



Investor Presentation

JANUARY 2026



People for
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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**



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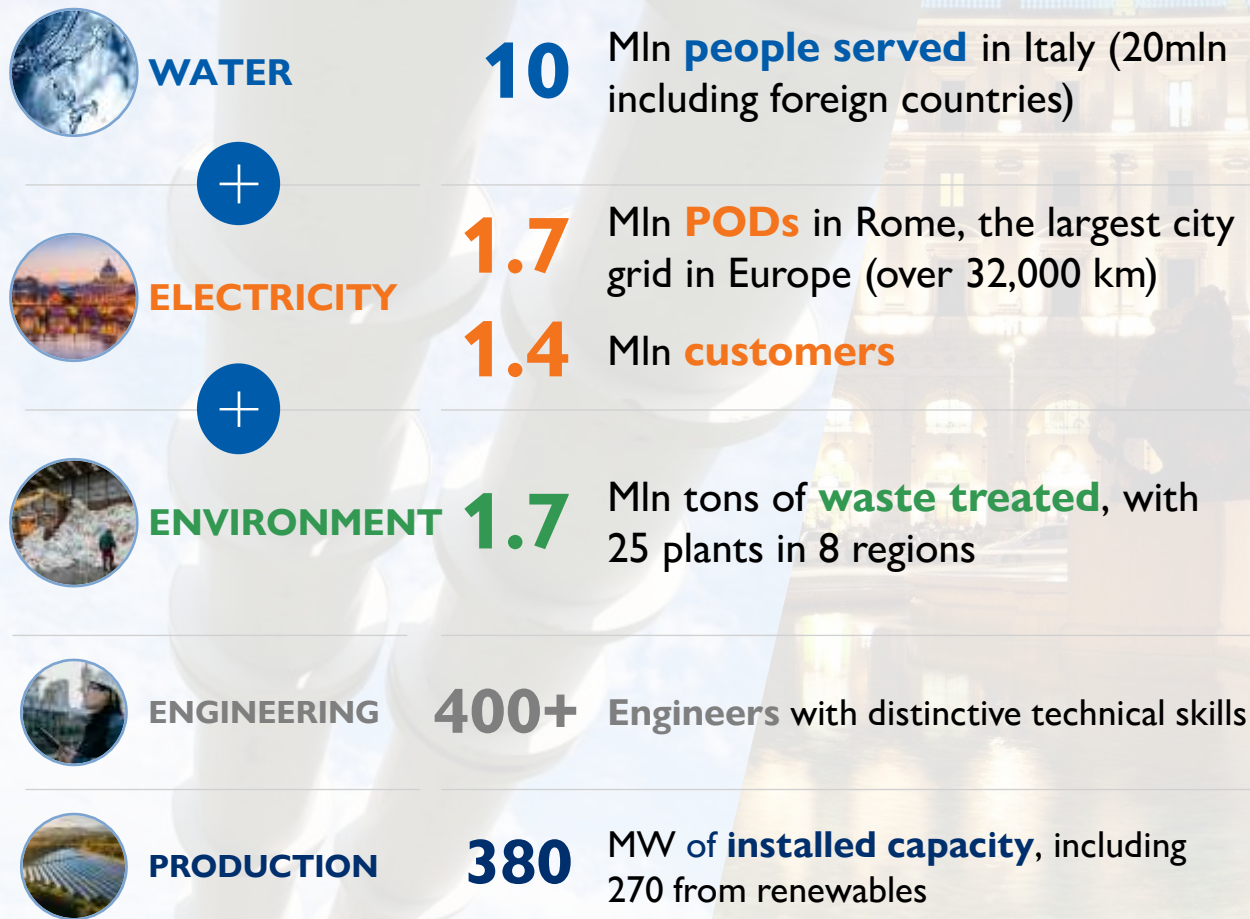
Acea: Infrastructural operator with low leverage



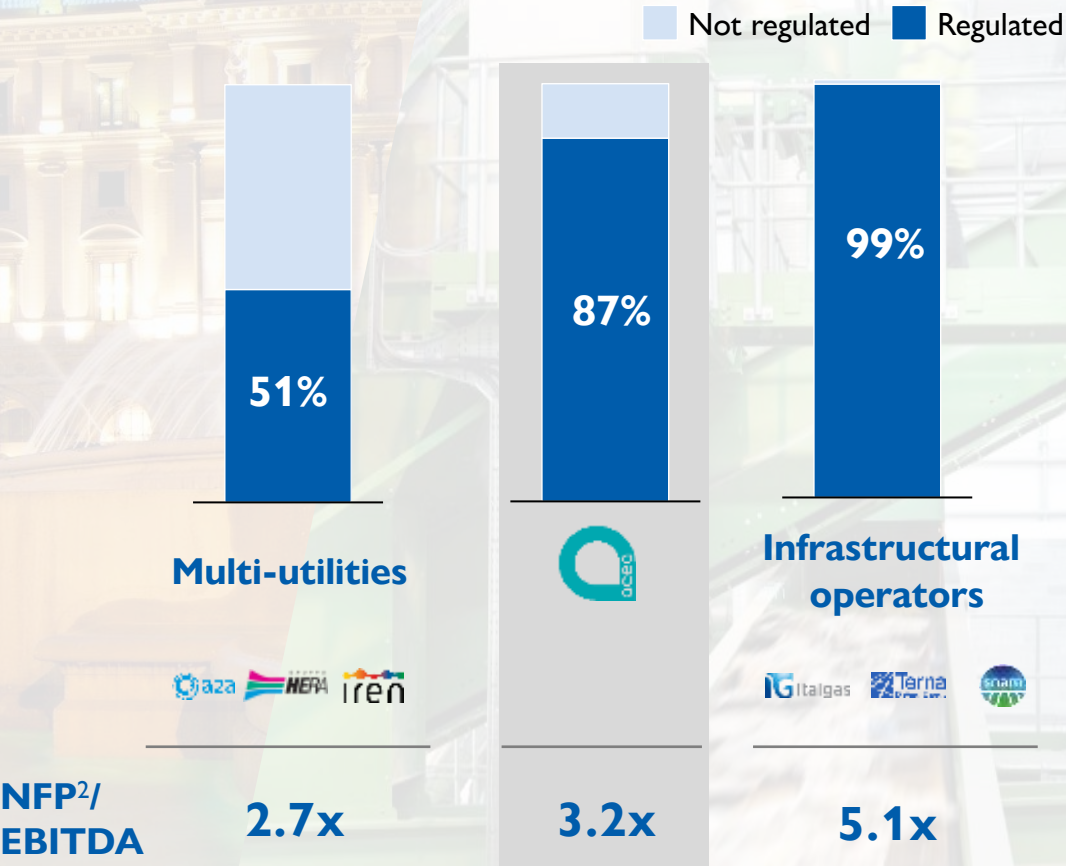
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ACEA: INFRASTRUCTURAL OPERATOR WITH LOW LEVERAGE

Key numbers, 2024



Regulated EBITDA¹, % 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 deep teal color with a complex network of glowing white and light blue lines. These lines form various geometric shapes, including triangles and polygons, some of which are larger and more prominent than others. The lines are interconnected, creating a sense of a global or digital network. There are also many small, bright white dots scattered throughout the background, some of which are part of the network structure and others that appear as standalone points of light.

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**¹.
- **MTI-4 tariff approvals by local authorities completed** in 2024, those by **ARERA** are underway. **Consultations for the two-year period of MTI-4² 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 2026³ 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**⁴.

Interest rates⁵



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 2025¹

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

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

Regulated EBITDA² 95%

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

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

Regulated CAPEX² 95%

Net Debt/EBITDA LTM
pro-forma⁴ **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-forma³ 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 Profit³ 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.



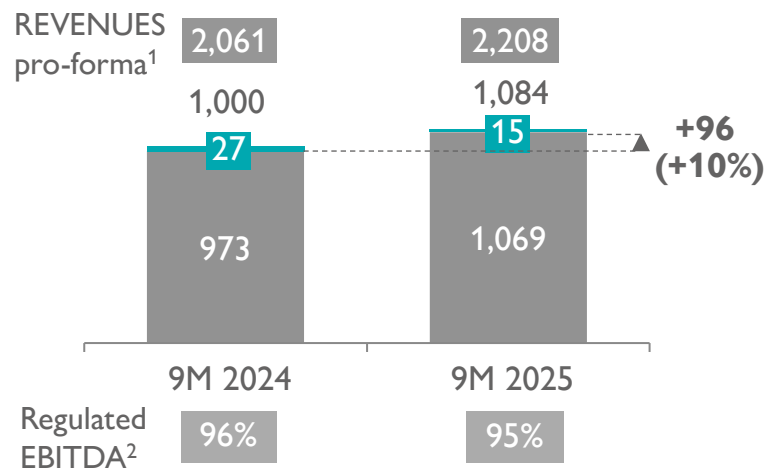
Note: Any failure to reconcile the stated figures arises exclusively from rounding

OVERVIEW OF 9M 2025 RESULTS

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

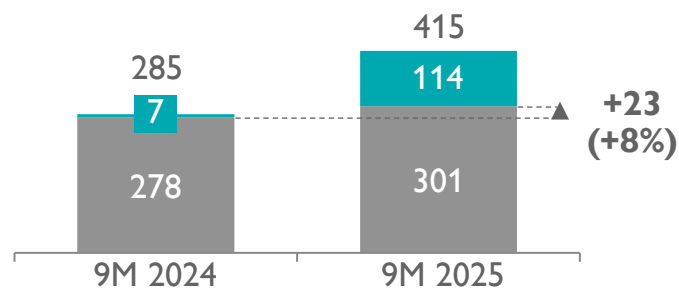
EBITDA pro-forma¹, mln€

Changes in scope and non-recurring events



Net Income, mln€

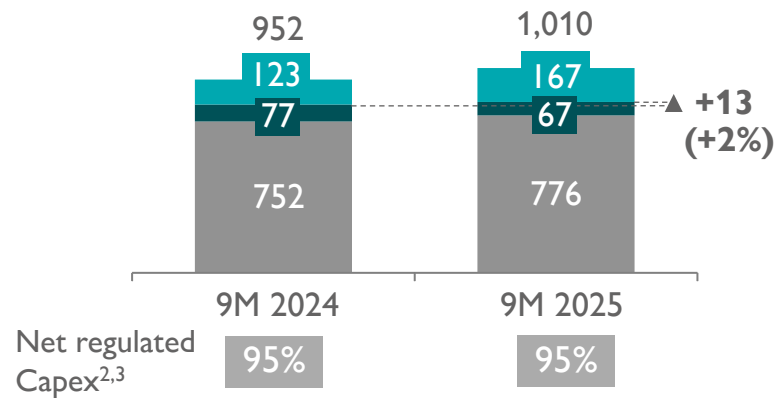
Changes in scope and non-recurring events



CAPEX, mln€

Grant-funded

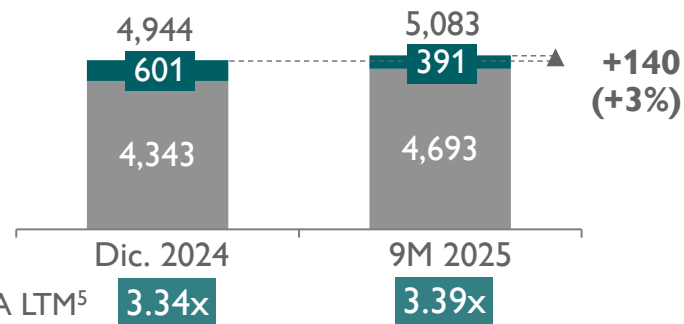
Capex related to the divested business (discontinued operations) and to AdF in 2024



NET DEBT⁴, mln€

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

Pro-forma Net Debt



Pro-forma Net Debt/EBITDA LTM⁵ **3.34x** **3.39x**

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.

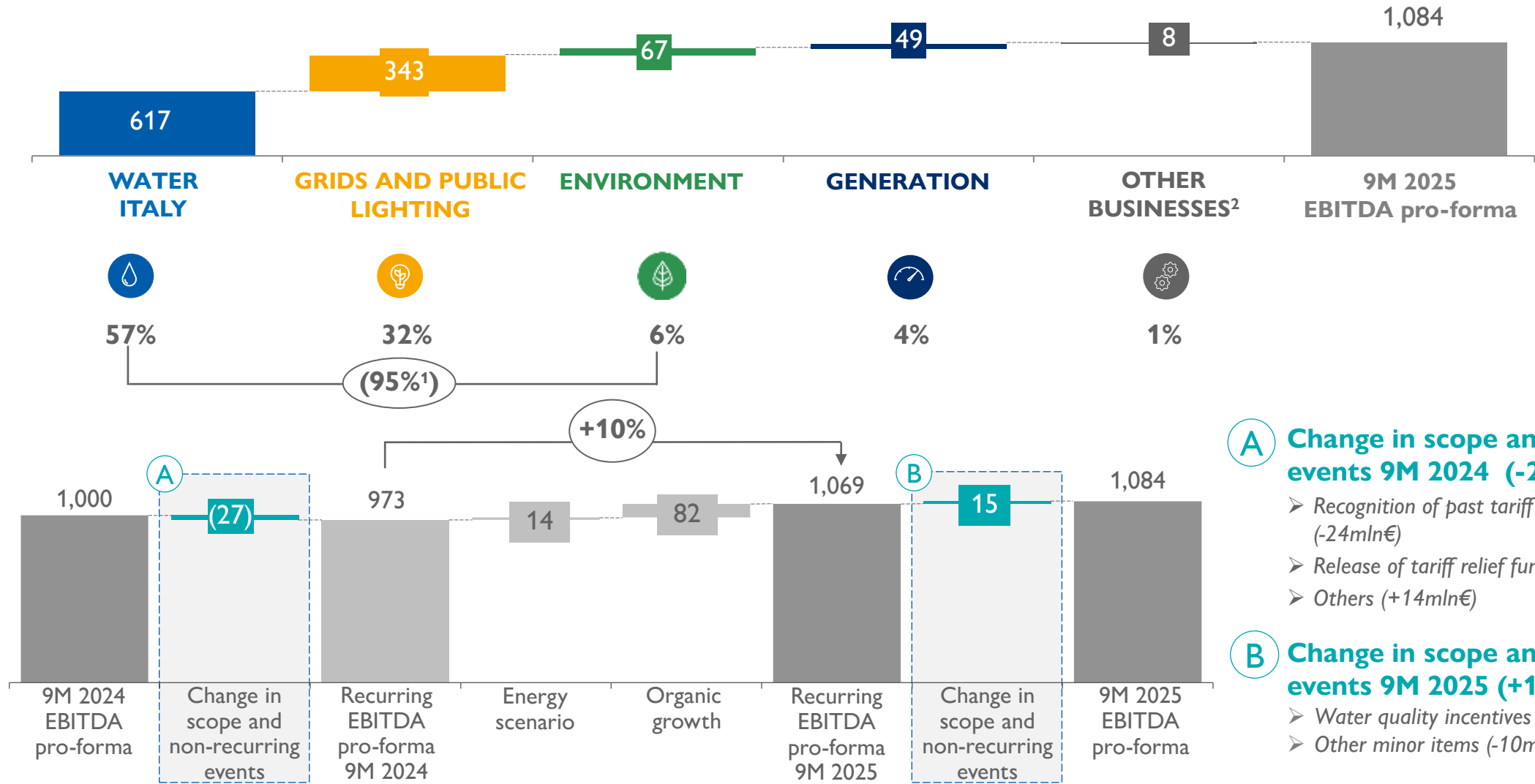
The **ratio is in line with the guidance.**

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:

