



## Guidelines to Shareholders on the optimal qualitative and quantitative composition of the Board of Directors

2026

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## 1. Introduction

Acea S.p.A. (“**Acea**” or the “**Company**” or the “**Group**”), with a view, among other things, to emphasising its full and wholehearted commitment to the principles of good corporate governance, has resolved to adhere to the Corporate Governance Code (the “**Code**”), the principles and recommendations of which the Company’s corporate governance is largely aligned with.

Article 4, Principle XIII, Recommendation 23 of the Code recommends that the boards of directors of listed companies, upon the expiry of their term of office, should set out Guidelines to Shareholders on the quantitative and qualitative composition deemed optimal for the new board, with the support of the relevant appointments committee.

The Board of Directors of Acea (also referred to as “**the Board**” or “**the Directors**”), appointed by the Shareholders’ Meeting on 18 April 2023 and whose term of office expires upon approval of the financial statements for the 2025 financial year, has engaged the professional assistance of Crisci & Partners. This specialist consultancy firm, with expertise in corporate governance practices, has been recognised as meeting the requirements of neutrality, objectivity, competence and independence, and has been entrusted with the task of assisting in the Self-Assessment process for the entire duration of the Board’s term of office, with the aim of developing a gradual and tailored approach, in order to support the Board and the Directors in achieving full understanding of their role, function and shared focus on the governance objectives to be achieved in the three-year period 2023-2025, including the Self-Assessment of the Board of Directors and of the internal Board Committees relating to the 2025 financial year. The Chair of the Board of Directors, with the support of the Appointments and Remuneration Committee, ensured that the process was conducted in an appropriate and transparent manner.

The outgoing Board, taking into account the results of the Self-Assessment and with a view to facilitating the process of identifying the best proposals to be put before the Shareholders’ Meeting regarding the optimal quantitative and qualitative composition of Acea’s new administrative body for the forthcoming 2026-2028 term, is making the following available to Shareholders:

- the features of the Company’s strategic and operational context that have characterised the 2023-2025 term, and the key issues to be addressed over the next three years;
- the guidelines on the size of the new Board of Directors and on the balance of different profiles, both within the internal Board Committees and in collective decision-making, which are considered most useful to ensure that the administrative body can effectively contribute to the company’s sound corporate governance, the pursuit of the strategies identified and the effective management of risks;
- guidelines on the experience, skills and characteristics identified as priorities — in terms of relevance, spread and diversity — for the composition of the new Board and of the internal Board Committees, with a view to ensuring appropriate continuity within the administrative body.

## 2. Context

The current term of office began in April 2023, with the appointment of the Board of Directors whose mandate is now expiring, consisting of the Non-Executive Independent Chair, the Executive Director and eleven members: one Non-Executive, Non-Independent Director; ten Non-Executive, Independent directors.

The term of office was notable for the definition, development and implementation of the 2024-2028 “Green Diligent Growth” Business Plan, which sets out the strategic path the Group intends to follow. This Business Plan aims to pursue sustainable growth in the regulated sectors of water, electricity and the environment, with a focus on infrastructure resilience and the energy transition, while integrating ESG criteria in order to strengthen the company’s current position of leadership in public services.

In the early years of the Plan, Acea’s Chief Executive Officer successfully implemented the initiatives and transformation required to achieve the Group’s operational results and objectives, with the full agreement and support of the Board of Directors.

The leadership of the Executive Director, together with the synergistic contribution of the governing body, has played a crucial role in achieving the results seen over the three-year period. This success has been facilitated by ongoing developments in the Group’s governance structure, vigorously championed by the Chair of the Board of Directors, and by the balanced and effective synergy achieved between the two representatives in the performance of their respective roles.

During the 2025 Self-Assessment analysis of the work of Acea’s directors at the end of their term of office, they expressed the belief that the new Board of Directors and the Executive Director will face significant challenges:

- consolidating the Company’s position as a national operator, rather than merely a local one;
- steering and completing the implementation of the main projects currently underway (the Rome waste-to-energy plant, the Peschiera aqueduct and the energy transition);
- completing the operational and organisational transformation aimed at improving efficiency and the re-engineering of key strategic processes with a view to ensuring ever-greater competitiveness;
- driving technological innovation, particularly in the digital sphere;
- strengthening the Company’s presence on international markets where it already operates and capitalising on the opportunities presented by a changing landscape;
- responding to stakeholders’ ever-increasing focus on sustainability and ESG issues;
- enhancing competitiveness on the labour market and, in particular, the ability to retain, develop and attract skilled professionals in line with evolutions in the key skills for the different business areas.

