



ASSEMBLY OF 19 AND 20 DECEMBER 2024

FIRST AND SECOND CALL RESPECTIVELY

I F THE BOARD OF D 1
THE ORDINARY S ' MEETING PURSUANT TO ARTICLE 125- TER OF
ITALIAN LEGISLATIVE DECREE 58/1998 AS AMENDED.

Appointment as external auditor for the financial years 2026 to 2034.

Dear Shareholders,

with the approval of the financial statements as at 31 December 2025, the engagement for the legal audit of Acea S.p.A. granted to PricewaterhouseCoopers S.p.A. for the financial years ending on 31 December of each year in the period 2017-2025 will expire, reaching the ninth year, i.e. the maximum period allowed by law.

The relevant European regulatory provisions state, inter alia, that the incoming auditor is prohibited from providing certain types of services even during the financial year immediately preceding the beginning of the period subject to audit (the so-called “cooling-in period”).

Taking into account the foregoing, the Board of Statutory Auditors, in its capacity as the Audit Committee - pursuant to Article 19 of Italian Legislative Decree No. 135/2016 charged with “...*being responsible for the procedure aimed at selecting the external auditors or audit firms and recommending the external auditors or audit firms to be appointed pursuant to Article 16 of the European Regulation...* ”, considered it appropriate to bring forward, by the shareholders' meeting approving the financial statements as at 31 December 2024, the conduct of the selection procedure for the appointment of the external auditors for the financial years from 2026 to 2034 (“**Audit Engagement**”), in order to enable:

- compliance with the time limits to safeguard the independence of the auditing firm in relation to the aforementioned “cooling-in period”;
- appropriate timing for the conduct of a specific selection procedure (tender) also involving the other Group companies, in view of the control model based on the presence of a “single auditor” for the Parent Company and all its subsidiaries;
- a more effective handover between the outgoing auditor and the new one.

The Board of Statutory Auditors has, therefore, formulated a reasoned proposal, in accordance with the relevant regulations, envisaging two possible alternatives for the appointment and indicating a preference for one of the two.

The Board of Directors therefore submits to the approval of the Ordinary Shareholders' Meeting convened at the Company's registered office in Rome - Piazzale Ostiense 2, on 19 December 2024, at 11:00 a.m. on first call, and, if necessary, on 20 December 2024, at the same place and time, on second call, the reasoned proposal formulated by the Board of Statutory Auditors pursuant to Article 13, paragraph 1, of Italian Legislative Decree No. 39 of 27 January 2010, concerning the appointment of the independent auditors for the financial years from 2026 to 2034 and determination of the related remuneration, attached hereto.

FOR THE BOARD OF D

THE CHAIRPERSON

Barbara Marinali

**PROPOSAL OF THE BOARD OF STATUTORY AUDITORS TO THE
SHAREHOLDERS' MEETING FOR THE APPOINTMENT OF THE EXTERNAL
AUDITORS FOR THE FINANCIAL YEARS 2026 TO 2034**

**(under the terms of art. 13, paragraph 1, of Italian Legislative Decree No. 39 of 27
January 2010)**

* * *

Dear Shareholders,

with the Shareholders' Meeting convened to approve the financial statements for the year ended 31 December 2025, the audit engagement granted by Acea S.p.A. (hereinafter, "Acea" or "Parent Company" or "Company") to the auditing firm PricewaterhouseCoopers S.p.A. (hereinafter "PWC"), for the financial years 2017 to 2025 will expire.

The independent auditing regulations applicable to Acea, contained in Regulation (EU) No. 537 of 16 April 2014 (hereinafter, the "EU Regulation") and in Italian Decree No. 39/2010 (as amended by Italian Legislative Decree No. 135 of 17 July 2016), provide, inter alia, that the said independent auditing engagement may not be renewed or granted again to the outgoing auditor if at least four financial years have not elapsed since the date of termination of the previous engagement.