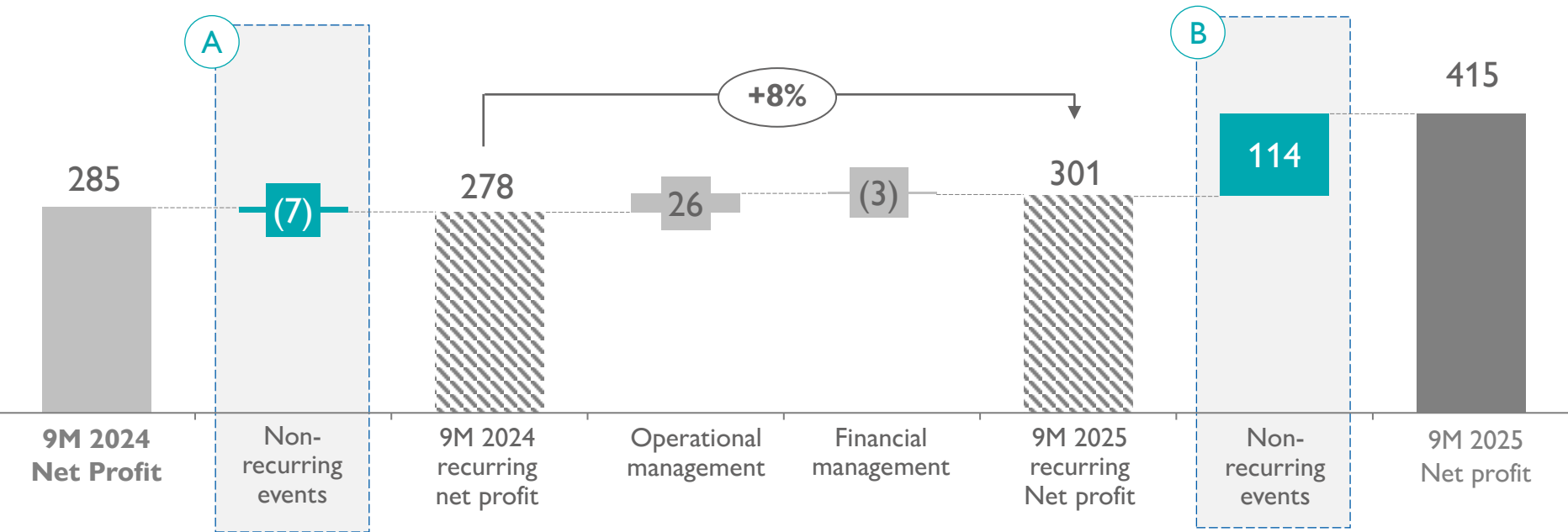
- Water quality incentives (+25mln€)
- Other minor items (-10mln€)

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€)

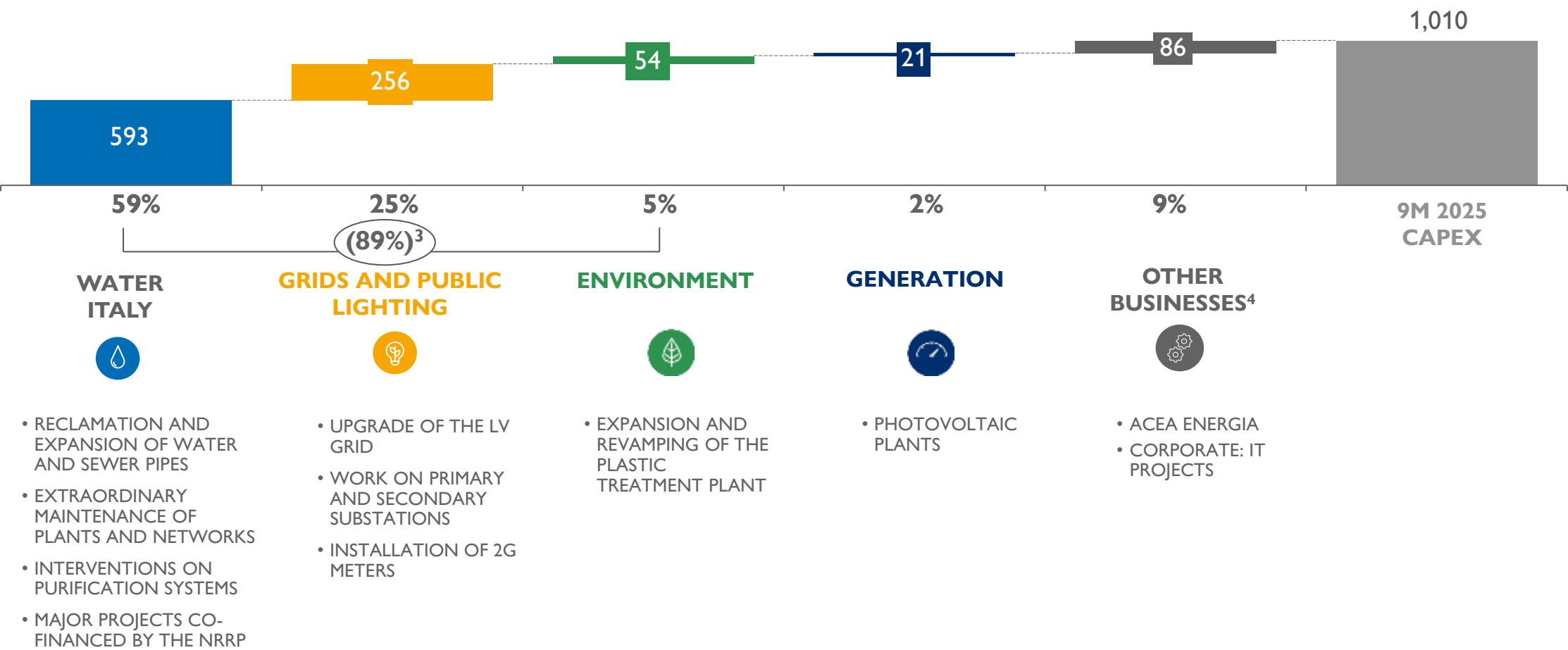
B Non-recurring events 9M 2025 (+114mln€) of which:

- 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%¹ OF THE TOTAL

CAPEX², 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.

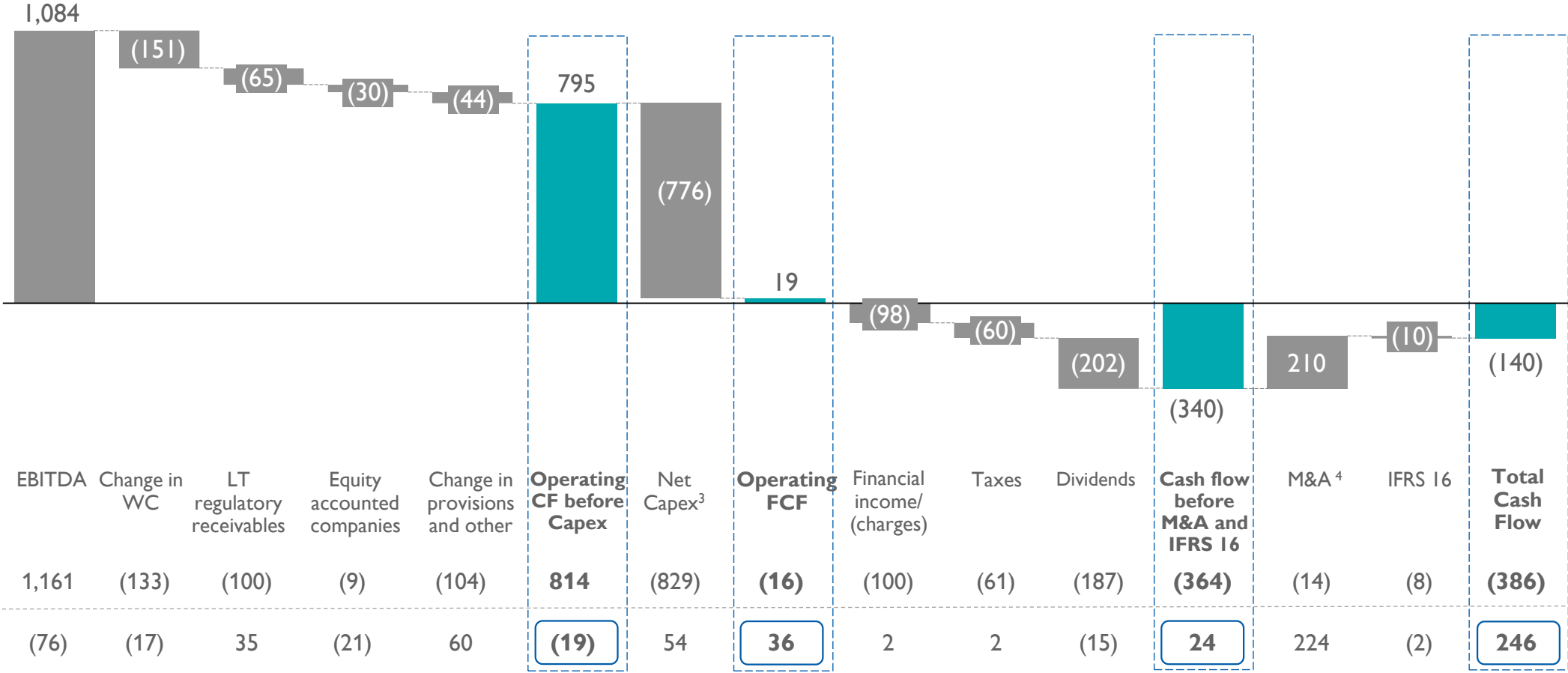
9M 2025 CASH FLOW

THE RESULTS OF THE PERIOD CONFIRM A SOLID FINANCIAL STRUCTURE

CASH FLOW, mln€

9M 2025¹

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
Pro-forma NET DEBT ¹	4,343	4,693	350
Long-term debt	4,970	5,481	
Short-term debt	499	137	
Cash and cash equivalents pro-forma ¹	(1,126)	(925)	

Leverage

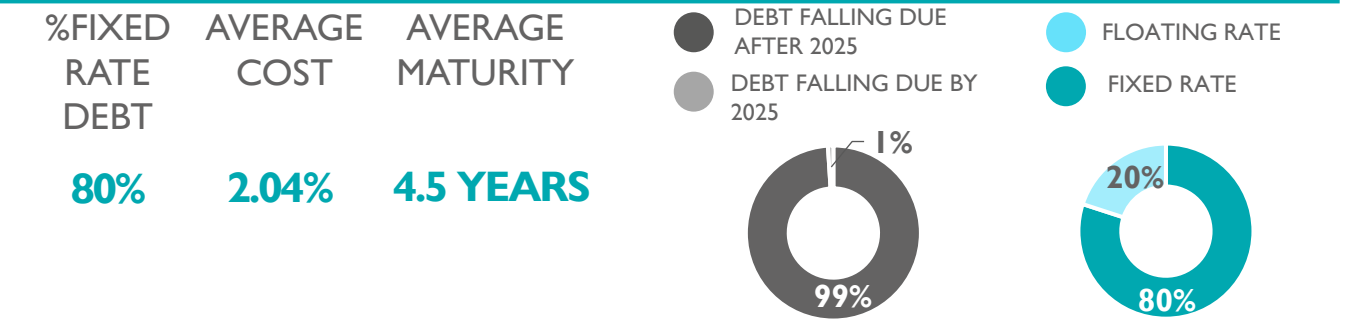
PRO-FORMA NET DEBT/EBITDA LTM 30/09/2025	PRO-FORMA NET DEBT/EBITDA 31/12/2024
3.39x	3.34x

Rating

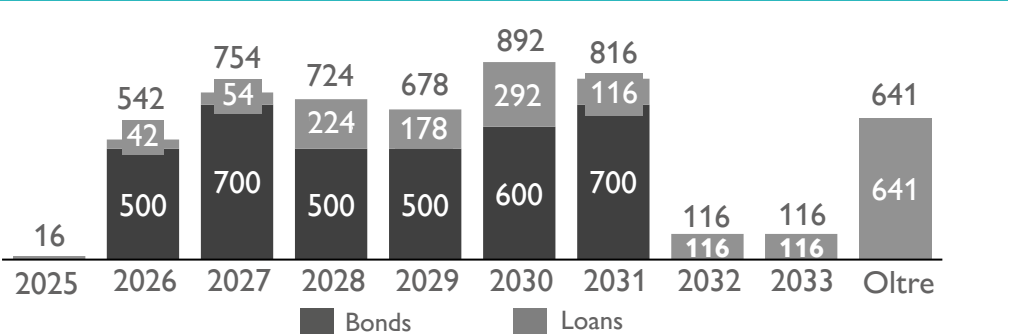
FitchRatings «BBB+»
Stable Outlook

MOODY'S² «Baa1»
Stable Outlook

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



Profile of main long-term maturities³ 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. Improved rating to "Baa1" from "Baa2" e changed outlook from "positive" to "stable" (November 25, 2025) | 3. 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

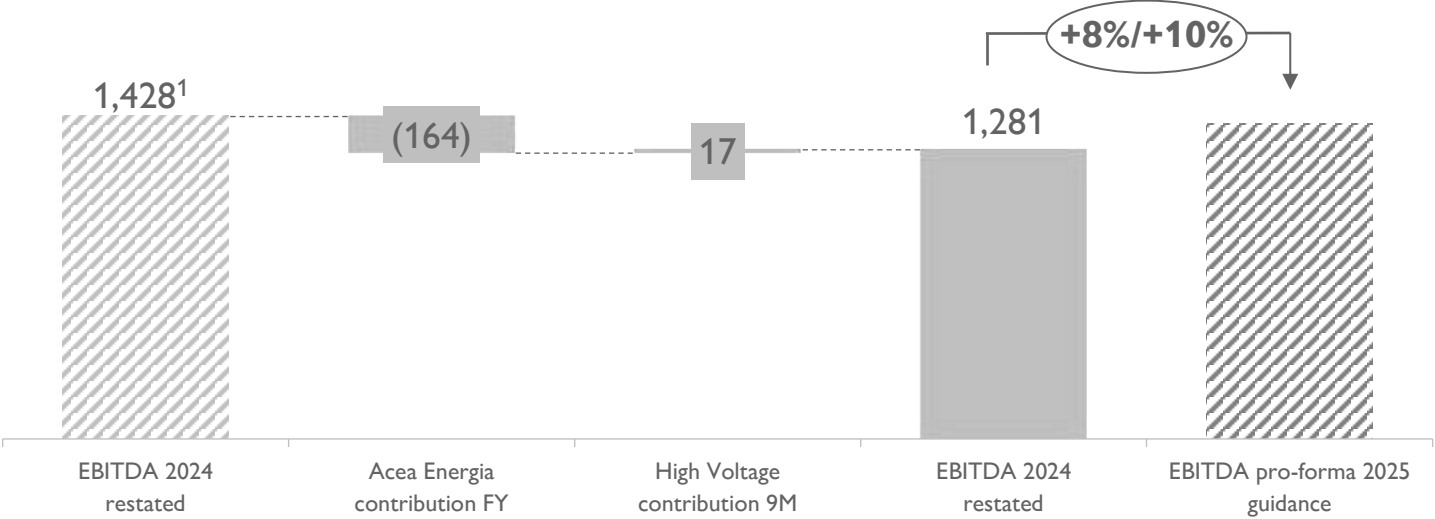
NEW 2025 GUIDANCE

- ✓ 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 deep teal color with a complex, abstract pattern of glowing white and light blue lines. These lines form a network of interconnected points, some of which are highlighted as bright, star-like nodes. In the lower half of the image, there are two prominent, wireframe-like geometric shapes: a large, teardrop-shaped structure on the left and a smaller, more rounded, bowl-like structure on the right. Both shapes are composed of the same network of lines and nodes, giving them a three-dimensional, crystalline appearance. The overall effect is one of high-tech, digital connectivity and data visualization.

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 scope³

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 EBITDA² amounting to €1,557m, +12% compared to 2023.

