the Internal Control System for Sustainability Reporting, with the aim of disseminating the new Control Model and strengthening the effectiveness of the controls put in place.

## 1.3 BUSINESS MODEL AND VALUE CHAIN

**ESRS 2 SBM-1** Acea's activities and business are geared towards achieving sustainable success. As such, the company adopts a business and sustainability strategy that reflects this vision and implements appropriate policies and management systems. This objective is further supported by initiatives aimed at engaging and sharing ideas with stakeholders, including institutions, experts, businesses, customers, suppliers, members of the public and young people.

The relationship between business strategy and sustainability is recognised in Acea's Code of Ethics, which states 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) (...) 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 (...)"*.

### 1.3.1 BUSINESS MODEL

Acea is one of Italy's leading infrastructure operators; it has been listed on the stock exchange since 1999 and employs 9,020 people, of whom 7,583 are based in Italy and 1,437 in Latin America (see paragraph 3.1 for more information).

Acea's business model is based on an **integrated industrial entity** operating in the water, energy (generation, distribution and sales), environmental and public services sectors, complemented by a cross-departmental engineering and laboratory division that supports the various business units. The model is designed to manage the Group's critical infrastructure, combining technical expertise and innovative capabilities, supported by sustainability-focused governance and control systems that enable the identification and management of material impacts, risks and opportunities associated with the various business areas.

The organisational structure and operational model adopted support the pursuit of Acea's **strategic objectives**, which are based on:

- growth in the water sector, through the development of infrastructure, geographical expansion, partnerships and technological advancement, with a particular focus on the conservation of water resources;
- the management and modernisation of the electricity distribution network, with a view to enhancing its resilience, safety and flexibility and improving the quality of service;
- the development and expansion of waste treatment and recovery facilities, as well as the strengthening of recovery and recycling systems in accordance with the principles of the circular economy, including in collaboration with other business units;
- the expansion of renewable energy generation to support the energy transition.



In 2025, Acea continued to develop its international operations, with a strong presence in Latin America where it manages integrated water services for over 10 million people. It also participated in the Mattei Plan as an industrial partner, furthering the development of innovative infrastructure projects and training in water management across the African continent.

**ESRS 2 SBM-1** The holding company is responsible for setting Acea's strategic direction and coordinating the various operating companies, providing them with management, technical, legal, logistical, financial and administrative services. This integrated approach enables Acea to generate economic, social and environmental value in a responsible manner consistent with its sustainability commitments, as explored in more detail in the sections on strategy and the value chain.

Further details regarding the services offered, the markets served and financial performance are available in the section entitled "Organisational Model" of the Report on Operations, under the item "Consolidated net revenue" in the "Notes to the Consolidated Income Statement" of the Consolidated Financial Statements and, with regard to gas sales, under the item "Revenue from gas sales" in the table "Revenue from sales and services".

### 1.3.2 VALUE CHAIN

**ESRS 2 SBM-1** Acea's value chain maps the range of activities through which industrial, economic, social and environmental value is generated, encompassing both internal processes and key relationships with the external stakeholders who help to transform resources into essential services for citizens and local communities.

To this end, Acea divides the value chain into upstream, core business (own operations) and downstream activities, ensuring a comprehensive understanding of interdependencies and the areas most exposed to impacts, risks and opportunities. These elements are then analysed as part of the materiality assessment process, focusing in particular on the analysis of the internal and external context. The analysis of the operating environment, carried out in 2025, revealed no changes compared with the value chain structure defined in the previous year, confirming its continuity and consistency with the existing business model and operational structure.

The value chain is broken down into the following segments: Water, Environment, Networks & Public Lighting, Production, Energy Management. For each of these the following information is provided:

- Own operations: operational activities carried out directly, including infrastructure management, service provision and industrial activities across the various sectors;
- Upstream: activities carried out by suppliers who are involved in the upstream stages through the supply of goods and materials, the execution of works and the provision of specialist services essential to production processes;
- Downstream: the main groups who benefit from the group's products and services, such as customers and users, local communities, businesses and other stakeholders.

## UPSTREAM

- Supply of raw materials and functional services for first and second tier supplier goods
- Network maintenance works (contractors and sub-contractors)
- Supply of goods and materials for water service processes (gas, chemicals, components, diesel, etc.)
- Intercompany services (e.g. waste treatment laboratory analysis etc.)
- Supply of water resources from Sub-distributors
- Logistics services (transport of materials and waste), various services (e.g. surveillance, consultancy, etc.)



WATER

- Supply of raw materials and functional services for first and second tier supplier goods
- Supplies of goods and materials for the construction of raw material processing machinery
- Logistics services (disposal, transport, brokerage, etc.)
- Supply of materials from separate collection (pulper, plastic, organic waste, etc.)
- Supply of sludge, liquid waste, process water, waste by Group companies
- Supply of goods and materials for industrial processes (gas, diesel, chemicals, components, etc.)
- Works for plant construction (contractors and sub-contractors)



ENVIRONMENT

- Supply of raw materials and functional services for first and second tier supplier goods
- Network maintenance works (contractors and sub-contractors)
- Supply of goods and materials for operations (electromechanical equipment, components, gas, diesel, oils, etc.)
- Plant design, installation, operations and maintenance activities
- Various services (e.g. surveillance, consultancy, logistics, etc.)



NETWORK AND PUBLIC LIGHTING

- Supply of raw materials and functional services for first and second tier supplier goods
- Network maintenance works (contractors and sub-contractors)
- Supply of goods and materials for processes (e.g. panels, turbines, fuels, etc.)
- Intercompany supply of water resources for hydroelectric production (Acea Ato 2 for Peschiera aqueduct)
- Various services (e.g. surveillance, consultancy, logistics, etc.)



PRODUCTION

- Supply of raw materials and functional services for first and second tier supplier goods
- Supply of goods and services for process management (software etc.)
- Energy supply from wholesalers, traders, GME
- Intercompany supply of electricity
- Various services (e.g. surveillance, consultancy, logistics, etc.)



ENERGY MANAGEMENT

### Other areas of operation:

**Engineering & infrastructure Projects**, focusing on plant design, construction management, safety coordination and inspections, research and development, and laboratory work.