The relevant European regulatory provisions state, inter alia, that the incoming auditor is prohibited from providing certain types of services even during the financial year immediately preceding the beginning of the period subject to audit (the so-called "cooling-in period"). Mainly with the aim of ensuring compliance with the aforementioned prohibition, the Board of Statutory Auditors (hereinafter also referred to as the "Board"), in its capacity as the "Internal Control and Audit Committee - CCIRC" pursuant to Article 19(1)(f) of Italian Legislative Decree 39/2010, has agreed with the competent corporate structures the advisability of bringing forward by one year, compared to the date of approval of the 2025 financial statements by the shareholders' meeting, the performance of the selection procedure for the assignment of the external auditing engagement for the financial years 2026 to 2034.

In view of the complexity of the selection and evaluation procedure of the offers, and in line with the provisions of the procedure on the appointment of the auditing firm, the Company has set up an internal management commission (hereinafter also referred to as the "Commission") responsible for organising the selection procedure in accordance with

the criteria established by the Regulation and for carrying out the activities of preliminary analysis of the technical offers and economic offers presented by the participants, to be submitted for validation activities to the Board of Auditors, which, in its capacity as CCIRC, is the body responsible for the procedure aimed at selecting the external auditor, called upon to carry out the activities of evaluating the offers received in order to formulate the reasoned proposal to the Shareholders' Meeting.

WHEREAS

The Commission was composed of the following members: the Chief Financial Officer and Financial Reporting Manager pursuant to Law 262/05, the Head of the Procurement & Material Management function, the General Counsel (also acting as its Chairperson) and the Head of the Risk Management, Compliance & Sustainability function.

The Commission did not issue a final report on the outcome of its investigative activities, having reported its precise assessments in the minutes of its four meetings.

The Board of Statutory Auditors attended all meetings of the Commission and examined the minutes.

In order to identify the auditing firms to be invited to the tender procedure, in accordance with the provisions of Article 16 of the EU Regulation for "Public Interest Entities", a specific selection procedure was launched through a tender by invitation aimed at identifying the auditing firm that could hold the aforesaid position both for Acea and for other Group companies, the Board of Statutory Auditors agreeing, in this regard, with the Company's desire to carry out a selection for the identification of the "single group auditor".

To this end, the following criteria for the selection of companies to be invited were identified; these were approved by the Commission and agreed with the Board of Statutory Auditors:

- specific professional experience in the sectors where the Group operates, proven by the performance, in the previous year, of independent auditing assignments in entities comparable in size and structure to those of the Group;
- adequate sizing of the auditing firm in the geographical area where the Group operates;
- belonging to an international network of primary standing that can guarantee adequate professional technical support.

The following auditing firms were identified as meeting the above requirements: Deloitte & Touche S.p.A., EY S.p.A., KPMG S.p.A., Forvis Mazars S.p.A. and BDO Italia S.p.A.

(hereinafter also jointly referred to as "Invited Companies"), which were therefore sent the letter of invitation, accompanied by the Selection Rules and the other annexes envisaged by the tender procedure, to submit an offer for the performance, as principal auditor of the Acea Group, of the independent audit services pursuant to Regulation (EU) no. 537/2014 and Italian Legislative Decree no. 39/2010 and the additional ones closely related thereto, for the nine-year period 2026 - 2034, relating to Acea and the companies of the Group indicated in the list attached to the Tender Specifications.

The object of the contract is to entrust the engagement for the independent audit of the accounts for the financial years 2026 - 2034 in respect of the following activities, as set out in the Tender Specifications:

AUDITING

- a) independent auditing assignment pursuant to Article 14 of Italian Legislative Decree No. 135/2016, Section VI of Italian Legislative Decree 58/1998, insofar as applicable to the financial statements of Acea, as a Public Interest Entity pursuant to Article 16, paragraph 1, letter a) of the Decree, and the consolidated financial statements of the Acea Group, as well as verifying the compliance of the report on operations and the report on corporate governance and ownership structure with the law and their consistency/conformity with the financial statements;
- b) engagement for the limited audit of Acea's Condensed Consolidated Interim Financial Statements as at 30 June, pursuant to Consob Communication no. 97001574 of 20 February 1997, point 1.2.d;
- c) expression of an opinion on the consistency of the report on operations and of certain specific information contained in the report on corporate governance and ownership structure indicated in Art. 123-ter, paragraph 4 of Italian Legislative Decree 58/98, as subsequently amended and supplemented, with the financial statements;
- d) additional report provided for in Art. Article 11 of Regulation (EU) 537/2014;
- e) auditing activities for the purpose of issuing certificates of compliance with the sustainability reporting requirements of Directive (EU) 2022/2464 of 14 December 2022 (*Corporate Sustainability Reporting Directive*, hereinafter also "CSRD");
- f) auditing activities for the purpose of expressing an opinion on the conformity of the individual financial statements and consolidated financial statements with the provisions of the ESEF Regulation;
- g) any further auditing activities made mandatory by legislation in force from time to time;

- h) auditing the reporting package of the ACEA Group's subsidiaries based on their relevance for inclusion in the consolidated financial statements;
- i) limited auditing of the Consolidated Interim Financial Report of the ACEA Group pursuant to Consob Communication No. 97001574 of 20/2/1997 and carried out in accordance with the criteria for limited auditing recommended by Consob in Resolution No. 10867 of 31 July 1997;
- j) limited auditing of the half-yearly reporting package of the ACEA Group's subsidiaries based on their relevance for inclusion in the Group's Consolidated Interim Financial Report;
- k) for Acea S.p.A. and for the subsidiaries of the ACEA Group, checks during the year on the regularity of the company accounts and the correct recognition of operating events in the accounting records pursuant to art. 14(1)(b) of Italian Legislative Decree no. 39/2010, as subsequently amended and supplemented;
- l) for Acea Spa S.p.A. and the subsidiaries of the ACEA Group, verification and signing of all tax declarations (770 Simplified/Ordinary, Unified, IRAP, National Consolidated) made pursuant to current and future tax regulations;
- m) conformity examination of the separate annual accounts (Unbundling) prepared pursuant to Resolution 11/07 of the Regulatory Authority For Energy, Networks and Environment (ARERA).

OTHER TASKS (*)

- n) annual certification of revenues required by external regulatory bodies such as ARERA;
- o) comfort letters on annual EMNT programme renewals and bonds;
- p) verification of covenants;
- q) comfort on Acea S.p.A. capital increase;
- r) assistance in testing activities pursuant to Italian Law 262/05: process controls relating to Acea Spa and other companies in scope in relation to manual and automatic controls and any compensatory controls;
- s) assistance with testing activities on integrated reporting: process controls relating to Acea Spa and other companies in the consolidation perimeter in accordance with the law in order to ensure compliance of sustainability reporting with reference standards and specifications in relation to manual and automatic controls and any compensatory controls
- t) asseveration of payables/receivables of Municipality Members pursuant to Italian Legislative Decree no. 118/2011;

- u) certification of tax credits;
- v) report for interim dividends.

The Invited Companies were asked to formulate their economic offers with separate specification for statutory auditing services, for other engagements with the exception of (r) and (s) and for assistance with testing activities on Law 262/2010 and integrated reporting under (r) and (s) being activities that the Company may do in-house or outsource to other parties. The listing of these latter services therefore only commits the auditing company should Acea decide to also entrust these activities to the company that will be entrusted with the independent auditing.

As part of the preliminary stage, the Invited Companies were asked to send a letter containing their expression of interest in participating in the procedure, with unconditional acceptance of the clauses contained in the letter of invitation.

All the Invited Companies, with the exception of Forvis Mazars S.p.A. which declined to participate, sent the entire required documentation within the timeframe indicated in the letter of invitation.

Each of the companies that communicated the expression of interest and participated in the selection (hereinafter also jointly referred to as "Participating Companies") was then given the opportunity to send written requests for clarification through a dedicated portal. In order to provide participants with the same level of information, the answers to the questions received were published on the same portal in public form for all invited audit firms.

