



# Investor Presentation

NOVEMBER 2025



People for  
sustainable  
infrastructure

# Agenda

- » **Acea: Infrastructural operator with low leverage**
- » **9M 2025 Results**
- » **2024 Results**
- » **Evolving context**
- » **📍 28: Green Diligent Growth**
- » **Targets 2028**
- » **2023-28 Projections**
- » **Closing remarks**






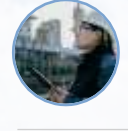

# Acea: Infrastructural operator with low leverage



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# ACEA: INFRASTRUCTURAL OPERATOR WITH LOW LEVERAGE

## Key numbers, 2024

- 
**WATER**
- 
**ELECTRICITY**
- 
**ENVIRONMENT**
- 
**ENGINEERING**
- 
**PRODUCTION**

**10** Mln **people served** in Italy (20mln including foreign countries)

**1.7** Mln **PODs** in Rome, the largest city grid in Europe (over 32,000 km)

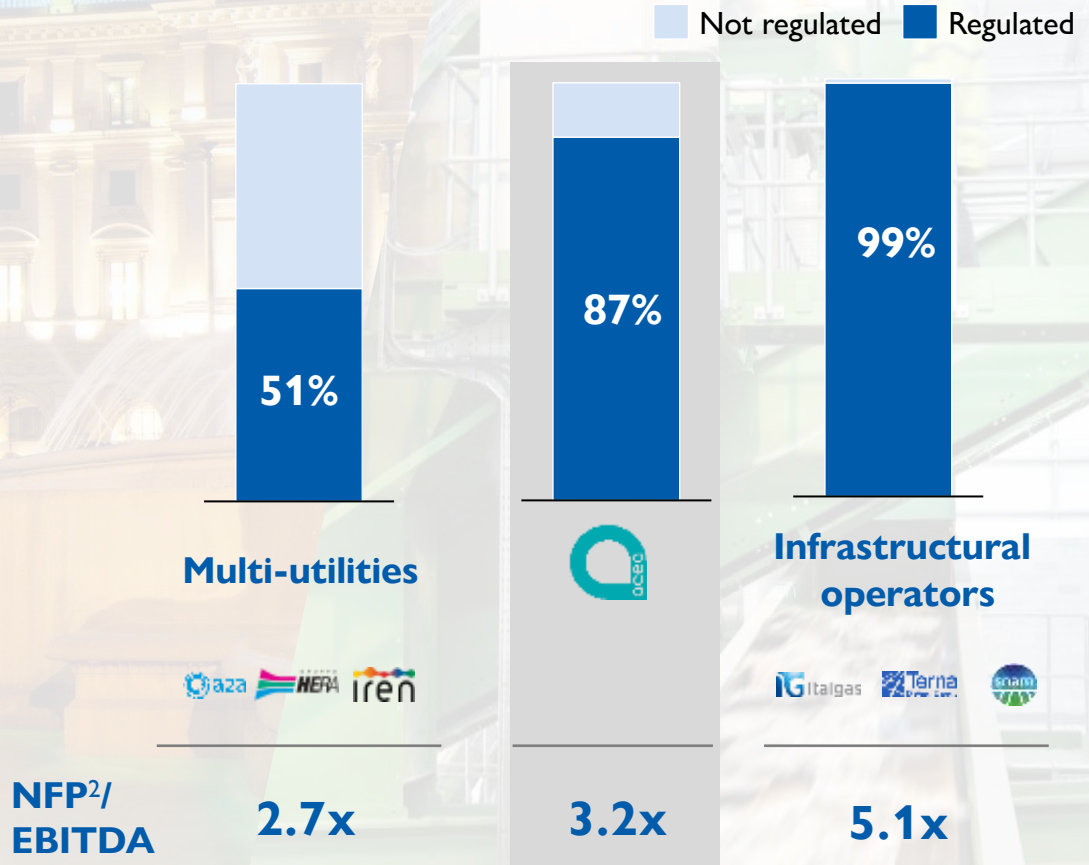
**1.4** Mln **customers**

**1.7** Mln tons of **waste treated**, with 25 plants in 8 regions

**400+** **Engineers** with distinctive technical skills

**380** MW of **installed capacity**, including 270 from renewables

## Regulated EBITDA<sup>1</sup>, % of total



Source: Bloomberg  
 1 Includes, on top of the regulated businesses Water Italy and Grids, the Public Lighting and Environment businesses. 2024 figures. | 2. NFP does not include hybrid bonds (Terna 1.85bn€, Snam 1bn€, A2A 0.75bn€, Iren 0.5bn€)

# 9M 2025 Results

The background is a vibrant teal color. It features a complex network of glowing blue lines and dots, creating a sense of connectivity and data. The network forms several abstract shapes: a large, multi-faceted cone-like structure in the lower center, a spherical structure on the right, and various smaller, interconnected clusters throughout the upper and middle sections. The overall aesthetic is futuristic and technological.

# REGULATORY AND MARKET ENVIRONMENT

THE PROCESS FOR THE TWO-YEAR UPDATE OF TARIFFS FOR THE INTEGRATED WATER SERVICE HAS STARTED

## Regulation



- **Water:** Technical and Contractual Quality **Incentives** for over **36mln€** recognized to the ACEA Group by **ARERA** over 2022-2023, of which **22mln€ to fully consolidated companies**<sup>1</sup>.
- **MTI-4 tariff approvals by local authorities completed** in 2024, those by **ARERA** are underway. **Consultations for the two-year period of MTI-4<sup>2</sup> have begun.** **WACC** equal to **6.1%**.
- **Grids:** provisional 2025 tariff published in May 2025, **WACC** equal to **5.6%**, **updated the RAB** revaluation parameter by adopting the **Italian IPCA** (1.1% for 2025). In July, the request regarding **network losses** was accepted. **No activation of the trigger for the 2026<sup>3</sup> allowed return.**

## Commodity prices and Inflation



- **9M 2025** energy price (**SNP**) rising to **117€/MWh** (+14€/MWh vs 9M 2024).
- **9M 2025** gas price (**PSV**) rising to **41€/MWh** (+7€/MWh vs 9M 2024).
- **September inflation -0.2% on a monthly basis** and **+1.6% on a trend basis**<sup>4</sup>.

## Interest rates<sup>5</sup>



The following rates were reported, on average, in 9M 2025:

- Euribor 6M **2.2%** vs 3.7% in 9M 2024;
- MidSwap 8Y **2.5%** vs 2.7% in 9M 2024.

The ECB performed **4 deposit rate cuts** of **25 bps** each in 9M 2025.

# HIGHLIGHTS

## 9M 2025<sup>1</sup>

**Revenues** pro-forma **+7%** vs. 9M 2024

**EBITDA** pro-forma **+10%** vs. 9M 2024  
excluding one-offs and changes in scope

**Regulated EBITDA<sup>2</sup> 95%**

**Net profit +8%** vs. 9M 2024  
excluding one-offs

**CAPEX +2%** vs. 9M 2024  
net of public grants

**Regulated CAPEX<sup>2</sup> 95%**

**Net Debt/EBITDA LTM**  
pro-forma<sup>4</sup> **3.39x**

## RESULTS SHOW A STRONG GROWTH COMPARED TO 2024 REGULATED EBITDA STANDS AT 95%

**Group pro-forma revenues were 2.2bn€** of which around 2.0bn€ related to regulated businesses. Regulated revenues were up 7% vs 9M 2024 mainly due to the investments carried out in the previous years and tariff approvals.

**EBITDA pro-forma was 1,084mln€, + 84mln€ (+8%)** vs 9M 2024 thanks to organic growth and the awarding of incentives for the technical and contractual quality of the integrated water service (~25mln€).

**Organic EBITDA pro-forma<sup>3</sup> was 1,069mln€, +96mln€ (+10%)** vs 9M 2024 mainly driven by the growth of Water Italy, Grids and Public Lighting, and Generation businesses.

**Net Profit was 415mln€, +130mln€ (+46%)** vs 9M 2024.

**Organic Net Profit<sup>3</sup> was 301mln€, +23mln€ (+8%)** vs 9M 2024 mirroring the performance posted at an operating level.

**Capex net of public subsidies was 843mln€(+2%).**

Including the investments financed **by grants, total capex** reached **1,010mln€ (+6%).**

9M 2025 **operating free cash flow was positive for 19mln€.** Results for the period allowed to maintain a solid financial structure, with a pro-forma Net Debt/EBITDA of 3.39x.

1. In accordance with IFRS 5, Acea Energia is classified as a "discontinued operation" as it is expected to be disposed of within the first half of 2026. This classification entails, among the others, the synthetic consolidation of Acea Energia's income statement represented in a single separate item in Acea's consolidated income statement, "Net Result from Discontinued Operations". To provide a more meaningful analysis of the Acea Group's financial performance, Acea's pro forma consolidated income statements for the periods ended September 30, 2025, and 2024 (the "Pro Forma Consolidated Statements") have been prepared. These statements simulate, using valuation criteria consistent with those adopted by the Company, the main economic effects of the Sale, restoring, with the sole exception of dividends, intercompany transactions with discontinued operations in order to obtain a representation of the results of continuing operations as if the discontinued operations had been deconsolidated, as well as to simulate the consolidation of Acquedotto del Fiora at equity in the first nine months of 2024. In particular, in line with the IFRIC's discussion regarding the elimination of intercompany balances between continuing operations and discontinued operations, the following pro forma adjustments have been made: 1) the income statement balances for the periods in question relating to transactions between Acea group companies and Acea Energia have been reinstated, as it is believed that these operations will continue even after the disposal (such balances, where applicable, have in fact been eliminated in the consolidation process) and 2) the accounting for Acquedotto del Fiora using the equity method has been adopted starting from 1 January 2024. For the first nine months of 2025, reported revenues and EBITDA reached 2,076mln€ and 1,071mln€, respectively. | 2. Regulated businesses include, in addition to the regulated Water Italy and Networks businesses, Public Lighting and Environment. | 3. Excluding one-off items and perimeter changes. | 4. The pro-forma Net Debt/EBITDA LTM (Last Twelve Months) ratio considers the effect of the future proceeds from the disposal of the Commercial Business; further details are available in the following slide.

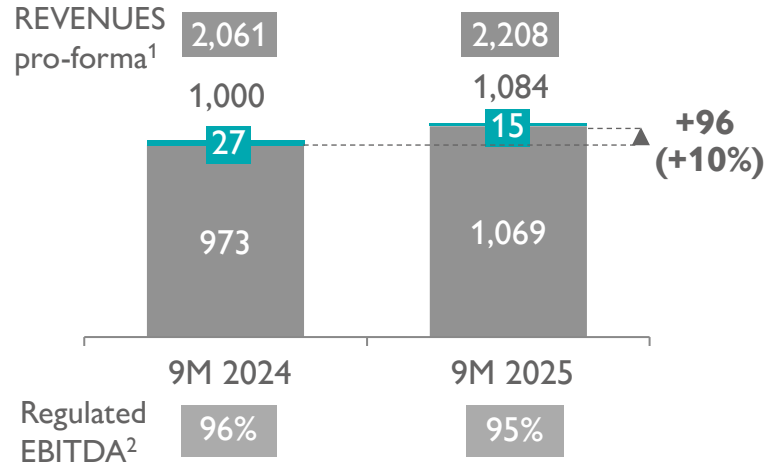


# OVERVIEW OF 9M 2025 RESULTS

ORGANIC EBITDA +10%, NET DEBT/EBITDA LTM PRO-FORMA IN LINE WITH THE GUIDANCE

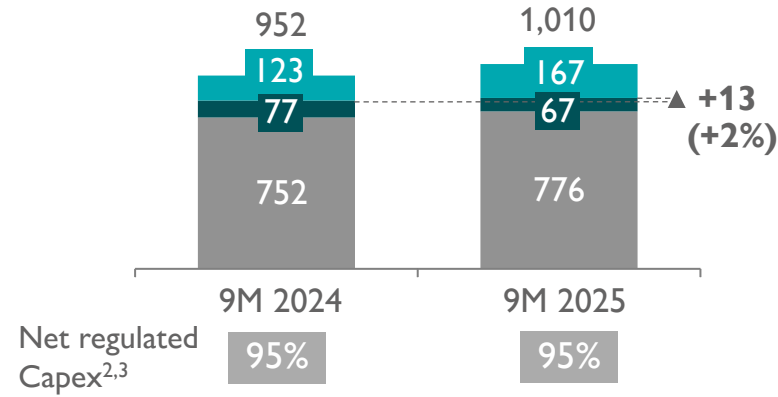
## EBITDA pro-forma<sup>1</sup>, mln€

Changes in scope and non-recurring events



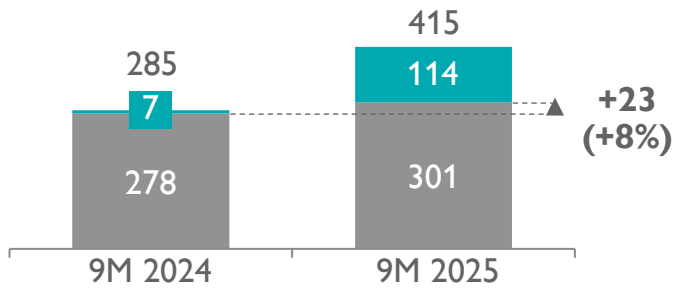
## CAPEX, mln€

Grant-funded  
Capex related to the divested business (discontinued operations) and to AdF in 2024



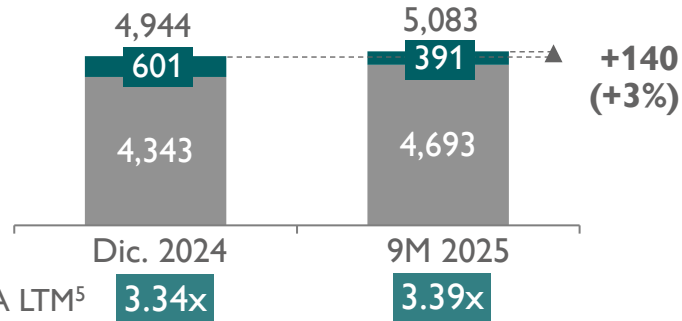
## Net Income, mln€

Changes in scope and non-recurring events



## NET DEBT<sup>4</sup>, mln€

HV disposal (2024) and future cash-in related to the sale of AE  
Pro-forma Net Debt



**STRENGTHENING THE ROLE OF INFRASTRUCTURE OPERATOR.**  
Regulated businesses represent approximately **95%** of the **Group's EBITDA**

Pro-forma **LTM NET DEBT/EBITDA ratio at 3.39x** considering the collection of the proceeds from the sale of ACEA Energia.

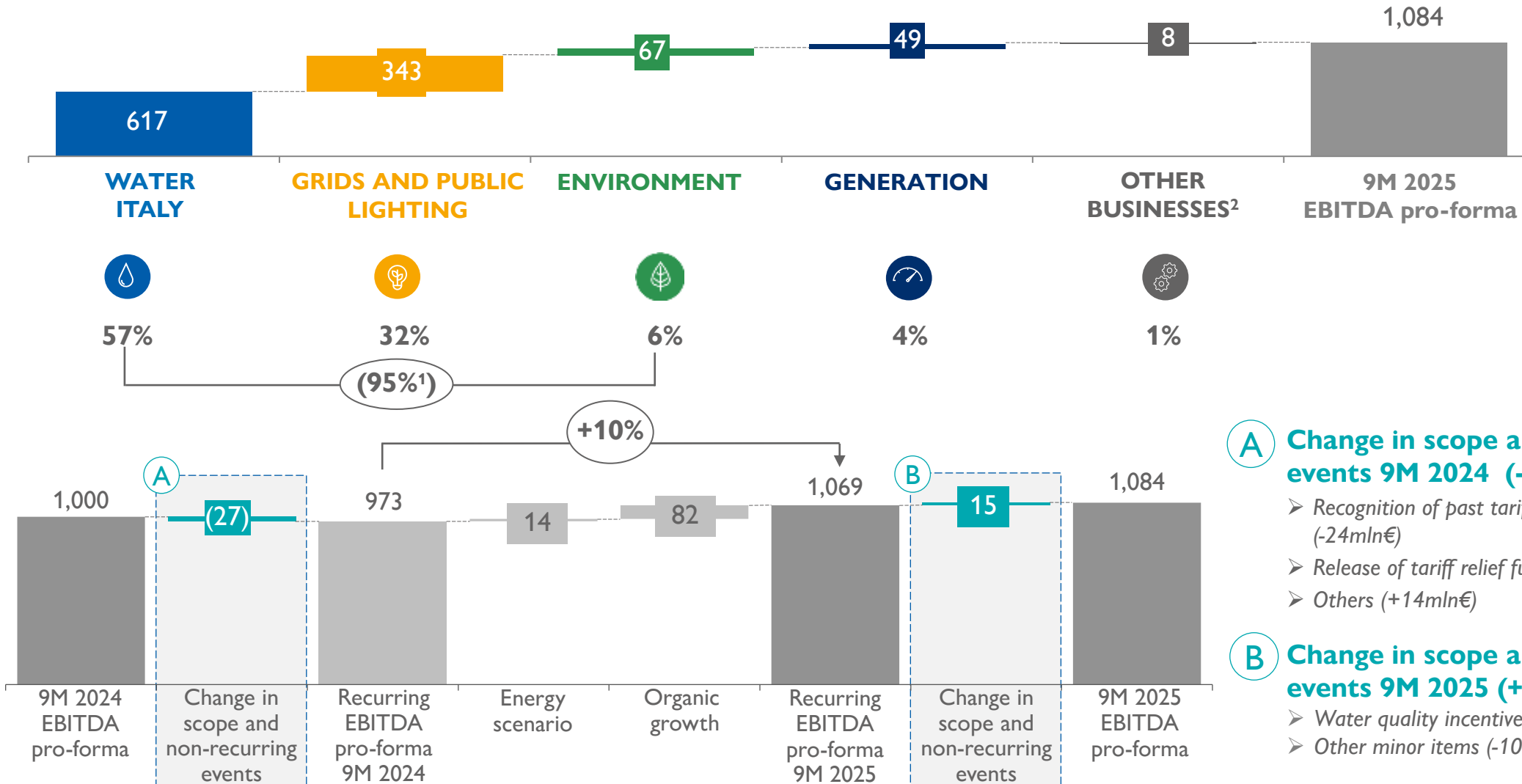
The **ratio is in line with the guidance.**

1. Revenues and EBITDA do not include the results of ACEA Energia's scope subject to disposal (reclassified under Discontinued Operations). Revenues are net of the results of equity-consolidated companies. For pro-forma results, see note on page 4. | 2. Includes, in addition to the regulated Water Italy and Networks businesses, Public Lighting and Environment. | 3. Percentage net of the ACEA Energia perimeter subject to disposal and, in 2024, of AdF investments. | 4. Net Debt does not include the net financial debt of Umbria Energy, represented under "Discontinued Operations." | 5 Pro-forma Net Debt considers: (i) the effect of the future collection of the proceeds for the disposal of ACEA Energia (based on the enterprise value offered in the binding offer of 460mln€, the recognized net cash of 128.5mln€ compared to ACEA Energia's reported net cash of approximately 213.9mln€ as of 31.12.24, plus cash variations during the 9M 2025 and Net Debt reclassified under discontinued operations); (ii) for 2024, the proceeds from the disposal of High Voltage to Terna for 227mln€ (excluding the ARERA premium, which will be collected in 2026) and equity consolidation of AdF from January 1st. LTM EBITDA assuming the pro-forma value net of HV. The reported Net Debt/EBITDA ratio is 3.62x for Dec. 2024 and 3.61x for 9M 2025.

# 9M 2025 EBITDA

GROWTH DRIVEN BY REGULATED BUSINESSES

EBITDA pro-forma, mln€



**A** Change in scope and non-recurring events 9M 2024 (-27mln€), of which:

- Recognition of past tariff items in the water sector (-24mln€)
- Release of tariff relief fund (-17mln€)
- Others (+14mln€)

**B** Change in scope and non-recurring events 9M 2025 (+15mln€), of which:

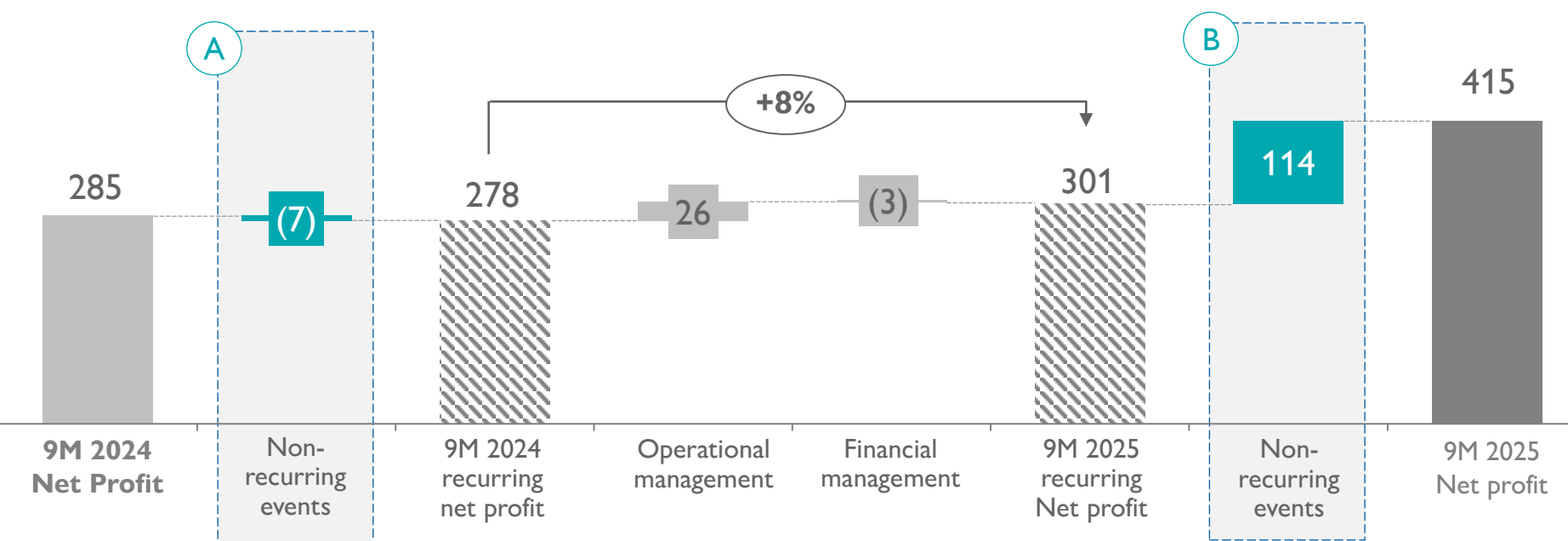
- Water quality incentives (+25mln€)
- Other minor items (-10mln€)

1. Pro-forma EBITDA. Includes, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses. | 2. Overseas Water, Engineering & Infrastructure Projects, Corporate and Energy Management (includes ACEA Energia business lines not included in the scope of the sale).