#### UPSTREAM

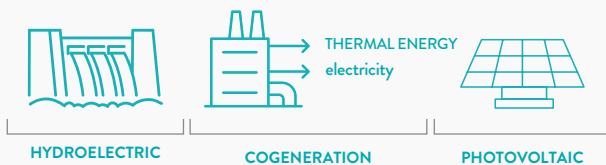
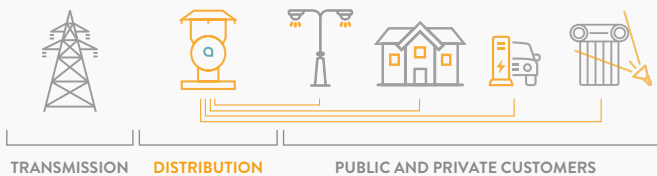
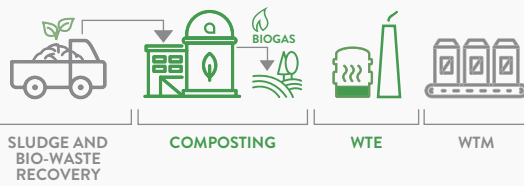
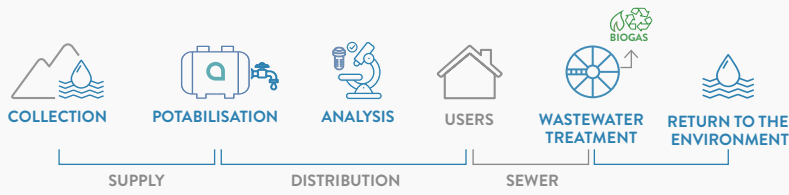
- Supply of goods, materials and services for the management of engineering services;
- Supply of goods and services for research and analysis activities (laboratory equipment, chemicals, etc.);
- Execution of work (contractors);
- Supply of goods and services for activities related to technological and digital development (hardware and software, IA, ecc.).

#### DOWNSTREAM

- Operating companies.



## OWN OPERATIONS



## DOWNSTREAM

- Users of integrated water service (drinking water, sewerage and wastewater treatment)
- Sub-distributors to whom the water resource is supplied
- Intercompany companies present in the territories served by Acea water companies (e.g. Acea SpA served by Acea Ato 2, Acea Ambiente served by Acea Ato 5)
- Business partners and system entities (ARERA, water governing bodies, etc.).

- Intercompany companies in the environment, water and energy areas receiving energy and waste management and disposal services
- Municipalities and public administration for the disposal of their waste
- Consortia and producers of secondary raw materials
- End of Waste user companies
- Nursery sector and agriculture consortia
- Business partners and system entities (ARERA, GSE etc.)

- Domestic e-business users for electricity distribution service provision
- Production plants for grid connection
- Large utilities and institutions serviced on medium voltage network
- Communities in the territories where Acea operates (public lighting)
- Business partners and system entities (ARERA, TERNA, etc.).

- Intercompany company (Efficient user systems for the Acea Ato 2 wastewater treatment plant)
- Acea Energia as a Trader
- Photovoltaic companies for operation & management services and asset management
- Business partners and system operators (GME, TERNA, GSE, etc.).

- Free market customers (domestic and business)
- Protected market customers
- Intercompany following selection (Environment companies, water companies, etc.)
- Business partners and system entities (Sales agents, ARERA, etc.).

**a.Quantum**, began operations in 2025 and specialises in the design, development, production and marketing of advanced products and services (robotics, artificial intelligence, IoT, etc.) in the water, environmental and energy sectors.

### UPSTREAM

- Consultancy and specialised services
- Supply of goods and services for activities related to technological and digital development (hardware and software, AI, etc.);
- Technological partners.

### DOWNSTREAM

- Operating companies;
- End customers.

**Acea SpA** as the holding company, centrally manages management, coordination and administrative services (human resources management, procurement, facilities) for its subsidiaries.

### UPSTREAM

- Supply of goods and materials for business process management;
- Consultancy and specialised services;
- Various services.

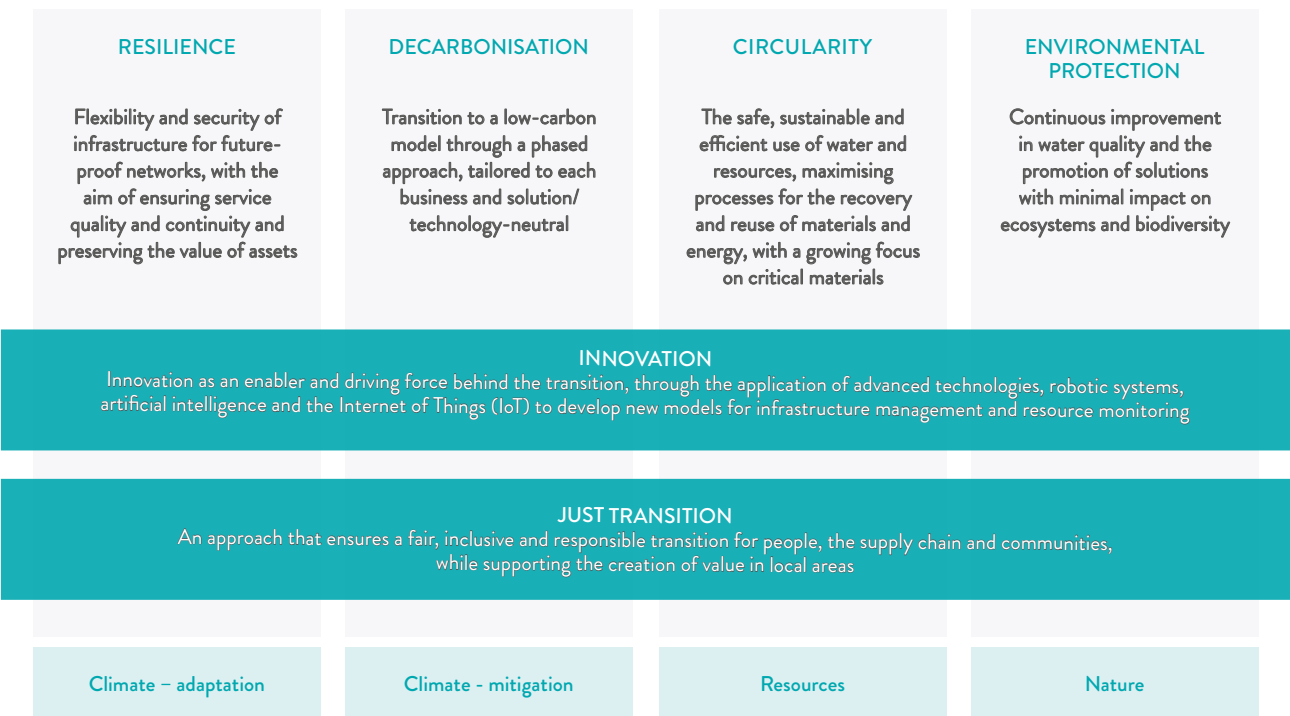
### DOWNSTREAM

- Operating companies.

