





CONSOLIDATED

FINANCIAL STATEMENTS

ACEA GROUP

2022

HIGHLIGHTS

acea

LETTER TO SHAREHOLDERS

Dear Shareholders,

Last year was marked by changes in several different spheres, with positive developments, such as the abatement of the pandemic, which allowed a gradual return to normality, and negative ones, namely the effects of climate change, which manifested in another rise in average temperatures and a severe drought which, unfortunately, is happening again this year, and the war in Ukraine, which started last February and is still ongoing. These diverse aspects had consequences on various levels and can be summarised in a few salient points: the need to drive forward innovation, particularly with a view to optimising digitalisation, which has already improved the efficiency of many production and industrial processes with impacts on how labour is structured and positive effects on the work-life balance; the climate crisis, which has raised awareness of the fragility of the environment and the importance of the actions that must be adopted, highlighting the role of utilities in the management of a business that is closely linked to natural resources; and the growing complexity of the international scenario, which has sparked an energy crisis that requires the diversification of supply sources and an acceleration of the development of renewable resources in order to reach the climate neutrality targets adopted by the European Union. On this last point, Acea has already planned developments in energy production and, more generally, in the complex process of ecological transition, which also includes actions in the water sector and the circular economy. This commitment is reflected in the various classifications and ratings, one example being the Gaïa Rating, which assesses non-financial performance and the effective integration of sustainability policies in business governance.

Sustainability is once again at the heart of our business strategy, not only with a view to tackling emergencies or to prevent or mitigate other risks, but, above all, to respond to calls for an immediate future based on a pro-

foundly different vision of development, a future characterised by a just transition founded on the constant evolution of social aspects. In this new environment, a business can only remain competitive by maturing and developing new skills and capabilities, and, in this regard, in 2022, the Acea Group confirmed its position as an industrial operator able to improve performance despite the challenging context. In fact, by increasing the focus on regulated markets, the Group saw growth in EBITDA, investments, and consolidated revenue.

Profit was influenced by external factors, such as the extraordinary windfall tax and the negative impacts of rising interest rates on financial management. Net of these effects, financial performance was generally in line with the previous year.

The company recorded positive performance thanks in particular to important actions taken in the last few months of the year, reducing costs, improving operating efficiency, and recovering margins. From a financial perspective, in early January, we successfully returned to the capital market with the issue of a Green Bond at the most competitive rates on the market.

In 2022, we continued our strong commitment to plan and implement relevant actions in the water sector, from reducing losses to developing strategic projects of national interest, such as the works to double the Peschiera aqueduct, which will secure water supplies in the capital city.

This commitment also extends to the energy sector, with the further development of photovoltaic power, natural gas distribution, the installation of smart meters and the strengthening of electricity grids, with major investments launched in view of the Jubilee. In the environment sector, the project to build a fourth waste-to-energy line at San Vittore — essential to



completing the waste cycle in Lazio — was pursued. This project is joined by the recent presentation of our expression of interest in the waste-to-energy plant in Rome, which would give Acea the opportunity to optimise the Group's position in the sector and to make a tangible contribution to managing waste in the capital city. In 2022, Acea consolidated its position in the environmental sphere through various acquisitions and the development of waste treatment plants.

Meanwhile, Acea was awarded funding to develop projects as part of the NRRP, focusing mainly on water projects across nearly the entire area served by the Group.

All of these actions align with the sustainability strategy adopted by Acea and respond to the goals of the 2030 Agenda of the United Nations. The success of

this strategy has been certified by improvements in various ratings, including the Standard Ethics Rating, as well as through the award of certifications: Acea was the first publicly traded Italian multiutility company to receive the UNI/PdR 125:2022 award from RINA, the only national standard on gender equality, and recently gained the Top Employers Italia 2023 certification for the second consecutive year in recognition of our HR policies and strategies.

The stability of our financial position, our excellent operating performance at Group level and the actions underway to optimise our organisational and financial management all point to a very positive outlook in the medium and long term, which, combined with the dedicated commitment of our valuable personnel, will enable the company to achieve increasingly ambitious goals.