# 9M 2025 NET PROFIT

8% GROWTH IN ORGANIC NET PROFIT VS 2024

NET PROFIT, mln€



**A Non-recurring events 9M 2024 (-7mln€), of which:**

- Recognition of past tariff items in the water sector (-15mln€)
- Others (+8mln€)

**B Non-recurring events 9M 2025 (+114mln€) of which:**

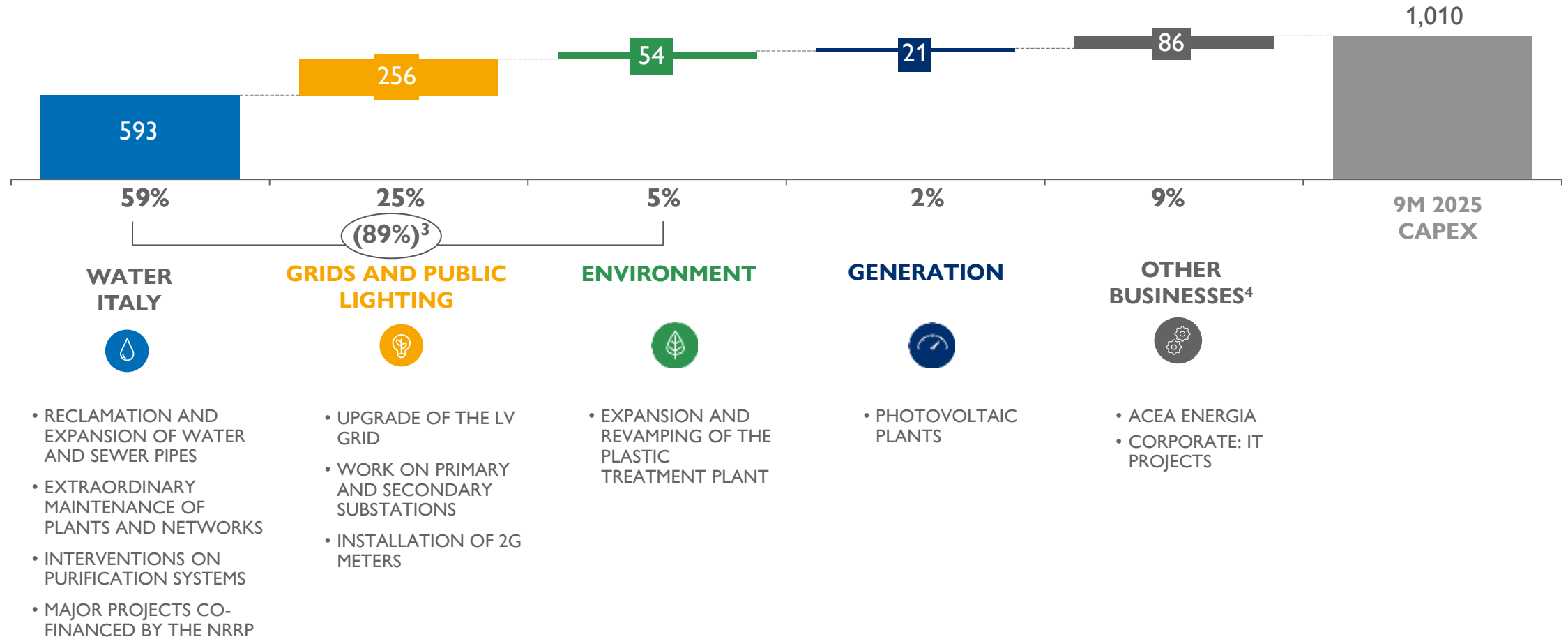
- HV disposal effect and stop of depreciation IFRS 5 (+116mln€)
- Water quality incentives (+14mln€)
- Others (-16mln€)



# 9M 2025 CAPEX

FOCUS ON REGULATED BUSINESSES, WHICH REPRESENT 95%<sup>1</sup> OF THE TOTAL

CAPEX<sup>2</sup>, mln€



1. Percentage net of investments of ACEA Energia perimeter subject to disposal. | 2. Gross of grant-funded capex equal to 167mln€ | 3. Includes, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses | 4. Overseas Water, Engineering & Infrastructure Projects, Corporate and ACEA Energia.

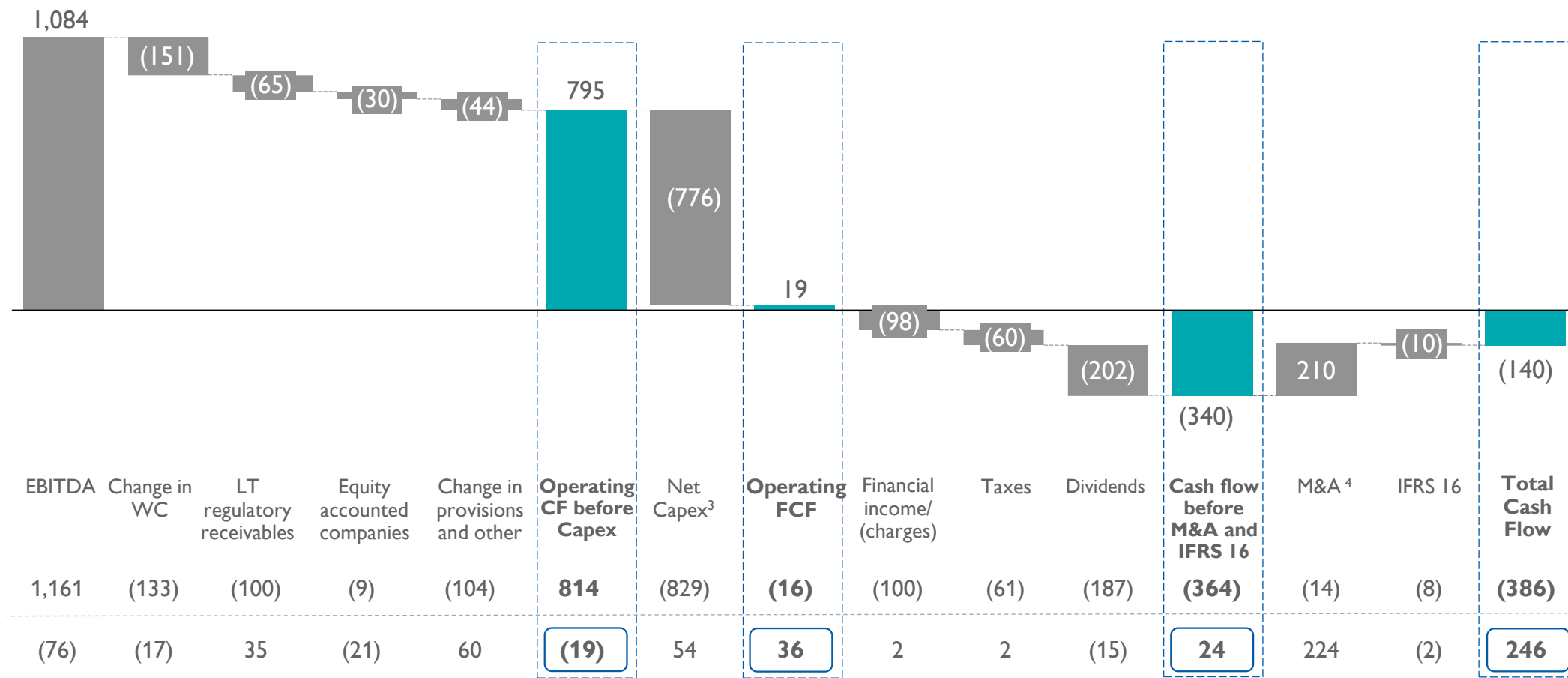
# 9M 2025 CASH FLOW

THE RESULTS OF THE PERIOD CONFIRM A SOLID FINANCIAL STRUCTURE

CASH FLOW, mln€

9M 2025<sup>1</sup>

**Operating FCF (+19mln€)** benefits, among others, from cash generation associated with Working Capital in the third quarter of 2025



1. Does not include cash flows from the ACEA Energia perimeter reclassified to discontinued activities. | 2. 2024 Cash Flow includes the ACEA Energia perimeter reclassified to discontinued operations in 2025. | 3. It does not include capex related to the perimeter subject to disposal. | 4. It includes the proceed from the sale of the High Voltage grid to Terna (227mln€).

# 9M 2025 FINANCIAL STRUCTURE

PRO-FORMA LTM NET DEBT/EBITDA RATIO IN LINE WITH THE GUIDANCE, AVERAGE COST OF DEBT 2.04%

## NET DEBT DEC 2024-9M 2025 mln€

	DEC 24	9M 25	Δ 9M 25 vs DEC 24
<b>Pro-forma NET DEBT<sup>1</sup></b>	<b>4,343</b>	<b>4,693</b>	<b>350</b>
Long-term debt	4,970	5,481	
Short-term debt	499	137	
Cash and cash equivalents pro-forma <sup>1</sup>	(1,126)	(925)	

## Leverage

PRO-FORMA NET DEBT/EBITDA LTM 30/09/2025	PRO-FORMA NET DEBT/EBITDA 31/12/2024
<b>3.39x</b>	<b>3.34x</b>

## Rating

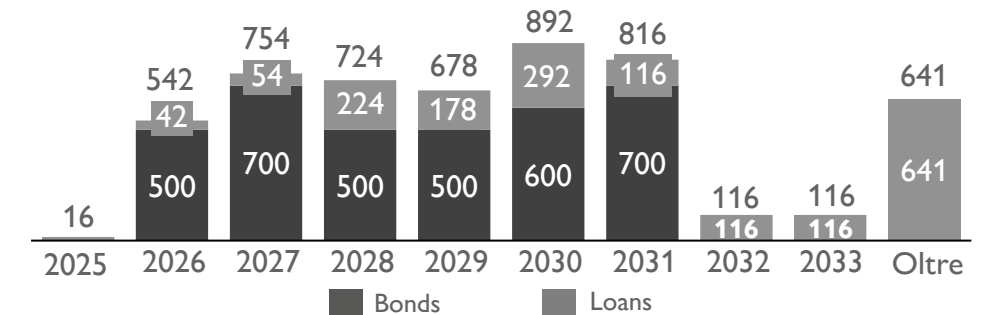
**FitchRatings** «**BBB+**»  
Stable Outlook

**MOODY'S** «**Baa2**»  
Positive Outlook

## Debt structure (maturity and interest rates as at 30/09/2025)



## Profile of main long-term maturities<sup>2</sup> mln€



### FEBRUARY 2025

- Drawing on a 500mln€ ceiling granted by the EIB for areti investments, two new loans were signed for a total of 180mln€, of which a direct loan of 125mln€ (disbursed in 1Q 2025) and a guaranteed loan of 55mln€ by SACE (not disbursed).
- The Yen 20bn private bond issued in March 2010 was repaid at its natural maturity.

### JULY 2025

On 16 July 2025, Acea established a new EMTN (Euro Medium Term Notes) Programme worth 5bn€, listed on the electronic bond Market (MOT) of Borsa Italiana and approved by the National Commission for Companies and the Stock Exchange (CONSOB).

### AUGUST – SEPTEMBER 2025

Two new loans have been signed and disbursed by the EIB for a total of 150mln€, including a 60mln€ loan for investments of areti and a 90mln€ loan for investments of ACEA Ato2.

### JULY – SEPTEMBER 2025

- During 3Q 2025, three bilateral banking lines were subscribed and disbursed for a total of 350mln€.
- 300mln€ green bond repaid at maturity.

1. For the definition of pro-forma data, please refer to slide 7. | 2. Maturities refer to Acea S.p.A.

# 2025 GUIDANCE: UPWARD REVISION

## PREVIOUS 2025 GUIDANCE

- ✓ EBITDA pro-forma  
+6%/+8% vs 2024 restated EBITDA
- ✓ CAPEX  
~ 1.6bn€  
of which ~1.2bn€ net of subsidies
- ✓ Pro-forma NET DEBT/EBITDA  
3.4/3.5x

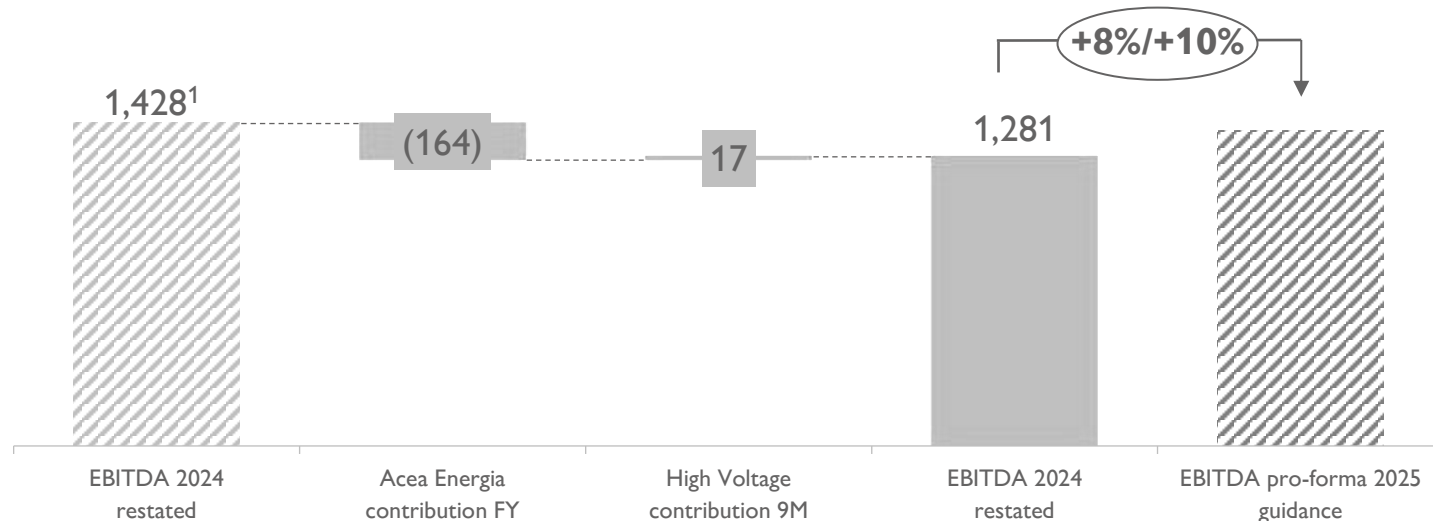
## NEW 2025 GUIDANCE

- ↑ ✓ EBITDA pro-forma  
+8%/+10% vs 2024 restated EBITDA
- ✓ CAPEX  
~1.6bn€  
of which ~1.2bn€ net of subsidies
- ✓ Pro-forma NET DEBT/EBITDA  
3.4/3.5x

## THE 2025 GUIDANCE:

- ✓ does not include the contribution of **HV** in the fourth quarter of the year at an **EBITDA** level
- ✓ includes technical and contractual quality **incentives** of approximately 25mln€ at an **EBITDA** level
- ✓ envisages the **equity consolidation of Acquedotto del Fiora** for the entire year
- ✓ the **NET DEBT/EBITDA pro-forma** ratio includes the collection of the consideration for the disposal of Acea Energia

## 2025 pro-forma EBITDA GUIDANCE, mln€



1. Restated 2024 EBITDA calculated net of non-recurring items, excluding the contribution of the HV network and consolidating Acquedotto del Fiora with the equity method for the full year in line with what was provided on March 13th on the occasion of the release of the 2025 guidance illustrated to the market in the presentation of the FY 2024 results

# 2024 Results

The background is a vibrant teal color with a complex network of glowing white and light blue lines and nodes. The nodes are small circles, some of which are larger and brighter, creating a sense of depth and connectivity. The lines form various geometric shapes, including triangles and polygons, some of which are larger and more prominent than others. The overall effect is that of a digital or data network, with a futuristic and technological feel.

# ACCELERATING GROWTH WITH LONG-TERM PROJECTS

## 2024 DELIVERY AND RELEVANT FACTS

2024

Q1

- Approval of **Industrial Plan 2024-2028**
- **Major works.** Construction sites start for interventions on the **Marcio Aqueduct** and the **Ottavia-Trionfale Line**
- Participation in the **Mattei Plan control room**, with commitment to research and development of infrastructure projects for water resource management in Africa
- **Fitch Ratings upgrades** ACEA outlook from “negative” to “stable”, confirming the “BBB+” rating
- Launch of **electrical flexibility services** in Rome through the **RomeFlex** project
- **Top Employers Italia Certification** achieved for the third consecutive year

Q2

- **WTE of Rome:** presentation of the offer related to the tender published by Rome Capital
- **Major works.** Allocation of an additional €150m in funding (in addition to the €700m already approved in 2022) for the **Peschiera Aqueduct**

Q3

- **Award** of the **tender** for the management of the integrated water service **in the province of Syracuse**
- **Award** of the **tender** for water and sewer maintenance **in the Comas area (North Lima) in Peru**
- **Establishment of Acea Acqua**, a new sub-holding for participations in the water sector, in order to promote greater operational efficiency
- **WTE of Rome:** proposal for award, by the judging commission for the concession, to the group of companies led by ACEA Ambiente

Q4

- **Award** of the **tender** for the management of the integrated water service **in the province of Imperia**
- **Award** of the 2nd lot of the **tender** for the maintenance of the water and sewerage network in the **Callao area (North Lima) in Peru**
- Binding agreement for the **sale of Areti's HV electricity grid to Terna**
- Participation in the tender for **hydroelectric concessions** (Codera Ratti-Dongo and Resio) in Lombardy
- **Acquedotto del Fiora:** accounting with equity method from October 1st 2024

# 2024 Highlights

**Revenues +5%** vs. 2023 regulated business I

**EBITDA +11%** vs. 2023 excluding one-offs and changes in scope<sup>3</sup>

**Net profit +18%** vs. 2023 excluding one-offs

**CAPEX +19%** vs. 2023 net of public grants

**OPERATING FCF + €373m**

STRONGLY GROWING RESULTS  
SIGNIFICANT IMPROVEMENT IN THE NET DEBT/EBITDA RATIO COMPARED TO 2023

**Group revenues of € 4.3bn** of which approximately €2.6bn related to regulated businesses, up by approximately 5% compared to 2023, mainly due to the investments carried out in the previous years and tariff approvals

**Reported EBITDA<sup>2</sup> amounting to €1,557m, +12% compared to 2023.**

**Organic EBITDA<sup>3</sup> amounting to €1,515m, + €152m compared to 2023** driven by the growth in the regulated businesses, Water Italy, Grids and Public Lighting, and by Commercial business

**Reported net profit amounting to €332m, +13% compared to 2023**

**Organic net profit of €330m, + €51m compared to 2023.** The growth in EBITDA more than offset the rise in depreciation linked to investments in regulated businesses

**Capex net of public subsidies amounting to €1,179m**, higher than in 2023 (+19%); including the investments financed by grants, the aggregate shows an increase of 26% compared to the previous year.  
The net investments in regulated businesses represent ~ 89% of the Group total

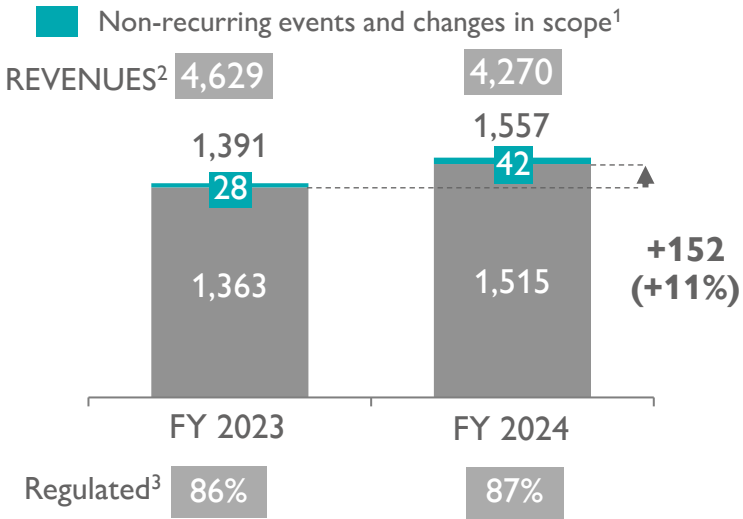
**The operating free cash flow was positive for €373m**, up compared to 2023 (+€225m). This allowed to maintain a solid financial structure, with a NET DEBT/EBITDA ratio of 3.18x, significantly better than 3.49x in 2023

1. Including, in addition to the Water Italy and Grids regulated businesses, Public Lighting and Environment businesses. The data does not include the results of companies accounted at equity | 2. Includes the full consolidation of Acquedotto del Fiora in 9M2024 (€47m) and at equity in 4Q2024 (€1m) | 3. Includes the full consolidation of Acquedotto del Fiora over whole 2024. Acquedotto del Fiora's 2024 financials: EBITDA €68m, net profit €14m and Net Debt €54m