### 3. Size

The Company's Articles of Association set out the structure of the Board of Directors, stipulating that it shall consist of a minimum of seven and a maximum of thirteen members, with a minimum number of Independent Directors. It shall also comply with the criteria regarding gender balance, as governed by current legislation, and with the recommendations of the Corporate Governance Code.

The outgoing Board of Directors, taking into account the provisions of the Articles of Association, the number of internal Board Committees assisting its activities, and the Board's effective performance over the last three years, while also mindful of Acea's size and organisational complexity, having examined the results of the Self-Assessment for the 2025 financial year, the final year of its term of office, with the support of the Appointments and Remuneration Committee, considers that:

- **the current number of Directors is appropriate, being the maximum permitted under the current Articles of Association;**
- **the current balance between Executive Directors, Non-Executive, Independent Directors, and Non-Executive, Non-Independent Directors is appropriate, taking into account the complexity of the Group's governance structure and its characteristics;**
- **the current size and structure are appropriate, as they allow for the proper composition of the five internal Board Committees, as well as adequate engagement with and opportunity for in-depth examination of the issues under consideration and the decisions to be taken; in particular, the Chair and most members of the Committees provided for by the Code or by applicable legislation are independent;**
- **the number of Independent Directors is adequate, although a possible reduction is considered a viable option;**
- **the current gender diversity balance is adequate.** On this topic, it invites all Shareholders to take into account the need to ensure compliance with current legislation and the provisions of the Articles of Association when drawing up lists of candidates for the Board of Directors, so as to ensure that the number of candidates from the under-represented gender is at least two-fifths of its members (rounded up to the nearest whole number where necessary);
- **the current average age of Board members is appropriate.**

### 4. Composition

Taking into account the importance of the various factors that make up the qualitative composition of Acea's Board of Directors — all of which have been assessed positively — and on the basis of the experience gained over the past three years, as well as an assessment of the work that the new Board will be required to carry out in pursuit of business and operational objectives, the outgoing Board recommends that Shareholders draw up lists of candidates with diverse and distinctive skills, experience and expertise, such as those which, taken together, have characterised the current composition of the Board, as described below.

#### 4.1 Professional Background

The 2025 Self-Assessment expressed a positive view on the composition of the outgoing Board in terms of professional background, commending the diversity of expertise across managerial, entrepreneurial, academic and institutional profiles. It simultaneously considered that an increase in the number of candidates with a managerial or entrepreneurial background could be viewed favourably.

- **The Board therefore recommends retaining the current composition in terms of its mix of experience and professional backgrounds.**

#### 4.2 Skills and Experience

The diversity and complementarity of the professional skills and experience currently represented on the Board are highly positive, demonstrating a high degree of suitability. Therefore, in terms of the renewal of the Board for the 2026-2028 period, the Council does not consider it necessary to propose any enhancements or expansions in terms of areas of knowledge, experience and expertise.

In view of the upcoming renewal, the outgoing Board has identified the professional skills deemed distinctive and essential for addressing and managing the challenges that will arise from foreseeable developments in the relevant sectors, in the market and in the achievement of the Company's strategic objectives over the next three years:

- **knowledge of the business areas in which Acea operates, with particular reference to the water sector, from both an industrial and economic-financial perspective and a regulatory one (i.e., tariffs/regulation, public procurement);**
- **experience in enterprises characterised by innovation and/or advanced digital-technological content;**
- **economic and financial expertise, including in relation to business valuations and extraordinary M&A operations;**
- **experience in managerial roles within complex industrial companies, possibly listed on the stock exchange;**
- **previous experience as a member of the Board of Directors of a listed company;**
- **appropriate personal qualities and aptitudes, in particular integrity, openness to dialogue, the ability to listen, assertiveness, empathy and authority, in order to ensure effective collaboration and positive interpersonal dynamics in the optimal performance of the role of director.**

#### 4.3 Continuity in Office

Generally speaking, striking a balance between the collective experience and knowledge gained by the outgoing Board and any new experience and expertise to be brought in is considered a key

factor in ensuring the optimal functioning of the administrative body, as recognised by best practices in corporate governance.