Chairperson
Barbara Marinali

Chief Executive Officer
Fabrizio Palermo

GROUP STRUCTURE

THE GROUP STRUCTURE, IN THE VARIOUS BUSINESS SEGMENTS, COMPRISES THE FOLLOWING MAIN COMPANIES.



WATER

96% ACEA ATO 2

98% ACEA ATO 5

99% SARNESE VESUVIANO
37% GORI

100% ACEA MOLISE

99% OMBRONE
40% ACQUEDOTTO DEL FIORA

77% ACQUE BLU ARNO BASSO
45% ACQUE

75% ACQUE BLU FIORENTINE
40% PUBLIACQUA

48% G.E.A.L.

40% UMBRA ACQUE

35% INTESA ARETINA
46% NUOVE ACQUE

58% GESEA

51% ADISTRIBUZIONE GAS
55% NOTARESCO GAS

38% ASM TERNI
99% UMBRIADUE SERVIZI IDRICI
40% SERVIZIO IDRICO INTEGRATO



GENERATION

100% ACEA PRODUZIONE

100% ECOGENA

49% ENERGIA

100% ACEA RENEWABLE

100% ACEA SOLAR

100% SF ISLAND

100% ACEA RENEWABLE 2

100% FERGAS SOLAR 2

40% ACEA SUN CAPITAL



ENVIRONMENT

100% ACEA AMBIENTE

100% DEMAP

90% AS RECYCLING

80% ISECO

60% BERG

80% CAVALLARI

60% FERROCART

60% MEG

70% S.E.R. PLAST

51% ACQUE INDUSTRIALI

85% AQUASER

70% TECNOSERVIZI

100% ITALMACERO

100% DECO

100% ECOLOGICA SANGRO

50% ECOMED



ENERGY INFRASTRUCTURE

100% ARETI



COMMERCIAL AND TRADING

100% ACEA ENERGIA
50% UMBRIA ENERGY
100% ACEA INNOVATION

100% ACEA ENERGY MANAGEMENT



ENGINEERING AND SERVICES

100% ACEA ELABORI
70% SIMAM

100% TECHNOLOGIES WATER SERVICES

44% INGEGNERIE TOSCANE



OVERSEAS

100% ACEA INTERNATIONAL
100% ACEA DOMINICANA
100% ACEA PERÙ
61% AGUAS DE SAN PEDRO
100% CONSORCIO ACEA-ACEA DOMINICANA
44% CONSORCIO AGUA AZUL

51% AGUAZUL BOGOTÀ

CORPORATE HIGHLIGHTS



WATER

NUMBER ONE OPERATOR

in Italy for water services

with about **9** million residents served in Latium, Tuscany, Umbria, Campania and Molise