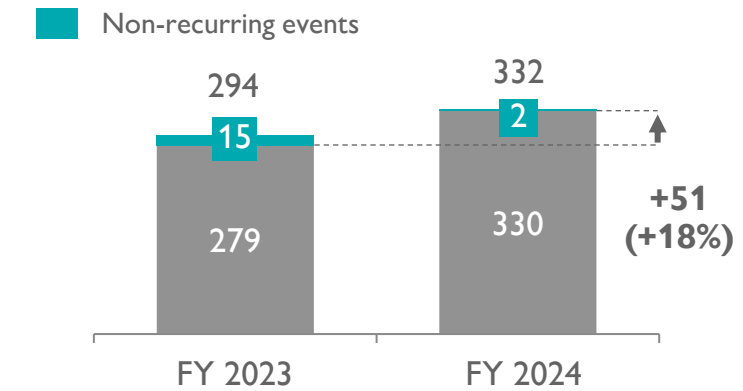
# OVERVIEW OF FY 2024 RESULTS

ACCELERATION OF THE GROWTH PATH OUTLINED BY THE INDUSTRIAL PLAN

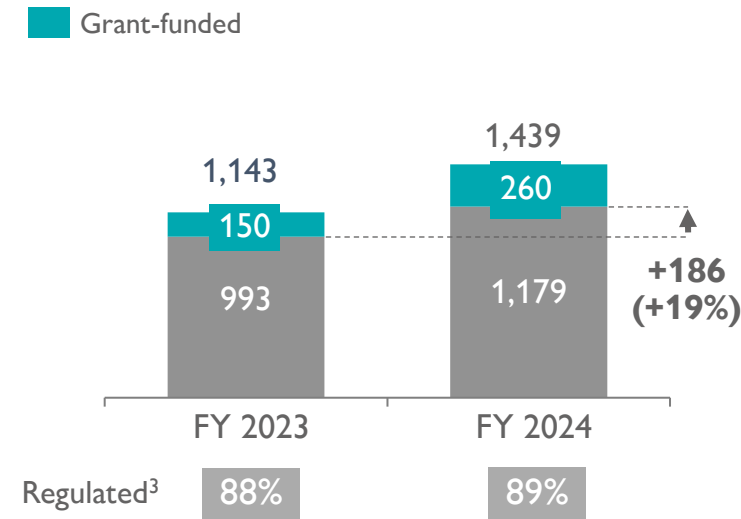
## EBITDA, €m



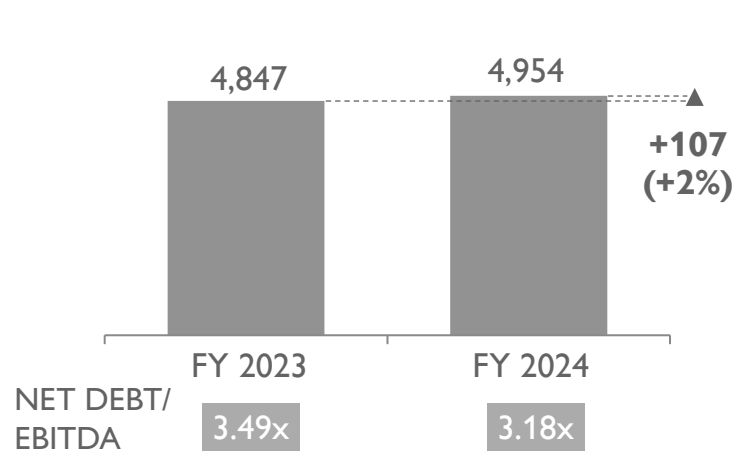
## Net profit, €m



## CAPEX, €m



## NET DEBT, €m



**Confirmed focus on regulated businesses**, which account for approximately **87% of the Group's recurring EBITDA** and **89% of capex net of subsidies**

**The sizeable increase in Net Profit** is mainly driven by the operational performance

**NET DEBT/EBITDA ratio improving significantly vs end of 2023**

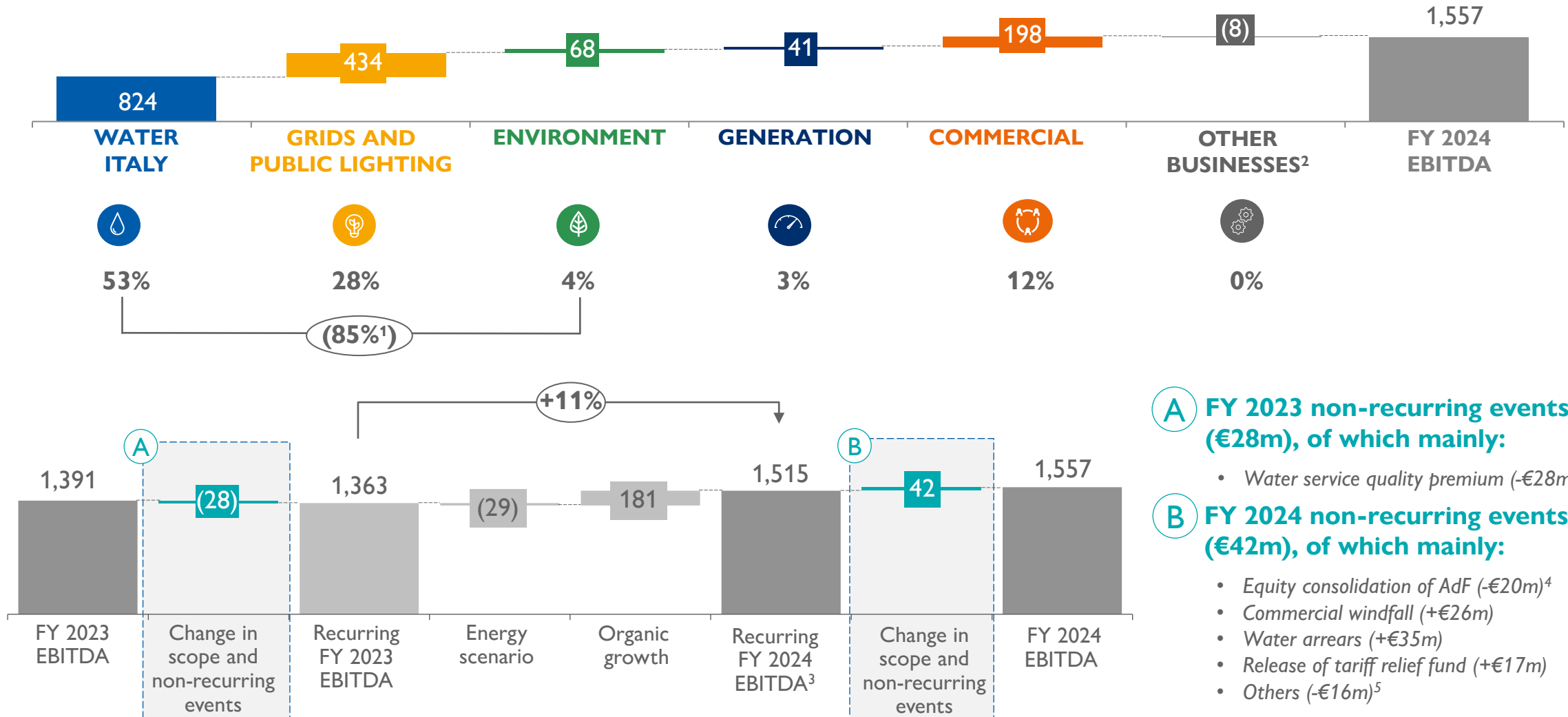
1. Details of the change in perimeter and non-recurring events are illustrated in the next slide

2. Reported data | 3. Includes, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses. Regulated EBITDA is expressed net of one-offs and change in perimeter

# FY 2024 EBITDA

GROWTH DRIVEN BY ORGANIC DEVELOPMENT OF REGULATED BUSINESSES

EBITDA, €m



**A** FY 2023 non-recurring events (€28m), of which mainly:

- Water service quality premium (-€28m)

**B** FY 2024 non-recurring events (€42m), of which mainly:

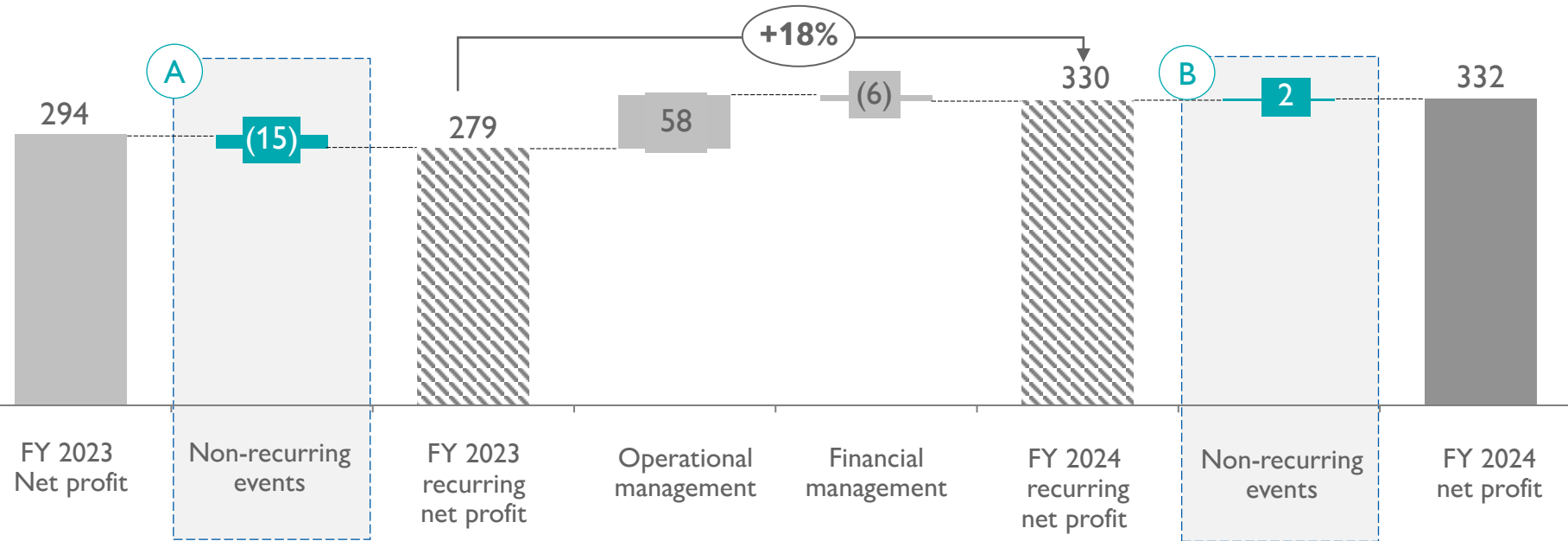
- Equity consolidation of AdF (-€20m)<sup>4</sup>
- Commercial windfall (+€26m)
- Water arrears (+€35m)
- Release of tariff relief fund (+€17m)
- Others (-€16m)<sup>5</sup>

1. Includes, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses | 2. Overseas Water, Engineering & Infrastructure Projects and Corporate | 3. Integral consolidation of Acquedotto del Fiora over the full year | 4. EBITDA (€21m) is deducted and pro-quota of net profit (€1m) is added with reference to 4Q2024 | 5. Including Terni WTE plant shutdown for maintenance

# FY 2024 NET PROFIT

OPERATIONAL MANAGEMENT DRIVES THE INCREASE IN NET PROFIT

NET PROFIT, €m



**A** FY 2023 non-recurring events (€15m), of which:

- Water service quality premium (-€18m)
- Commercial windfall (-€4m)
- Others (+€7m)

**B** FY 2023 non-recurring events (€2m), of which:

- Commercial windfall (+€18m)
- Water arrears (+€23m)
- Release of tariff relief fund (+€8m)
- Non-recurring provisions (-€16m)
- Others (-€31m)<sup>1</sup>

## DIVIDENDS

2024 DPS<sup>2</sup>

0.95€

Payout<sup>3</sup>

61%

Yield<sup>4</sup>

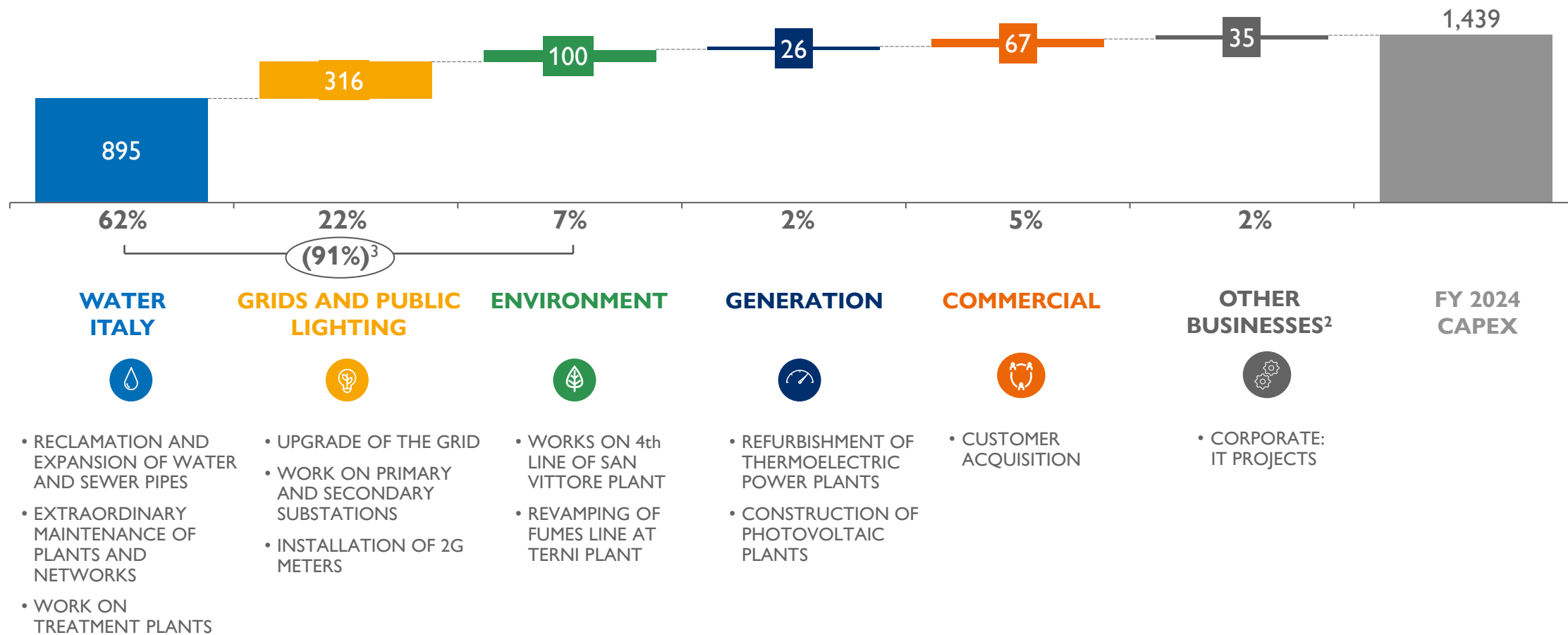
5.6%

1. Including impairment, Terni WTE plant shutdown for maintenance and PV revamping | 2. The dividend will be proposed by the Board of Directors to the Shareholders' Meeting, convened for 28th April 2025 in first call and 29th April 2025 in second call | 3. Calculated on consolidated net profit after minorities | 4. Calculated on market price of 12th March 2025

# FY 2024 CAPEX

CONTINUOUS FOCUS ON THE DEVELOPMENT, ENHANCEMENT AND STRENGTHENING OF ASSET RESILIENCE

CAPEX<sup>1</sup>, €m



1. Gross of grant-funded capex totalling €260m | 2. Overseas Water, Engineering & Infrastructure Projects and Corporate | 3. Including, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses

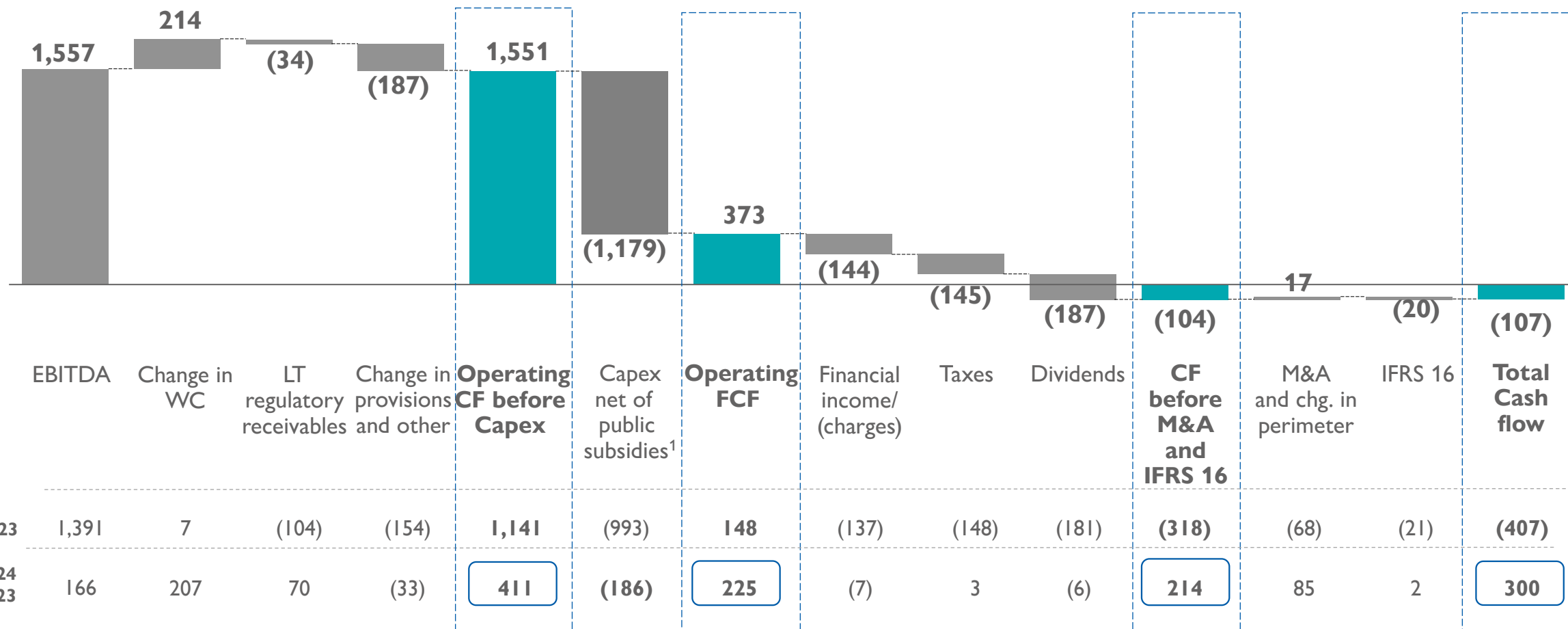
# CASH FLOW FY 2024

STRONGLY IMPROVING VS FY2023

CASH FLOW, €M

FY 2024

Operating FCF (€373m) improving thanks to operating performance and working capital optimization



1. Includes the value of advances on tenders, equal to approximately €100m

# FY 2024 FINANCIAL STRUCTURE

NET DEBT/EBITDA RATIO IMPROVED COMPARED TO 2023, AVERAGE COST OF DEBT 2.16%

## NET DEBT FY 2023-FY 2024 €m

	DEC 23	DEC 24	Δ DEC 24 vs DEC 23
<b>NET DEBT</b>	<b>4,847</b>	<b>4,954</b>	<b>107</b>
Long-term debt	4,771	4,895	
Short-term debt	923	759	
Cash and cash equivalents	(847)	(700)	

## Leverage

NET DEBT/EBITDA 31/12/2024	NET DEBT/EBITDA 31/12/2023
3.18x	3.49x

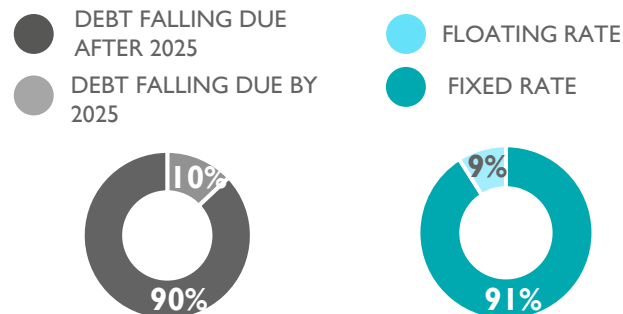
## Rating

**FitchRatings** «**BBB+**»  
Stable Outlook

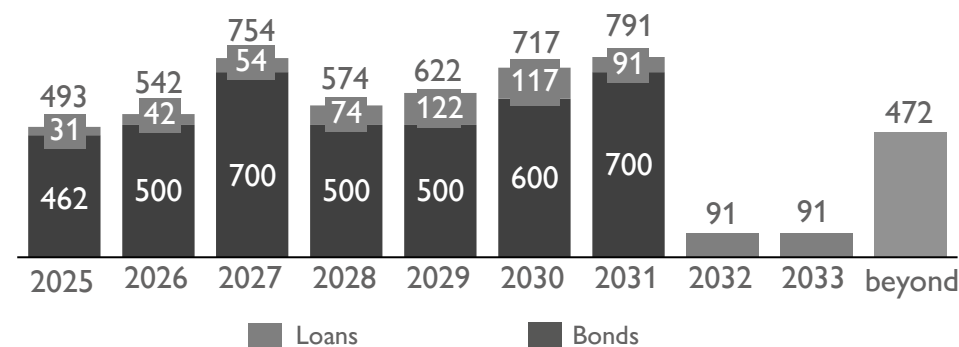
**MOODY'S** «**Baa2**»  
Positive Outlook<sup>1</sup>