Organic EBITDA³ 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

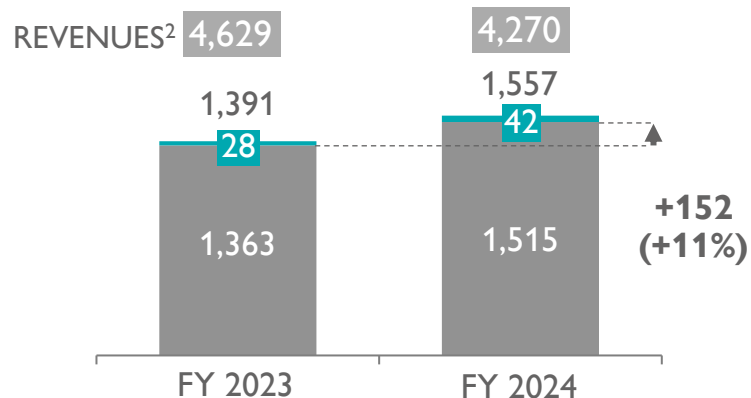
1. Including, in addition to the Water Italy and Grids regulated businesses, Public Lighting and Environment businesses. The data does not include the results of companies accounted at equity | 2. Includes the full consolidation of Acquedotto del Fiora in 9M2024 (€47m) and at equity in 4Q2024 (€1m) | 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

■ Non-recurring events and changes in scope¹

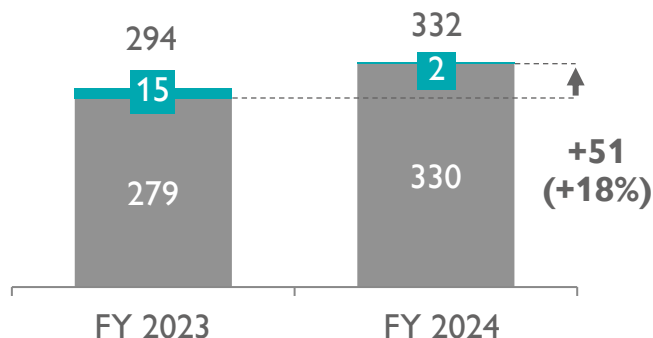


Regulated³ 86%

87%

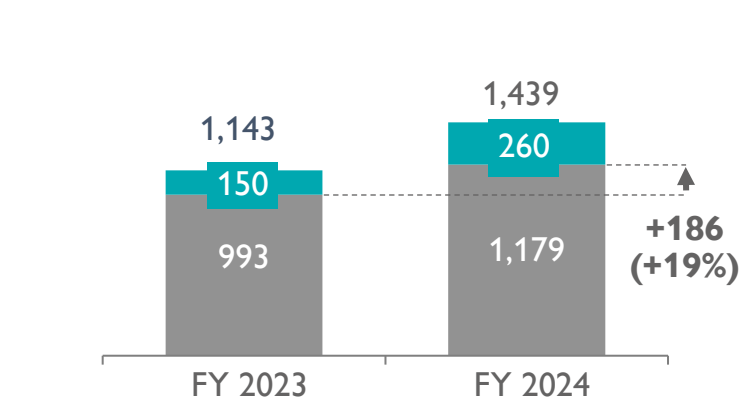
Net profit, €m

■ Non-recurring events



CAPEX, €m

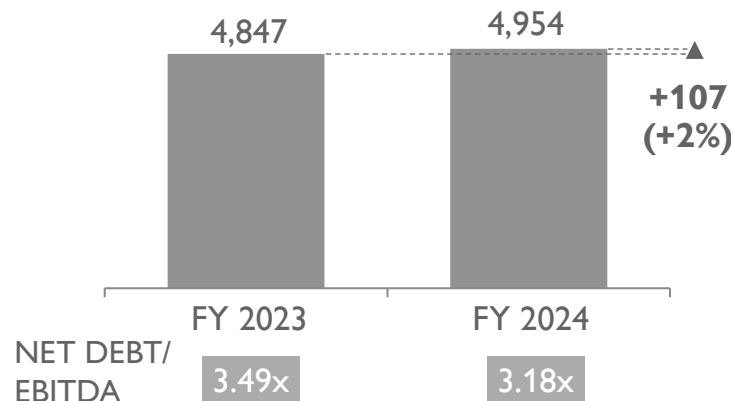
■ Grant-funded



Regulated³ 88%

89%

NET DEBT, €m



NET DEBT/
EBITDA

3.49x

3.18x

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

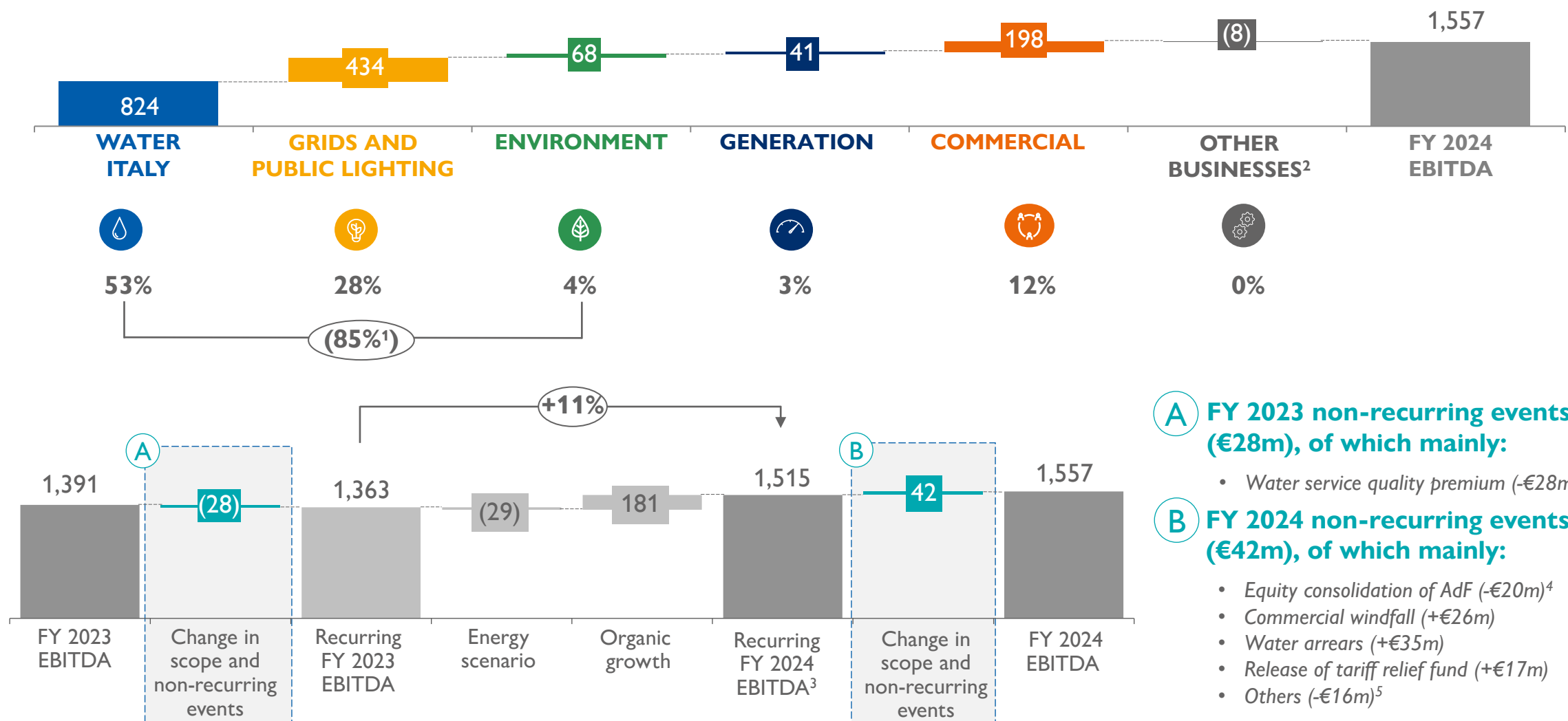
1. Details of the change in perimeter and non-recurring events are illustrated in the next slide

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

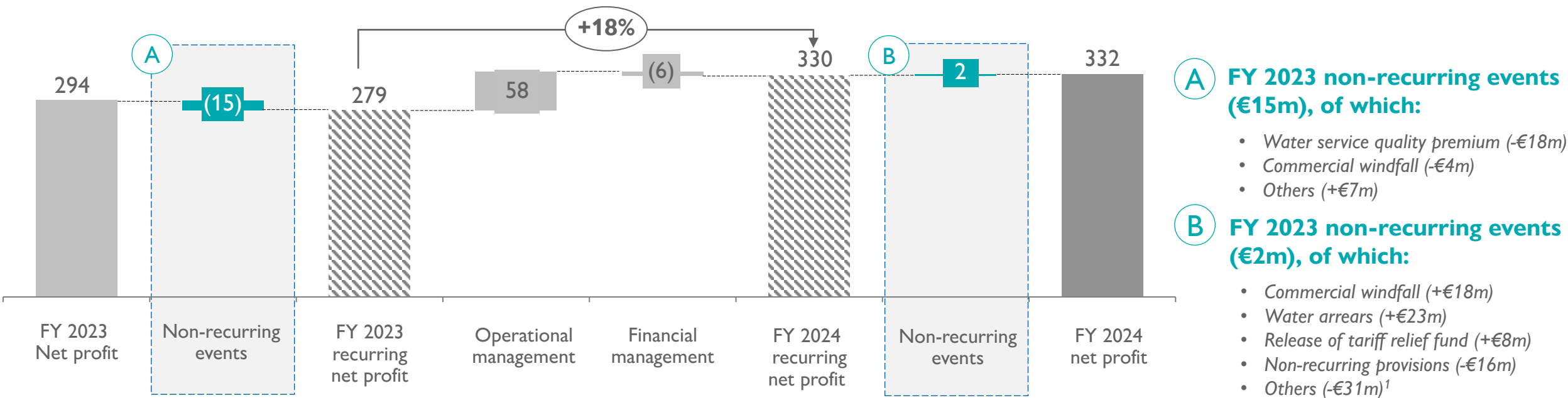


1. Includes, in addition to the Water Italy and Grids regulated businesses, the Public Lighting and Environment businesses | 2. Overseas Water, Engineering & Infrastructure Projects and Corporate | 3. Integral consolidation of Acquedotto del Fiora over the full year | 4. EBITDA (€21m) is deducted and 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



DIVIDENDS	2024 DPS ²	Payout ³	Yield ⁴
	0.95€	61%	5.6%

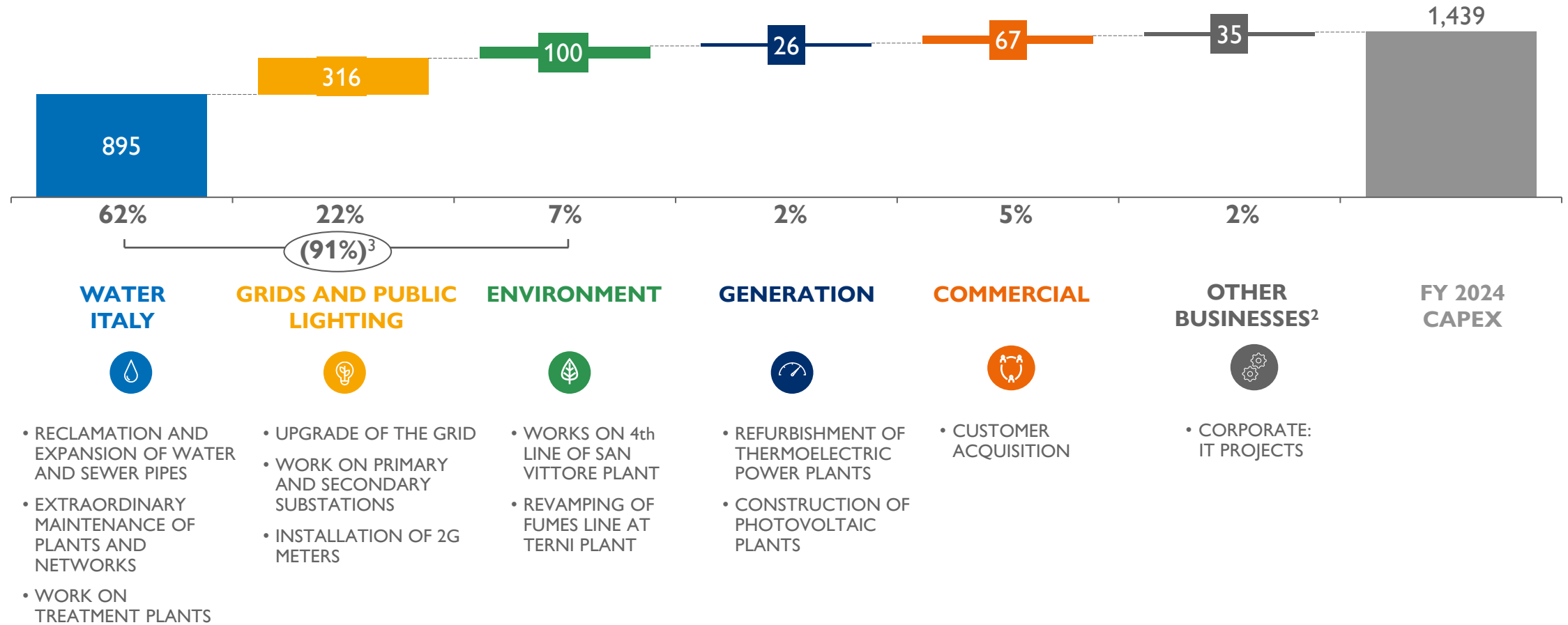


1. Including impairment, Terni WTE plant shutdown for maintenance and PV revamping | 2. The dividend will be proposed by the Board of Directors to the Shareholders' Meeting, convened for 28th April 2025 in first call and 29th April 2025 in second call | 3. Calculated on consolidated net profit after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

FY 2024 CAPEX

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

CAPEX¹, €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

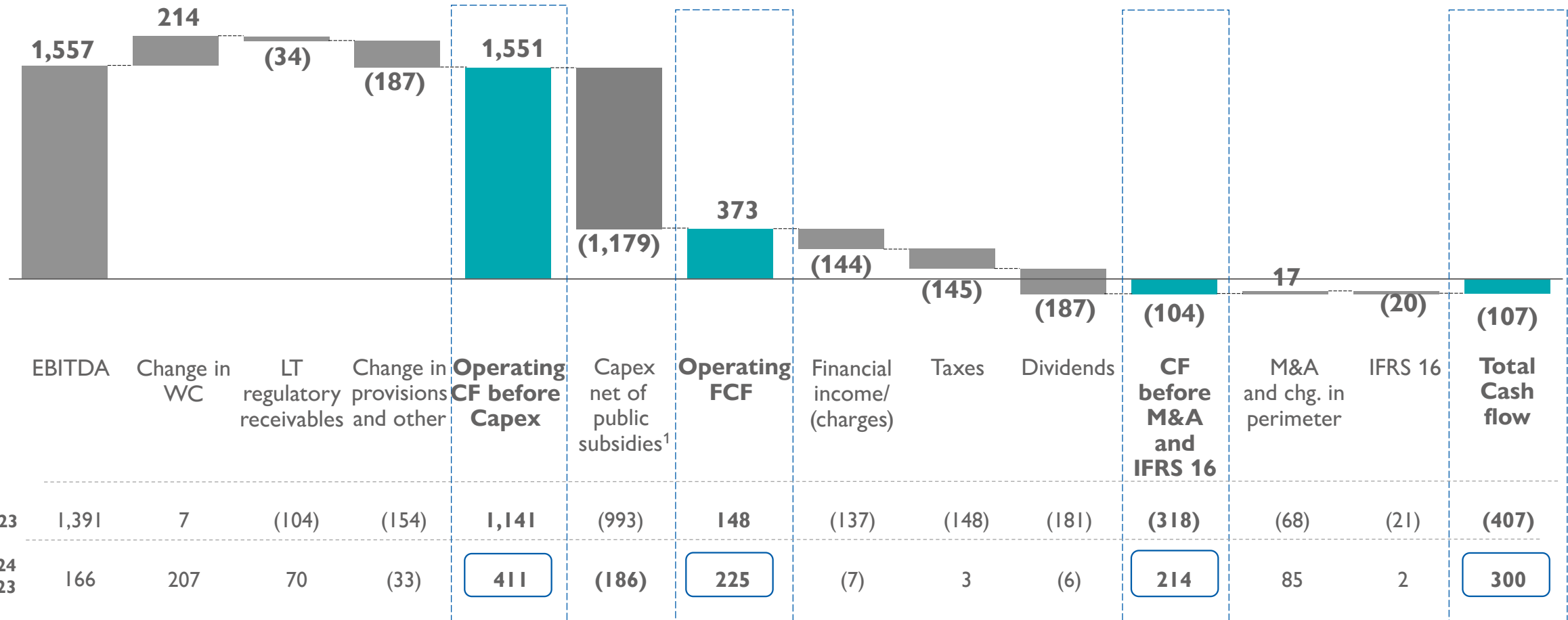
CASH FLOW FY 2024

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
NET DEBT	4,847	4,954	107
Long-term debt	4,771	4,895	
Short-term debt	923	759	
Cash and cash equivalents	(847)	(700)	