ENVIRONMENT

LEADING OPERATOR

in Italy in Waste Management

with about **1.7** million tons of waste managed



COMMERCIAL AND TRADING

ONE OF THE LEADING

national players in the energy market

with about **8** TWh of electricity sold



ENERGY INFRASTRUCTURE

ONE OF THE LEADING

energy distribution operators in Italy

with over **9** TWh of energy distributed



GENERATION

ONE OF THE LEADING

Italian players in the energy generation from renewable sources

with about **600** GWh of energy produced



OVERSEAS

PRESENT WITH

4 companies operating in water services

-serving **10** million residents in Latin America



ENGINEERING AND SERVICES

ONE OF THE LEADING operators in Italy for Engineering services

395,162 drinking water analysis

177,311 waste water analysis

INVESTOR RELATIONS

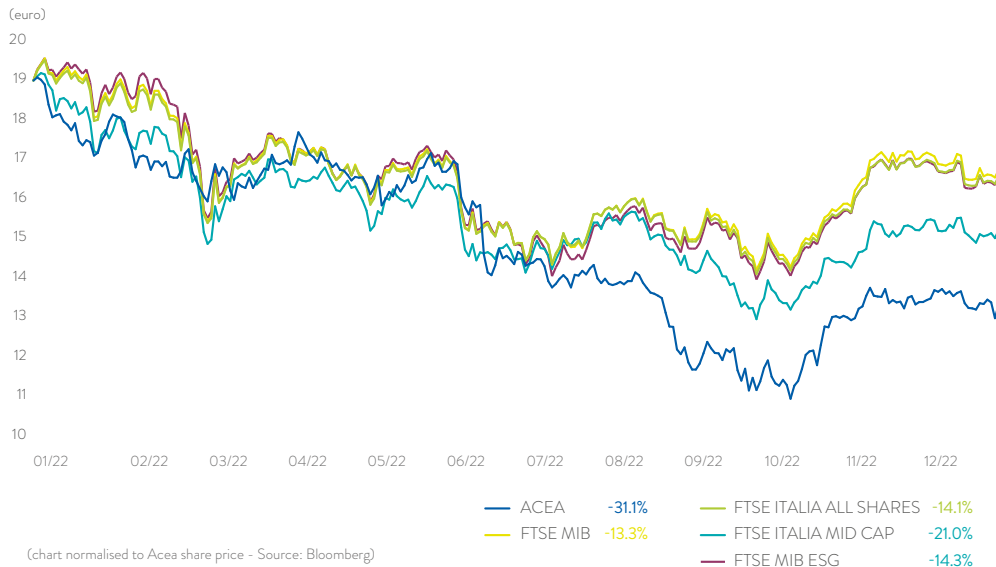
THE SHARE CAPITAL OF ACEA SPA AT 31 DECEMBER 2022 WAS MADE UP AS FOLLOWS.



51.00% Roma Capitale
23.33% Suez
20.22% Market
5.45% Caltagirone

Chart only shows equity investments of more than 3%.
Source: CONSOB

ACEA SHARE PERFORMANCE IN 2022



(chart normalised to Acea share price - Source: Bloomberg)



FINANCIAL HIGHLIGHTS

CONSOLIDATED REVENUES

2022  **5,138**

2021  **3,972**

PROFIT BEFORE TAXES

2022  **498**

2021  **503**

EBITDA

2022  **1,305**

2021  **1,256**

NET PROFIT OF THE GROUP

2022  **280**

2021  **313**

EBIT

2022  **566**

2021  **581**

GROUP INVESTMENTS

2022  **1,001***

2021  **931****

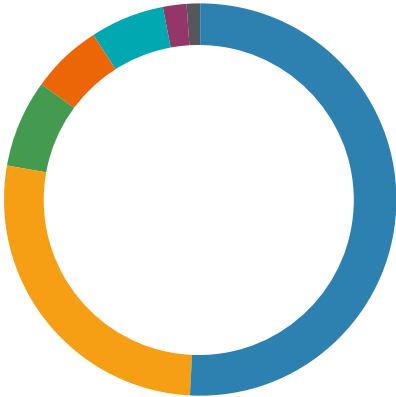
Figures in € million.

* net of financed investments.

** net of financed investments and net of investments in discontinued operations.

EBITDA

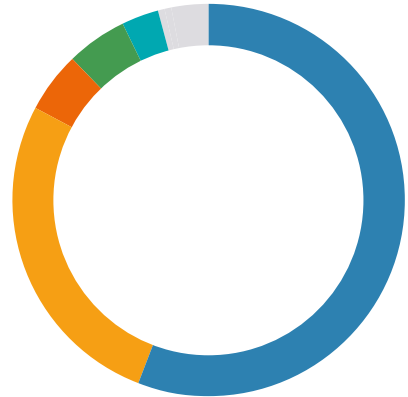
BREAKDOWN BY BUSINESS*



51% Water
27% Energy Infrastructure
8% Environment
7% Commercial and Trading
7% Generation
2% Overseas
1% Engineering and Services

INVESTMENTS

BREAKDOWN BY BUSINESS



56% Water
27% Energy Infrastructure
5% Commercial and Trading
5% Environment
3% Generation
4% Overseas, Engineering and Services, Corporate

* gross of corporate EBITDA.

ACEA ORGANISATIONAL MODEL

Acea adopts an operational model based on an organisational layout in line with the Strategic Business Plan consolidating its role to govern, guide and control the Holding not only with the current business portfolio focused on areas of greater value, but also on the strategic development of the Group in new business segments and territories.