## Debt structure (maturity and interest rates as at 31/12/2024)

%FIXED RATE DEBT: **91%**  
AVERAGE COST: **2.16%**  
AVERAGE MATURITY: **4.5 YEARS**



## Profile of main long-term maturities<sup>2</sup> €m



### APRIL AND JUNE 2024

The EIB has granted – in two tranches – a total financing of €435m to support ACEA ATO2 investments

### JULY 2024

The €600m bond issued on 15 July 2014 under the EMTN programme has been repaid at its maturity

### OCTOBER AND NOVEMBER 2024

€500m financing granted by the EIB, with a SACE guarantee, and Cassa Depositi e Prestiti (with EIB funding) to support areti investments. First tranche of EIB (€200m) and CDP financing (€120m) disbursed

1. Improved Outlook to Positive from Stable on 28 May 2025. | 2. Maturities refer to Acea S.p.A.

# 2024 KEY RESULTS



## E

- Publication of the first Green & Blue Financial Framework in Italy
- Approximately 980 GWh of electricity produced, of which over 60% from renewable sources
- The volumes of recycled and reused water, approximately 3.4 Mcm, represent over 50% of total consumption
- The renewable electricity consumed, with guarantee of origin, equal to approximately 345 GWh, exceeds 30% of total electricity consumption
- Over 43 thousand tons of quality compost produced
- Of the total Capex considered for Taxonomy purpose, those aligned are equal to 74%



## S

- Over 225 thousand hours of training provided, with a per capita average of 29 hours for women and 25 hours for men
- The UNI/PDR 125:2022 certification (Gender Equality) has been confirmed for Acea SpA and extended to 5 companies of the Group
- Companies with health and safety management systems cover 95% of headcounts
- Over 620 clinical screenings (senological, dermatological and endocrinological) carried out by Acea's people as part of the company's cancer prevention campaign, with a 20% increase compared to the previous year
- A three-year protocol has been signed with the Ministry of Education and Merit for information and training activities on water resources and their responsible use, at primary and lower secondary schools of the national education system



## G

- The weight of sustainability objectives on the variable part of remuneration systems (MBO and LTIP) has risen to 20%
- Sustainable Procurement Policy approved, whose subscription by suppliers is mandatory during the qualification phase
- Approximately 15,000 safety checks on construction sites for networks, water and electricity contracts
- Sustainability Plan @2028 defined and approved

# SUSTAINABILITY RATING



"EE+"



"A"



20.4  
(medium risk)



B-  
(status PRIME)



"B"  
Management



64/100



"Leader ESG  
Identity"

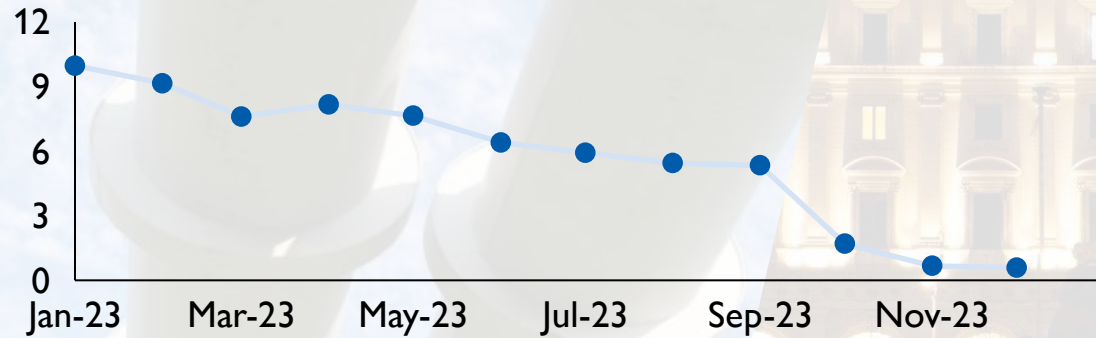
# Evolving context



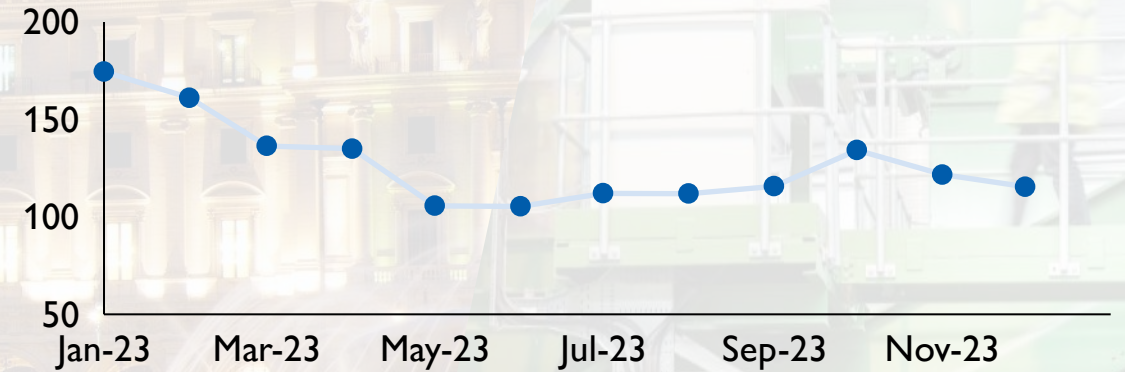
People for  
sustainable  
infrastructure

# Volatile macroeconomic context, new regulatory scenario for Water and Grids

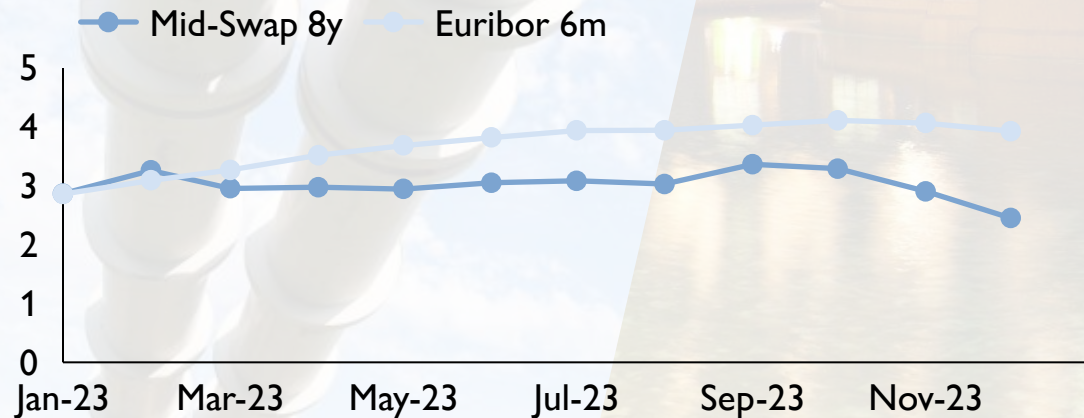
**Inflation<sup>1</sup>, %**



**NSP<sup>2</sup>, €/MWh**



**Interest rates<sup>3</sup>, %**

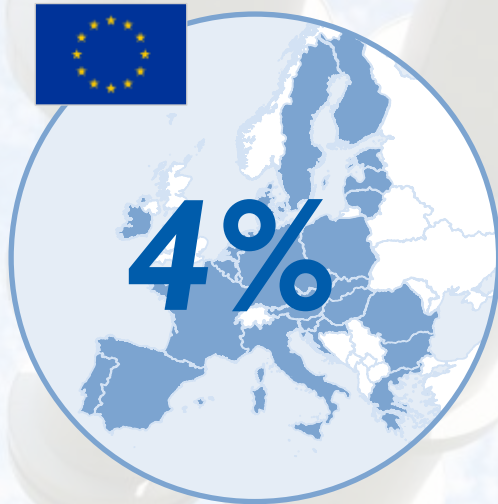


**Regulatory scenario**

Areas	Indicators	2022	2023
<b>WATER Italy</b>	<b>WACC</b>	<b>4.8%</b>	<b>4.8%</b>
	<b>Deflator</b>	<b>0.4%</b>	<b>3.4%</b>
<b>GRIDS</b>	<b>WACC</b>	<b>5.2%</b>	<b>5.2%</b>
	<b>Deflator</b>	<b>0.4%</b>	<b>2.6%</b>

1. Istat Consumer Price Index for the whole community | 2. GME, National Single Price (average annual purchase price) | 3. Source: Bloomberg

# Europe: significant green investments planned...



of European GDP per year in green investments by 2030

## ... particularly in Acea's businesses

Projected investments until 2030



**WATER**

*Infrastructure*

**600 bn€**



**ELECTRICITY**

*Grids resilience*

**400 bn€**



**ENVIRONMENT**

*Circular Economy*

**200 bn€**

**The delivery of investments requires a deep understanding of a rapidly evolving context**

**1**

**“Trilemma” of the energy transition**



**3**

**Availability of natural and financial resources**

**2**

**Skills and New Technologies**



# 1 "Trilemma" of the energy transition:

Need for operators to ensure availability and quality of resources while meeting sustainability criteria

Perimeter Europe, in 2030



**WATER**



**ELECTRICITY**



**ENVIRONMENT**

**Availability**

**~70%**

southern European population subject to seasonal water stress

**~450 GW**

green capacity to be installed to meet decarbonization target

**+330**

potential additional WtE facilities in Europe

**Quality**

**+70 mln**

new individuals with access to clean water

**-60%**

power outages thanks to smart grids

**~60%**

of recycling over municipal waste in Europe (vs. 48%)

**Sustainability**

**~7 bn m<sup>3</sup>**

potentially reusable wastewater in Europe

**-55%**

CO<sub>2</sub> emissions from electricity production

**+22 mln**

of people potentially heated by heat produced by WtE

## 2 Capabilities and New Technologies

*New technologies affect asset management, workforce, and customer relations*

**New capabilities required by the labor market**



**Engineering and delivery**

(gap of ~500k technicians<sup>1</sup> in Europe by 2028)



**STEM capabilities** (Science, Technology, Engineering, Mathematics)



End-to-end **customer relationship** management

**New Technologies**



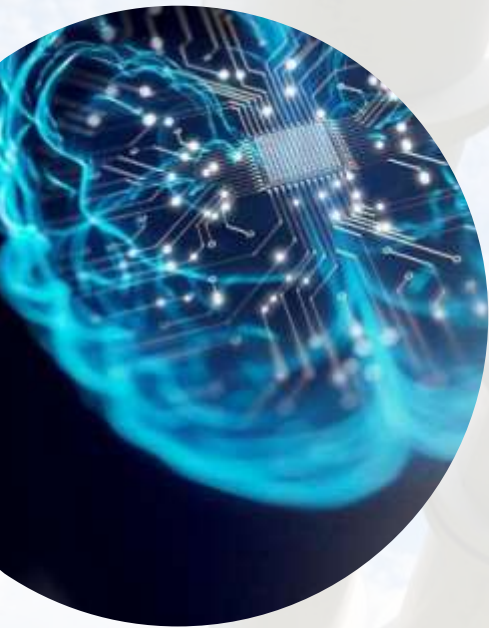
**Digitization: digital twin** of network assets, **automation** of back-office processes and **digitization of customer experience**



**Artificial Intelligence: predictive maintenance, automatic** field force **dispatching** and **chatbots** for customer support



**Robotics: drones** for network monitoring, **robots** for waste separation, **exoskeletons** for construction support



1. Includes engineers/designers, skilled workers/technicians, field workers

# 3 Availability of natural and financial resources

*Scarcity and increase in the costs of production factors*

## Natural Resources



**Scarcity of primary natural resources** such as water and natural gas

## Supply chain



**Strong supply chain disruptions and implications for pricing and availability of key items** for infrastructure delivery

## Finance



**High cost of debt**  
(~4% vs. last 10-year average of ~1%<sup>1</sup>)



# Italy: need for significant investments and technological development



## Water



### Aging water networks

(60% network: 30+ year old; 25%: 50+ year old)

### Significant leakages

(2x European average)



### Market fragmentation

(~2.500 operators)

### Limited/heterogenous investments

(average investments by inhabitant/year: 56€ large operators, 8€ operators “in economia” and 78€ average EU)



### Declining resource availability

(-20% vs. beginning of 20<sup>th</sup> century)

### Expected further reduction due to climate change

(-30/40% by 2050)



## Electricity



### Under-investment in the grid vs. European peers

(Netherlands/Germany at 3/4x vs. Italy<sup>1</sup>)



### Lower service levels vs. European peers

(Italy SAIDI<sup>2</sup> at 3x vs. Germany)



### Increase in demand due to electrification of consumption

(1.5x in the next 10 years)



## Environment



### Infrastructural gap in Central-Southern Italy

(Northern Italy: ~70% WtE plants and biological treatments)



### Growth of new waste treatment value chains

(textile polymers, batteries)



### Strong regulatory push towards recycling in Italy and EU

(EU: target of 65% recycling by 2035)

# Regulation: toward output based models and Totex efficiency targets

## From...



### Capex

- **Rate of return approach:** tariff recognition of actual Capex (remuneration + depreciation)



### Opex

- **Price cap approach:** cost in tariff determined based on historical data and efficiency targets (excluding selected costs, e.g., electricity in Water), sharing efficiencies between operator and user



### Incentive

- **Foreseen bonus/malus mechanisms based on quality KPIs**



...to

## Electricity



- **Price-cap-type efficiency incentives on Opex from 2024 (basic ROSS<sup>1</sup>) and expected also on Capex (integral ROSS)**
- **Tariffs based on capitalization rates decided upfront**
- **Service targets integrated in the regulation**

## Water



- Rate of return for Capex and price cap for Opex
- **Incentives: extended to reuse and purchased electricity**
- **In other countries, Totex & output-based approach already consolidated (e.g. UK)**



## Opportunities

Opportunities for operators which achieve:

- **Operational excellence** in investments plan delivery, operations and financial management
- **Focus/ optimization of spending** aiming at **service quality**



**A28** | **Green  
Diligent  
Growth**



# Green Diligent Growth: Mission

*“Developing and managing safe and sustainable infrastructures.*

*With our people, ensuring access and circularity to critical resources for Citizens, Businesses, and Communities”*



People for  
sustainable  
infrastructure

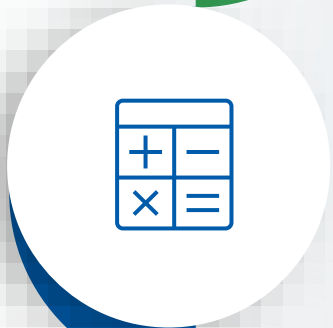
# Q28 | Green Diligent Growth: Strategy



## Green

Focus on regulated infrastructure businesses by strengthening positioning and expanding into adjacent segments

ESG across businesses



## Diligent

People at the center

Operation excellence with strong cost and investment discipline to sustain cash generation

Optimization of financial structure and capital allocation



## Growth

Capex increase (also in innovation)

Shareholder value growth (RAB/ Net Profit/ Dividends)

# Q28 | Green Diligent Growth: Targets

From (2020-2023)..... to (2028)



## Green

% regulated EBITDA<sup>1</sup>

87%

90%

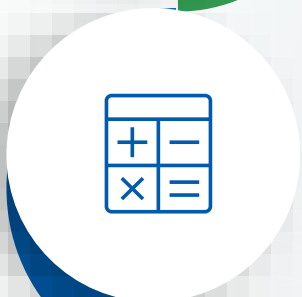
» Focus on regulated infrastructures

ESG linked Capex (yearly)

0.4 bn€

1.0 bn€

» ESG across businesses



## Diligent

EBITDA margin

30%

43%

» Operational excellence

NFP/ EBITDA

3.5x

3.1x

» Optimization of financial structure



## Growth

Total Capex (yearly)

1.0 bn€

1.5 bn€

» Capex increase

Net Profit (CAGR)

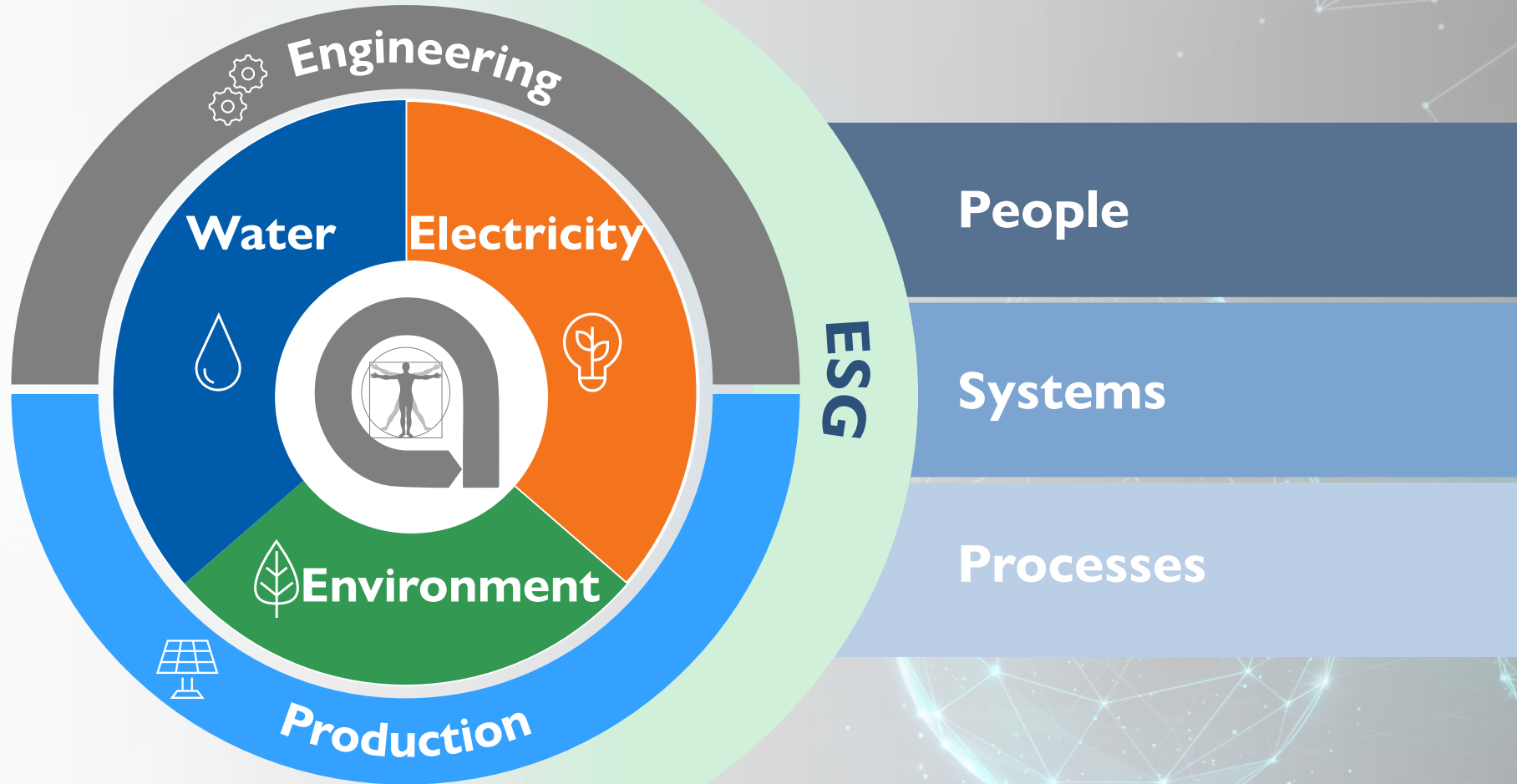
1%

5%

» Shareholder value growth

1. Regulated Includes, in addition to the regulated businesses Water Italy and Networks, the Public Lighting and Environment businesses

# Q28 | Green Diligent Growth: Operational framework





## 20 mln clients served...

# Customers **10** mln + **10** mln



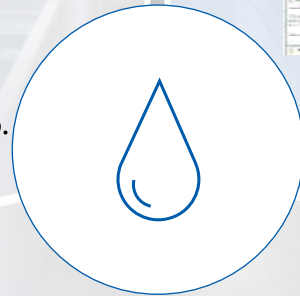
Peru



Honduras



Dominican Rep.