Acea’s Board of Directors considers that continuity in office is a value to be preserved and capitalised upon when renewing the Board’s composition, given that the current average tenure is four years and that the current mix of professional skills, experience, expertise and knowledge is broadly adequate, including in terms of gender diversity, the number of independent directors, seniority and professional background, without prejudice to the recommendations set out in the preceding points.

- **The outgoing members of the Board attach great importance to continuity in office, and a large majority has expressly recommended that a significant number of the current Directors be reappointed.**

#### 4.4 Availability of time

In accordance with current legislation, it is an essential requirement for candidates for the position of Director of Acea that they have the time required to deal with the nature and complexity of the role, and that they guarantee their ability to commit the time necessary for active and informed participation. This commitment includes attending board and Committee meetings (both in person and remotely), as well as taking part in training programmes (On-boarding and Induction) and off-site discussions.

In order to perform their role effectively, it is of the utmost importance that Directors fully demonstrate their ability to commit the time required to carry out their duties.

During the three-year period 2023-2025, the average annual number of meetings of the Board of Directors and the internal Board Committees, and the average duration of those meetings, were as follows:

<b>CORPORATE BODIES</b>	<b>AVERAGE ANNUAL NUMBER</b>	<b>AVERAGE ANNUAL DURATION</b>
Board of Directors	18.3	2.27 hours
Control and Risks Committee	9.3	2.10 hours
Appointments and Remuneration Committee	11.0	1.09 hours
Ethics, Sustainability and Inclusion Committee	7.7	1.17 hours
Committee for the Region	8.0	1.12 hours
Related-Party Transactions Committee	10.7*	1.19 hours
<b>Total</b>	<b>65</b>	

\* It should be noted that further RPT Committee meetings were held over the three-year period in the capacity of equivalent internal control.

Furthermore, induction and training sessions must be taken into account; over the same three-year period of 2023-2025, these averaged three sessions per year.

In addition to the time required to attend meetings, one must also take into account the time needed to prepare for each meeting and, in the case of the Chairpersons of the Board of Directors and of the internal Board Committees, the time spent fulfilling their roles and organising and coordinating Board and Committee meetings.

#### **4.5 The holding of multiple posts**

In accordance with the recommendations set out in the current legislation and the Corporate Governance Code regarding the number of posts that can be held in listed companies and entities of public interest, the Board of Directors has expressed its guidance on the maximum number of posts that may be held by Acea Directors:

- in considering the holding of multiple posts, financial, banking and insurance companies and companies with a net equity exceeding 1 billion euros are also considered relevant in addition to listed companies;
- a Director should not hold the office of Non-Executive Director or Auditor in more than 6 (six) of the aforementioned companies;
- an Executive Director should not hold the office of Non-Executive Director of another issuer of which an Acea Director is an Executive Director.

For the purposes of calculating the number of posts, the following are not taken into account:

- the post held in Acea;
- any posts held in subsidiaries which Acea directly and/or indirectly controls, or in which it holds a stake;
- posts held in Acea's internal Board Committees.

#### **4.6 Criteria of significance in relation to the assessment of Independence**

In line with the recommendations of the Corporate Governance Code, the Board of Directors has also established criteria for assessing the independence of Directors.

In particular, it has adopted the following parameters for significance, which apply to commercial, financial and professional relationships:

- as regards commercial or financial relationships
  - (i) 5% of the annual turnover of the company or entity over which the Director has control or for which they serve as Executive Director, or of the professional firm or consulting company in which they are a partner; and/or
  - (ii) 5% of the annual costs incurred by the Group which can be traced to appointments of a similar nature;
- as regards professional services:
  - (i) 5% of the annual turnover of the company or entity over which the Director has control or for which they serve as Executive Director, or of the professional firm or consulting company in which they are a partner; and/or

(ii) 2.5% of the annual costs incurred by the Group in relation to posts of a similar nature. The following have also been identified as significant additional remuneration:

all remuneration paid by the Company, a subsidiary or a parent company thereof for any reason during the calendar year which, when taken together, exceeds the total amount of the compensation paid to the Director whose independence is being assessed for the post itself and for participation in internal Board Committees.