## 1.4 SUSTAINABILITY STRATEGY

**ESRS 2 MDR-T** Acea’s mission “**to provide essential services for people’s well-being and create value for present and future generations**” is a concrete expression of the Group’s environmental and social commitment. This commitment, which is integrated into its business strategy, aims to generate shared value for the community and the regions in which it operates. To ensure that ESG criteria are fully integrated into its business strategy and decisions, Acea has developed a sustainability framework that promotes the ongoing strengthening of corporate

controls and underpins its commitment to making a positive impact on people, the environment and the community. Acea’s sustainability strategy is based on four key pillars that correspond to the **principles that guide the company’s business model**, with cross-cutting drivers represented by innovation, as the enabling force behind transition processes, and a people-centric approach – from Acea employees to the supply chain and the communities served – which together guarantee a responsible, fair and inclusive transition.



These principles are set out in the **long-term ambition that spans three key areas of impact** – climate, resources and nature – and in the short- and medium-term objectives defined in the 2024–2028 Sustainability Plan, approved by the Board of Directors of Acea SpA in November 2024. This long-term ambition reflects the Group’s strategic commitment to the ecological transition, with Group-wide targets for carbon

neutrality by 2050 tailored to each business unit, a commitment to protecting biodiversity and ecosystems through “no net loss” targets, and a commitment to promoting and developing initiatives relating to water and waste management. The transition and adaptation plan setting out the specific actions, responsibilities and objectives will be finalised and approved in the course of 2026.



**Adaptation**

- ▶ **Completion of strategic aqueduct works** (Peschiera and Marcio)
- ▶ **Upgrading and flexibility of the electricity grid**
- ▶ **Network digitisation**

**Mitigation (Net Zero)**

- ▶ **90% reduction in emissions** through a tailored approach for each business, and the neutralisation of residual emissions via carbon removal solutions (**Net Zero Water and Energy by 2040 and Net Zero Environment by 2050**)



**Net Zero Water**

- ▶ **Maximising the efficient use of water resources** by improving the efficiency of the water supply chain, reducing leaks, enhancing water recovery and reuse processes, and safeguarding water quality

**Waste transition**

- ▶ **Turning waste into resources** by promoting circularity through Waste to Energy, Waste to Material, Waste to Chemical, and reducing reliance on landfill sites



**No net loss**

- ▶ **No net loss of biodiversity** at priority sites, ensuring the conservation of ecosystems

The **2024–2028 Sustainability Plan**, developed in line with the identified material impacts, risks and opportunities and in accordance with the main relevant national and international regulations and guidelines, sets out the Group’s short- and medium-term objectives. The Plan provides for a six-monthly review, which is presented to the Ethics, Sustainability and Inclusion Committee, highlighting the progress of activities against the established targets and identifying any areas requiring attention and the relative

corrective actions.

The Plan formalises the Group’s **sustainability governance** through a framework of structures, processes and practices that the company is committed to adopting in order to ensure that business decisions and operational practices are environmentally and socially sustainable, as well as to embed the principles of sustainable development within Acea’s internal governance and corporate culture. Governance commitments are formalised at three levels:

**Promoting the ethical dimension of the business**

- ▶ Definition and updating of **value codes and policies** (code of ethics, human rights policy, anti-corruption policy, integrated quality policy, etc.)
- ▶ **Training** and monitoring of policy implementation

**Integrating sustainability in business**

- ▶ Alignment of organisational structure with committees and **specific responsibilities** on sustainability
- ▶ Inclusion of **ESG objectives in performance management models** (Long Term, MBO)
- ▶ Monitoring and reporting on **public sustainability commitments** (e.g. targets validated by SBTi)
- ▶ Integration of sustainability aspects in the **risk assessment process**
- ▶ Increased use of **green/blue finance instruments** and relations with shareholders, investors and the financial community from an ESG perspective

**Dissemination of sustainability culture and involvement**

- ▶ **Training** of employees and valorisation of “sustainability professionals”
- ▶ Involvement of internal/external **stakeholders** in sustainability decisions
- ▶ Development of a **sustainable value chain**

The 2024–2028 Plan has been drawn up in line with the business plan, setting out the objectives and areas of focus assigned to the operating companies or relevant departments of the holding company, along with the relevant targets and the investments planned to ensure

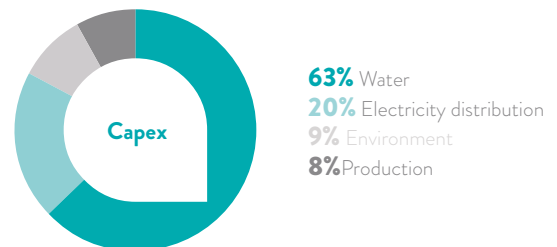
these objectives are met. All the targets set out in the Plan are voluntary commitments that go beyond current regulatory requirements. The 2025 review of the objectives, actions and financial resources allocated under the Plan is set out below, as shown in the table:

<p><b>Infrastructure resilience and security</b></p> <ul style="list-style-type: none"> <li>▶ Strategic aqueduct works <b>ESRS E1</b></li> <li>▶ Wastewater treatment and sewerage system optimisation <b>ESRS E3</b></li> <li>▶ Power grid strengthening <b>ESRS E1</b></li> <li>▶ Digitalisation <b>ESRS E1</b></li> </ul>	<p><b>Water protection</b></p> <ul style="list-style-type: none"> <li>▶ Loss reduction <b>ESRS E3</b></li> <li>▶ Water resilience <b>ESRS E3</b></li> <li>▶ Water quality <b>ESRS E3</b></li> </ul>	<p><b>Environmental protection</b></p> <ul style="list-style-type: none"> <li>▶ Circularity of resources <b>ESRS E3 /E5</b></li> <li>▶ Decarbonisation <b>ESRS E1</b></li> <li>▶ Biodiversity <b>ESRS E1 /E4</b></li> </ul>
<p><b>Centrality of people</b></p> <ul style="list-style-type: none"> <li>▶ Employees' well-being</li> <li>▶ <b>Skills development</b></li> <li>▶ <b>Diversity and inclusion</b> <b>ESRS S1</b></li> <li>▶ <b>People engagement</b></li> <li>▶ <b>Health and safety</b></li> </ul>	<p><b>Evolution in the supply chain</b></p> <ul style="list-style-type: none"> <li>▶ Sustainable procurement <b>ESRS G1</b></li> <li>▶ Supplier health and safety <b>ESRS S2</b></li> </ul>	<p><b>Value for the community</b></p> <ul style="list-style-type: none"> <li>▶ Local innovation <b>ESRS E2 /S3 /S4</b></li> <li>▶ Stakeholder engagement <b>ESRS S3</b></li> <li>▶ Supporting local communities <b>ESRS S3</b></li> </ul>

The first three strategic objectives are closely linked to Acea's business operations and generate the most tangible environmental benefits, specifically in terms of climate change mitigation and adaptation, the protection of water and natural resources, and the conservation of biodiversity and ecosystems. These mainly include measures to upgrade, enhance the resilience and improve the safety of water and electricity infrastructure; the adoption of digital technologies for remote monitoring and the smartisation of networks; infrastructure projects to reduce water wastage, improve energy efficiency and generate energy from renewable sources; and the strengthening of resource circularity processes.

These initiatives also have a positive impact on the communities they serve, leading to an overall improvement in the services provided to the local area and in the quality of resources. The other three targets focus more on people, with an emphasis on generated shared value, well-being and growth for Acea's staff, partners in the value chain, and communities. The targets were defined by taking into account the issues raised during discussions between the relevant bodies and stakeholders. The Plan sets out the investments envisaged in the Business Plan, which amount to approximately € 5.4 billion by 2028.

Strategic targets	Infrastructure resilience and security	Water protection	Environmental protection
	€ 2,870 MILLION	€ 1,183 MILLION	€ 1,277 MILLION



The Plan includes measures and targets relating to the main operating companies: Acea Ato 2, Acea Ato 5, Gori, Gesesa, areti, Acea Energia, a.cities, Acea Ambiente, Acea Infrastructure, Acea Produzione, and, outside Italy, Aguas De San Pedro and Consorcio Agua Azul. At the time the Plan was formalised, this scope, which represents a subset of the full consolidation scope, accounted for 96% of capital expenditure, 91% of operating expenditure and 89%

of turnover (2023 data). During the year, work began on updating the Plan, which includes extending the planning scope to align with the scope of the CSRD. The sustainability framework also includes the adoption of **sustainable finance instruments**. In 2025, Acea published the **Green & Blue Financing Framework**, setting out the categories of projects eligible for funding based on specific environmental and sustainability



criteria, with a particular focus on Blue Economy initiatives linked to projects in the water sector and therefore eligible for the issuance of Blue Bonds. This framework may be used to complement the activities already included in the previous framework and covered by the green bonds issued by Acea in recent years to finance strategic projects.

As noted above, the short- and medium-term objectives are set out in the Sustainability Plan, which provides for a six-monthly review to be presented to the Ethics, Sustainability and Inclusion Committee, highlighting the progress of activities against the respective targets, and identifying any areas requiring attention and the relative corrective actions.

A review of the Plan for the 2025 financial year, including progress towards the various targets and a summary of the associated

investments or operating costs, is provided later in this document in the paragraphs that describe the targets, actions and resources for each ESRS topic. The monitoring tables for the Plan set out later in this document have been updated since the previous financial year. In particular, actions completed in 2024 or not yet started are no longer included, while actions started in 2025 that were not reported in the previous year have been included. These updates are provided solely for the sake of clarity. All actions and their respective targets form part of the Sustainability Plan approved by the Board of Directors in November 2024. To ensure greater consistency in reporting, monitoring of the Sustainable Procurement line, which in 2024 was included under ESRS S2, is included under ESRS G1. Overall, **investments in 2025 relating to the initiatives included in the Sustainability Plan amounted to € 1,016 million**, compared with € 950 million in the previous year.

## 1.5 ACEA'S POLICIES

**ESRS 2 MDR-P** Acea has formally joined the United Nations Global Compact and operates in accordance with the principles set out therein regarding human rights, labour standards, environmental protection and anti-corruption.

To ensure the proper management of social, environmental and governance sustainability issues, taking into account the Group's strategic guidelines and key international standards, Acea adopts policies and guidelines which are approved by the holding company's Board of Directors and implemented by its subsidiaries. These documents are updated periodically and checks are conducted to monitor compliance. For investee companies, these policies are regarded as a tool to assist in the development of their own regulatory frameworks. All internal and external persons, working in the interest of Acea, within the context of their respective structures, functions and responsibilities are committed to implementing the principles set out in the corporate regulatory system. In particular, the **Code of Ethics**, the **Human Rights Policy**, the **Anti-Corruption Guidelines** and the **Antitrust and Consumer Protection Compliance Handbook** also apply to suppliers, partners and, more generally, to all those who have contractual relationships with Acea or act in its name and on its behalf. The company disseminates information of the corporate regulatory system to stakeholders, providing information in this regard on this on the institutional website.

The main contents of the regulatory instruments that apply to relevant sustainability issues are outlined below.

### Code of Ethics

Acea considers as inalienable in the definition of its Code of Ethics, the UN Universal Declaration of Human Rights, the International Labour Conventions and Recommendations issued by the ILO, the Charter of Fundamental Rights of the European Union and the Italian Constitution. The principles and rules of conduct set out in the Code guide Acea in its actions towards its stakeholders and represent a commitment to act:

- in the interests of its staff, to enhance their skills, improve mental and physical wellbeing, protect health and safeguard working conditions;
- in the interests of the local region, supporting cultural and social initiatives and those that promote community wellbeing;
- in a manner that respects the interests of customers and end-users, safeguarding them through fair business practices that respect privacy, ensuring transparent and comprehensive communication, and guaranteeing excellent quality standards for the services and

products offered, which meet constantly evolving needs;

- in a manner that treats suppliers with respect, requiring them to adopt practices designed to protect the human rights of their employees, with particular attention to decent working conditions and the protection of health and safety.