EBITDA **780** mln€

## ...with innovative skills...



“**Waidy - Water Management System**”: platform for network analysis, monitoring and intervention planning



“**Workforce Management System**”: platform for dispatching / field force routing optimization



“**Calix - Smart Meter**”: for real-time measurement of water consumption and pressure

## ...and across the entire value chain

**Capture and potabilization**



~ 1.3 bn m<sup>3</sup> of drinkable water

**Distribution and adduction**



56,000+ km of water network

**Wastewater collection**



23,000+ km of sewage network

**Treatment and purification**



~900 mln m<sup>3</sup> of wastewater treated

**Re-introduction in the environment**



Reuse of purified water in agriculture

**River water**



Distinctive competencies in restoration

**Industrial water**



Distinctive competencies in treatment

## WATER: Our vision

International  
diversified  
operator



### Water net zero

- Ensuring the **availability** of the resource
- Monitoring/increasing the **quality** of the resource

### Local approach and leadership in innovation

- Aspiring to be the:
  - **Go-to operator** at **local** level, ensuring **maximum attention** to **local communities** and **people**
  - Leading operator in terms of **innovation**, **research** and **development**



Weight on EBITDA '28

57%

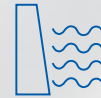


## Strengthening

**SERVICE LEVEL  
INCREASE IN ITALY**



**Increasing water systems' resilience**



**Optimizing and innovating network management**



**Developing collection and potabilization processes**



**Simplifying the Water's corporate structure to promote higher operational efficiencies** (via a new sub-holding)

## Development<sup>1</sup>

**SELECTIVE GROWTH IN  
ITALY AND ABROAD**



**Growing via tenders and partnerships aiming at aggregating local water utilities**  
(leveraging on distinctive capabilities in concession management)



**Consolidating activities in Peru and Honduras**  
**Valuating growth opportunities in Europe, Africa, Middle East**, also via partnerships  
(design, construction, and operation of networks/plants for potabilization/depuration/treatment of municipals, industrial and agricultural water)

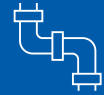


## Increase in water system resilience



- **Implementation of strategic infrastructure works** – Peschiera and large aqueducts
- Implementation of aqueduct **interconnection systems** within and between areas
- Engineering of a **vulnerability model** for **climate risk** assessment of the entire water system

## Optimization and innovation of water network management



- **Districtualization of the water network**
- **Implementation of network efficiency measures** – PNRR and REACT EU
- **Increase in automation and machine learning** in water volume management
- **Implementation of technology for predictive maintenance**
- **Development of water quality monitoring systems** also adopting new filtration systems
- **Development of innovative systems for desalination and potabilization**

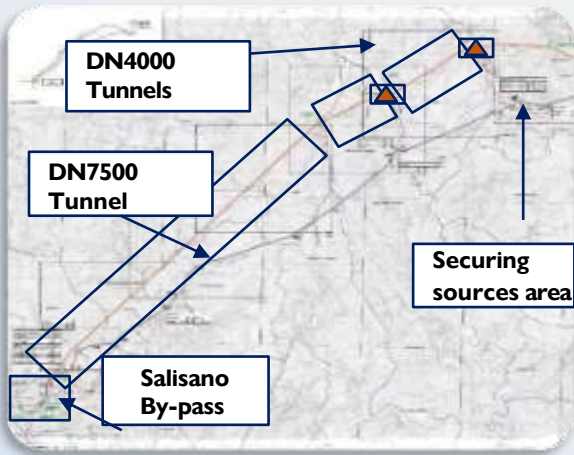
## Development of collection and purification processes



- Districtualization of **sewerage network**
- **Centralization** of **purification** plants
- Reduction of **sewage sludge** produced
- Reuse of **wastewater**



## Major works



### NEW PESCHIERA ALTO

Securing Rome's water supply

## Purification/sludge treatment



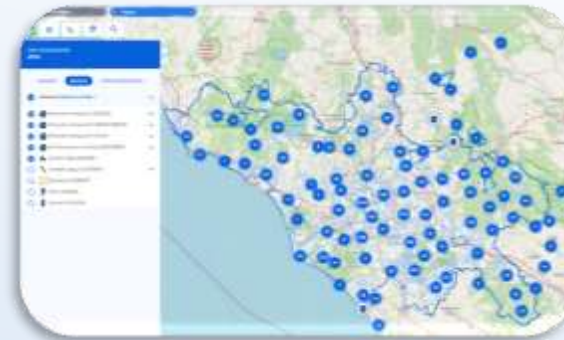
Circular sludge management

Centralization of sewage treatment plants



## Laboratory/reuse

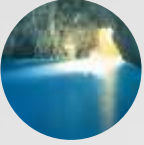
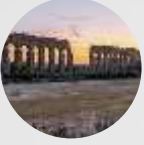

Fregene: reuse wastewater, purifier



Water Management System, network digitization and smart metering

# Q28 | WATER: Major works examples



Intervention	Description	KPIs
 <b>Peschiera Aqueduct</b>	Construction of an upper section <b>second line</b> with <b>high anti-seismic</b> standards and possibility of <b>maintenance without flow discontinuity</b> (~10 m <sup>3</sup> /sec)	<ul style="list-style-type: none"><li>• Length: <b>~25 km</b></li><li>• Population served: <b>&gt;2 mln</b></li><li>• Investment: <b>~0.7 bn€</b> during plan period</li></ul>
 <b>Marcio Aqueduct</b>	Upgrade of Rome's <b>second adduction</b> system for <b>greater resilience</b> , possibility of <b>inspection/maintenance activities</b> , and <b>sanitary protection</b> of the resource	<ul style="list-style-type: none"><li>• Length: <b>~7.5km</b></li><li>• Population served : <b>&lt;1 mln</b></li><li>• Investment: <b>~0.2 bn€</b></li></ul>
 <b>Ottavia-Trionfale</b>	Creation of <b>new connection line</b> to ensure <b>alternatives</b> for <b>water supply</b> to Rome and replenishment of Monte Mario reservoir	<ul style="list-style-type: none"><li>• Length: <b>~5km</b></li><li>• Population served: <b>&lt;1 mln</b></li><li>• Investment: <b>~0.1 bn€</b></li></ul>

# Q28 | WATER: Partnership examples in agriculture



Bonifiche Ferraresi example

A

Optimizing water use in agriculture



- Identify **new technologies**, including artificial intelligence, to **improve water use in agriculture**
- Focus on **sustainable irrigation practices** based on EU, national and regional regulations

B

Synergies in water and energy



**Develop synergies in water and energy**, for example:

- **Recovery consortia**: design, implementation and management of infrastructural works and actions for environmental protection and disaster prevention
- **Storage and pumping reservoirs**: including installation of renewable electricity generation plants

C

International expansion



Explore **new opportunities in foreign markets** with a focus on:

- **Technologies and know-how** with high growth potential
- **Spillovers on local** agricultural, water and energy **communities**
- **Support for institutions** (central and local)

D

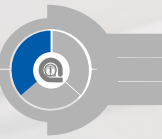
Circular economy



Promoting circular economy models, aimed at:

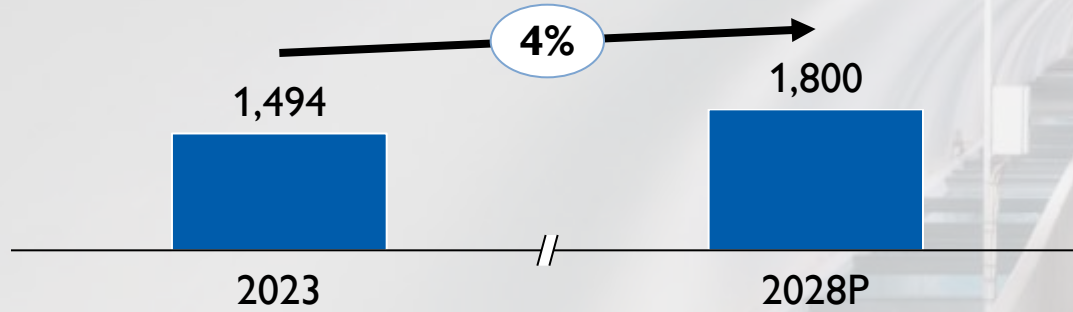
- Recovering **resources from Acea supply chain** (e.g., wastewater treatment and composting plants) with **applications in the agricultural supply chain**
- Recovering **byproducts from the agricultural supply chain to feed Acea's plants**

# Q28 | WATER Italy: 2023-28 Projections

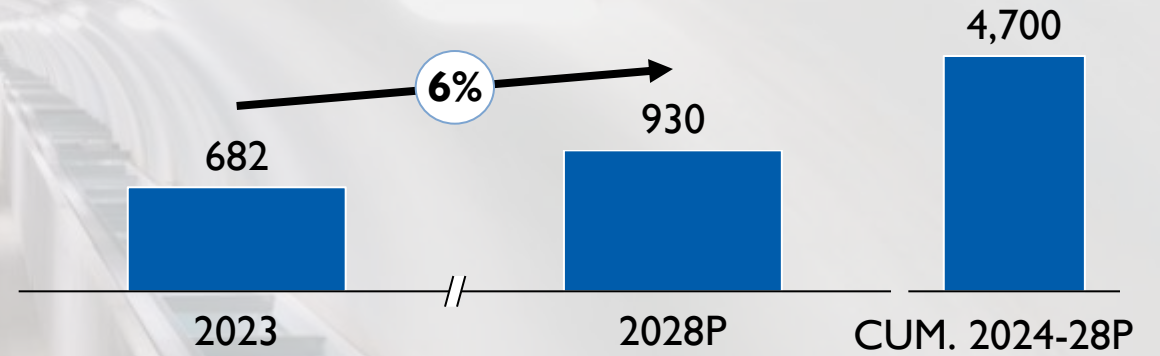


xx% CAGR '23-'28

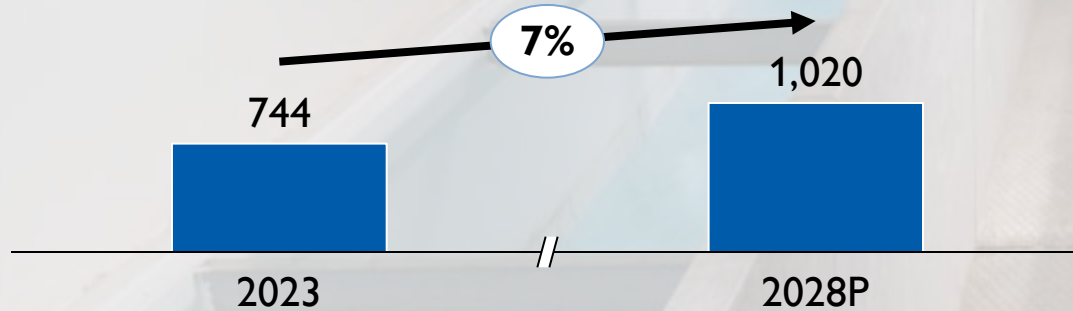
Revenues<sup>1</sup>, mln€



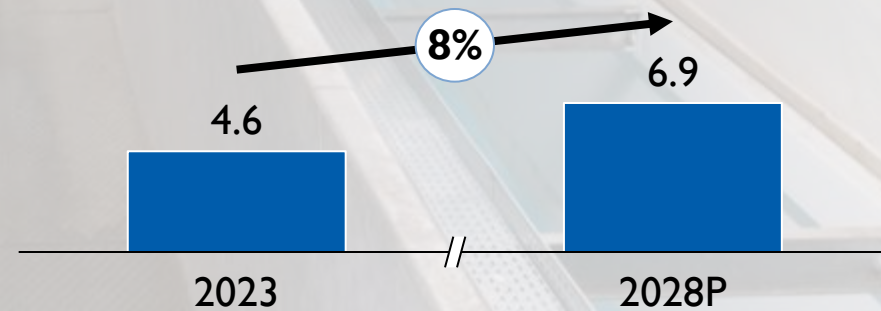
Capex<sup>2</sup>, mln€



EBITDA, mln€



RAB<sup>3</sup>, bn€



1. Includes the synthetic result of non-financial participation consolidated by the equity method | 2. Gross of public contributions (e.g., PNRR) | 3. Includes the pro-rata value of RABs of companies consolidated by the equity method



# Q28 | ELECTRICITY: Infrastructural operator active in three areas

## 1. Grids (Rome)

2<sup>nd</sup> Italian distributor for POD

**1.7** mln PODs in Rome

Managed with innovative solutions

**Rome Flex:** distributed flexibility management systems for smart grids

## 2. Public Lighting (Rome and Terni)

Italy's largest city grid (Rome)

**250,000** light points

**5,000** installations



## 3. Commercial

7<sup>th</sup> operator by energy sold

**1.5** mln customers<sup>1</sup>

**800+** charging stations authorized in 2023

1. Includes companies in the non-financial consolidated statement and main subsidiaries. 2023 figures



2<sup>nd</sup> operator in Italy  
 focused on grid management and innovative services

Weight on EBITDA '28



## ELETRICITY: Our vision



### Service quality

- **Ensuring an orderly energy transition** aiming at a significant strengthening and modernization of the grid
- **Promoting the decentralization and smartization** of the grid also via Artificial Intelligence

### Resilience and safety

- **Maximizing the investments on grid resilience** to support the electrification of consumptions
- **Protecting the grid from any threat**, physical and virtual



# Q28 | ELECTRICITY: Our strategy



## Strengthening

INCREASE IN SERVICE LEVEL

**Networks/ Public Lighting: "Rome ready for 2030" by:**



**Upgrading Rome's LV grid**

(increase resilience, available power and hosting capacity of 800MW)



**Modernizing the MV/LV grid to increase safety**

(advanced diagnostics, remote control and automation)



**Smarting the grid for dynamic management**, control over PODs with 2G smart meters, and large-scale demand response via AI and IoT)



**Developing Smart Public Lighting**

**Commercial: strengthening positioning by increasing performance and service level**

## Development<sup>1</sup>

DEVELOPMENT OF SMART CITY SERVICES AND SELECTIVE GROWTH ON GRIDS



**Developing other smart city infrastructures**

(surveillance infrastructure, environmental sensing, artistic lighting)



**Aggregating**, where possible, **distribution grids in small municipalities**



**Promoting an Extraordinary Plan for Rome**

(including electrification of public services, cyber security, advanced connectivity)

1. Possible upside vs. industrial plan target

# Q28 | ELECTRICITY: "Rome ready for 2030", major investments



## Rome LV network upgrading



- **Increased power available** to customers
- **LV network reinforcement** - 230 V vs. 400 V grid transformation for 70k POD (PNRR scope)
- **Hosting Capacity increase of 800 MW** (PNRR Scope)

## Modernization of MV/ LV grid to increase security



- Maximizing **telecontrol and automation**
- **Increased "meshing" of MV and LV grid** - closure of LV network in antenna
- **Reduction in customers served for MV line**
- **MV cable diagnostics**
- **MV and LV grid Asset Management**
- **Selective modernization of MV and LV** grid with increasing volumes during plan period

## Grid digitization for dynamic management



- **100% of PODs equipped with 2G smart meters**
- **100% MV lines with automation** by 2026
- **100% telecontrol of MV-side secondary cabins** by 2028
- **40% telecontrol of LV-side secondary cabins** to 2028
- Implementation **optimized dynamic network management and massive demand response via AI and IoT platform**

## Smart Public Lighting Development



- **Projects development for "smart" Public Lighting** to serve cities

# Q28 | ELECTRICITY: Project examples (1/2)



## Grids



**Telecontrol**



**Resilience**



**2G meter installation**



**Innovation**

## Artistic lighting



**Piazza della Repubblica**



**Domus Tiberiana**



**Romeflex**





**Drones: grid inspection**



# Q28 | ELECTRICITY: Project examples (2/2)



*Illustrative*

-  **Remote control**  
granular on all light points
-  **Smart sensors**  
for adoptive public lighting
-  **Surveillance cameras**  
for video-streaming and video analysis
-  **Video-mapping**  
for promotional and awareness campaigns
-  **Environmental sensors**  
aimed at measuring pollution levels
-  **Fiber optics**  
for low-latency service delivery and free WiFi connection



# Q28 | ELECTRICITY: Growth in performance and service level of commercial business



Performance  
growth in  
Retail market



- Increased **commercial push to support a full transition** of AceaEnergia **towards the free market**
- **Profound business transformation** with channel remix and strong push on pull and partnership channels

Service level  
growth



- **Optimization of the customer management model** by ensuring an effective customers' transition to the deregulated market

E-mobility



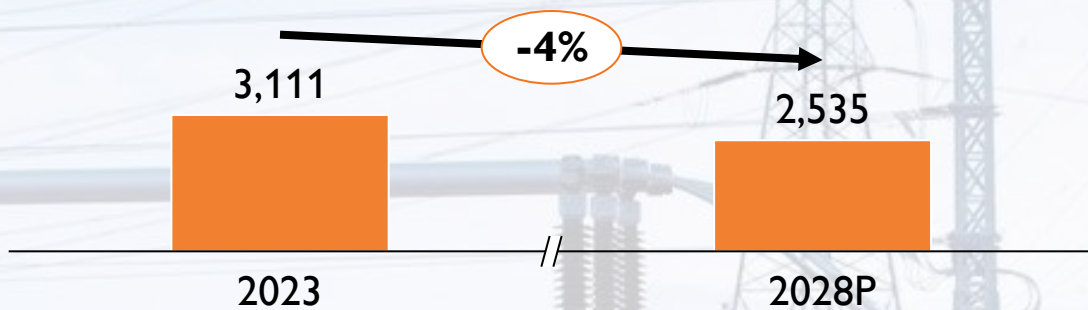
- **Completion of the installation of charging stations**

# Q28 | ELECTRICITY: 2023-28 Projections

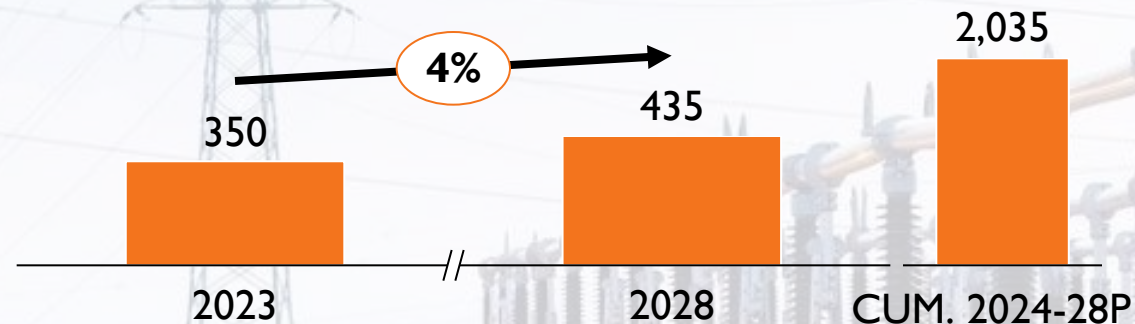


xx% CAGR '23-'28

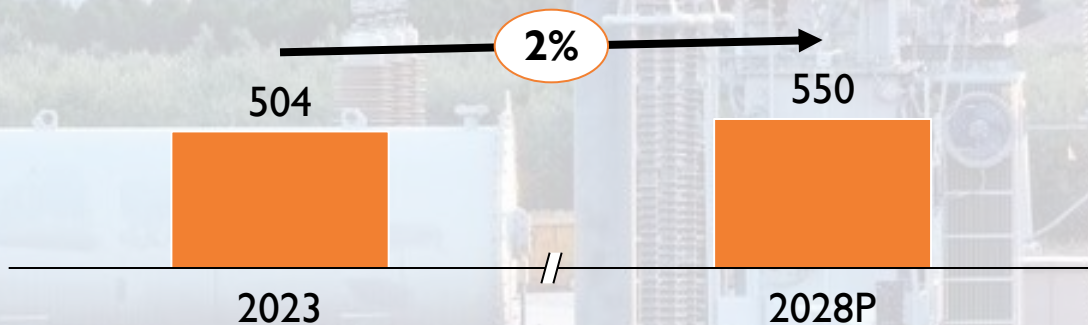
Revenues, mln€



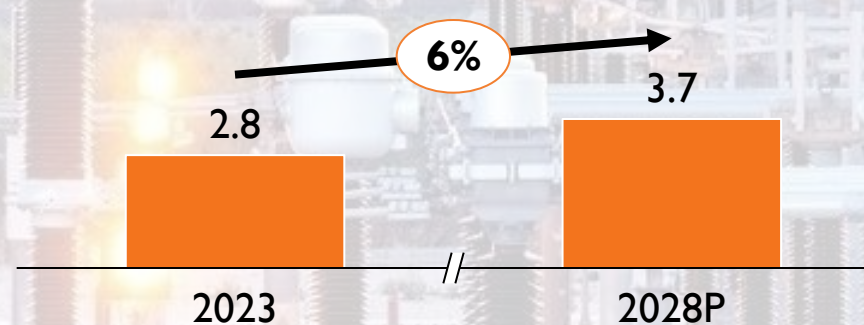
Capex<sup>1</sup>, mln€



EBITDA, mln€



RAB<sup>2</sup>, bn€



1. Gross of government contributions (e.g., PNRR) | 2. Represented the value of RAB accounting

# Q28 | ENVIRONMENT: 5<sup>th</sup> operator in Italy



## Presence in segments with high margins...<sup>1</sup>

25

Facilities

1.8

Mton of waste managed

25%

EBITDA Margin



## ...in 8 regions...



Valle d'Aosta



Lombardy



Tuscany



Marche



Veneto



Lazio



Umbria



Abruzzo

## ... and along the entire waste chain



### Midstream (Waste treatment)

#### Collection

ASM Terni only



#### Pre-processing

Drying, sorting, separation, granulation, pelletizing



#### Waste-to-Material

Conversion of waste into **recycled materials** and composting



#### Waste-to-Energy

Conversion of waste in **energy and/or heat/steam/gas**



#### Waste-to-Chemical

Conversion of waste to **gas, fuel, chemicals** (in development)



#### Waste-to-Landfill

**Waste** discharge and **landfill gas** recovery

Operator of increasing national relevance



## ENVIRONMENT: Our vision

### Increased coverage of the entire waste cycle

- **Maximizing circularity** focusing on the **re-use of resources**
- **Designing and managing new plants end-to-end** with the highest industry standards

### Simplification and synergies

- **Simplifying the organization** to maximize efficiency and efficacy
- **Maximizing the synergies** in the management of facilities



Weight on EBITDA '28

9%

# Q28 | ENVIRONMENT: Our strategy



## Strengthening

### REORGANIZATION OF WASTE TREATMENT ACTIVITIES



**Simplifying the corporate structure in 5 treatment activities**  
(Waste-to-Energy, Composting, Landfills and TMB, Plastic Sorting and Recycling, and Industrial Waste)



**Expanding and revamping the existing plants**  
(WtE, other plants)



**Closing the treatment cycle with EoW (End-of-Waste) initiatives**  
(Heavy ashes of San Vittore, HTC, sludge, products from plastic synthesis)



**Consolidating the plastic supply chain aiming at increasing marginality**  
(partnership to ensure the offtake of products generated by plants)

## Development<sup>1</sup>

### SELECTIVE GROWTH IN ITALY AND ABROAD



**Developing and managing, also in partnership, new plants with the highest industry standards**



**Promoting new advanced technologies**  
(CO<sub>2</sub> capture/ storage and recovery of heavy ashes)

# Q28 | ENVIRONMENT: Project examples



## WtE – Energy recovery

Expansion of Waste-to-Energy activities (~200 kton)

San Vittore: IV line construction + II line revamping  
Terni: revamping fumes line



## Recycling – Material recovery

Consolidation of the plastics supply chain (~170 kton)

JV with chemical partner to ensure plant output products sales



## Innovative plants (circular economy)

Valle d'Aosta: hydrothermal carbonization with End-of-Waste biolignite production