In accordance with the principle that substance takes precedence over form, the Board of Directors retains the discretion to deem a Director independent despite the presence of a circumstance identified by the Code as theoretically capable of compromising that Director's independence subject only to certain measures regarding disclosure.

## **5. Profiles of Particular Relevance**

The Board of Directors of Acea, recognising the particular importance of certain roles on the Board, indicates that the individuals appointed to fill those roles must have the following key characteristics:

### **5.1 Chairperson of the Board of Directors**

- high professional standing and integrity, upholding the various principles of ethics and legality;
- authority and credibility in the eyes of Acea's shareholders and stakeholders, with recognised institutional standing and a sound understanding of the context in which the Group operates;
- proven experience in managing complex relationships with shareholders, stakeholders and Regulatory Bodies;
- ability to ensure the proper and transparent management of the Board of Directors' operations, and to facilitate integration between the diverse skills and experience of the Directors;
- ability to ensure that relations between the Executive Director and the Non-Executive members proceed in accordance with their respective roles and responsibilities, as must dialogue with the supervisory body and the internal committees;
- with substantial previous experience as a member of the Board of Directors of a listed company, and in leading Boards of Directors comparable in complexity to that of Acea;
- ability to oversee compliance with corporate governance rules in order to ensure ongoing alignment with the legislation and self-regulatory guidelines currently in force.

### **5.2 Executive Director**

- proven personal and professional authority, and a reputation for intellectual independence and

personal integrity;

- solid managerial experience and a track record of managing industrial organisations in similar roles within comparable companies;
- business knowledge of the energy, water and infrastructure sectors;
- ability to assess situations and set strategic direction;
- extensive expertise in economic and financial matters, corporate strategy and extraordinary transactions, recognised also by investors and the financial markets;
- proven ability and experience in dealing with a diverse range of shareholders and stakeholders;
- undisputed leadership, ability to inspire and guide management and the entire company towards the strategic objectives set.

### 5.3 Non-Executive Directors

- ability to examine issues in depth and capacity to engage in constructive dialogue with the Executive;
- ability to express opinions with sound judgement and independence of mind;
- the following aptitudes demonstrated in the course of their respective work experience:
  - ability to work in a team;
  - understanding of their own role;
  - ability to manage conflicts in a constructive way;
- solid understanding of corporate governance and, ideally, previous experience in the role of Non-Executive Director;
- a complementary range of diverse skills in order to foster constructive debate and meaningful discussion on the board.

With a view to identifying the Directors who will be appointed by the Board of Directors to serve on the internal Board Committees for the 2026-2028 term, the outgoing Board of Directors invites Shareholders to bear in mind that, in accordance with the Corporate Governance Code:

- at least one member of the remuneration committee must have adequate knowledge and experience of financial matters or remuneration policies (Recommendation No. 26 of the Code);
- the control and risk committee must, as a whole, possess adequate expertise in the sector in which the company operates, sufficient to assess the relevant risks. At least one member of that committee must possess adequate knowledge and experience of accounting and financial matters or of risk management (Recommendation No. 35 of the Code).

In light of the above, the Board of Directors deems it appropriate that, in order to ensure the proper and effective composition of the internal Board Committees, the Company's new administrative body should include:

- a candidate with experience in risk management and control systems, possessing a sound understanding of economics, finance and risk management, ideally gained through membership of committees responsible for control and risk matters;
- a candidate with experience in remuneration policies and related legislative, regulatory and

contractual matters, ideally gained through membership of committees responsible for matters of remuneration.

## **6. Compliance of the lists with the Guidelines**

Pursuant to Article 4, Recommendation 23 of the Corporate Governance Code, the Board of Directors invites Shareholders who intend to submit a list containing a number of candidates exceeding half of the members to be elected to provide adequate information, in the documentation submitted for the filing of the list, regarding the list's compliance with these guidelines from Acea's Board of Directors concerning the quantitative and qualitative composition deemed optimal for it, including with reference to the diversity criteria set out in Principle VII and Recommendation 8 of the Code.

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Moreover, all Shareholders are also invited to take into account the need to ensure compliance with current legislation and the provisions of the Articles of Association in relation to gender balance when drawing up lists of candidates for the Board of Directors, so as to ensure that at least two-fifths of the members of the Board of Directors as a whole are of the under-represented gender.