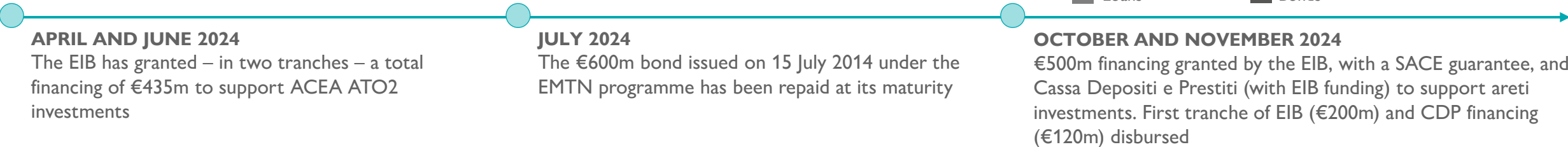
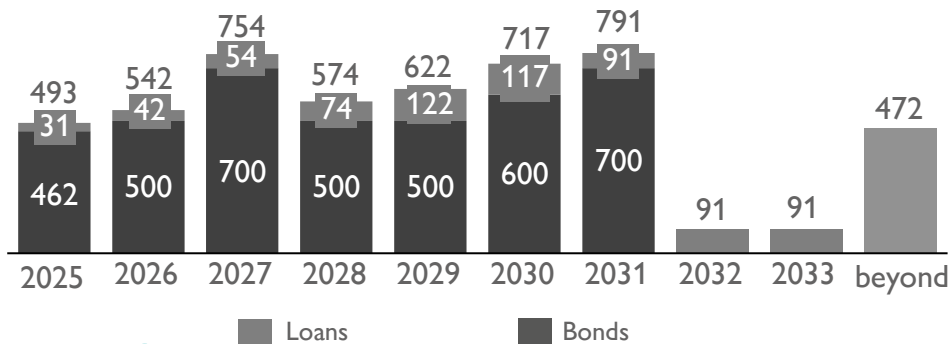
Leverage

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

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



Profile of main long-term maturities¹ €m



1. 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"

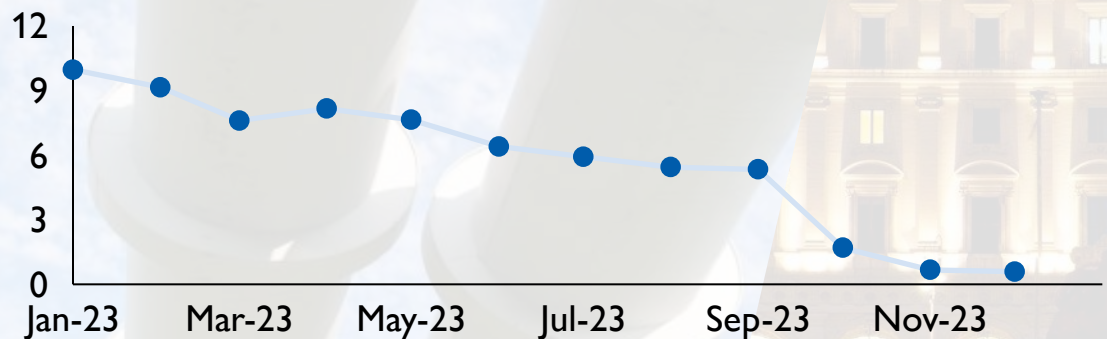
Evolving context



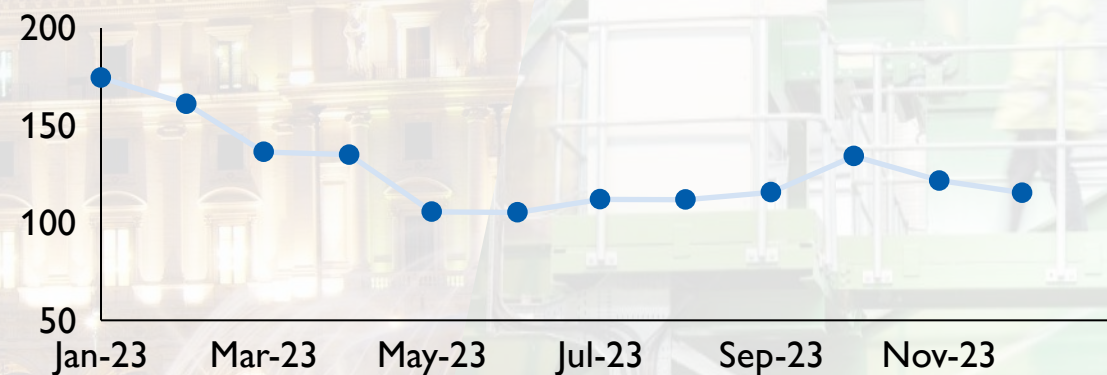
People for
sustainable
infrastructure

Volatile macroeconomic context, new regulatory scenario for Water and Grids

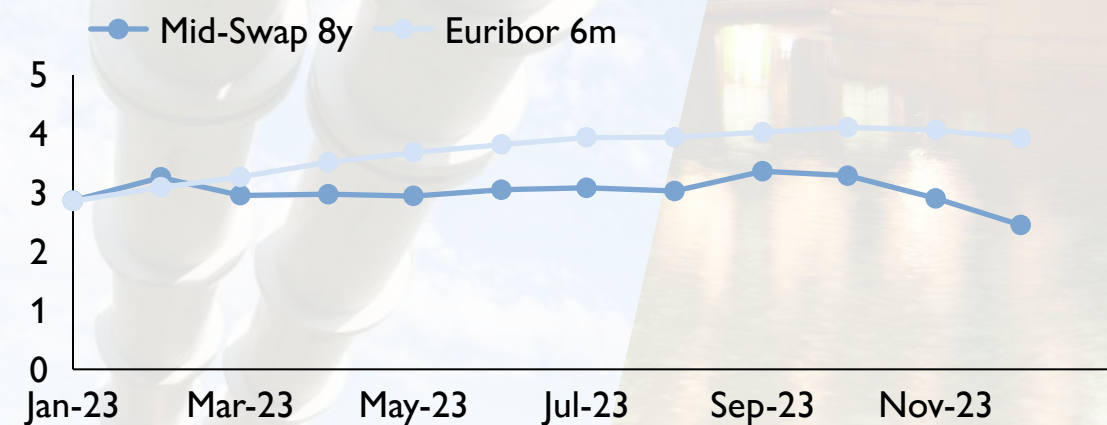
Inflation¹, %



NSP², €/MWh



Interest rates³, %

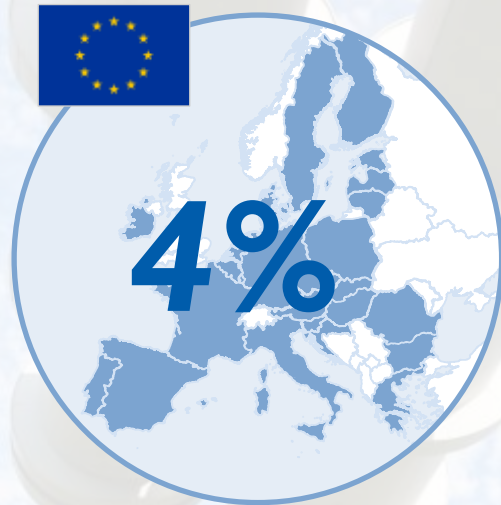


Regulatory scenario

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

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



Availability

Quality

Sustainability



WATER

~70%

southern European population subject to seasonal water stress

+70 mln

new individuals with access to clean water

~7 bn m³

potentially reusable wastewater in Europe



ELECTRICITY

~450 GW

green capacity to be installed to meet decarbonization target

-60%

power outages thanks to smart grids

-55%

CO₂ emissions from electricity production



ENVIRONMENT

+330

potential additional WtE facilities in Europe

~60%

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

+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 technicians¹ 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%¹)



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 20th 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. Italy¹)



Lower service levels vs. European peers

(Italy SAIDI² 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

Electri- city



- **Price-cap-type efficiency incentives on Opex from 2024 (basic ROSS¹) 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**



Q28 | **Green Diligent Growth**

The background of the slide is a dark teal color with a complex network of glowing blue lines and dots, resembling a molecular structure or a digital network. The lines connect various points, some of which are highlighted with bright blue dots. The overall effect is a sense of interconnectedness and technology.

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

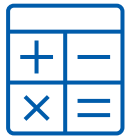
Q28 | Green Diligent Growth: Strategy



Green

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

ESG across businesses

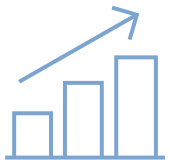


Diligent

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
EBITDA¹

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€

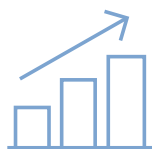
» Capex increase

Net Profit
(CAGR)

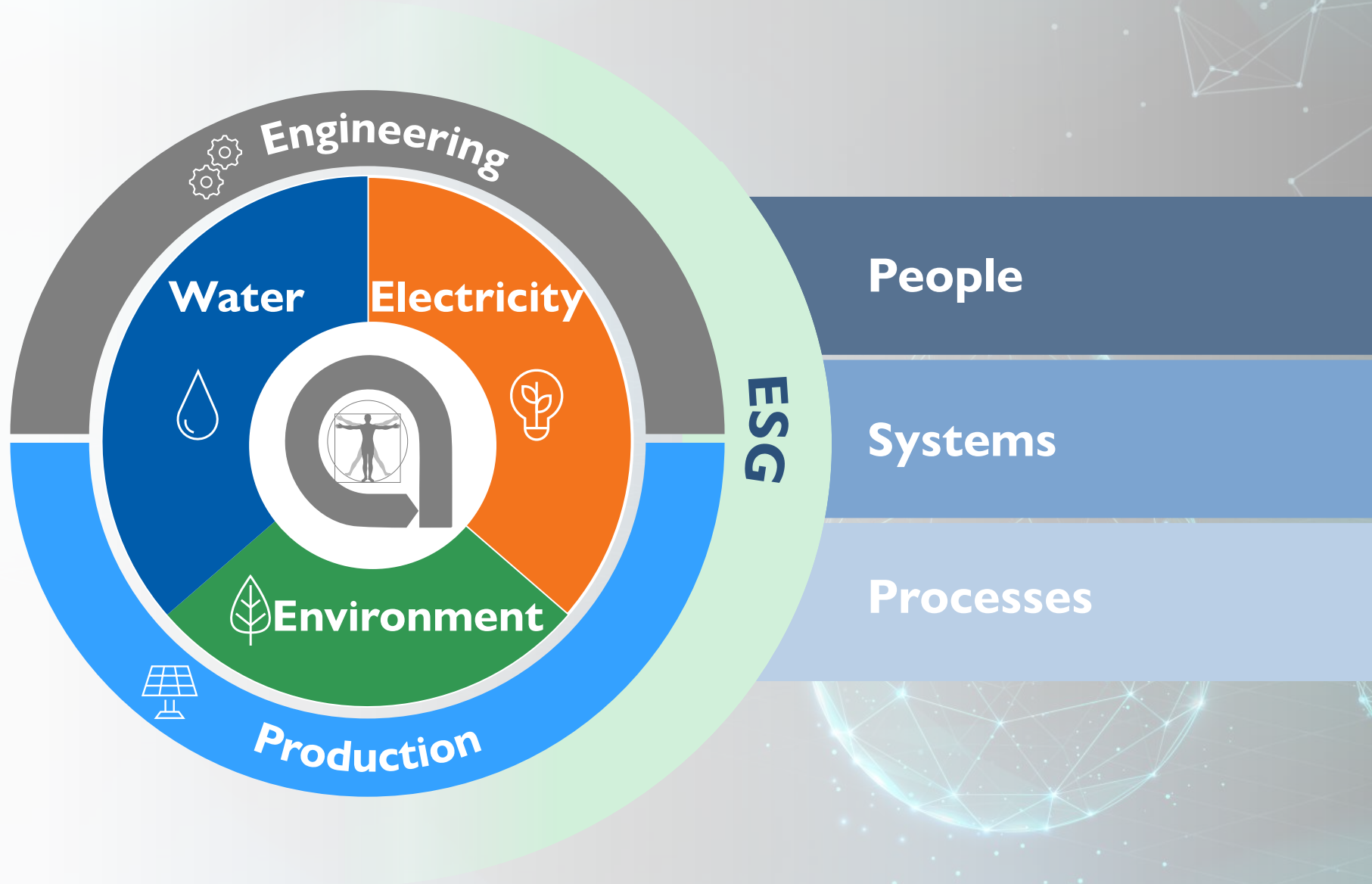
1%

5%

» Shareholder value growth







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 m³ 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 m³ 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



International
diversified
operator

Weight on EBITDA '28

57%

WATER: Our vision



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**



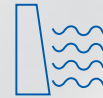


Strengthening

**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)

Development¹

**SELECTIVE GROWTH IN
ITALY AND ABROAD**

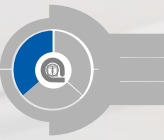


Growing via tenders and partnerships aiming at aggregating local water utilities
(leveraging on distinctive capabilities in concession management)



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)

Q28 | WATER: Main lines of intervention

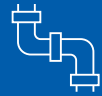


Increase in water system resilience



- **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**

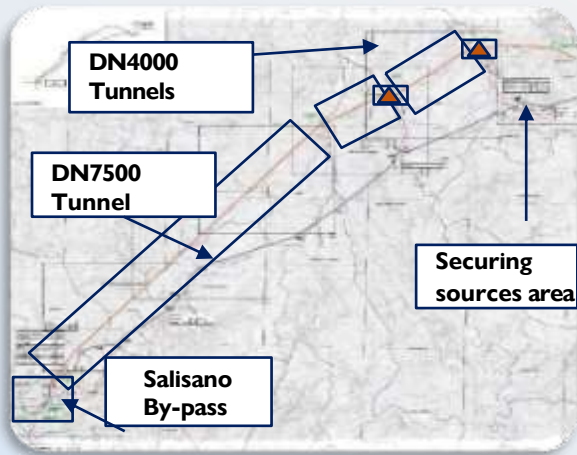
Development of collection and purification processes



- 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

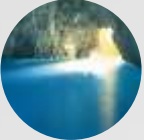
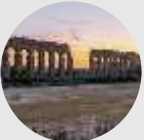



Water Management System, network digitization and smart metering



Q28 | WATER: Major works examples



Intervention	Description	KPIs
 Peschiera Aqueduct	Construction of an upper section second line with high anti-seismic standards and possibility of maintenance without flow discontinuity (~10 m3/sec)	<ul style="list-style-type: none">• Length: ~25 km• Population served: >2 mln• Investment: ~0.7 bn€ during plan period
 Marcio Aqueduct	Upgrade of Rome's second adduction system for greater resilience , possibility of inspection/maintenance activities , and sanitary protection of the resource	<ul style="list-style-type: none">• Length: ~7.5km• Population served : <1 mln• Investment: ~0.2 bn€
 Ottavia-Trionfale	Creation of new connection line to ensure alternatives for water supply to Rome and replenishment of Monte Mario reservoir	<ul style="list-style-type: none">• Length: ~5km• Population served: <1 mln• Investment: ~0.1 bn€

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

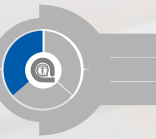
Circular economy



Promoting circular economy models, aimed at:

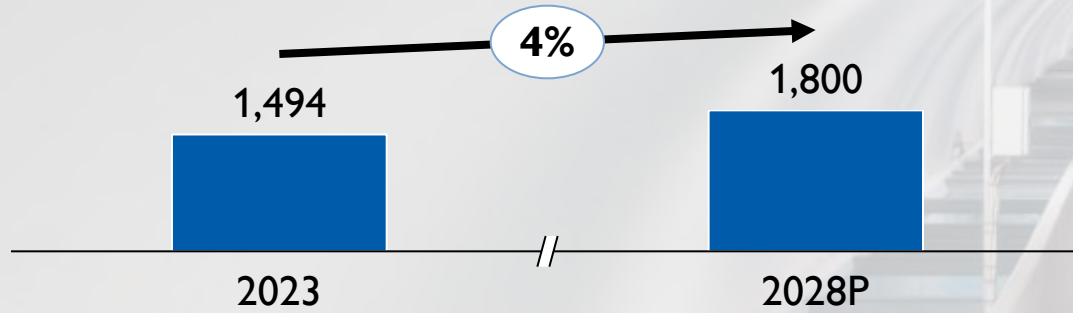
- Recovering **resources from Acea supply chain** (e.g., wastewater treatment and composting plants) with **applications in the agricultural supply chain**
- Recovering **byproducts from the agricultural supply chain to feed Acea's plants**