To protect the environment, in the course of its day-to-day operations Acea strives to:

- combat climate change through mitigation and adaptation measures aimed at improving energy efficiency, developing renewable energy sources and increasing the resilience of infrastructure;
- prevent and limit pollution;
- manage water resources sustainably, by promoting and encouraging the proper use of water, the reduction of waste, and the reuse of wastewater, including through initiatives to raise awareness among communities and consumers;
- protect the ecosystems and biodiversity of the areas in which it operates;
- promote circularity and sustainability in the sustainable use of resources employed in production processes.

Each employee, collaborator, or top manager in the interests of Acea is required to know, formally accept, and comply with the provisions of the Code of Ethics. Acea provides continuous information and training activities on its corporate values at all levels of the organisation, and monitors their uptake and effectiveness. Suppliers and partners are expressly requested to conduct themselves in line with the general Acea principles and values.

Subsidiaries adopt the Code of Ethics based on a resolution taken by their Board of Directors, while subsidiaries and joint ventures promote its principles and content within their corporate entities.

The Ethics, Sustainability and Inclusion Committee oversees the proper implementation of the Code of Ethics with the support of the Ethics Officer.

### Principles and values of Stakeholder Engagement

Acea takes a constructive approach to stakeholder relations by promoting dialogue and building on the outcomes of multi-stakeholder discussions. Acea has formalised its commitment in the document "Principles and Values of Stakeholder Engagement", with the aim of building a solid network of relationships capable of supporting the company in achieving its business objectives and generating shared value within the local communities and socio-economic systems in which it operates, including through the active and responsible participation of stakeholders.

### Human Rights Policy

Acea promotes respect for human rights in the broadest sense through a policy that is closely linked to and complements the Code of Ethics. This policy sets out Acea's commitment to upholding fundamental human rights both internally (in the workplace) and externally (within the community, society and the environment), and is underpinned by 20 principles that Acea undertakes to uphold.

The Policy, approved by the holding company's Board of Directors, is adopted by subsidiaries both in Italy and abroad, and applies at all levels of the organisation and to employees and to suppliers. Investee companies and joint ventures promote the principles and contents set out in the Policy within their corporate organisations. The Policy also addresses governance, setting out regulatory and operational safeguards for activities that impact human rights, and provides a channel for reporting potential violations via the Whistleblowing platform. Acea is committed to promoting the Policy, which is published on its website and on the intranet for employees.

The protection of fundamental workers' rights (combating forced and child labour, adequate working and wage conditions, etc.) extends across the supply chain. The protection of the community and customers manifests in the commitment to accessibility to adequate services, to developments in innovation and digitisation as an evolutionary function of the different businesses managed. The commitment to promoting human rights is also emphasised through responsible behaviour in respect of customers and the fight against all forms of corruption to protect the legality and correct economic and social development of the reference context. Environmental protection is included in the Policy as an aspect that is closely linked to human rights and relates to issues central to people's lives. In this regard, Acea maintains a particular focus on the sustainable management of natural resources, especially water, by promoting their proper use and focusing on waste reduction, rational use and reuse. Acea's commitment to protecting the environment is demonstrated through its efforts to safeguard ecosystems, protect biodiversity and combat deforestation, promote the reuse and circularity of resources, and mitigate climate change and its effects. The Policy has been defined in compliance with the main references on the subject, including the International Charter of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, the ILO Core Conventions, the Global Compact, and with the internal regulatory assumptions already existing in Acea, including those on anti-corruption, fair competition, protection of privacy, etc.

### Integrated Management Systems and Sustainability Policy

In carrying out its activities, Acea works towards achieving its strategic sustainability objectives, including through the use of appropriate management systems. To this end, the company has adopted an Integrated Management Systems and Sustainability Policy that sets out Acea's principles, values and commitments to sustainable development, incorporating the quality, environmental, health and safety, and energy management requirements laid down in the UNI EN ISO standards.

The policy focuses on:

- customer satisfaction, by meeting requirements that take account of their needs and expectations, while continuously improving service performance (quality, accessibility, etc.);
- environmental protection, through the sustainable management of energy, water and other natural resources, optimising their use and enhancing reuse and recovery processes with a view to the circular economy and the rationalisation of their end uses, protecting the environment and combating climate change, also

in the interests of future generations;

- occupational health and safety, by maintaining safe and healthy working conditions and ensuring that the protection of workers' wellbeing is an integral part of health and safety management;
- energy management, structuring a process that supports the use efficient use of energy, setting and monitoring targets with a view to continuous improvement.

The Policy forms an integral part of the management systems in line with ISO 9001, ISO 14001, ISO 45001 and ISO 50001.

### Diversity, Equity, Inclusion & Belonging Policy

The diversity policy, which was updated in 2025 to introduce the concept of belonging, promotes the principles of equal treatment, inclusion, the celebration of diversity and belonging, and the fight against discrimination. The principles enshrined in the policy are put into practice through initiatives aimed at:

- overcoming stereotypes, including through training and by rejecting all forms of violence;
- promoting a healthy work-life balance;
- identifying development and career paths based on merit, including with a view to closing the gender pay gap;
- providing equal opportunities regardless of sensory, cognitive and motor disabilities by adopting any action or measure that attempts to break down cultural, structural, sensory, and physical barriers;
- promoting intergenerational exchange, collaboration and the sense of belonging to the company, with a view to mutually enhancing talents and skills;
- combating all forms of unconscious bias, with campaigns to raise awareness and spread an inclusive culture.

To ensure these initiatives are effectively and collectively implemented, Acea has adopted a Diversity, Equity, Inclusion & Belonging Plan, which is updated annually and developed and monitored by the company's organisational units.

### Anti-Corruption Guidelines

Acea has established a comprehensive framework of rules and principles to mitigate the risk of corruption, committing itself to preventing and combating unlawful conduct in at-risk areas, considering the activities carried out, by all persons who, in whatever capacity, act in the name and on behalf of the company and for its benefit.