The tender procedure was carried out on the basis of qualitative and quantitative parameters (referring to the perimeter of the "Acea Group" identified in scope, as defined in the Tender Specifications), communicated to the bidders with the aforementioned letter of invitation to submit bids.

Specifically, the qualitative parameters against which a score was to be awarded up to a maximum of 70 points out of 100, were as follows:

- "general-knowledge" parameter (5 points): degree of knowledge of the Acea Group by the bidding company, based on past experience and professional contacts the bidder has had and/or has with the Group;
- "quality" parameter (15 points): any sanctions received by the bidder in the last 5 years from the Supervisory Authorities in Italy and in Europe concerning the

independent auditing activity, as well as any appeals lodged against the bidder before the Supervisory Authorities having the same content and any inspections still in progress at the date of submission of the bid;

- “professional experience” parameter (10 points): indication of Bodies of Public Interest that have been audited by the tenderer within the last 5 years. Audit assignments of listed companies operating in Italy being performed by the bidder were also requested. In addition, data was requested on the performance, in the previous year, of independent auditing engagements in entities comparable in size, structure and type of business to those of the Acea Group;
- “working teams” parameter (15 points): information on the working teams assigned to audit activities relating to Acea and its subsidiaries, as well as assignments on entities comparable in size, structure and type of business to those of the Group; curricula and professional references of the Partners in charge of the independent audit, Engagement Quality Reviewers, Managers and Partners and Managers specialised in supporting the audit teams were requested. In particular, the experience in the industrial sectors in which the Acea Group operates of Partners, Managers and Specialists was requested, as well as their knowledge of the Acea Group. As well as confirmation of the actual availability of the resources involved in the audit of the Acea Group and the related commitment of the bidding company to devote the resources assigned to the assignment to the Group on an essentially exclusive basis;
- “commitment” parameter (15 points): total number of planned working hours to be presented analytically for each professional figure employed (including Partners, Managers and specialists);
- “audit approach” parameter (10 points): audit approach intended to be adopted in carrying out independent auditing engagements. In particular, the audit plan, the tools used to support the audit process, the internal quality control process and the transition management process with the outgoing auditor were requested.

The quantitative parameters subject to evaluation are represented by the overall amount offered (to be understood, therefore, as the sum of the fees for the performance of all the services requested from the auditing company by Acea and all the subsidiaries, highlighted at the end of the economic offer), to which an overall weight of 30 points was attributed out of a total of 100 points.

The comparative evaluation of the bids received in terms of quality was initiated by the Commission. Each Commission participant was asked to indicate for each criterion - their

own individual analytical assessment, which they contributed and was then represented in the Commission's overall evaluation.

The Commission's investigative work was subsequently subject to the technical validation of the Board of Statutory Auditors.

The Board of Statutory Auditors points out that it has aligned its assessments with the evaluations expressed either unanimously or by a majority (i.e. 3 out of 4) of the participants in the Commission with regard to certain qualitative elements under evaluation. With reference to the qualitative elements subject to differentiated evaluations by the Commission's participants (with two participants expressing an evaluation represented by one evaluation score and the other two participants expressing an evaluation represented by another evaluation score), the Board of Statutory Auditors, each time, expressed its agreement for one of the two evaluations expressed by 50% of the Commission's participants, thus concluding for its own overall qualitative evaluation of the bids received and, upon the outcome of its validation of the preliminary activities carried out by the Commission, communicating to the Commission its evaluation decisions prior to the opening of the economic bids received in a special meeting of the Commission with the presence of the Board of Statutory Auditors.

The comparative evaluation of the bids from a quantitative perspective, as mentioned above, was initiated by the Commission, separately and subsequently to the qualitative evaluation, and included the evaluation of all bids received.

Subsequently, the Board of Statutory Auditors, on the basis of the Specifications and the Selection Rules approved at the time of defining the selection procedure, carried out its own technical validation of the preliminary activities carried out by the Commission, focusing its evaluation on the overall amount offered by the participants in the selection, as expressly set forth in the selection rules.