Acea's macrostructure is based around the corporate functions and seven industrial areas – Environment, Commercial and Trading, Water, Energy Infrastructure, Engineering and Services and Overseas.

The activities of each business segment are described below.



78%
REGULATED
ACTIVITIES

22%
UNREGULATED
ACTIVITIES

EBITDA 2022
€ **1,305** mln

Figures are in € million.



WATER

The Acea Group is the top Italian operator in the water sector serving 9 million people. The Group manages the integrated water service in Rome and Frosinone and in the respective provinces, as well as in other parts of Latium, in Tuscany, Umbria, Campania and Molise. The Group is also present in Abruzzo, Molise and Campania in the natural gas distribution market, in the Municipality of Pescara and in the provinces of L'Aquila, Chieti, Campobasso, Isernia and Salerno.

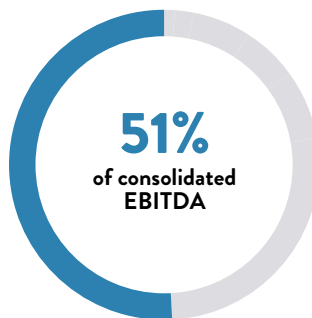
NUMBER ONE OPERATOR IN ITALY

- About 9 million residents served and 704 million cubic meters of water supplied annually
- About 58,219 km of drinking water supply network and 23,667 km of sewer network managed

EBITDA +2.1%



INVESTMENTS +12.6%



* net of financed investments.





ENERGY INFRASTRUCTURE

The Acea Group is a major operator in Italy with about 9.4 TWh of electricity distributed in Rome. The Group also manages the public and artistic lighting of the capital for a total of more than 204,676 lights. The Acea Group is committed to energy efficiency projects and the development of new technologies, such as smart grids and electric mobility, through particularly innovative pilot projects.

ONE OF THE LEADING OPERATORS IN ITALY

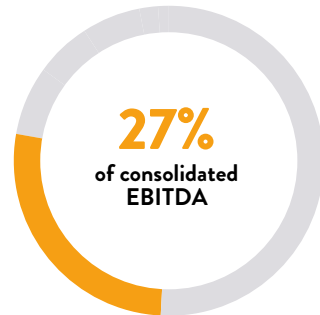
- Energy entered into areti network: 10.06 TWh
- Smart Meter 2G installed in 2022: 273,294
- Management of public and artistic lighting: 204,676 lights