Acea promotes a corporate culture that encourages the prompt reporting of any corrupt practices, raising staff awareness through mandatory training courses and other measures. Participation in the courses is monitored to ascertain the actual take-up and effectiveness of the training itself. In addition, regular in-depth training courses are scheduled for designated representatives of the holding company and its operating companies, based on risk-based assessments that take into account the areas of activity in which they operate.

Acea SpA has also adopted an anti-corruption policy and obtained UNI EN ISO 37001:2016 management system certification, while plans are in place to extend this certification to the Group's main operating companies.

### Antitrust Compliance and Consumer Protection Guidelines and Manual

In order to manage its conduct towards its customers in a responsible manner, Acea has established the Antitrust Compliance Programme, thereby adopting a set of regulatory tools, organisational controls, methodologies and processes designed to prevent potential risks of breaching competition and consumer protection legislation. In the context of this Programme, the Guidelines establish a series of rules, organisational and procedural measures aimed



at ensuring that the company's activities comply with antitrust legislation, as well as preventing, managing and mitigating the risks arising from potentially anti-competitive behaviour or the breach of consumers' rights. The Manual assists all those working on behalf of Acea in identifying situations that may pose a risk of non-compliance, guiding them towards the correct course of action. These include unfair commercial practices, which may cause financial harm to customers.

Through these tools, Acea recognises and confirms consumer protection as one of the core values that underpin the activities of its operating companies.

### Privacy Guidelines

Acea is committed to the creation and implementation of effective policies to protect the personal data of its employees, customers, suppliers, shareholders, stakeholders, partners, as well as the persons whose personal data, for various reasons, is processed by the company, with the aim of ensuring the application of the GDPR and other national and European regulations on the protection of personal data.

### Whistleblowing Management Policy

Acea has drawn up and implemented a Whistleblowing Management Policy to implement the requirements of Italian Legislative Decree No. 24 of 10 March 2023, the Code of Ethics, the Human Rights Policy, the Organisational, Management and Control Model pursuant to Legislative Decree no. 231/2001, the Anti-Corruption Guidelines, the Antitrust and Consumer Protection Compliance Guidelines and the Equality, Diversity, Inclusion & Belonging Policy.

### Strategy for the correct management of variable and fiscal risks

Acea considers the proper management of tax to be of paramount importance. For this reason, in 2024 the Board of Directors adopted a policy, entitled "Strategy for the Correct Management of Variable and Fiscal Risk", which also includes implementation guidelines, with the aim of reducing the tax risks to which operating companies are exposed in the pursuit of their statutory objectives, ensuring the timely fulfilment of tax obligations, and promoting transparency and fair cooperation in relations with the tax authorities and third parties.

### Artificial intelligence governance policy

Acea recognises the development and responsible use of artificial intelligence as a strategic factor for innovation and competitiveness. The company aims to use AI solutions – whether developed in-house or through partners – in a compliant, ethical, transparent and secure manner, both in its internal processes and in the services it offers to customers and stakeholders. This approach is guided by the principles of integrity, accountability, consumer protection and full compliance with the EU AI Act, with a particular focus on risk management, system control and oversight throughout the entire lifecycle of the adopted solutions.

The Artificial Intelligence Governance Policy, approved by the Board of Directors in 2025, sets out the guiding principles for the management of AI, incorporating not only the AI Act but also international best practices (ISO/IEC 42001:2023, NIST AI RMF), the GDPR, and legislation on competition, anti-corruption and consumer protection. The aim is to ensure compliance by design, establish a common framework for AI governance, clarify roles and responsibilities, and promote a culture of algorithmic accountability based on fairness, transparency and respect for fundamental rights.

Acea's strategy is based on three main pillars:

- people, by promoting a culture of digital awareness and responsibility and ensuring that AI is used in an ethical manner that respects people's rights, valuing human contribution, combating bias and abuse, and training staff on the responsibilities and risks associated with AI systems;
- processes, by incorporating the requirements of the AI Act at every stage of the design and use of AI systems, ensuring transparency, security, accuracy and respect for fundamental rights;
- technologies, adopting solutions that comply with regulations, prioritising reliable, auditable and manageable systems capable of operating in a controlled and monitored manner, and which are expressly authorised and approved in accordance with criteria established at company level.

Acea has also made use of the following instruments to better regulate relations with workers and suppliers:

### People and Participation Charter

People and participation charter, signed by Acea and the trade unions, is the guiding framework for managing relations with employees. In the Charter, each individual is seen in a holistic perspective that includes both their personal, social and professional capacities and their role as an integral part of the local environment and community. The aim is to create value for the territory, strengthen the quality of service, develop and increase company professionalism and individual and collective well-being. The Charter promotes the involvement of trade union representatives in industrial relations and sets out shared values and guidelines for action that commit the respective parties to ensuring a healthy working environment, both in terms of safety and the corporate climate, the protection and quality of work also in the procurement chain, the care of professional skills, work-life balance, the promotion of wellbeing and a culture of safety.

### Sustainable procurement policy

The Sustainable procurement policy sets out the guiding principles and operational procedures through which Acea encourages the adoption of best sustainability practices throughout the supply chain, engaging suppliers in a partnership-based relationship in order to enhance synergies and reduce any associated negative environmental and social impacts. The Policy applies to all suppliers, including subcontractors, sub-suppliers, partners and third party collaborators operating at the company's plants, sites and work sites. Signing the Policy is a mandatory condition for establishing and maintaining a business relationship with Acea, who is entitled to precautionary suspension and early termination with immediate effect of any existing business relationship in the case of breaches. A special channel of communication is provided for suppliers, where they can discuss the Policy with Acea.

### Procedure for the management of artistic and cultural heritage

In 2025, Acea established a procedure to ensure the restoration, protection and enhancement of works of art, historical documents, multimedia content or properties of artistic or cultural significance, or under the protection by the Superintendency of Cultural Heritage, which are owned, held in custody or managed by the company. Through this procedure, which was formalised at the end of the year, Acea has set itself the goal of promoting art and culture through initiatives designed to support the study, conservation and appreciation of its artistic and cultural heritage, while ensuring that it is maintained in the best possible condition and made accessible to the public.