Q28 | WATER Italy: 2023-28 Projections

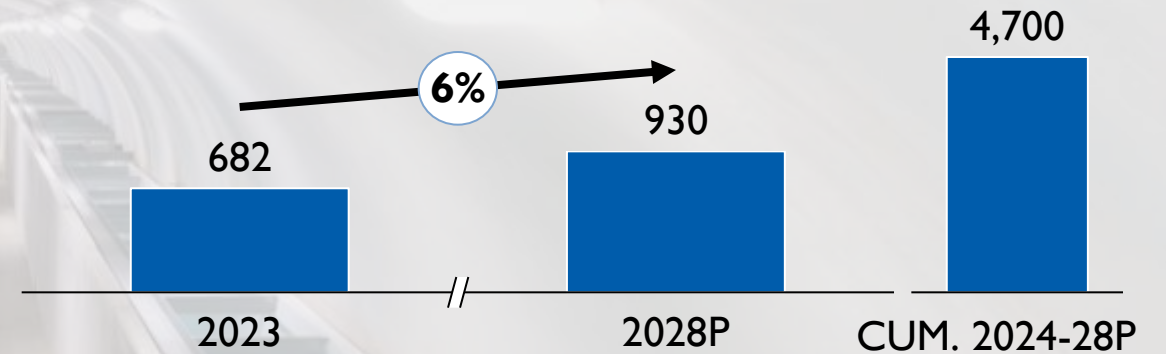


xx% CAGR '23-'28

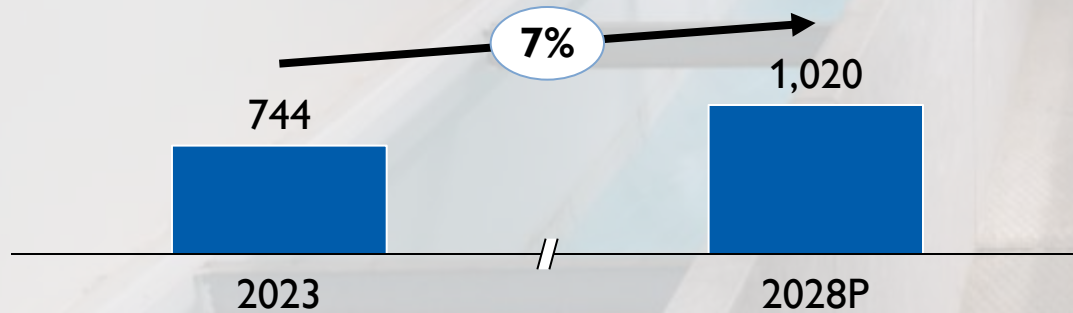
Revenues¹, mln€



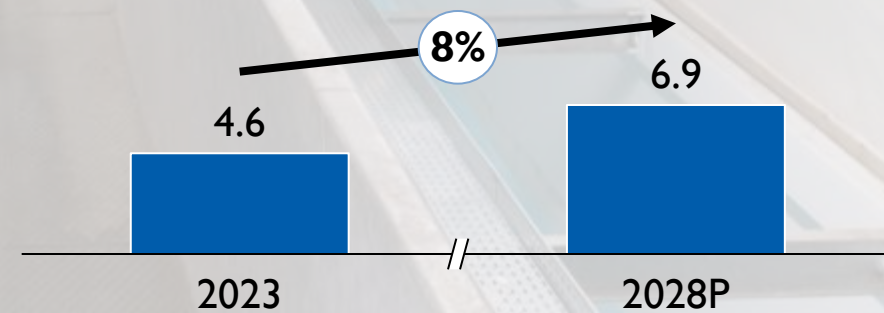
Capex², mln€



EBITDA, mln€



RAB³, 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)

2nd 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

7th operator by energy sold

1.5 mln customers¹

800+ charging stations authorized in 2023

2nd operator in Italy
focused on grid management and innovative services

Weight on EBITDA '28

31%

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

Development¹

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)

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



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



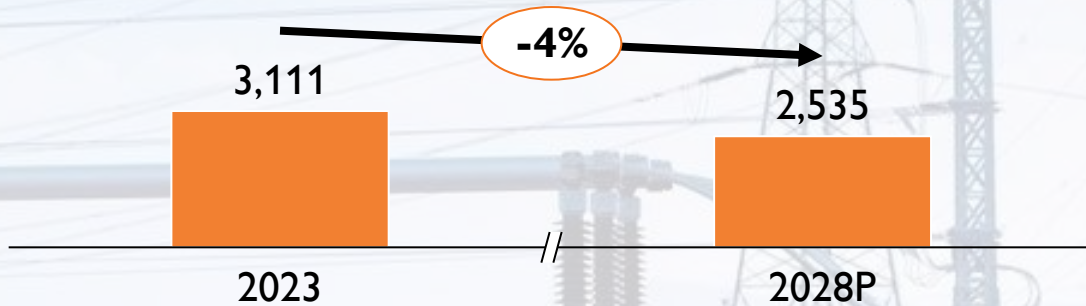
- **Completion of the installation of charging stations**

Q28 | ELECTRICITY: 2023-28 Projections

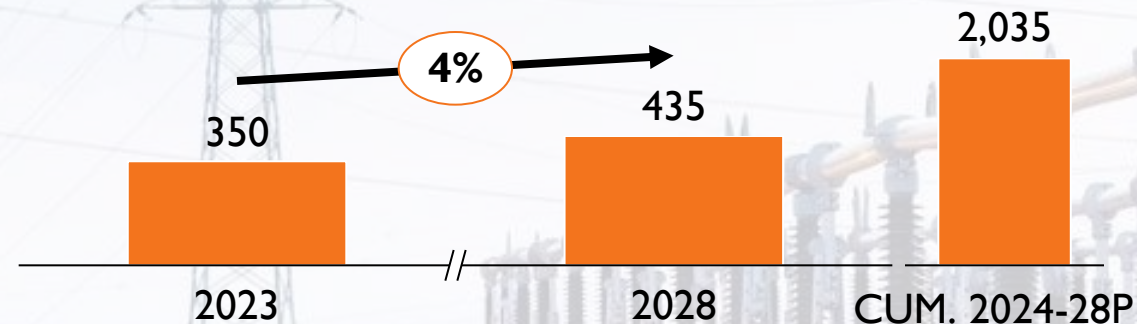


xx% CAGR '23-'28

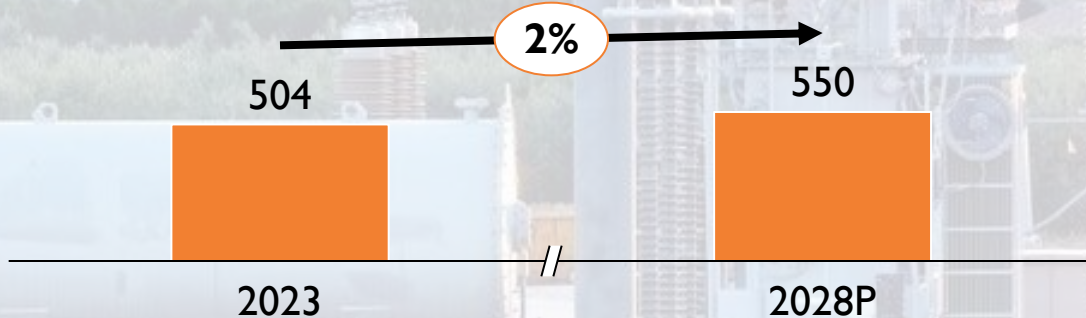
Revenues, mln€



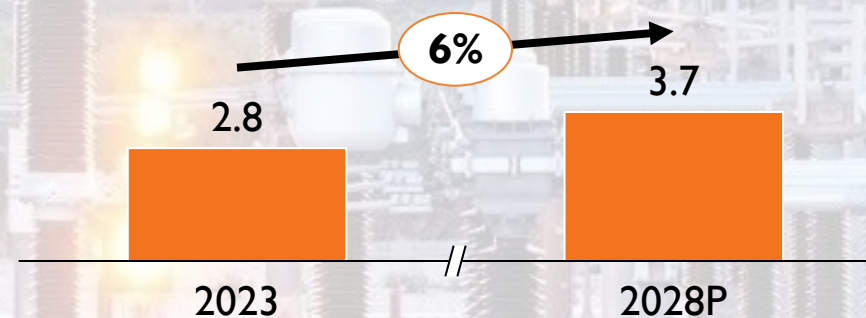
Capex¹, mln€



EBITDA, mln€



RAB², bn€



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



Presence in segments with high margins...¹

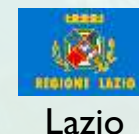
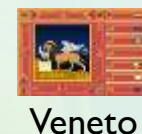
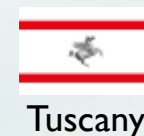
25
Facilities

1.8
Mton of
waste
managed

25%
EBITDA
Margin



...in 8 regions...



... 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

Weight on EBITDA '28

9%

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

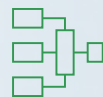


Q28 | ENVIRONMENT: Our strategy



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)

Development¹

SELECTIVE GROWTH IN ITALY AND ABROAD



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



Promoting new advanced technologies

(CO₂ 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

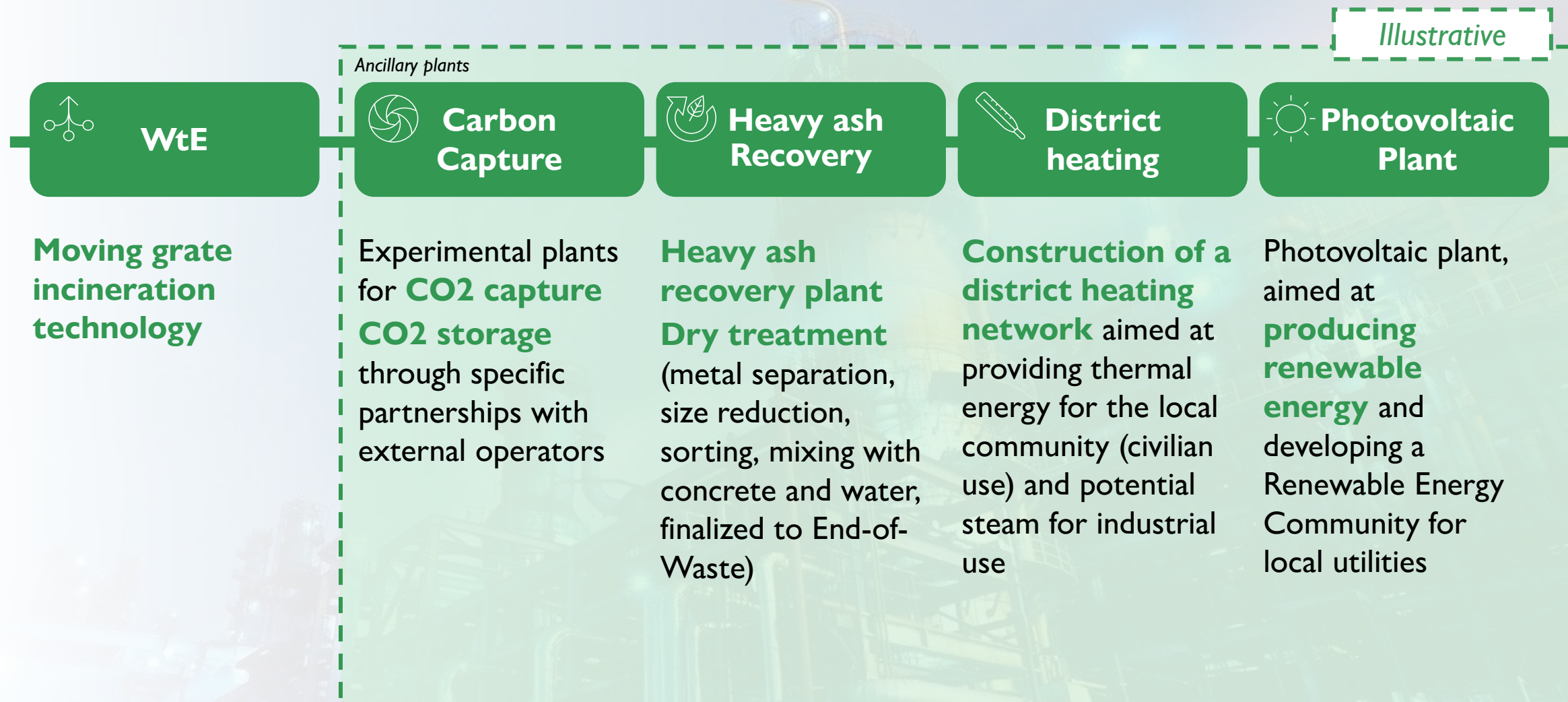


Innovative plants (circular economy)

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



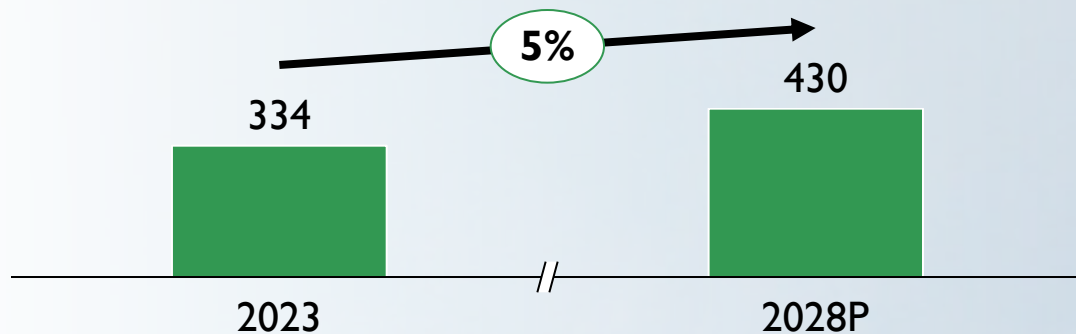
Q28 | ENVIRONMENT: New ancillary plants example (WtE)



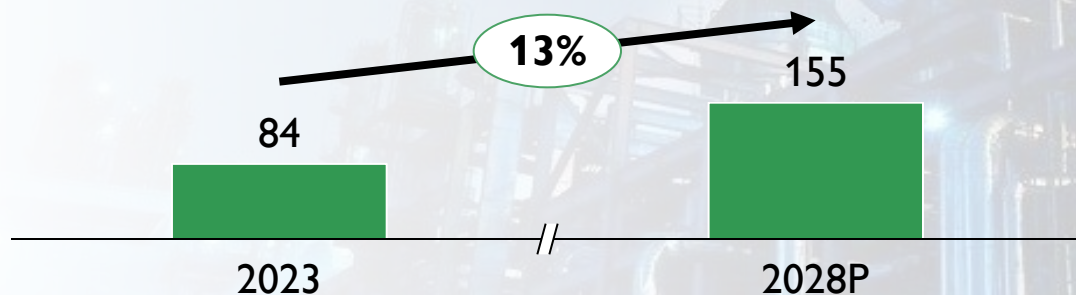
Q28 | ENVIRONMENT: 2023-28 Projections



Revenues¹, mln€

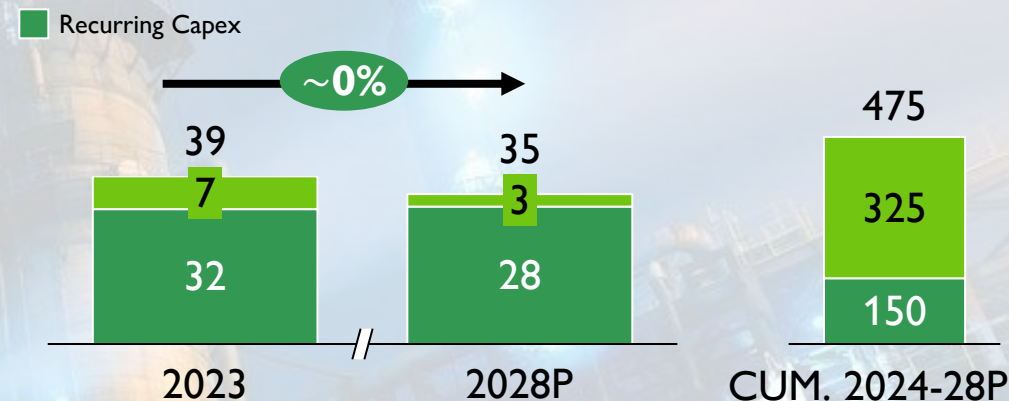


EBITDA, mln€



Capex², mln€

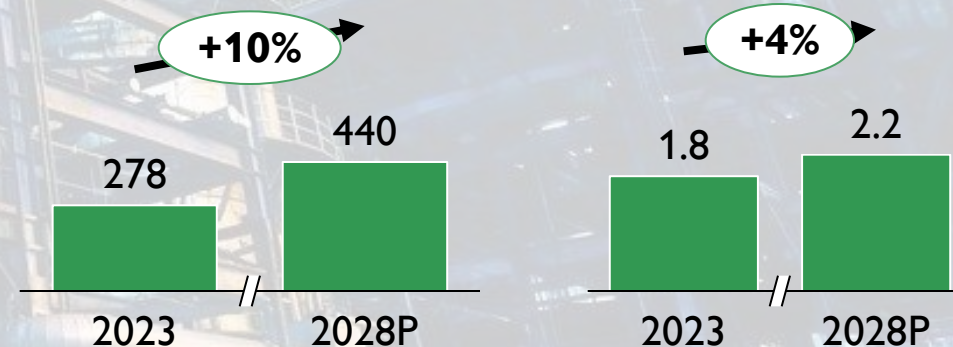
xx% CAGR '23-'28



Operational KPIs

Energy produced by WtE³, 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: 1st operator in Acea's "core sectors"



Highly specialized center of excellence...