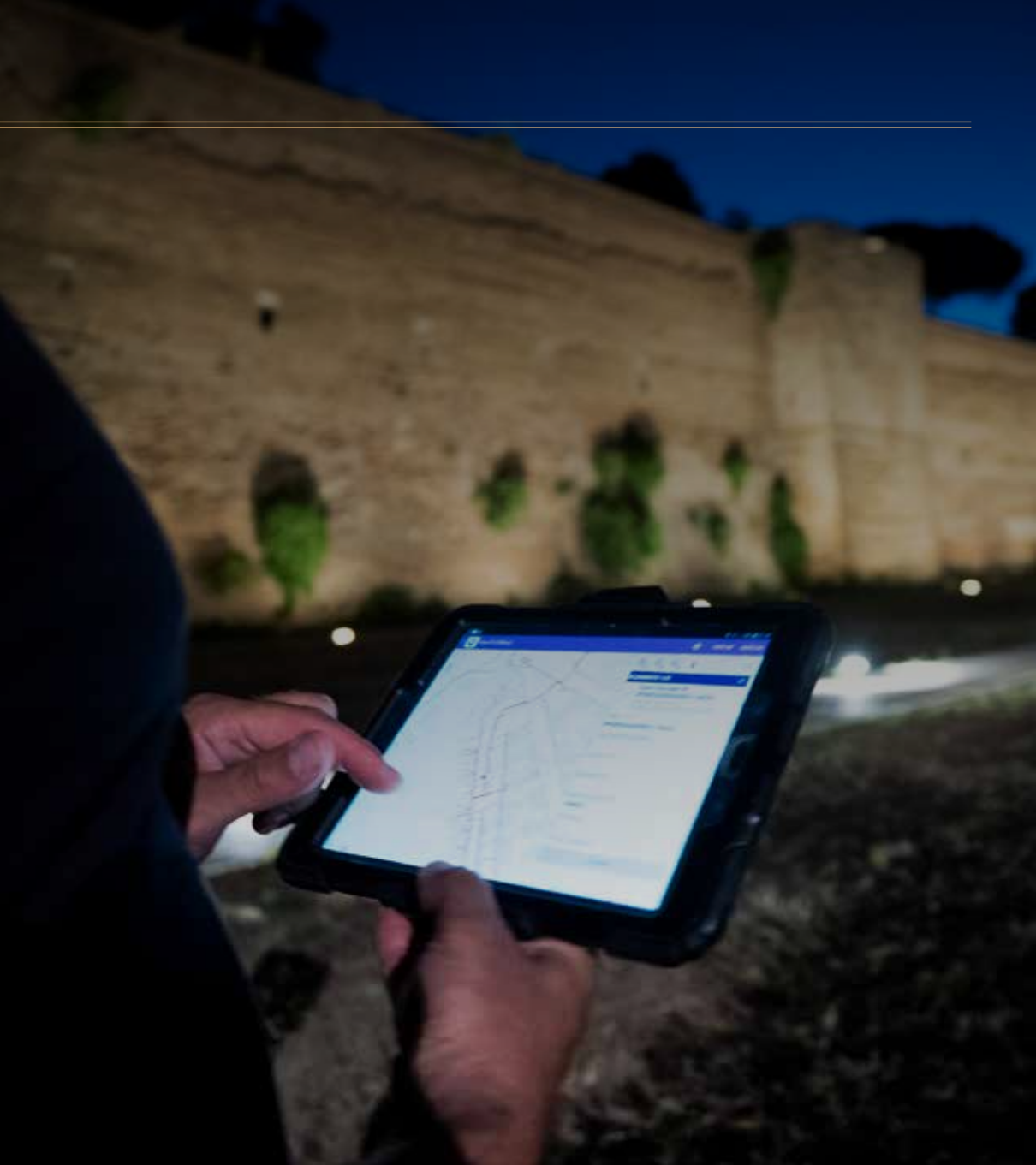
EBITDA -5.2%

2022		352
2021		372

INVESTMENTS -2.1%

2022		269
2021		274







ENVIRONMENT

The Acea Group is one of the main national operators with about 1,715 million tons of waste managed per year. Among the various treatment and disposal plants operated in 8 regions, there is a main waste-to-energy plant and the largest anaerobic digestion and composting plant in Latium region. It is particularly focused on the development of investments in the waste-to-energy and in the waste recycling businesses, which is considered to have high potential, in line with the strategic objective of environmental and energy enhancement of waste, as well as its recovery and recycling in the plastics, paper and metals sectors and in the production of high-quality compost.

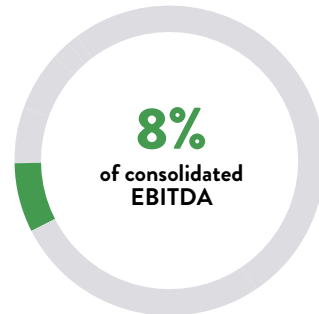
ONE OF THE LEADING OPERATORS IN ITALY

- Umbria, Latium, Tuscany, Piedmont, Valle d'Aosta, Veneto, Marche and Abruzzo
- 1,715 million tons of waste managed per year
- Electric energy transferred: 322 GWh
- Recovered/produced biogas: 28,754 kNm³

EBITDA +59.4%



INVESTMENTS +28.0%







COMMERCIAL AND TRADING

The Acea Group is one of the leading Italian players in the sale of electricity and offers innovative and flexible solutions for the supply of electricity and natural gas with the objective of consolidating its positioning as a dual fuel operator. It operates on the market segments of medium-sized enterprises and households with the objective of improving the quality of the services offered with particular regard to web and social channels. It supervises the Group's energy management policies. The Segment also has the objective of developing and searching for innovations and start-ups to launch testing projects in the technological field.