## 1.6 STAKEHOLDER ENGAGEMENT

**ESRS 2 SBM-2** The Stakeholder & Customer Unit operates within the holding company, acting as a centre of specialist expertise and know-how in the implementation of the Principles and Values of Stakeholder Engagement. The Unit provides the holding company and the operating companies directly responsible for managing relevant stakeholders with methodologies and tools to support their engagement activities. Each year, the Unit produces an internal report summarising the main engagement projects and initiatives carried out, as well as best practices that could potentially be replicated within Acea.

One of the tools used for stakeholder engagement is the Stakeholder Tree, which maps the main types of stakeholders through an in-depth analysis of the company's network of relationships and the involvement of senior management and personnel with operational responsibilities. The Stakeholder Tree is divided into categories and sub-categories, which are also subdivided according to relevant issues for the different businesses.

The stakeholder engagement process is governed by an internal procedure developed in accordance with the AA1000 SES standard on

stakeholder engagement and relevant international standards.

Within the various structures of the holding company and operating companies, the design, implementation, delivery and management of each stakeholder engagement project or initiative is the responsibility of the stakeholder engagement process owner. Each activity must be authorised by the manager of the structure to which the owner belongs and, in the case of initiatives of particular strategic importance or sensitivity, by senior management.

The design of engagement initiatives involves defining the subject matter on which to engage relevant stakeholders, the specific issues to be addressed, the objectives to be achieved through the engagement, the forms of engagement (e.g. informing, consulting, etc.) and the methods of engagement (e.g. invitations to working groups, etc.). Relevant stakeholders are identified using predefined criteria and on the basis of their level of relevance.

At the end of the engagement project, a review is conducted of the activities carried out, with the aim of learning from successes and mistakes to inform future initiatives and identify new opportunities for development. Feedback is also provided to the stakeholders involved, following the principle of inclusiveness and accuracy.





## 1.7 DOUBLE MATERIALITY PROCESS: IMPACTS, RISKS AND OPPORTUNITIES

**ESRS 2 IRO-1** The double materiality analysis (DMA) identifies the material impacts, risks and opportunities across the value chain linked to Acea's strategic objectives and the key concerns of its stakeholders.

Acea carried out its first double materiality analysis in 2024 in accordance with ESRS standards, specifically ESRS 1 Application Requirement 16 and the Materiality Assessment Implementation Guidance (MAIG) developed by EFRAG, based on the double perspective of impact materiality and financial materiality.

The analysis, led by the holding company with the involvement of sustainability officers and risk owners from operating companies and holding company functions, was divided into the following main stages:

- understanding the external environment, including the review of relevant regulations, industry documentation and benchmark analyses, and analysis of the internal environment, with reference to the business and sustainability strategy, the company's regulatory framework, and the development of the business and operations of the operating companies;
- identification of potentially material topics, impacts, risks and opportunities, taking into account the characteristics of the value chain within the relevant geographical contexts, and the effects of the company's activities on people and the environment, over the short, medium or long term;
- assessment of the materiality of both positive and negative impacts, with the direct involvement of key stakeholders through dedicated focus groups;
- assessment and quantification of the financial materiality of sustainability risks and opportunities, using the previously adopted ERM methodology;
- aggregation of results, prioritisation of IROs based on materiality, and finalisation of the list of material IROs;
- sharing the results of the analysis with the relevant governing bodies (Ethics, Sustainability and Inclusion Committee and Control and Risk Committee) and approval by the Board of Directors.

In terms of methodology, the DMA provides for:

- for impact materiality, stakeholders' assessment of the materiality of the impacts (scale, scope and, for negative impacts, irremediability). The materiality threshold is the average of the scores obtained from the product of materiality and probability, calculated taking into account the company's level of oversight. An internal review of the multi-stakeholder assessments is also conducted, with a view to counteracting any biases and overestimates and ensuring that the impacts are accurately represented;
- with regard to financial materiality, the use of the enterprise risk management (ERM) framework to assess risks (short and medium-term) and opportunities related to ESG factors, which have the potential to have a significant impact on the company (business performance, financial performance, etc.). Risks and opportunities with the following scores are considered material: impact 2 and probability 4, impact 3 and probability greater than and equal to 3, impact 4 and any level of probability.

As established by ESRS 1, the IRO assessment applied fixed time horizons in line with the Enterprise Risk Management (ERM): short term (1 year), medium term (1-5 years, consistent with the coverage of the Business Plan, long term (over 5 years, namely, beyond the time frame of the Plan). The DMA therefore also takes into account the findings of the analyses of medium- and long-term climate scenarios, as described in paragraph 2.2 Climate Change, and includes the main associated material risks and opportunities in the IRO table.

To establish the basis for this report, the results of the 2024 DMA were reviewed to confirm their validity or to assess whether it was necessary to repeat the analysis, with an evaluation carried out in accordance with the following steps:

- analysis of the external environment, through a review of regulatory developments and benchmarking against competitor reports to identify material topics, relevant IROs and overall consistency within the sector;
- analysis of the internal environment, in terms of significant developments or changes at the business level and regarding the establishment or disposal of operating companies, as well as within the internal regulatory framework, in terms of policies, guidelines and group procedures.

The analysis highlighted the substantial stability of the relevant context and confirmed the validity and consistency of the impacts, risks and opportunities identified as material in the previous DMA for 2025.

In line with the annual risk assessment process (ERM), sustainability risks have been reassessed by the risk owners at both the company and holding company levels. The assessments for 2025 also confirm the significance of the risks identified in 2024.

In conclusion, all environmental, social and governance ESRS criteria are relevant for the reporting year in question, and information relating to material IROs is therefore reported in detail, covering policies, strategies, objectives, actions, resources and metrics, as required by the ESRS standard.

**ESRS 2 SBM-3** The quantification of current financial impacts relating to significant risks and opportunities is carried out by verifying whether events corresponding to these risk/opportunity scenarios have actually occurred during the year and by identifying the relevant cost and revenue items. The identified financial effects of these scenarios were then assessed in relation to the ERM financial materiality threshold.

In this regard, no significant current financial impacts of risks and opportunities for 2025 have been identified, and the expected financial impacts have not been quantified, as provided for in the "Quick-fix" Delegated Act.

The material IROs, broken down by thematic ESRS, identified following the double materiality analysis carried out in the previous year and validated for 2025, are set out below.