400+ **3** **116** mln€
Engineers Companies¹ 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



Design

>60 projects
for 200 mln€ value of
works



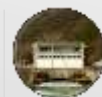
Studies, permits and research

>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)



Laboratory tests

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*)

Development¹

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...

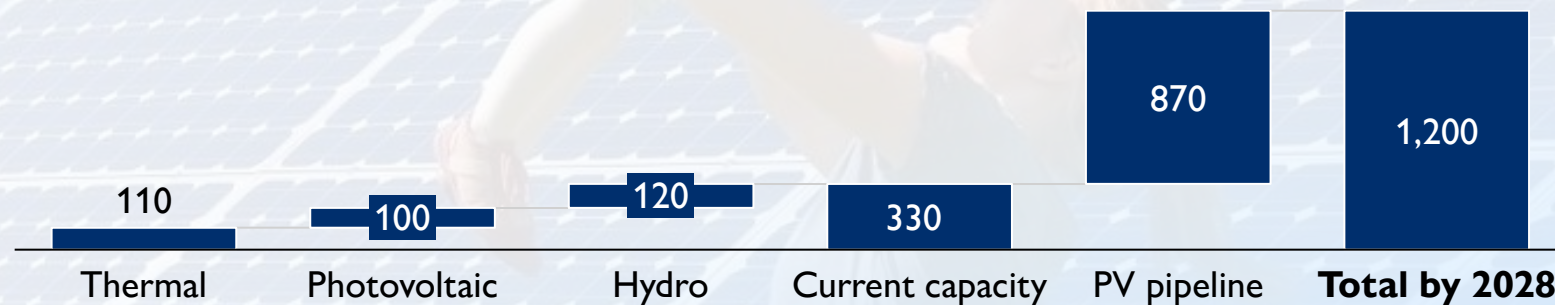
... to cover internal consumption...

	Current capacity ¹ , %
Hydroelectric	37%
Photovoltaic	30%
Thermoelectric	33%



30%
Internal
consumption
coverage (current)

... and with a strong PV pipeline, MW





Operator
highly focused
on renewables



Carbon neutrality

- Reducing **CO₂** emissions to meet SBTi targets

Energy Balance

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



Q28 | PRODUCTION: Our strategy



Strengthening

DEVELOPMENT AND MANAGEMENT OF PV PLANTS



Deploying the existing solar pipeline also leveraging on financial partners

(870 MW, of which 210 already authorized)

Development¹

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)



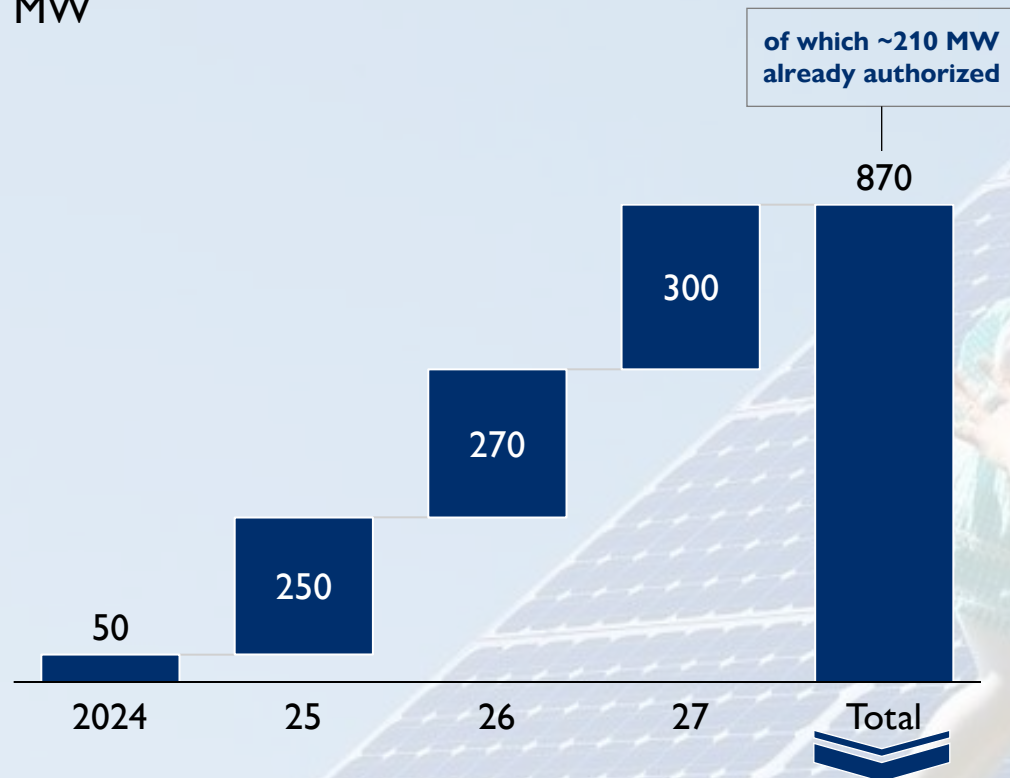
Asset management: strengthening skills for facilities under management

Q28 | PRODUCTION: Launched projects



Pipeline as of 31.12.2023

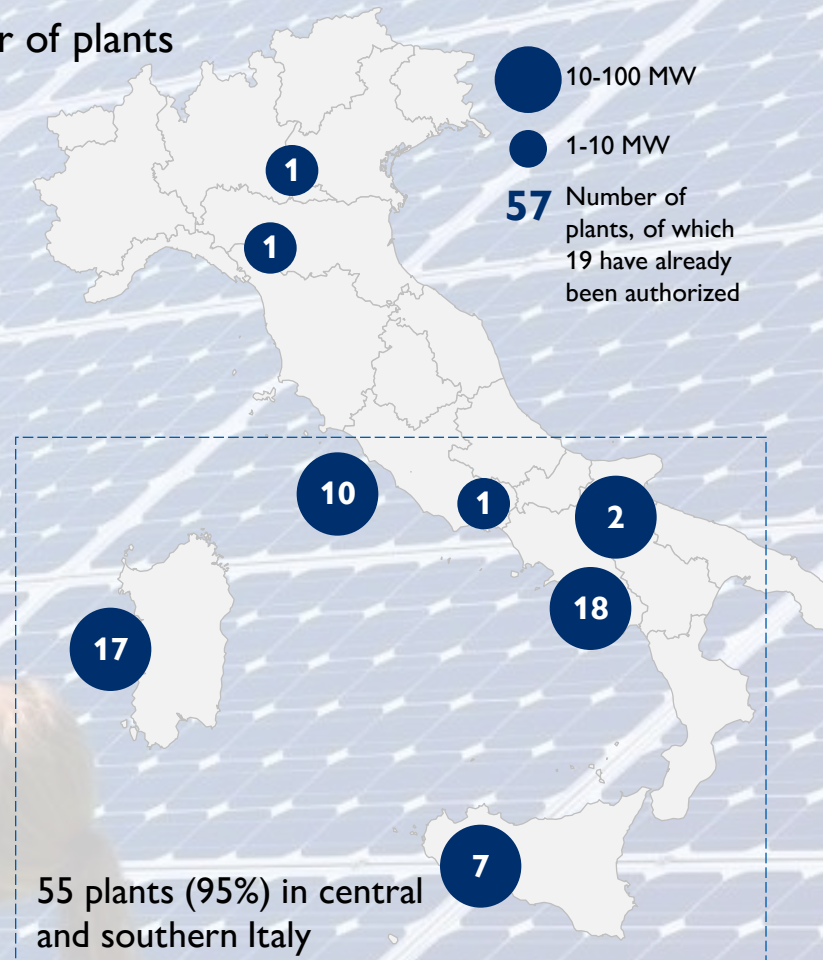
MW



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

Geographical distribution

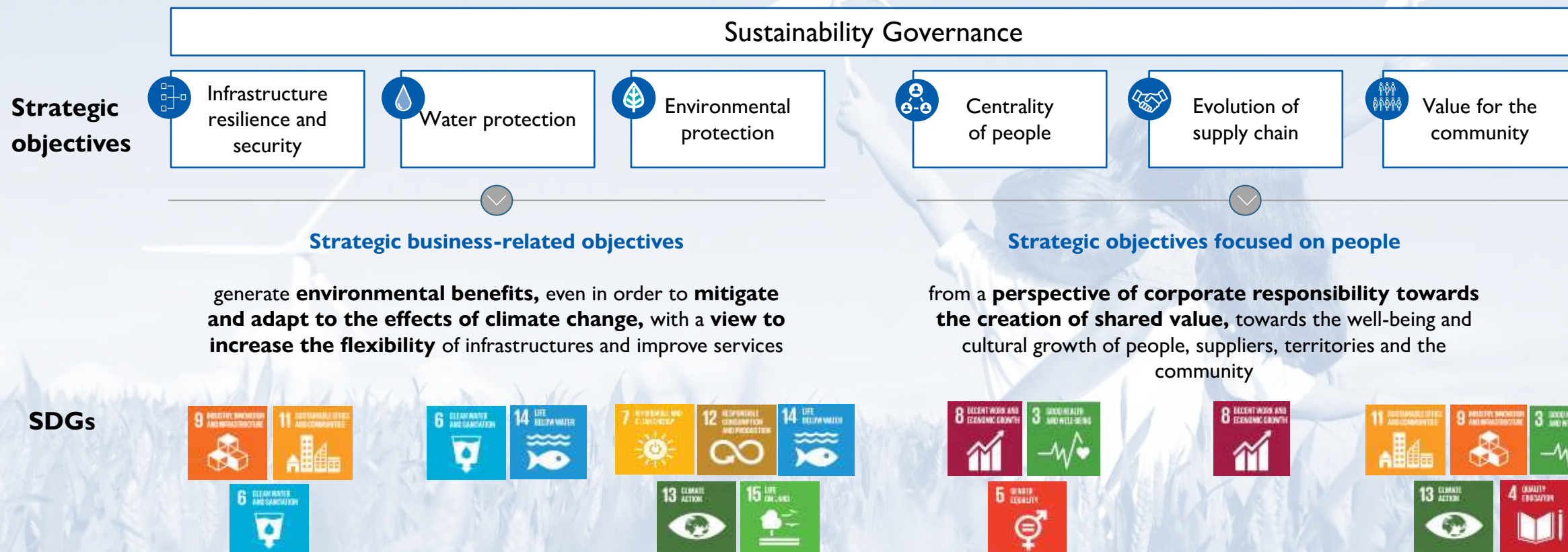
Number of plants



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



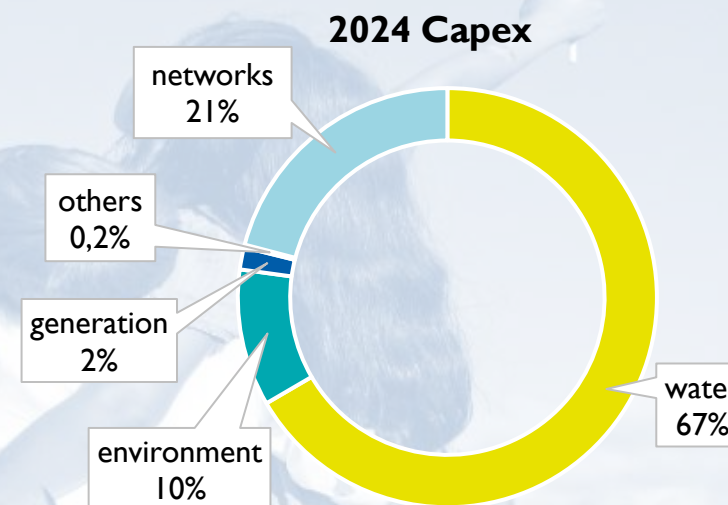
Q28 | ESG: Investments associated with the Plan



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

<u>Areas of Intervention</u>	<u>2024 Capex</u>	<u>Capex Plan</u>
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



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**



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)



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€

Costs¹ Baseline

1.0

Efficiencies

(0.2)

Optimized costs 2028P

0.8

Efficiencies

~16%

Including
inflationary
impact

Baseline CAPEX 2024-2028P

7.6

Efficiencies

(0.4)