The summary of the evaluation of the quantitative elements carried out by the Board of Statutory Auditors complemented the evaluation of the qualitative elements, contributing to the final ranking of the bids evaluated.

CONSIDERING THAT

In the final ranking drawn up by the Board of Statutory Auditors, the overall score awarded to KPMG S.p.A. was the highest in terms of both quality and quantity, followed by Deloitte & Touche S.p.A., as shown in the table below:

Auditing Firm	Qualitative Elements Score (Technical assessment)	Quantitative Elements Score (Economic assessment)	Total
KPMG S.p.A.	62.50	23.52	86.02
Deloitte S.p.A.	58.75	23.34	82.09

The Board of Statutory Auditors did not deem it advisable to activate the option of requesting the first two ranked bidders to submit a further lower economic offer, allowed by Art. 7.3 of the Selection Rules, proceeding to a "ballot" as it assessed that the statutory audit is a fundamental component of the control system, where the quality of the activity to be performed cannot be considered independent and divorced from the fee paid, with the consequence that where not justified by objective elements (such as a reduced evaluation gap in the technical bid between A - first in the ranking list - and B - second in the ranking list - and an economic bid of B slightly lower than that of A), a path of solicitation to better economic bids does not seem to represent an ideal and appropriate solution in this specific case, in order to guarantee the quality of the service required of the independent auditor.

Consequently, the Board did not deem it necessary to proceed with the solicitation of further economic bids in accordance with the "*maximum discount*" criterion, since the tender was set according to the "*economically most advantageous offer*" criterion, with the aim shared with the Commission, to evaluate the offer not only from an economic point of view, but above all from a technical-quality point of view, rewarding the one that had achieved the best value for money, in order to avoid "*discounts*" that were economically unsustainable if not to the detriment of the quality of the service to be provided.

At its meeting of 12 November 2024, the Board of Statutory Auditors, after meeting with the Commission and taking note of the Commission's concluding assessments as set out in the minutes of 30 October 2024, concluded its analyses and resolved to

- propose to the Shareholders' Meeting of Acea, under the terms of art. 16 of Regulation (EU) no. 537/2014, the award of the assignment of independent auditing of the accounts for the financial years from 2026 to 2034 to KPMG S.p.A. or to Deloitte & Touche S.p.A., according to the respective offers;
- express at the same Shareholders' Meeting its reasoned preference for the offer formulated by KPMG S.p.A., as the same received higher scores in both qualitative (technical) and quantitative (economic) aspects.

Below is the value of the overall offers for the nine-year period assessed for the purpose of

assigning scores for quantitative aspects referring to the entire company perimeter and also broken down for the Parent Company and all other Group companies:

ACEA GROUP				
Services	KPMG S.p.A.		Deloitte S.p.A.	
	Effort (hours) 2026-2034	Fees (€) 2026-2034	Effort (hours) 2026-2034	Fees (€) 2026-2034
a) independent auditing activities	229,877	13,205,194	266,296	13,400,429
b) other tasks	-	560,000	-	478,000
c) Law 262 testing and integrated reporting	360	12,951	102	3,602
Overall Amount Bid		13,778,145		13,882,031

OF WHICH ACEA S.p.A.				
Services	KPMG S.p.A.		Deloitte S.p.A.	
	Effort (hours) 2026-2034	Fees (€) 2026-2034	Effort (hours) 2026-2034	Fees (€) 2026-2034
a) independent auditing activities	56,875	3,497,529	73,977	3,353,839
b) other tasks	-	295,000	-	251,000
c) Law 262 testing and integrated reporting	360	12,951	102	3,602
Overall Amount Bid		3,805,480		3,608,441

OF WHICH ALL OTHER COMPANIES EXCEPT ACEA S.p.A.				
Services	KPMG S.p.A.		Deloitte S.p.A.	
	Effort (hours) 2026-2034	Fees (€) 2026-2034	Effort (hours) 2026-2034	Fees (€) 2026-2034
a) independent auditing activities	173,002	9,707,665	192,318	10,046,590
b) other tasks	-	265,000	-	227,000
c) Law 262 testing and integrated reporting	-	-	-	-
Overall Amount Bid		9,972,665		10,273,590

The fees are inclusive of all activities necessary to carry out the assignment and also include lump-sum expenses. Further expenses may only be claimed if they are documented out-of-pocket expenses incurred for travel and in any case within the limit of 5% of the fees for the activities for which the travel was necessary.