Subtopic	Sub-subtopic	IRO	Description	Positive/Negative/ Current/Potential	Time frame	Value chain
<b>ESRS E1 – CLIMATE CHANGE</b>						
Climate change mitigation		I impact	Innovation of industrial processes to support the energy transition	+	medium	• upstream • own operations • downstream
Climate change mitigation		I impact	Development of energy models based on electrification of consumption and production from renewable sources	+	medium	• own operations • downstream
Energy		I impact	Improved energy efficiency by optimising industrial processes	+	long	• upstream • own operations
Climate change mitigation		I impact	Direct and indirect greenhouse gas emissions from fossil fuel use and waste-to-energy processes	-	medium	• upstream • own operations • downstream
Climate change adaptation		I impact	Low resilience of plants, infrastructure and networks to the effects of climate change	-	long	• own operations
Climate change adaptation		R risk	Damage to infrastructure and production sites due to the effects of climate change (rivers flooding, storms)		long	• own operations
Climate change mitigation		R risk	Tightening/introduction of carbon pricing schemes with effects on industrial processes		medium	• own operations
Climate change mitigation		R risk	Tightening of regulations related to the marketing of low environmental impact products and services (Green Claims Directive)		medium	• own operations
Climate change mitigation		O opportunities	Growing push towards renewable energy		long	• own operations
<b>ESRS E2 - POLLUTION</b>						
Water pollution		I impact	Impacts on human health and ecosystems due to the presence of pollutants in water (emerging pollutants, PFASs, etc.)	-	short	• own operations
Substances of concern		I impact	Environmental impacts from the use of chemicals in industrial processes	-	long	• own operations
Air pollution		I impact	Impacts on ecosystems and human health due to harmful and odorous emissions into the atmosphere from sites and facilities	-	short	• own operations
Soil pollution		R risk	Risk of environmental offence claims by competent authorities due to non-compliance with the Italian Consolidated Environmental Act		medium	• own operations

+ Positive impact; - Negative impact; ○ Actual; ◌ Potential



Subtopic	Sub-subtopic	IRO	Description	Positive/Negative/Current/Potential	Time frame	Value chain
Water pollution		opportunities	Development of process control technologies to contain pollutants		medium	• own operations
<b>ESRS E3 – WATER AND MARINE RESOURCES</b>						
Water	Water consumption	impact	Reducing water consumption based on industrial process optimisation		long	• upstream • own operations
Water	Water withdrawals	impact	Increased reliability and resilience of water infrastructure and improved quality of service with the adoption of innovative technologies		long	• own operations • downstream
Water	Water discharges	impact	Alteration of chemical composition of reservoirs		medium	• own operations
Water	Water withdrawals	impact	Reduced availability of quality water due to system inefficiencies (ageing networks, water losses, etc.).		short	• own operations • downstream
Water	Water withdrawals	risk	Scarcity of water resources due to climate change, affecting water service management		medium	• own operations
Water	Water discharges	opportunities	Development of solutions for wastewater treatment and reuse		medium	• own operations
<b>ESRS E4 - BIODIVERSITY AND ECOSYSTEMS</b>						
Impacts on the extent and condition of ecosystems		impact	Alterations to the environmental balance of ecosystems caused by the presence of company sites and plants in the landscape		long	• upstream • own operations
Impacts and dependencies on ecosystem services		impact	Restoration of ecosystems through renaturation (planting etc.)		long	• own operations
<b>ESRS E5 – CIRCULAR ECONOMY</b>						
Waste		impact	Contribution to the resolution of critical issues related to mass waste production using waste-to-energy processes		long	• own operations
Resource outflows related to products and services		impact	Reduction of pressures on the natural environment through the transformation of civil and industrial waste for reuse (plastic, paper, sludge, wastewater, etc.)		long	• upstream • own operations
Resource inflows, including resource use		impact	Reduction of pressures on the natural environment through sustainable procurement (reusable, recycled products, etc.)		long	• upstream • own operations
Waste		impact	Environmental impacts from waste generated by business processes		medium	• own operations

+ Positive impact; - Negative impact; Actual; Potential

Subtopic	Sub-subtopic	IRO	Description	Positive/Negative/ Current/Potential	Time frame	Value chain
Waste		<b>R</b> <i>risk</i>	Non-compliance of suppliers with the current legislation, with reference to operational waste management		 medium	• own operations
Waste		<b>O</b> <i>opportunities</i>	Development of low-impact production solutions and technologies (advanced waste treatment systems, etc.)		 medium	• own operations
<b>ESRS S1 – OWN WORKFORCE</b>						
Working conditions	Appropriate salaries	<b>I</b> <i>impact</i>	Appropriate salaries to ensure safe and decent living conditions		 medium	• own operations
Equal treatment and equal opportunities for all	Training and skills development	<b>I</b> <i>impact</i>	Professional fulfilment/ satisfaction and skills enhancement		 medium	• own operations
Working conditions	Work-life balance	<b>I</b> <i>impact</i>	Improving corporate well-being through welfare and work-life balance initiatives		 medium	• own operations
Working conditions	Health and safety	<b>I</b> <i>impact</i>	Health impacts from workplace accidents involving employees		 long	• own operations
Working conditions	Secure employment	<b>I</b> <i>impact</i>	Critical issues related to working conditions and the work environment impacting the internal climate		 medium	• own operations
Equal treatment and equal opportunities for all	Gender equality and equal pay for work of equal value	<b>I</b> <i>impact</i>	Deterioration of employees' physical and mental well-being due to potential incidents of discrimination and violations of personal dignity		 short	• own operations
Working conditions	Freedom of association, existence of works councils and workers' rights to information, consultation and participation	<b>R</b> <i>risk</i>	Potential climate of conflict with trade unions		 medium	• own operations
Equal treatment and equal opportunities for all	Training and skills development	<b>R</b> <i>risk</i>	Challenges in attracting and retaining talent with key skills to ensure business continuity		 medium	• own operations
<b>ESRS S2 – WORKERS IN THE VALUE CHAIN</b>						
Other work-related rights	Child labour	<b>I</b> <i>impact</i>	otential human rights violations in the supply chain related to child labour		 long	• upstream
Other work-related rights	Forced labour	<b>I</b> <i>impact</i>	Potential human rights violations in the supply chain related to forced labour		 long	• upstream

+ Positive impact; - Negative impact; ○ Actual; ◌ Potential