# Q28 | ENVIRONMENT: New ancillary plants example (WtE)



*Illustrative*

Ancillary plants



**WtE**

**Moving grate incineration technology**



**Carbon Capture**

Experimental plants for **CO2 capture** and **CO2 storage** through specific partnerships with external operators



**Heavy ash Recovery**

**Heavy ash recovery plant**  
**Dry treatment** (metal separation, size reduction, sorting, mixing with concrete and water, finalized to End-of-Waste)



**District heating**

**Construction of a district heating network** aimed at providing thermal energy for the local community (civilian use) and potential steam for industrial use



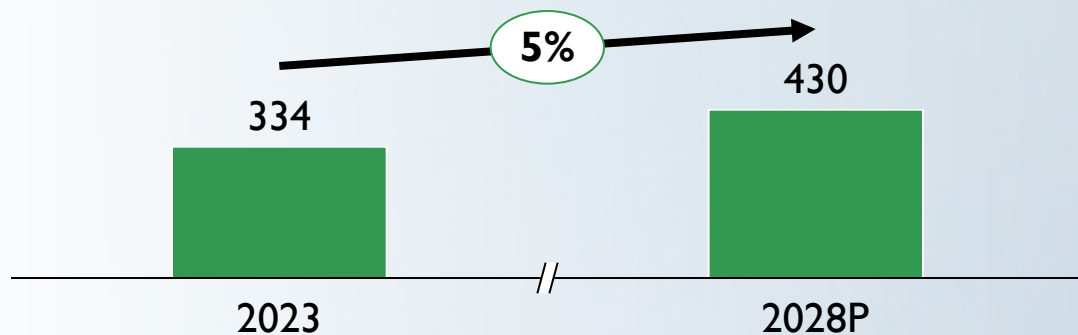
**Photovoltaic Plant**

Photovoltaic plant, aimed at **producing renewable energy** and developing a Renewable Energy Community for local utilities

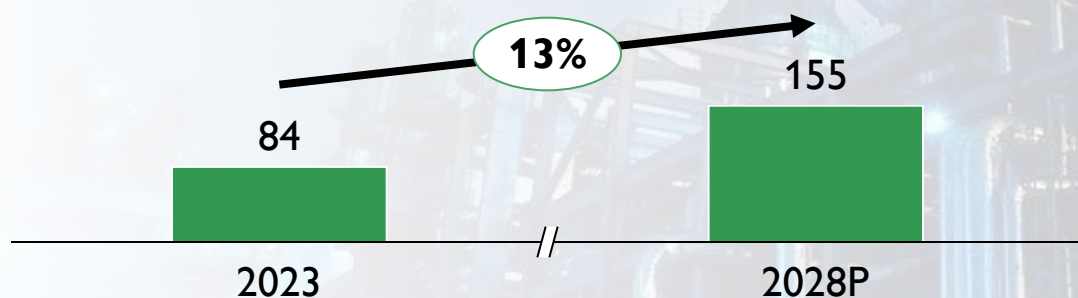
# Q28 | ENVIRONMENT: 2023-28 Projections



## Revenues<sup>1</sup>, mln€

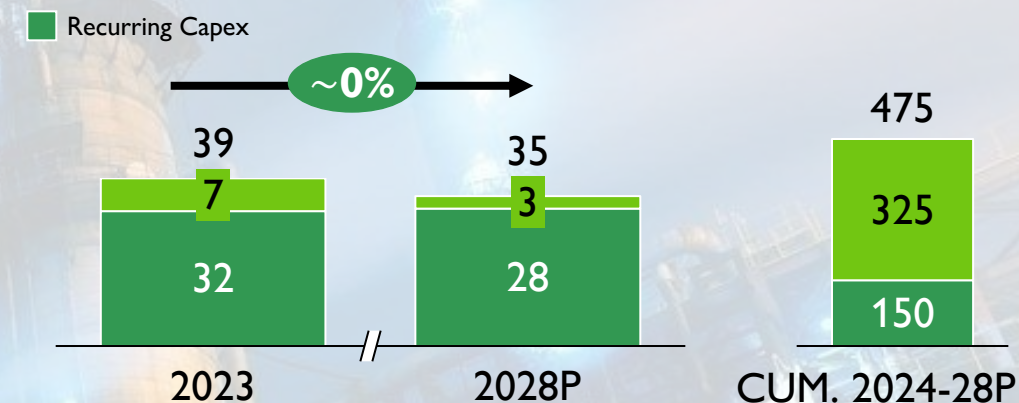


## EBITDA, mln€



## Capex<sup>2</sup>, mln€

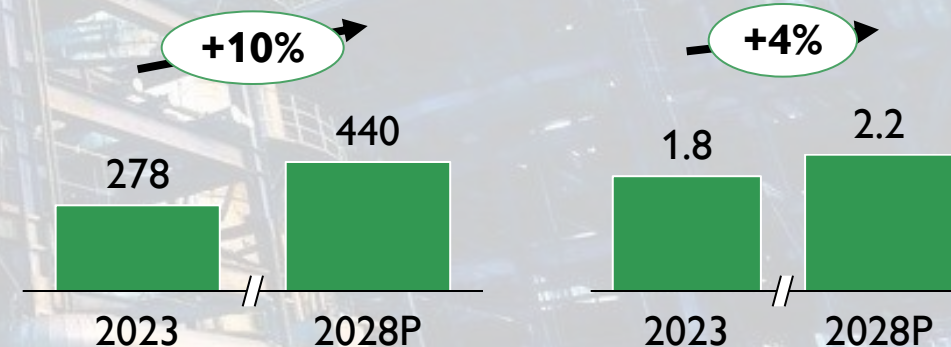
xx% CAGR '23-'28



## Operational KPIs

Energy produced by WtE<sup>3</sup>, GWh/year

Waste treated Mton/year



1. Includes the synthetic result of non-financial participation consolidated by the equity method | 2. Gross of public contributions (e.g., PNRR); major investments for interventions on the WTE of San Vittore and Terni in 2026, not on Rome WTE | 3. Value expressed net of self-consumption

# Q28 | ENGINEERING: 1<sup>st</sup> operator in Acea's "core sectors"



Highly specialized center of excellence...

**400+** Engineers  
**3** Companies<sup>1</sup>  
**116** mln€ Revenues



... with strong internal R&D...

National leadership in the water sector in testing methods and advanced instruments for laboratory analysis

... and focus on design/studies in the captive market

## Positioning along the value chain

■ Acea focus



## Laboratory tests



### Design

>60 projects for 200 mln€ value of works



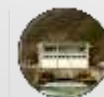
### Studies, permits and research

>200 specialized assignments for studies, permits and researches



### Construction management & safety

>20 Construction sites and >500 Safety controls >16,000 inspections



### Delivery

>40 construction sites (40 mln€ revenues)

34,000 tests with mobile laboratories  
 30,000 samples analyzed



Center of  
excellence in  
Engineering



### Internal competences and partnerships

- Growing internal competencies in advanced technologies/engineering
- Strategic partnerships with industry leaders for know-how development

### Internal support and services

- Maximizing the control on the entire life cycle of major projects
- Increasing quality assurance services also externally





## Strengthening

**SINGLE CENTER OF EXCELLENCE WITH FOCUS ON MAJOR PROJECTS**



**Acea Infrastructure: integrating different companies in a unique center of excellence to manage major works:**

- **Water:** Peschiera (130 km), PNRR projects
- **Environment:** revamping current plants and new VVtE (*upgrading S. Vittore in Lazio: ~500 kton at full production*)
- **Production:** photovoltaic pipeline (*870 MW in development*)

## Development<sup>1</sup>

**ENHANCEMENT OF INTERNAL COMPETENCES AND SERVICE DEVELOPMENT**



**Expanding specialized internal skills along the investment lifecycle, also via partnerships with industry operators**  
(*Engineering, tender management, project and construction management*)



**Increase in laboratory services also for third parties to guarantee quality**  
**Water/Environment**

# Q28 | PRODUCTION: Highly specialized operator



## Good mix of renewables...

Current capacity<sup>1</sup>, %

Hydroelectric

**37%**

Photovoltaic

**30%**

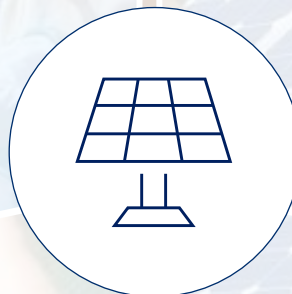
Thermoelectric

**33%**

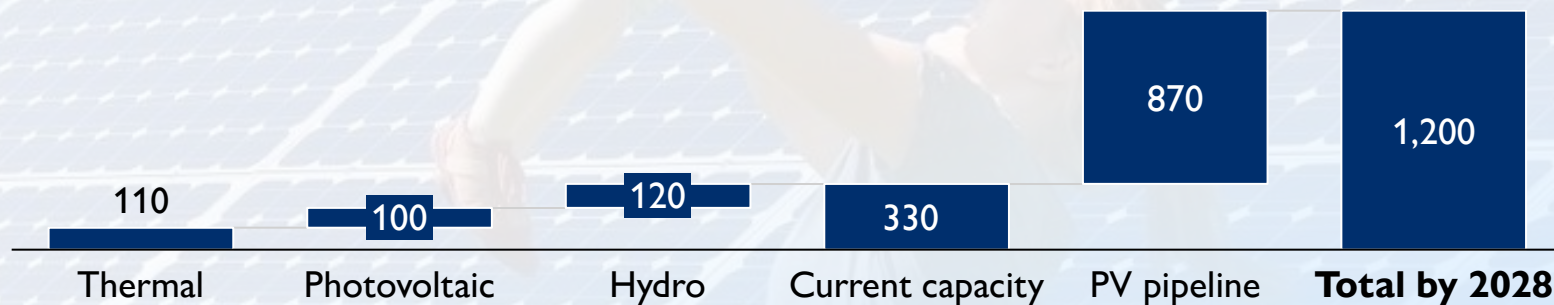
## ... to cover internal consumption...

**30%**

Internal  
consumption  
coverage (current)



## ... and with a strong PV pipeline, MW



1. Does not include capacity from WtE facilities. 2023 figures



## PRODUCTION: Our vision

Operator  
highly focused  
on renewables

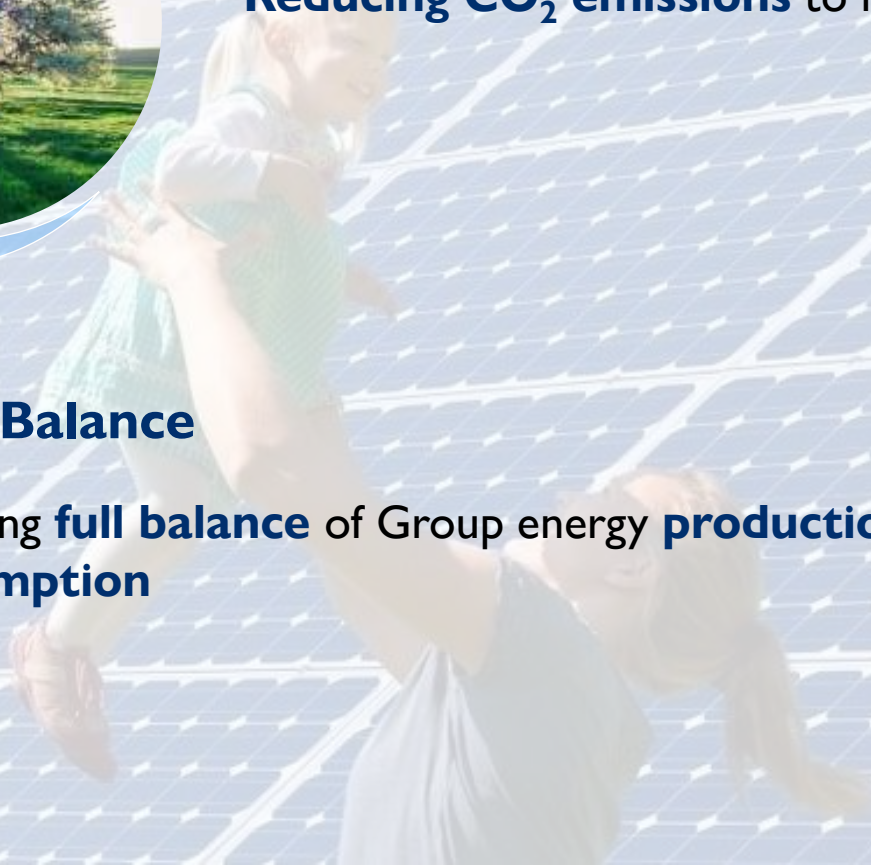


### Carbon neutrality

- Reducing **CO<sub>2</sub>** emissions to meet SBTi targets

### Energy Balance

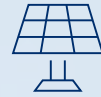
- Achieving **full balance** of Group energy **production/**  
**consumption**





## Strengthening

### DEVELOPMENT AND MANAGEMENT OF PV PLANTS



**Deploying the existing solar pipeline also leveraging on financial partners**

*(870 MW, of which 210 already authorized)*

## Development<sup>1</sup>

### SELF-CONSUMPTION SOLUTIONS AND ACHIEVEMENT OF SBTi TARGETS



**Implementing self-consumption solutions:** installation (for the Group/third parties) of stations for the water distribution pressure reduction for energy recovery, and installation of in-situ or rooftop photovoltaic fields



**Increasing generation capacity also from other renewable sources** (market and/or tenders)



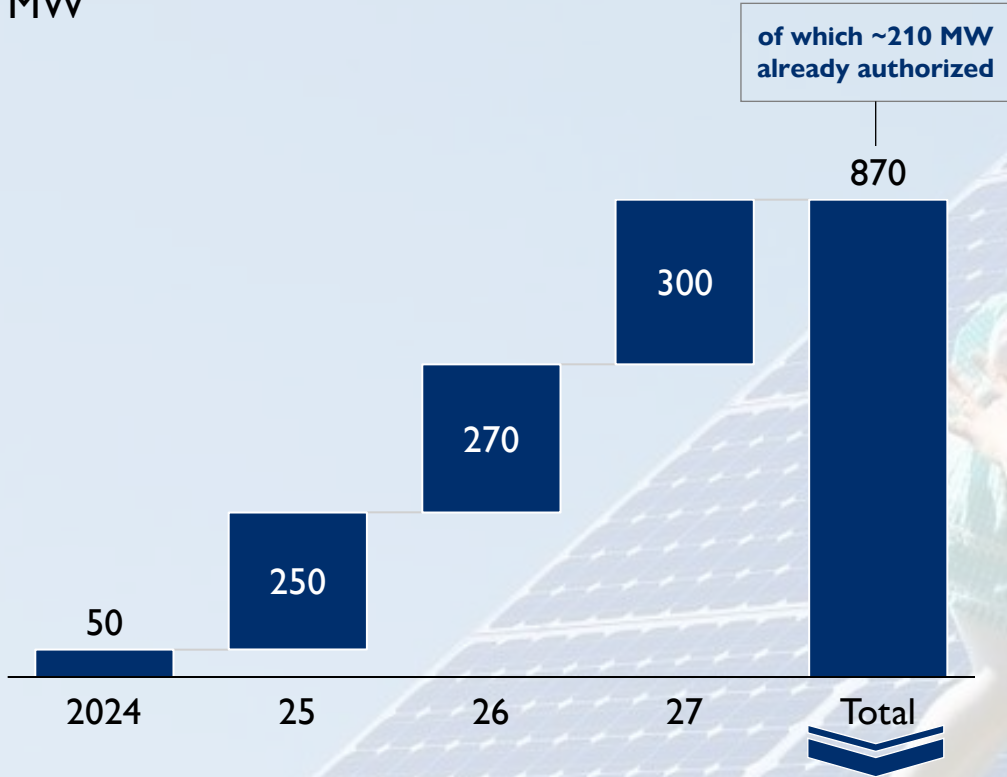
**Asset management:** strengthening skills for facilities under management

# Q28 | PRODUCTION: Launched projects



## Pipeline as of 31.12.2023

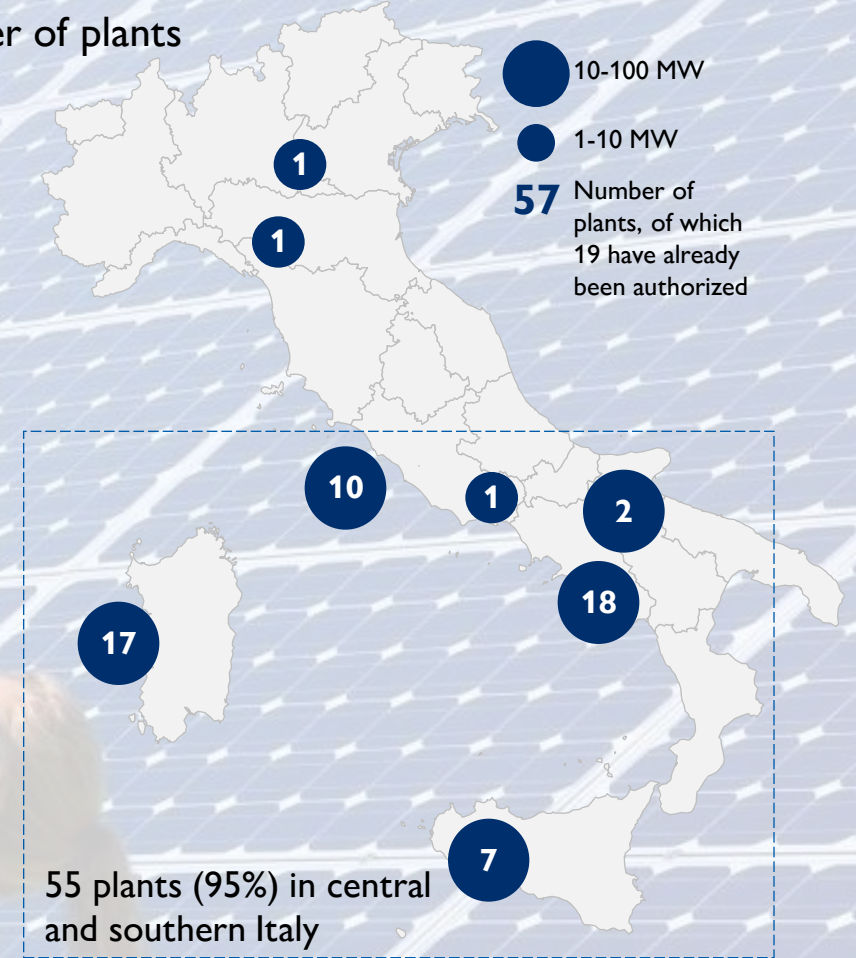
MW



Facilities prepared to **add storage systems** even at a later stage

## Geographical distribution

Number of plants



**Pipeline** sufficient to meet SBTi targets by 2032 (without considering impact of WtE Rome)



# Q28 | ESG: Sustainability Plan



Approved by the Board of Directors in November 2024, the Sustainability Plan defines the objectives that the company intends to pursue, in line with the guidelines of the Industrial Plan, to respond to the main critical elements of the reference context, contributing to the 12 Sustainable Development Goals (SDGs) of the 2030 Agenda



generate **environmental benefits**, even in order to **mitigate and adapt to the effects of climate change**, with a **view to increase the flexibility** of infrastructures and improve services

from a **perspective of corporate responsibility towards the creation of shared value**, towards the well-being and cultural growth of people, suppliers, territories and the community

## SDGs



# Q28 | ESG: Investments associated with the Plan



Investments related to ESG areas in the Industrial Plan have been associated with objectives and lines of intervention for a total of approximately €5.4bn.