The fees may be subject to revision, agreed in advance between the parties, only upon the occurrence of exceptional circumstances unforeseeable at the time the proposal is submitted, such as to determine the need for a greater number of hours and/or a different commitment of the professional categories envisaged.

The adoption of new accounting standards (IFRS and OIC), new auditing standards (ISA) and the European Sustainability Reporting Standards (ESRS), as well as amendments to them, will not, therefore, normally constitute exceptional circumstances under which established fees may be changed.

The agreed fees will be revalued annually at the rate of 75% of the change in the consumer price index.

The approval of this proposal will entail the assignment of the audit engagement to the same auditing firm also for the other companies of the Acea Group, subject to the approval of the competent bodies of these companies.

* * *

NOW THEREFORE, CONSIDERING ALL OF THE ABOVE

following the selection procedure carried out, the Board of Statutory Auditors, in relation to the assignment for the financial years 2026 to 2034 of the engagement for the legal audit of Acea's accounts, with reference to the activities indicated analytically above in this proposal,

TAKING INTO ACCOUNT

- that Article 16, paragraph 2, sub-paragraph 2 of Regulation (EU) No. 537/2014 provides that the reasoned proposal of the Board of Statutory Auditors to the Shareholders' Meeting shall contain at least two possible proposals, as alternatives, for the conferment;
- that the same Article 16(2)(2) of Regulation (EU) No 537/2014 requires the Board of Statutory Auditors to express a duly justified preference for one of the two proposals;
- the outcome of the evaluation procedure;
- that in view of the presentation of the proposal to the Shareholders' Meeting, the Board of Statutory Auditors has obtained from the bidders KPMG S.p.A. and Deloitte & Touche S.p.A. the certificates required by Italian Legislative Decree No. 39/2010 concerning the absence of situations that may affect the auditor's independence as of the date of appointment by the Shareholders' Meeting SUBMITS to the Shareholders' Meeting of

Acea S.p.A. - pursuant to Article 16, paragraph 5 of Regulation (EU) No. 537/2014, as well as Article 13, paragraph 1, and Article 17, paragraph 1, of Italian Decree No. 39/2010 - as alternatives, the proposals, relating to the financial years from 2026 to 2034, formulated by KPMG S.p.A. and Deloitte & Touche S.p.A., whose economic components (fees) and total effort (hours) for the above activities have been previously highlighted in detail and

EXPRESSES

unanimously its preference in favour of KPMG S.p.A., as its bid scored higher overall, both with regard to the technical (qualitative) and economic (quantitative) score, based on the above.

Therefore, the Board of Statutory Auditors of ACEA S.p.A.

RECOMMENDS

on the basis of the above-mentioned reasons, to appoint as independent auditors for the financial years 2026, 2027, 2028, 2029, 2030, 2031, 2032, 2033 and 2034 - pursuant to Articles 13 et seq. of Italian Legislative Decree no. 39/2010, as amended and supplemented, the company **KPMG S.p.A.** with registered office in Milan, Via Vittor Pisani, 25 postcode 20124, tax code, VAT number and entry in the Milan, Monza, Brianza and Lodi Chamber of Commerce Register of Companies: No. 00709600159, in the person of Dr. Renato Naschi as Lead Audit Partner in charge of the audit.

The Board of Statutory Auditors declares that this proposal has not been influenced by third parties and that none of the clauses of the type indicated in Article 16(6) of Regulation (EU) No 537/2014 have been applied.

Rome, 16 November 2024

THE BOARD OF STATUTORY AUDITORS

Mr Maurizio Lauri

Ms Claudia Capuano

Mr Leonardo Quagliata