ONE OF THE LEADING OPERATORS IN ITALY

- Electricity sold: 7.7 TWh
- Free market customers: 0.54 million
- Protected market customers: 0.65 million
- Gas customers: 0.25 million

EBITDA +11.7%

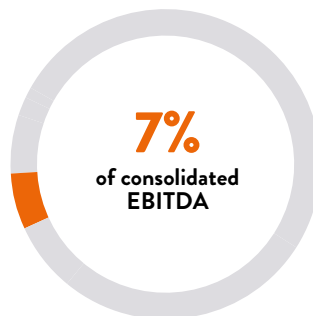
2022  90

2021  81

INVESTMENTS +0.3%

2022  50

2021  49





Scopri di più

188782

La nuova...
 Con un...
 La...
 Con il...
 La...
 Con un...
 La...
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 Con un...
 La...
 Con il...

Programmi che...
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GENERATION

The Acea Group is one of the main national operators in the field of generation from renewable sources and is involved in energy efficiency projects and energy solutions in the business segment. It is particularly focused on finding innovative approaches to managing production assets and implementing new production capacity that reduces the Group's carbon footprint.

ONE OF THE LEADING OPERATORS IN ITALY

- Energy efficiency projects
- Hydroelectric power stations: 121.7 MW
- Thermoelectric power plants: 108.7 MW
- Photovoltaic power plants (included SPV): 101 MW
- Photovoltaic plants under development: 1,050 MW

EBITDA +12.9%

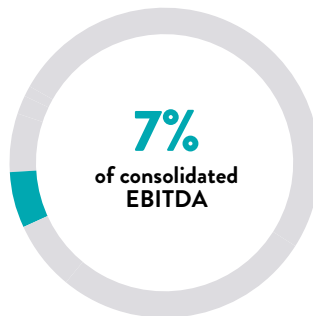
2022  **90**

2021  **79**

INVESTMENTS +30.4%

2022  **30**

2021  **23****



** net of investments in discontinued operations.





OVERSEAS

The Acea Group manages water activities in Latin America and its objective is to make the most of development opportunities in other businesses related to those already held in Italy. It is present in Honduras, Dominican Republic and Peru, serving approximately 10 million people. The activities are carried out in partnership with local and international partners, including through staff training and the transfer of know-how to local entrepreneurs.

- Water management in Latin America

EBITDA +20.4%

2022  33

2021  27

INVESTMENTS +26.4%

2022  6

2021  5







ENGINEERING AND SERVICES

The Acea Group has developed know-how at the forefront in the design, construction and management of integrated water systems: from the source to the pipelines, from distribution to the sewer network, and treatment. It develops applied research projects aimed at technological innovation in the water, environmental and energy sectors. Laboratory and engineering consultancy services are of particular importance. The Acea Group is also engaged in the design and creation of plants for the environment and for the treatment of water and waste.

- Laboratory analyses of drinking water: 395,162
- Laboratory analyses of waste water: 177,311
- Worksite inspections: 14,724

EBITDA -23.5%

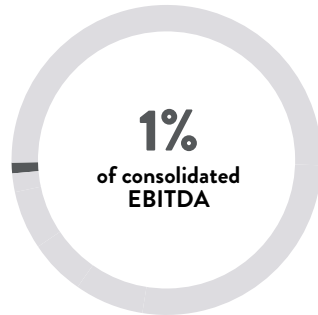
2022  13

2021  17

INVESTMENTS -41.2%

2022  6

2021  10





A LEADING INDUSTRIAL GROUP IN THE ITALIAN MARKET THAT MANAGES PRIMARY SERVICES, GENERATING VALUE FOR PEOPLE AND THE AREAS IN WHICH IT OPERATES.

WE INVEST IN INFRASTRUCTURE AND PLANTS, CONSCIOUS OF THE CRUCIAL ROLE THEY PLAY IN THE COUNTRY'S ECONOMIC GROWTH.

Italy's leading operator in the water industry and one of the primary operators in the environmental industry, as well as in the distribution of electricity, energy and generation from renewable sources.

The Group's industrial mission is also rooted in the development of innovative solutions enabling sustainable growth.



acea