In 2024, interventions worth €950m were carried out

## Areas of Intervention

## 2024 Capex

## Capex Plan

### Infrastructure resilience and security

€418m

€2,870m

Digitization

74

299

Aqueducts strategic works

154

1395

Optimization of the sewage purification system

66

432

Power grid enhancement

123

744

### Water protection

€324m

€1,183m

Water quality

57

231

Leakage reduction

267

952

### Environmental protection

€205m

€1,277m

Biodiversity

56

145

Circularity of resources

115

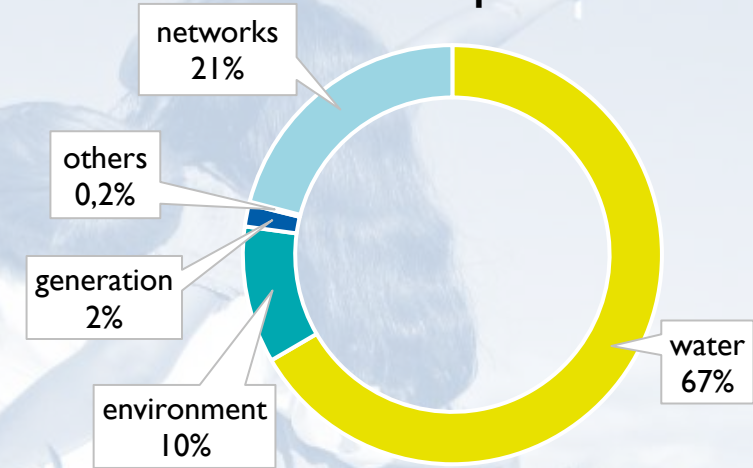
540

Decarbonization

33

592

## 2024 Capex



# Main strategy enablers



## People

- **New Carta della Persona e della Partecipazione**
- **Introduction of new skills**
- **Strengthening of training and career paths**
- **Enhancement of corporate welfare**

## Systems

- **Focus on digitization, GenAI and robotics** also to support service quality and on field safety
- **Industrial, financial and technological partnerships** to accelerate growth on regulated businesses

## Processes

- **Business process redesign**
- **Procurement review**
- **Working capital optimization**
- **Strengthening of governance**

# Q28 | People: Main actions



## 1. New *Carta della Persona e della Partecipazione*

***Carta della Persona e della Partecipazione* signed** between Acea and labor unions

## 2. Introduction of new skills

Development of a **structured talent management** to ensure **attraction** and **retention** of the best skills, through:

- Dedicated recruitment programs (such as graduate program)
- Up-skilling and re-skilling programs

## 3. Strengthening training and career paths

**Continuous training** and **growth paths with innovative programs** (e.g., networking, development, innovation, career, rewarding and benefit programs) to cultivate the Group's talents

## 4. Enhancement of corporate welfare

Launch of **enhanced welfare programs**, focused on 6 areas (health, mental and physical well-being, family, economic benefits, work-life balance, and pension)

# Q28 | Systems: Main actions



## Digitization

**E2E process automation** of Corporate/  
operating companies

**Data Governance strategy** to develop  
a Data Driven company

## Robotics/ drones

Networks **inspection/ monitoring**

Precision **installation** of components

**Plants surveillance**

**Anomalies/ water leaks detection**



## Artificial Intelligence

**Predictive maintenance through**

**Smart Metering**

**IoT for plants and networks**

**Telecontrol**

**Networks planning**

**Workforce management**

## Gen AI

**Customer Operations**  
**transformation** into a **full assisted**  
**self-service** logic

**Virtual workforce development**  
through Co-pilot tools

# Q28 | Systems: Partnership network development



## Industrial partnership

### **WATER**

Development of projects to support **water resources security**

### **ELECTRICITY**

Co-development of **photovoltaic generation** facilities

### **ENVIRONMENT**

Co-development of facilities for **Waste-to-Chemical** technologies

## Financial partnerships

### **Focus on WATER**

**Medium-long term financing** for the supply chain

**Incentive scheme** for lower interest rates

### **Focus on green products**

**Reverse factoring**

**Ad-hoc financing** for **SMEs**

### **Improvement of ESG**

**sustainable** indexes of the supply chain



Adoption of innovative **technologies** (e.g., Gen AI)

## Technology partnership



- 1. Business process redesign**  
**Redesign of all major processes through data mining** in favor of higher value-added activities and better interaction between business units and functions, to improve operational management and service quality
- 2. Procurement review**  
**Strategic management** of Group **procurement** and application of **optimization levers** (such as unbundling, standardization, should-cost methodologies)  
**Revised Make vs. Buy strategy**, insourcing strategic, low-availability, quality-impacting activities
- 3. Working Capital optimization**  
**Innovative strategies along the entire credit management and recovery chain**, through data quality improvement, partnerships with specialized operator, and Artificial Intelligence
- 4. Strengthening governance**  
**Sub-holding by business** and **renewed top management**

# Q28 | Processes: Operational efficiencies



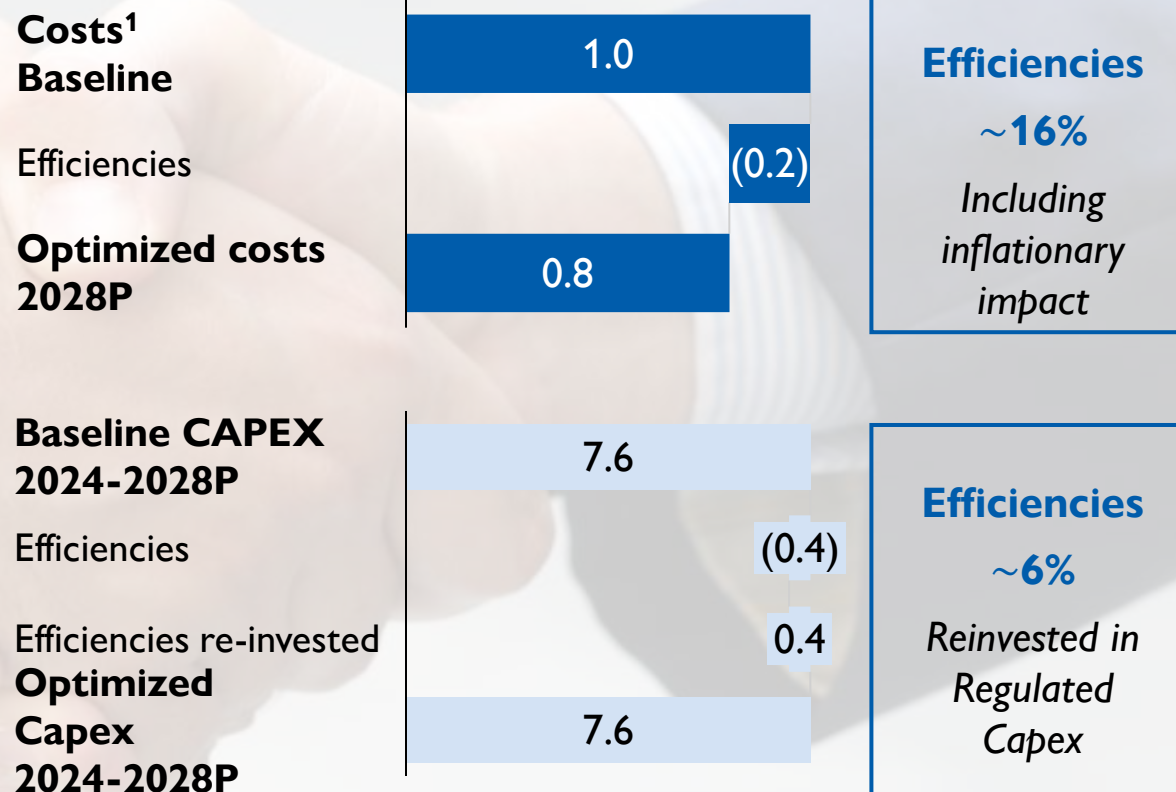
## Key levers

### Continuous cash-cost optimization through:

- **Procurement optimization** (supply unbundling, planning and standardization, should-cost...)
- **New technologies** (AI and genAI, process mining, automation...)
- **Process optimization and simplification**
- **Corporate simplification** (e.g., plastics supply chain consolidation)

**Capex efficiencies re-invested in regulated businesses** to support growth and improve technical and contractual quality

## Cash-cost with efficiency potential, bn€



# Q28 | Processes: Credit efficiencies



## Key levers



**Clustering and dunning**

Development of differentiated routing paths for customer clusters via AI, enhancing dunning strategies



**Reduction of inaccessible customers**

Implementation of interventions to improve meters' access



**Increase of tax injunction**

Use of tax injunction on clearly identified client clusters



**Improvement bank domiciliation**

Increase of bank domiciliation rate on new acquisitions and existing customer base



Target of **160-180 mln€** of **extra-cash collection** during plan horizon

# Targets 2028

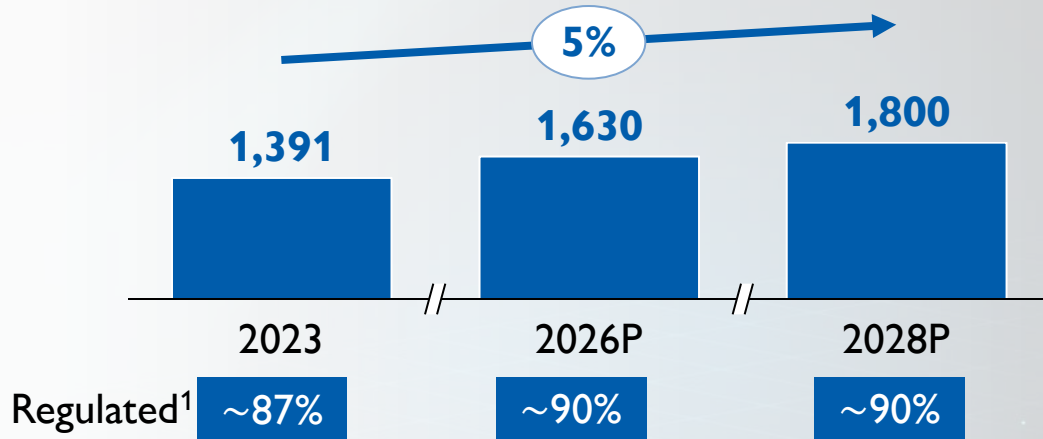


People for  
sustainable  
infrastructures

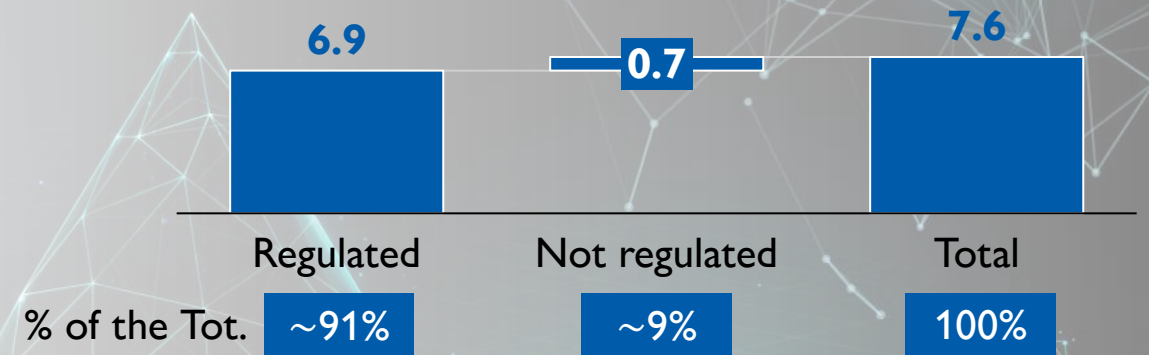
# Targets 2028: “Steady growth”

xx% CAGR '23-'28

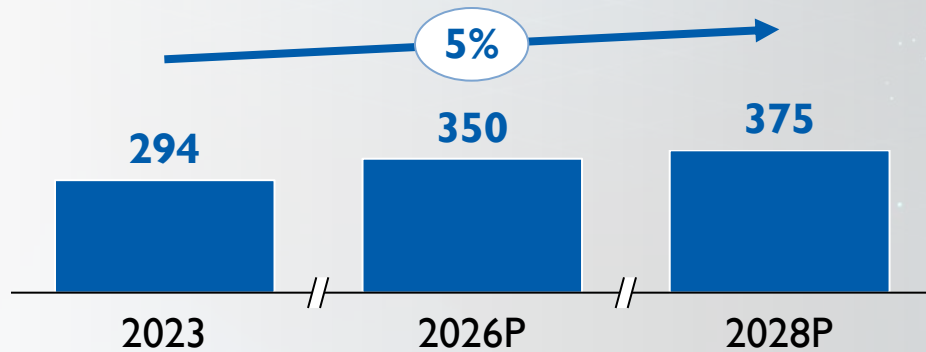
## EBITDA, mln€



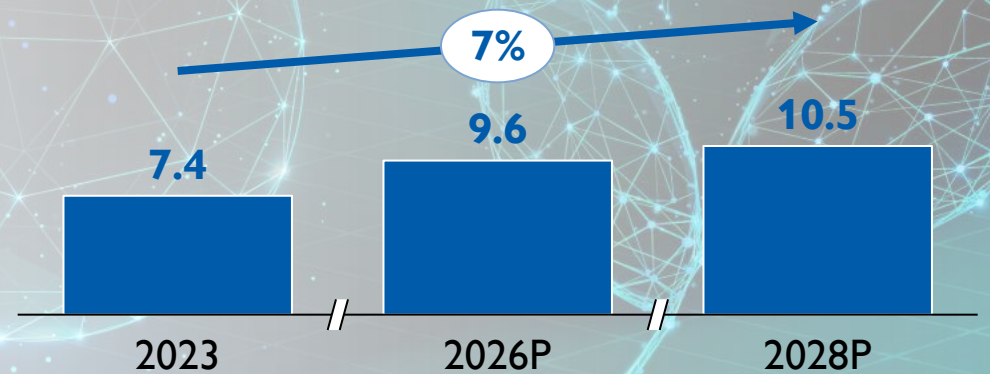
## Cumulated Capex<sup>2</sup> 2024-28P, bn€



## Net profit, mln€



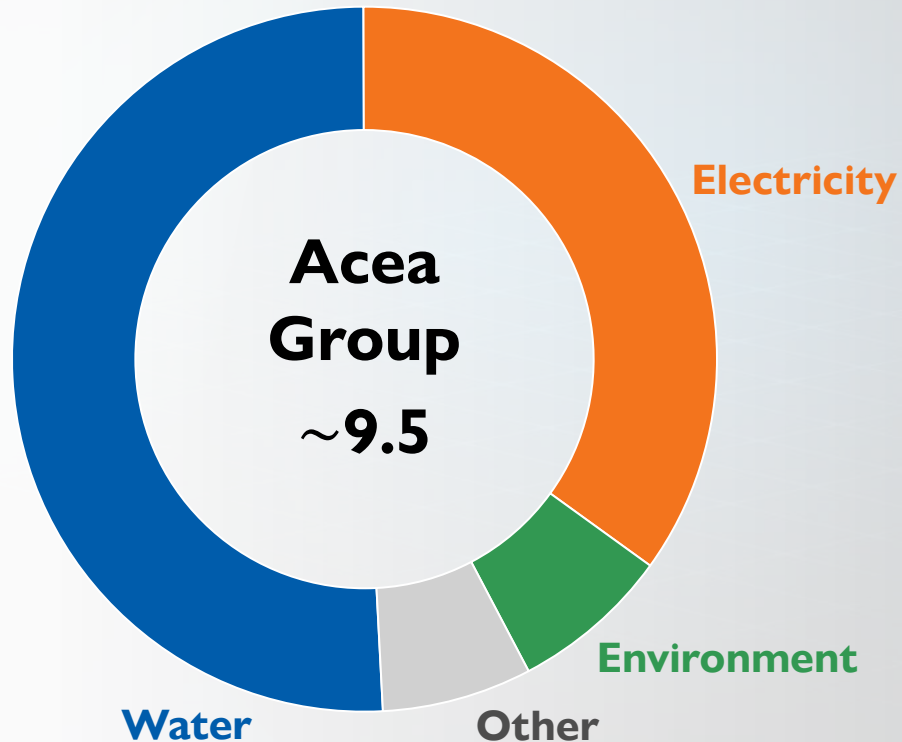
## RAB<sup>3</sup>, bn€



1. Regulated includes, in addition to the regulated businesses Water in Italy and Grids, the Public Lighting and Environment businesses | 2. Gross of public contributions (e.g., PNRR) | 3. Includes the pro-rata value of the RAB of the companies consolidated using the equity method.

# Targets 2028: Returns by business

## Invested Capital<sup>1</sup>, bn€



## ROIC<sup>2</sup>, pre-tax

**From (2022-23) ... A (2028)**

**Acea Group** >> 7.9% → 8.4%

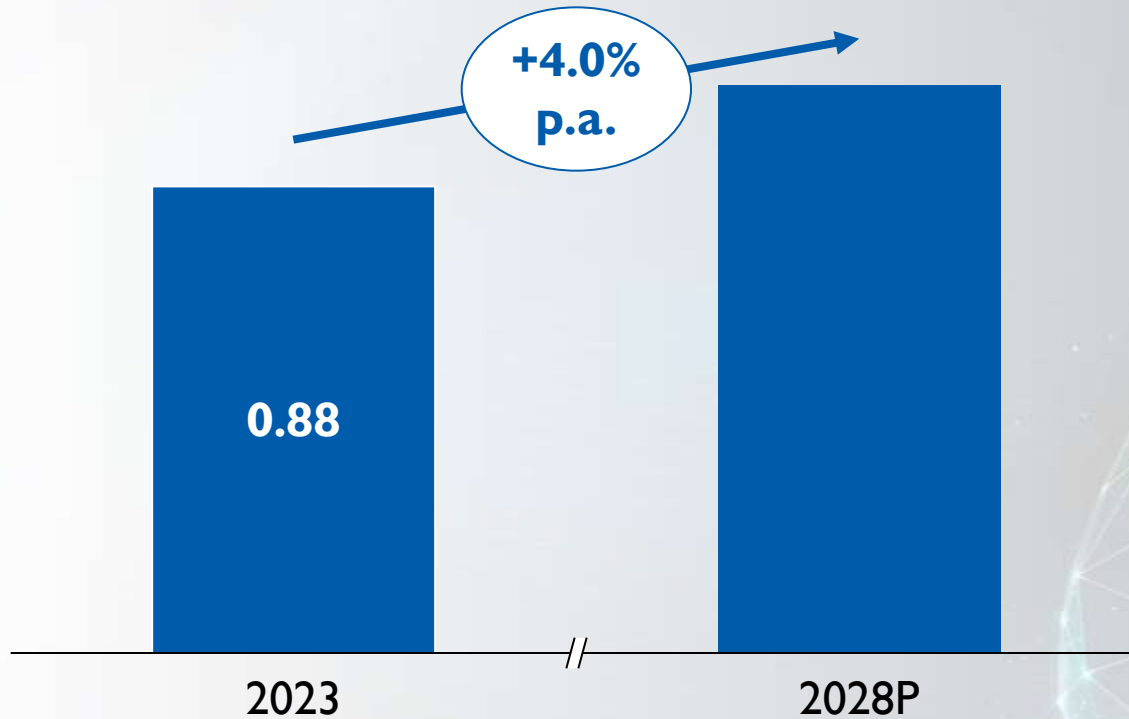
**Water<sup>2</sup>** >> 7% → 9%

**Electricity<sup>3</sup>** >> 8% → 9%

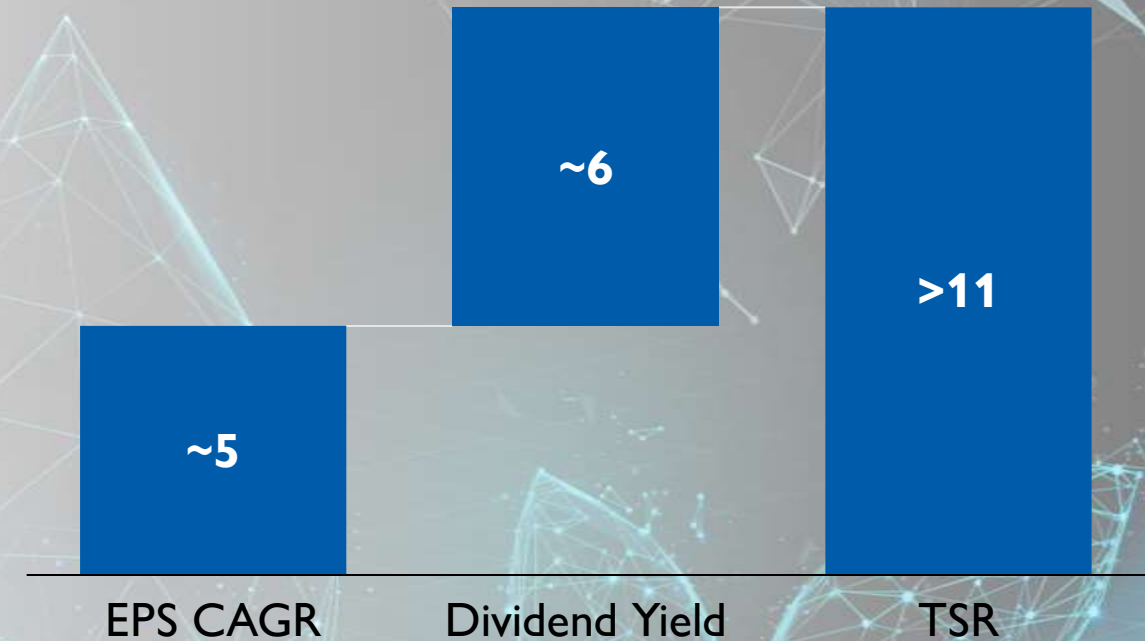
**Environment** >> 10% → 12%

# Targets 2028: More value to shareholders

**DPS<sup>1</sup>, €**



**Average annual TSR, %**



Annual dividend growth = 4.0%  
**Over 1 bn€ in dividends throughout the business plan horizon**

**Average annual return for shareholders exceeding 11%**

1. Expressed on an accrual basis (e.g., the DPS 2023 is calculated based on the distribution of profits in 2023, which will occur in 2024)

# Potential further strategic upside from asset rotation



## Asset disposal/ partnership

- **Disposal of non-core** assets characterized by **higher** result volatility, **limited cash conversion, regulatory incentives for sale**
- Set-up of **partnerships** and potential **opening of capital to partners** in selected businesses, while maintaining control and operational management



## Selective allocation of proceeds to core and regulated sectors



**New tenders** and agreements in the management of the **integrated water service**, **selective growth abroad** and in **new segments**



**Consolidation as DSO** and **growth** in **public lighting** and **smart city services**



**Growth in WtE** and **new acquisitions** for closing the **treatment** cycle and **new technologies**



Internalization of **engineering / EPC expertise** and **partnerships in renewables**



**Potential  
additional  
EBITDA  
+  
safeguarding  
NFP  
improvement**

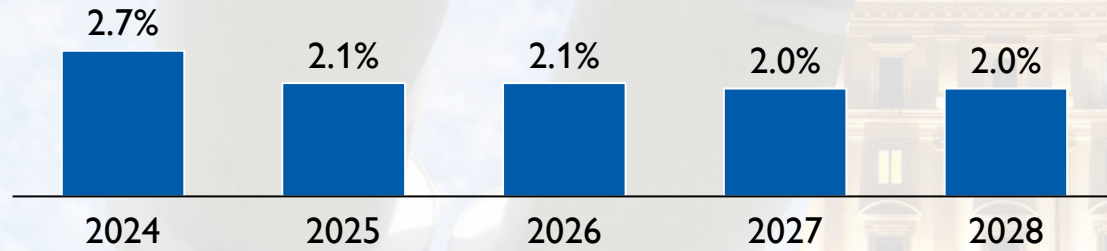
# 2023-28 Projections



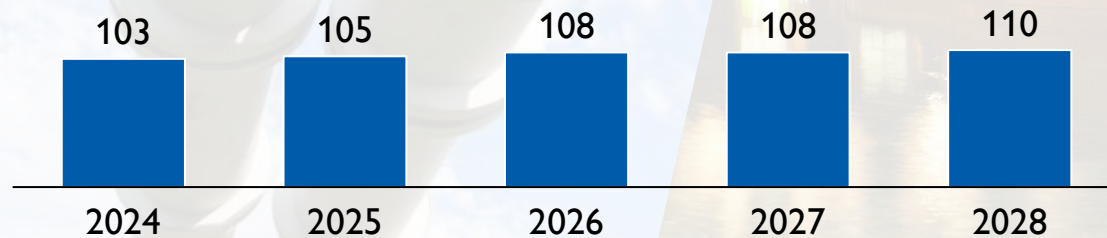
People for  
sustainable  
infrastructure