Efficiencies re-invested Optimized Capex 2024-2028P

7.6

Efficiencies

~6%

Reinvested in
Regulated
Capex

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



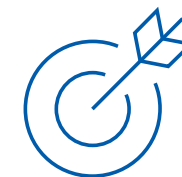
Increase of tax injunction

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

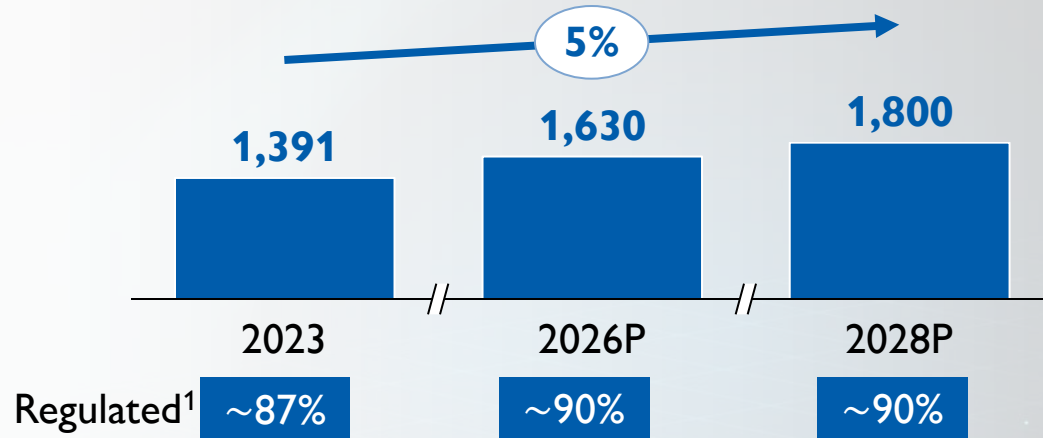


People for
sustainable
infrastructures

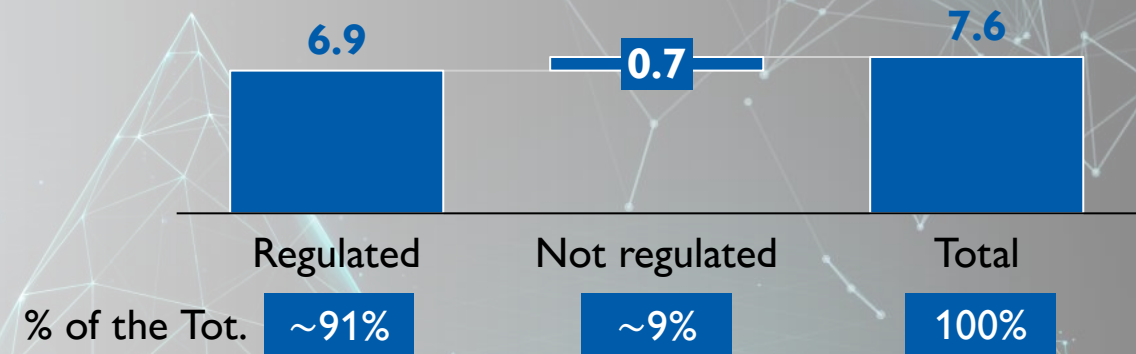
Targets 2028: “Steady growth”

xx% CAGR '23-'28

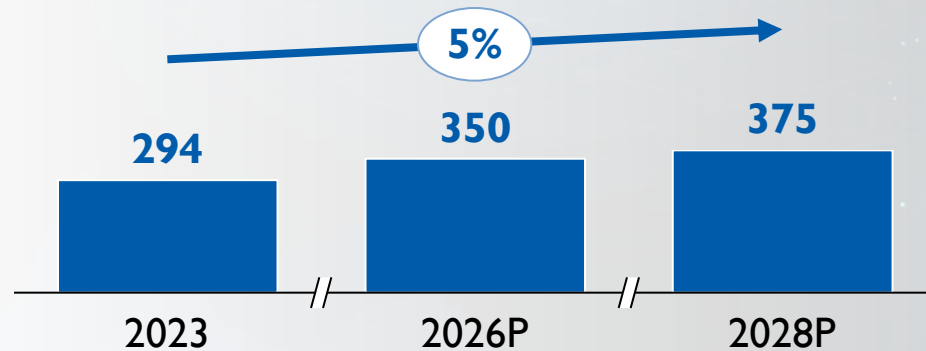
EBITDA, mln€



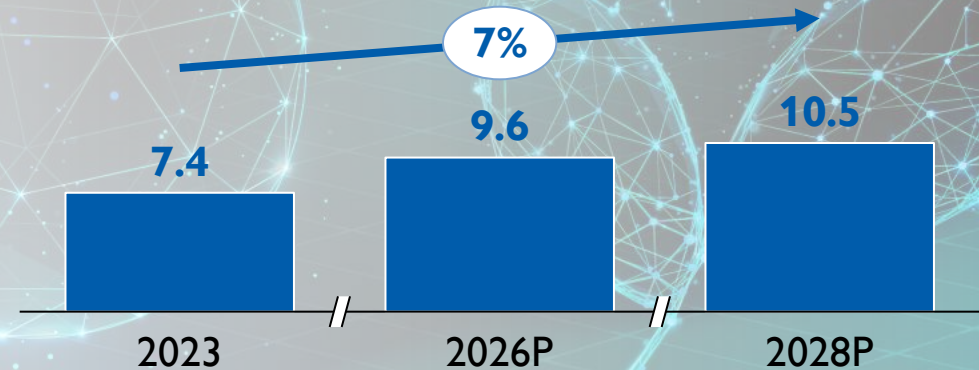
Cumulated Capex² 2024-28P, bn€



Net profit, mln€



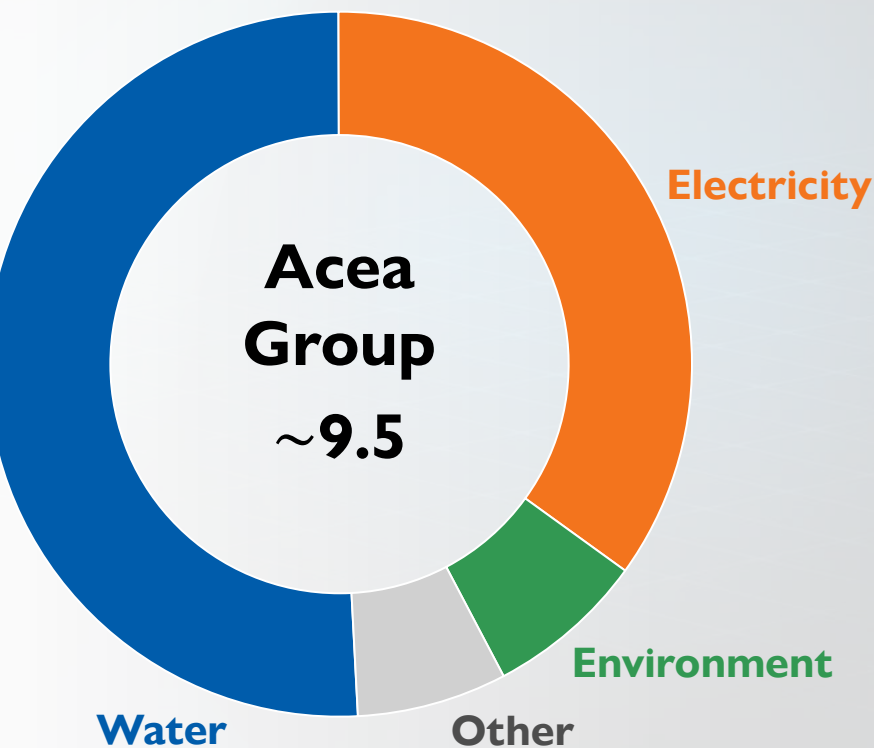
RAB³, bn€



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 Capital¹, bn€



ROIC², pre-tax

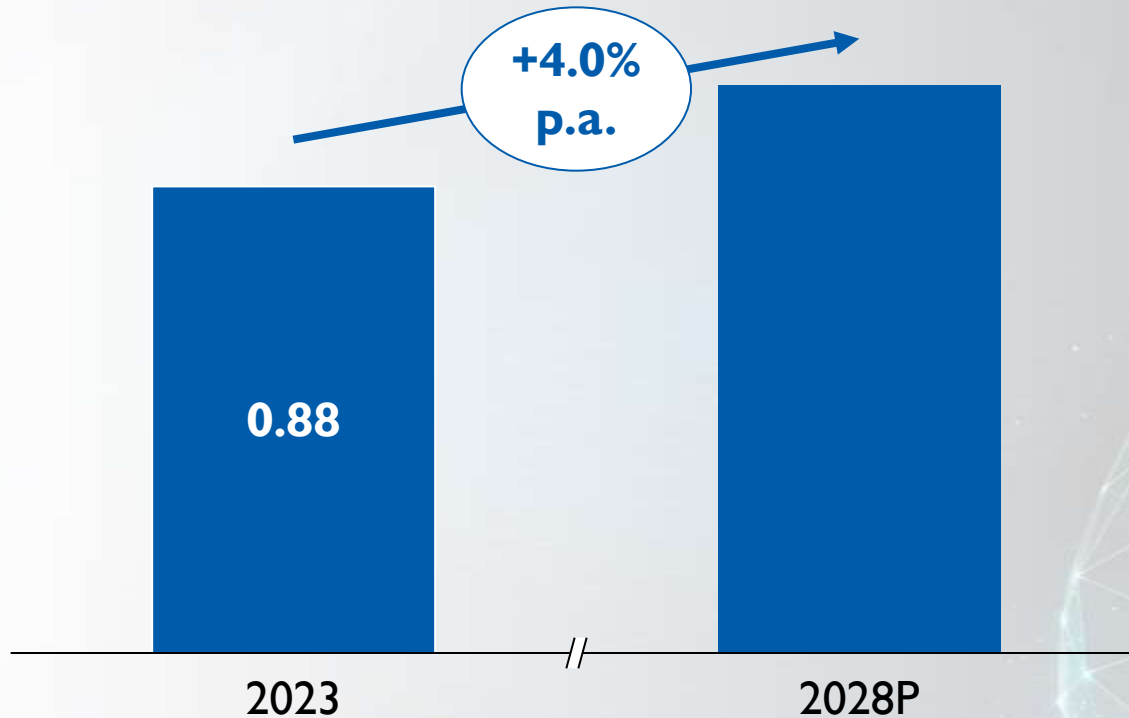
From (2022-23) ... A (2028)



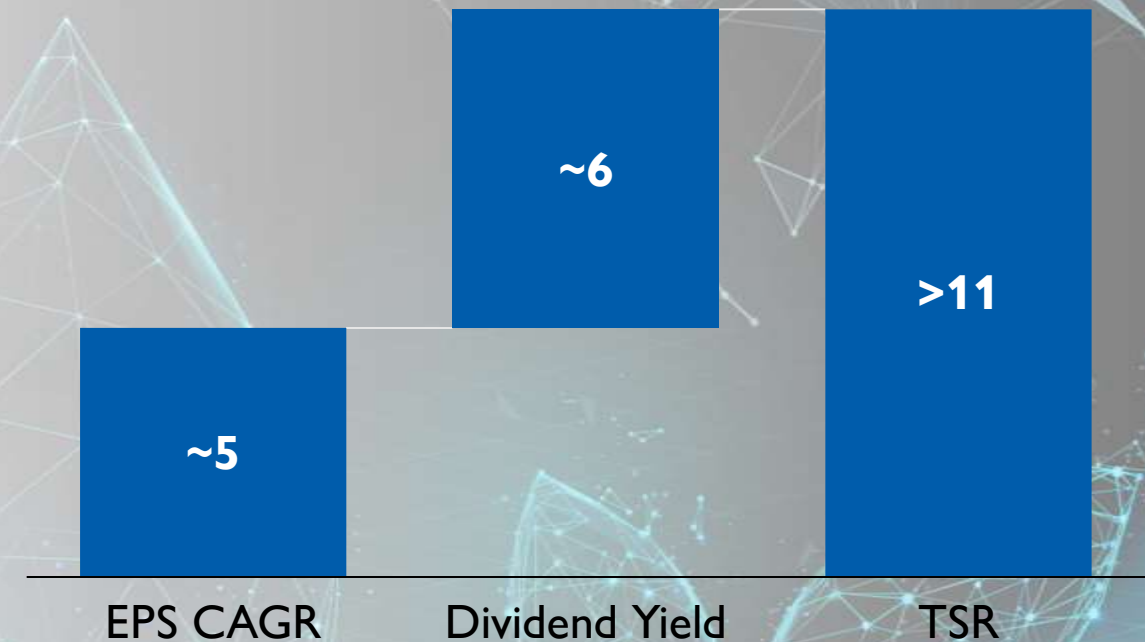
1. Shareholders Equity + NFP | 2. The regulated WACC has been considered for regulated businesses Grids and Water Italy; Water refers to activities in Italy | 3. Includes Grids, Public Lighting, Commercial Area excluding Acea Innovation

Targets 2028: More value to shareholders

DPS¹, €



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**



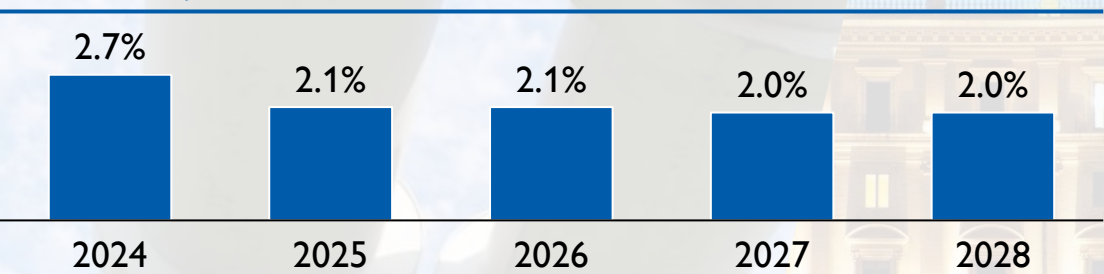
**Potential
additional
EBITDA**

**+
safeguarding
NFP
improvement**

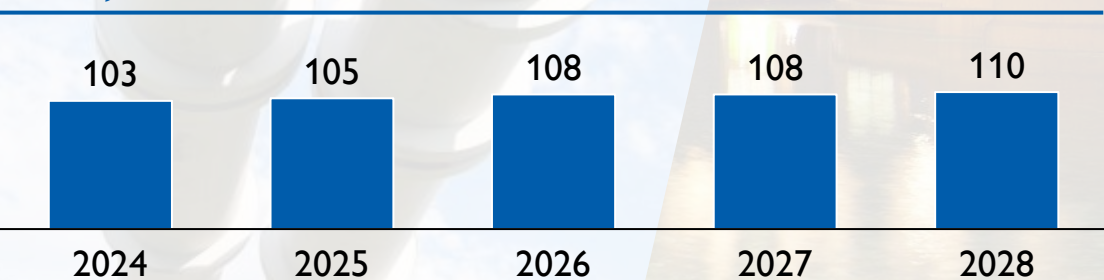
2023-28 Projections

Key assumptions of the Plan

Inflation¹, %



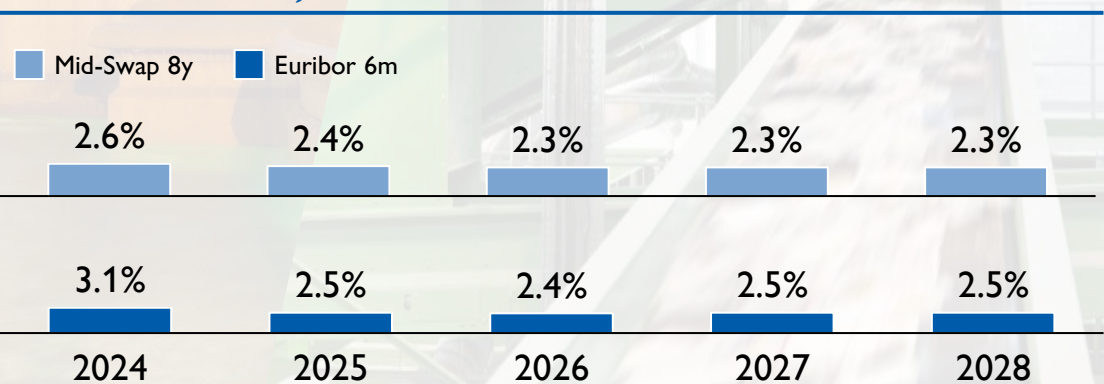
NSP², €/ MWh



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 rates³, %

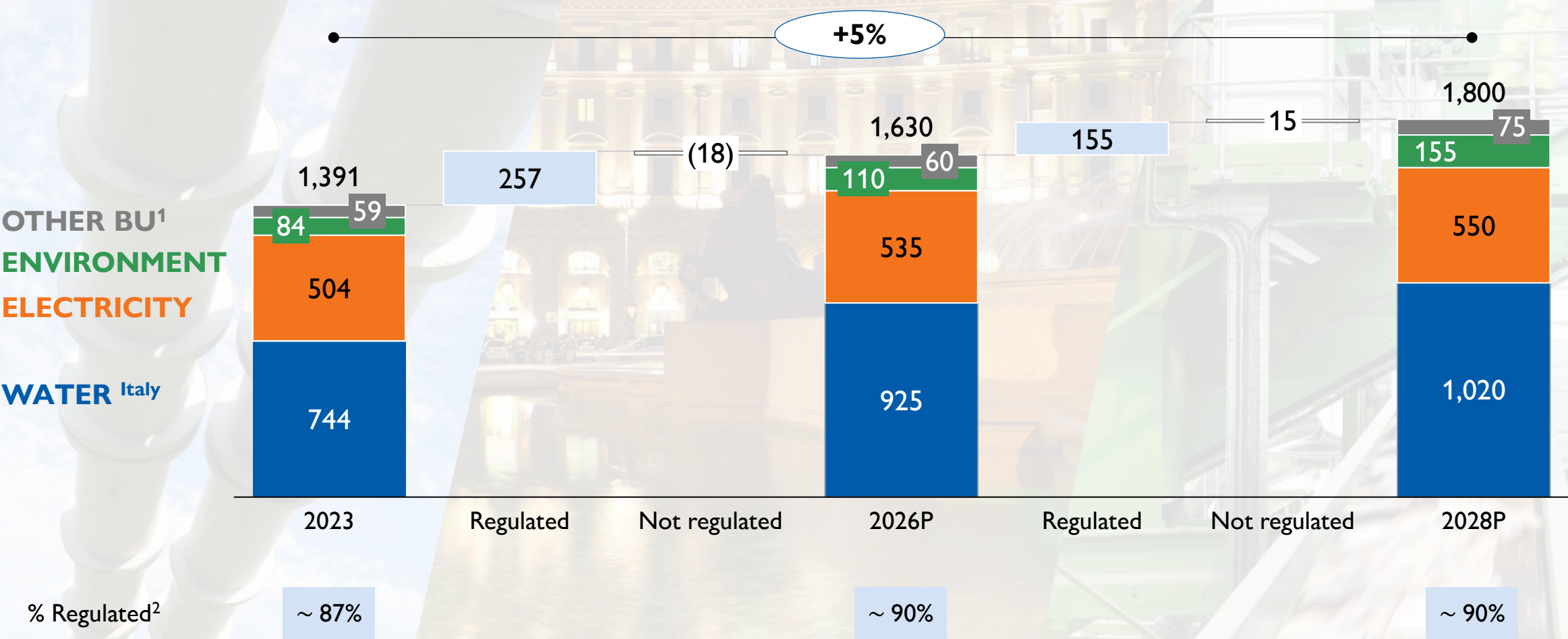


1. AFRY source, Q4-2023 update | 2. Forecasts for 2024 and 2025 based on forward prices observed in December 2023 @European Energy Exchange, (ii) forecast for 2026-2028 based on AFRY Q4-23 projections (weighted average 85% central scenario and 15% low scenario) | 3. Forecasts for 2024 - 2028 based on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

Growth driven by regulated business...