# Key assumptions of the Plan

## Inflation<sup>1</sup>, %



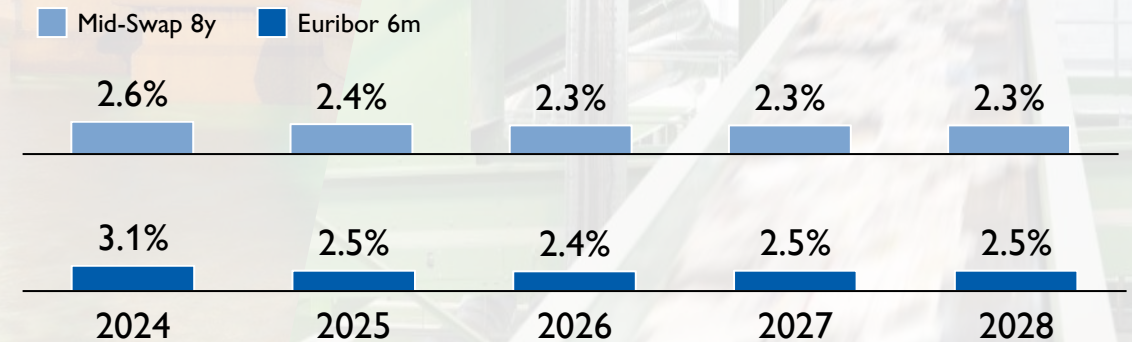
## NSP<sup>2</sup>, €/ MWh



## Regulatory scenario

Areas	Indicators	2024	2025-28
WATER Italy	WACC	6.1%	6.1%
	Deflator	2.8%	0%
GRIDS	WACC	6.0%	5.7%
	Deflator	5.9%	1%

## Interest rates<sup>3</sup>, %

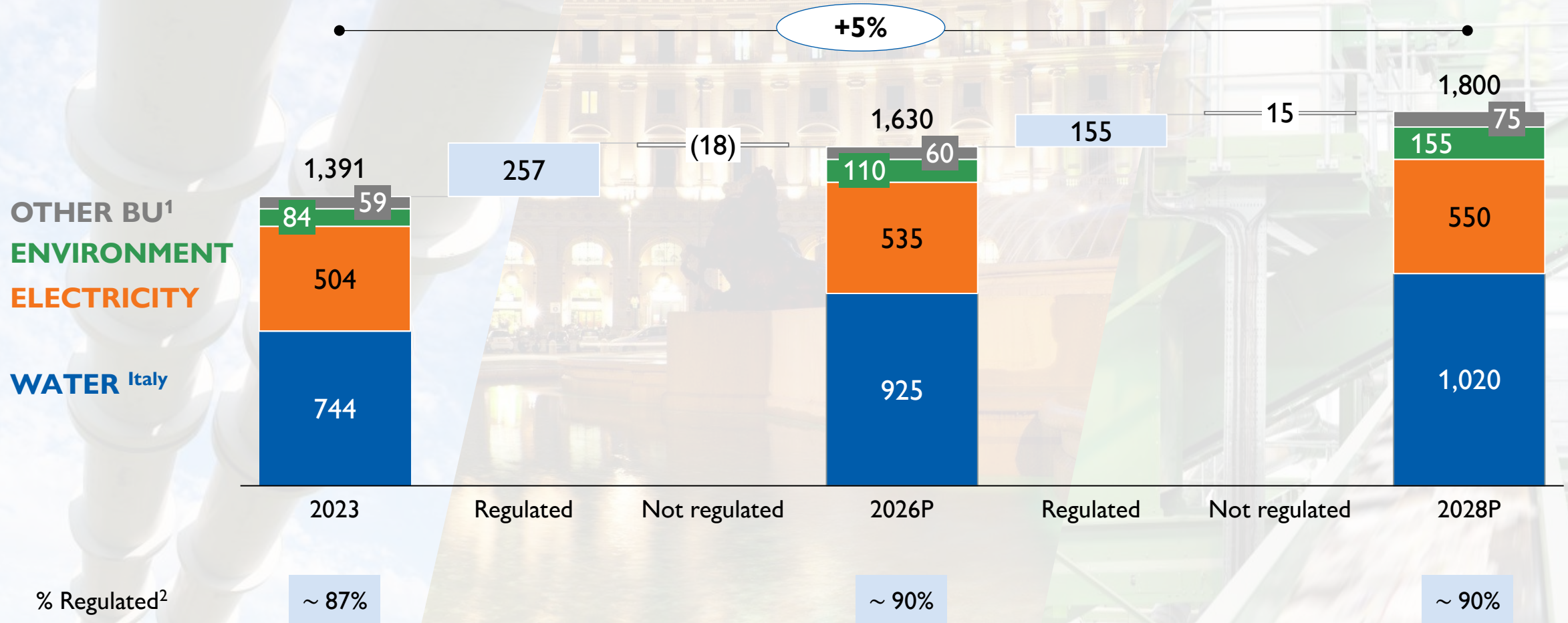


1. AFRY source, Q4-2023 update | 2. Forecasts for 2024 and 2025 based on forward prices observed in December 2023 @European Energy Exchange, (ii) forecast for 2026-2028 based on AFRY Q4-23 projections (weighted average 85% central scenario and 15% low scenario) | 3. Forecasts for 2024 - 2028 based on forward prices observed in December 2023 @Bloomberg

# Growth driven by regulated business...

xx% CAGR '23-'28

EBITDA, mln€

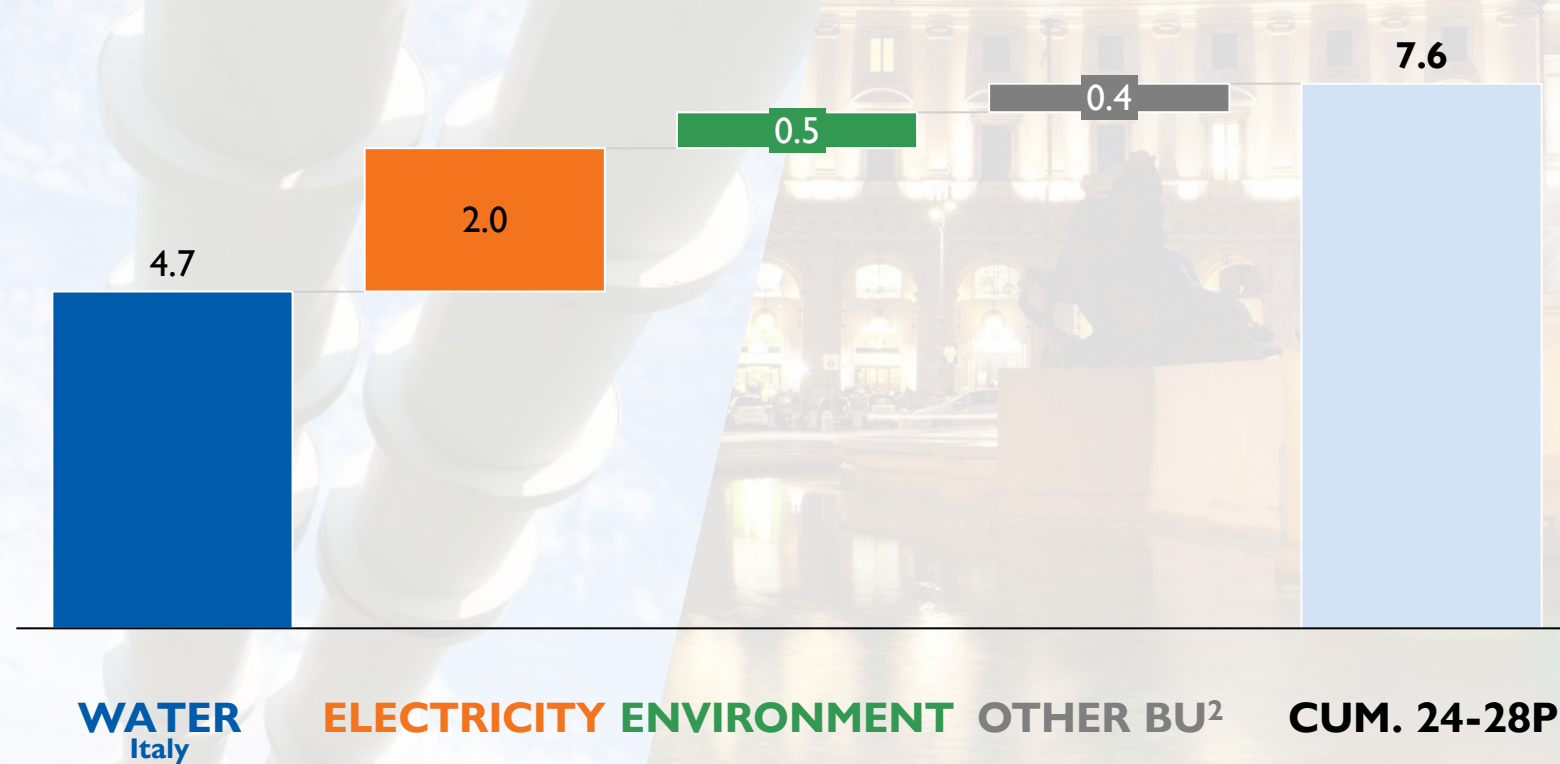


1. Other Business Units (BUs) includes Production, Water International, Engineering and Corporate | 2. Regulated Includes, in addition to the regulated businesses Water Italy and Networks, the Public Lighting and Environment businesses

# ...and from investments in infrastructures...

Cumulated capex<sup>1</sup> 2024-28P, bn€

RAB<sup>4</sup>, bn€



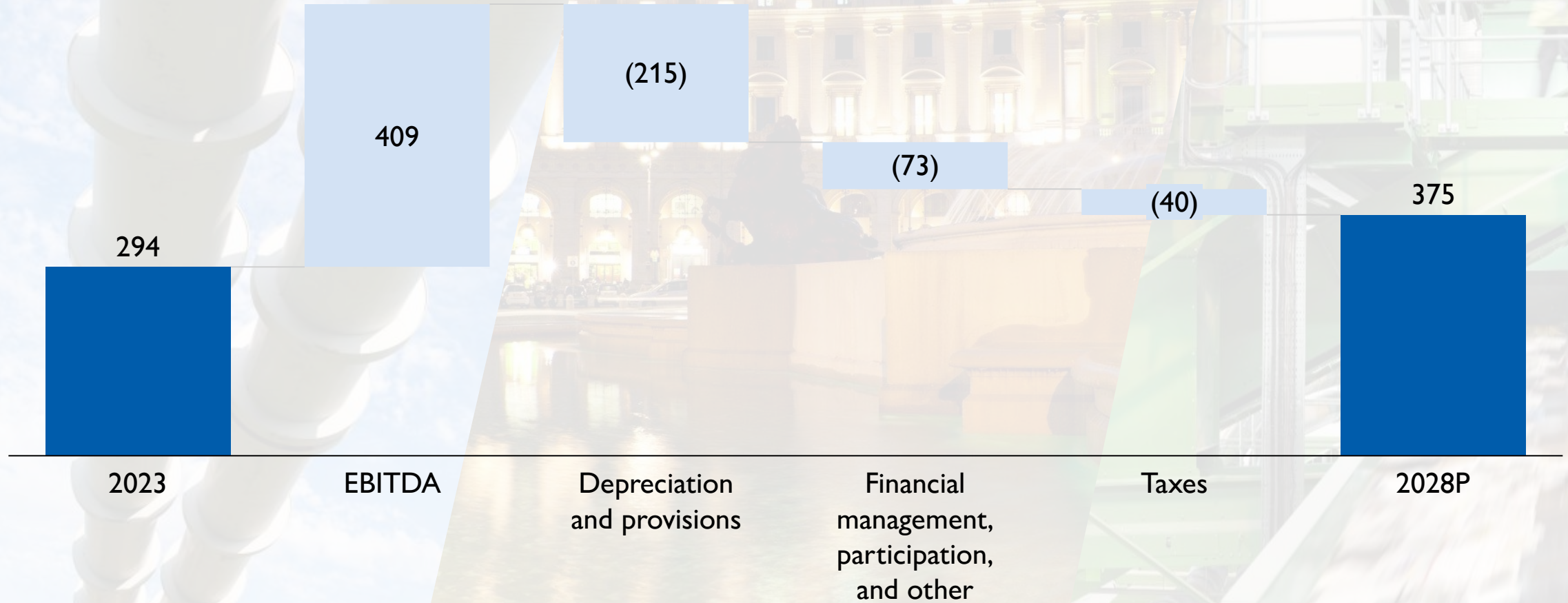
Areas	2023	2028P
WATER Italy	4.6	6.9
GRIDS	2.8	3.7
<b>TOTAL</b>	<b>7.4</b>	<b>10.5</b>

% Regulated<sup>3</sup> ~91%

1. Gross of public contribution (e.g., PNRR) | 2. Includes Production, Water International, Engineering and Corporate | 3. Regulated includes, in addition to the regulated businesses Water in Italy and Grids, the Public Lighting and Environment businesses | 4. Values expressed gross of public contribution. Acqua Italia includes the pro-rata value of the RAB of the companies consolidated using the equity method; for GRIDS it represents the accounting value of RAB | Note: values subject to rounding

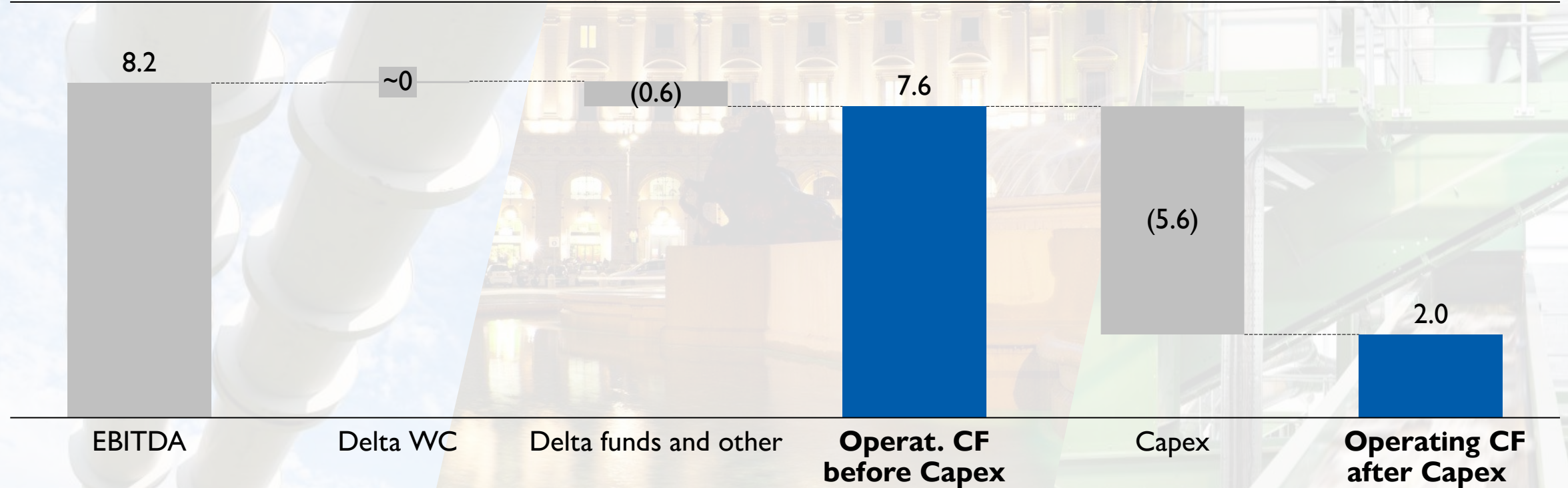
# ...ensures value creation for shareholders

Net profit, ( $\Delta$  2023-28P) mln€



# Robust and improving financial structure (1/3)

Operating Cash Flow (2024-28P), mln€

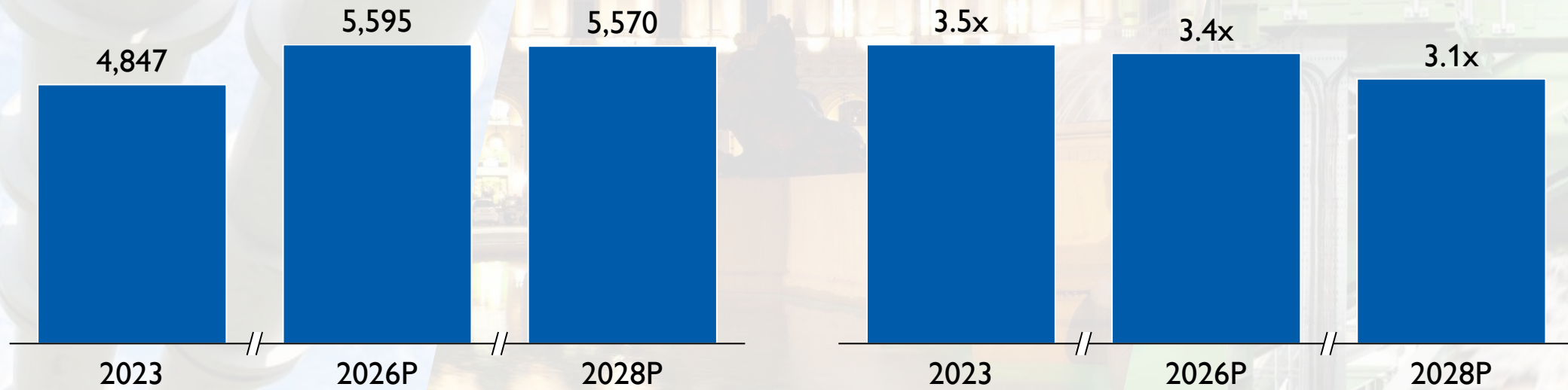


1. Includes change in regulatory receivables (Grids accounting and Water adjustments)

# Robust and improving financial structure (2/3)

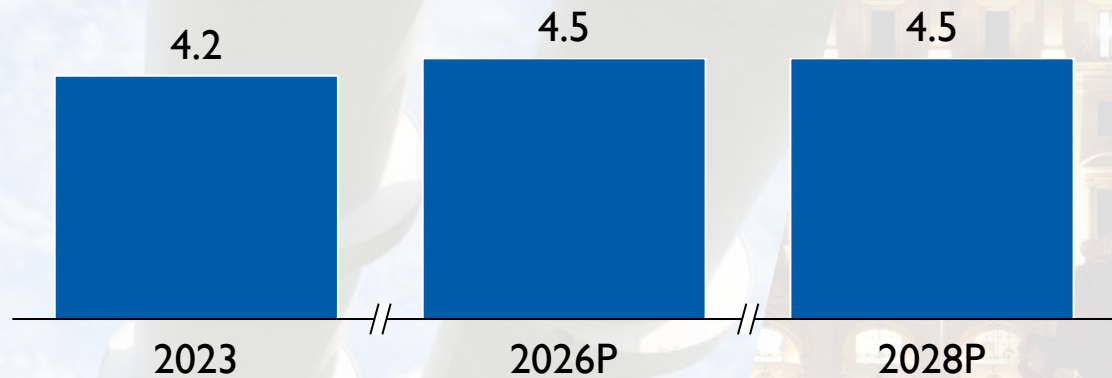
NFP, mln€

NFP/ EBITDA



# Robust and improving financial structure (3/3)

## Average duration of debt, years

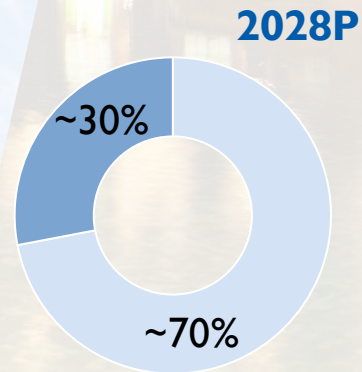
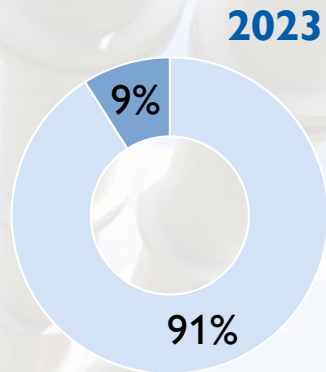


## Key Optimization Levers

- **Increase of the average duration of debt** through **refinancing** of expiring debt with:
  - bond issues (~8 years bullet) and
  - **long-term** financing (~15 years amortizing)
- **Reduction of the fixed-rate component in line with the changed market context**
  - interest rates steadily rising since late 2020, with an expectation of reduction in the coming years

## Debt structure

■ Fixed ■ Variable



# Closing remarks



People for  
sustainable  
infrastructures

# Q28 | Closing remarks



## Green

Focus on regulated infrastructure businesses by strengthening positioning and expanding into adjacent segments

ESG across businesses



## Diligent

People at the center

Operation excellence with strong cost and investment discipline to sustain cash generation

Optimization of financial structure and capital allocation



## Growth

Capex increase (also in innovation)

Shareholder value growth (RAB/ Net Profit/ Dividends)

## Key numbers

- EBITDA '28: ~1.8 bn€ (90% regulated<sup>1</sup>)
- Net Profit '28: ~375 mln€
- NFP/ EBITDA '28: ~3.1x
- Capex: ~1.5 bn€/year
- Dividends: >1 bln€ cumulated in the plan horizon

1. Regulated Includes, in addition to the regulated businesses Water Italy and Networks, the Public Lighting and Environment businesses

# Disclaimer

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

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

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

# Contacts



People for  
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### Website

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[gruppoacea.it](http://gruppoacea.it)

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