EBITDA, mln€

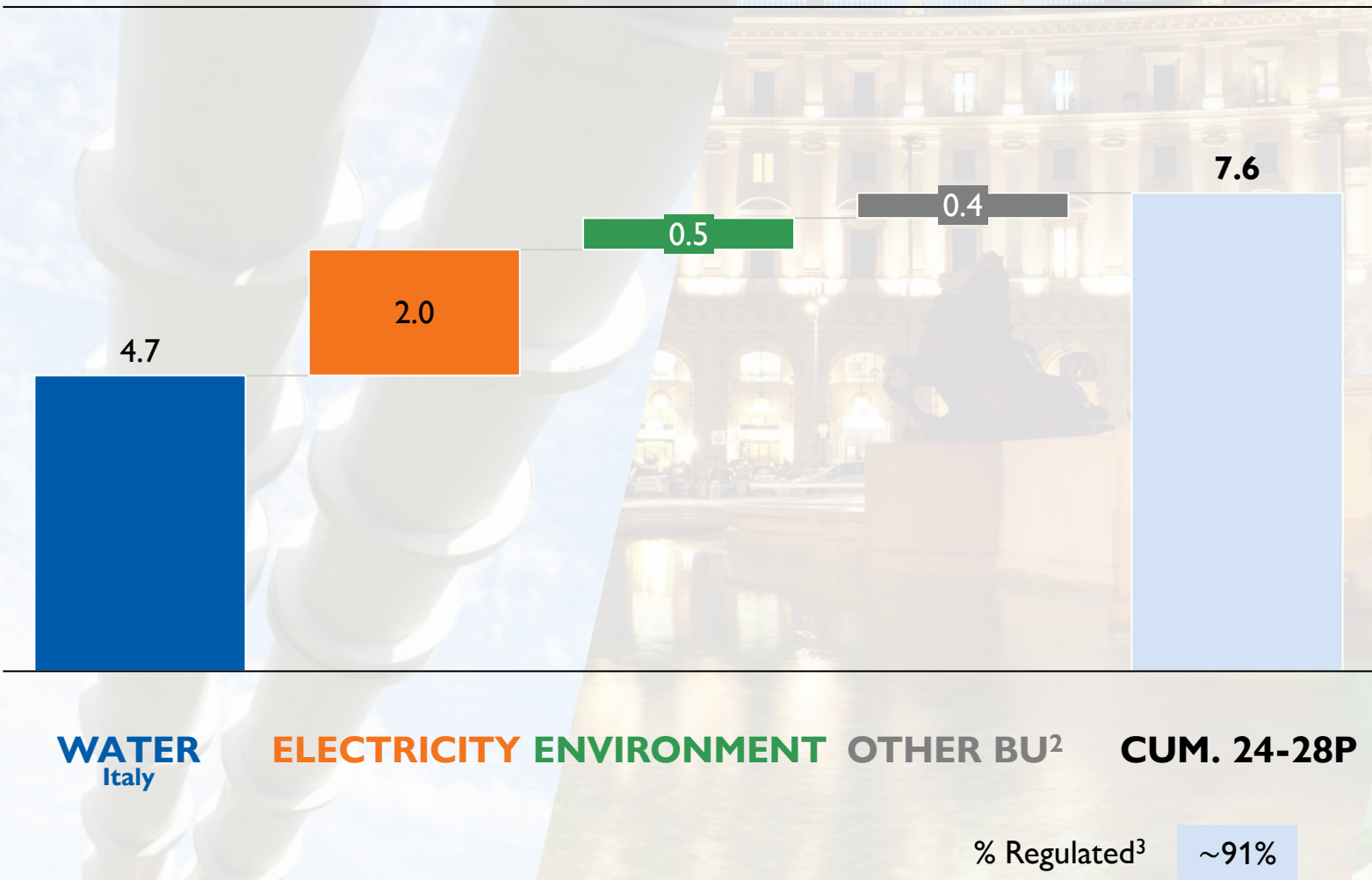
xx% CAGR '23-'28



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 capex¹ 2024-28P, bn€



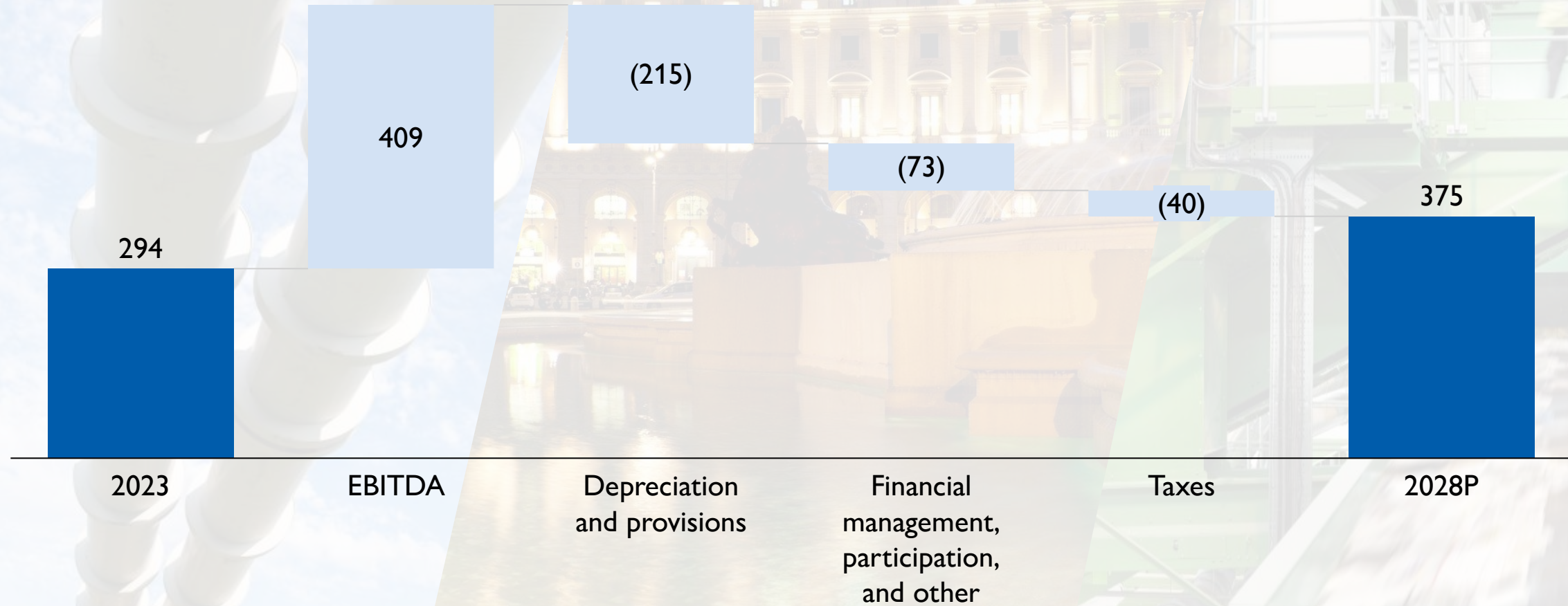
RAB⁴, bn€

Areas	2023	2028P
WATER Italy	4.6	6.9
GRIDS	2.8	3.7
TOTAL	7.4	10.5

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

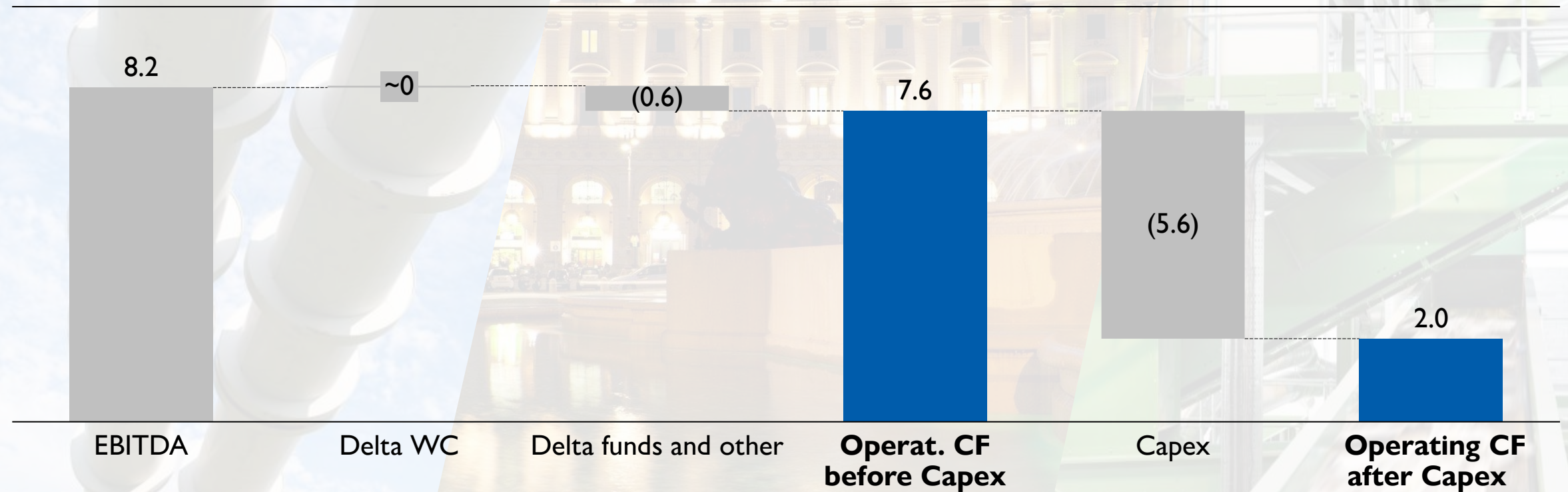
...ensures value creation for shareholders

Net profit, (Δ 2023-28P) mln€



Robust and improving financial structure (1/3)

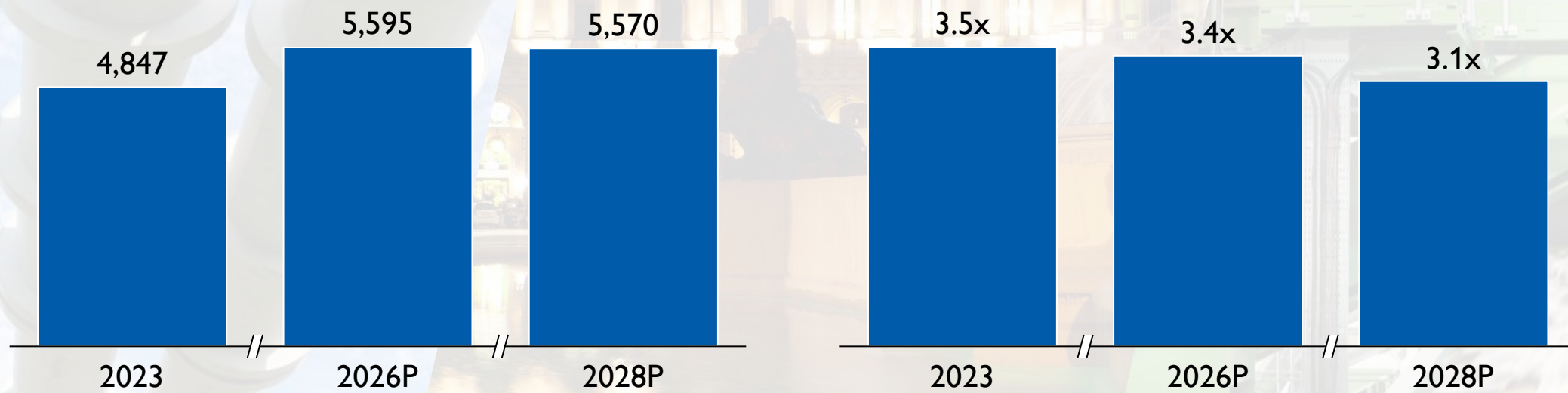
Operating Cash Flow (2024-28P), mln€



Robust and improving financial structure (2/3)

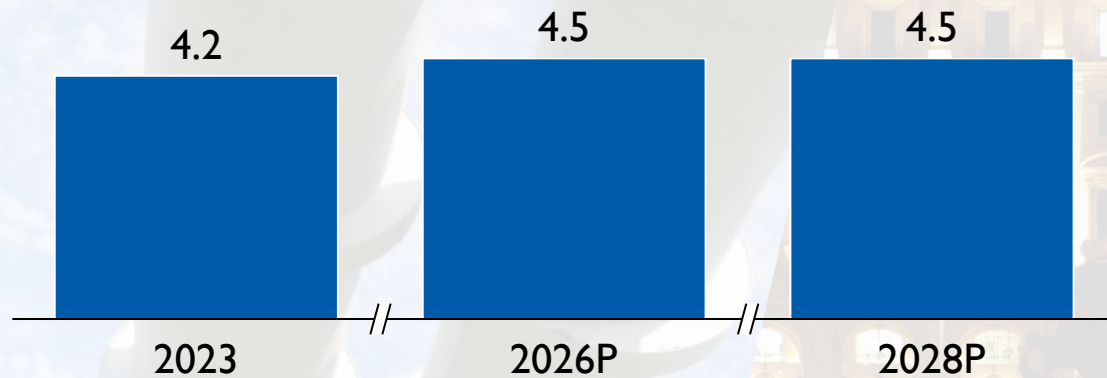
NFP, mln€

NFP/ EBITDA



Robust and improving financial structure (3/3)

Average duration of debt, years

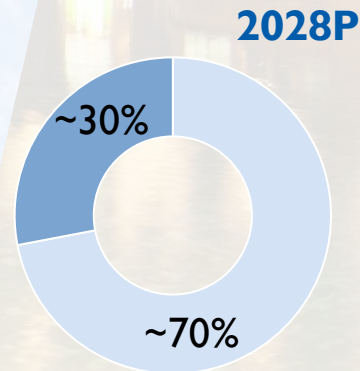
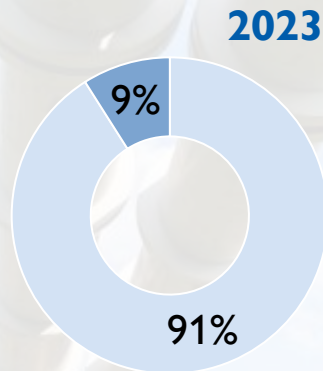


Key Optimization Levers

- **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

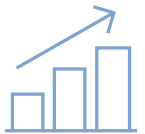


Diligent

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% regulated¹)**
- **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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THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING THE SECURITIES OF THE COMPANY. THIS PRESENTATION DOES NOT CONTAIN AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES ISSUED BY ACEA S.P.A. OR ANY OF ITS SUBSIDIARIES.

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.

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sustainable
infrastructures*

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