GREEN BOND ALLOCATION & IMPACT REPORT

2025

FOURTH RELEASE

acea

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Bond summary and introduction

In 2021 Acea issued its first Green Bond for a total nominal amount of Euro 900 million and net proceeds of roughly Euro 888.2 million[1] , divided into two sub-issuances of nominal values Euro 300 million and Euro 600 million respectively, within the Euro Medium Term Notes program, both listed in the Luxembourg Stock Exchange. As described in the **Second Release of Green Bond Allocation & Impact Report** of January 2024, Acea has achieved the full allocation of the net proceeds raised from the first Green Bond.

In 2023 Acea issued its second Green Bond for a total amount of Euro 700 million, placed in a first issuance of Euro 500 million and a tap issuance of Euro 200 million, and net proceeds of roughly Euro 698.1 million, within the Euro Medium Term Notes program, listed in the Luxembourg Stock Exchange. The Green Bond has the following features:

ISSUANCE N.1 (ISIN XS2579284469)					
Euro 700 million					
Issue Date	Maturity Date	Net proceeds (€ million)	Annual Coupon	Issue Price	Rating (Fitch/Moody's)
January, 24th 2023	January, 24th 2031	698.1	3.875%	99.86%[2]	BBB+/Baa2

The demand for this second Acea Green Bond exceeded the supplied total amount by more than 3 times and showed remarkable interest from leading green institutional investors demonstrating the strong interest in Acea's credit profile and the effectiveness of the pre-marketing activity. The transaction followed a well-attended one-day roadshow comprising a Global Investor Call and a series of group calls.

Corporate profile and its commitments

Acea, founded in 1909, has gradually become a nationwide industrial group, working in the areas of integrated water management, electricity production, distribution and sales and value-added environmental services. The new Business Plan, called "Green Diligent Growth", reinforces the Acea Group's role as infrastructure operator – focused on regulated businesses – within a strongly evolving scenario that offers major investment opportunities:

- in the water business, to modernise the infrastructure;
- in the electricity sector, for grid resilience;
- in the environmental sector, for the circular economy.

The centrality of people, a strong discipline with regard to costs and investments and optimisation of the financial structure represent the pillars of the Plan, which envisages a major increase in capex and growing value for shareholders. The investment programme will fund a number of projects and will enable an acceleration of sustainable growth to support the country. Acea confirms its role as a leading player in the energy transition, decarbonisation and enhancement of the territory, from a circular economy perspective.

1 Net Proceeds are calculated as the Issue Price net of fees.
2 Issue Price is the weighted average price of the issuances.

The Business Plan contemplates constant attention to operating efficiency, integrating new technologies and expanding the spheres of action.

The Acea Group confirms its great attention to environmental and social impacts and continues to pursue its sustainable strategy, in line with ESG criteria and the long-term objectives set forth by the UN 2030 Agenda.

Acea also pursues its commitment to sustainability through participation in important external initiatives, intended to raise awareness among decision makers and the public on particular socio-environmental issues. Specifically, through these initiatives, Acea is joined by qualified panels of companies in order to support objectives of general interest and to incorporate relevant guidelines and practices into its company culture.

Green Financing Framework and its categories

The issuance was based on the Acea Green Financing Framework presented in January 2021 to facilitate transparency and to confirm the commitments made by the Company with respect to green bonds and sustainable finance in general[3].

ISS provided a SPO attesting the alignment of the Green Financing Framework to the Green Bond Principles and Green Loan Principles. The net issuance proceeds are used to finance eligible projects according to the Green Financing Framework. All green bond's projects are clustered into four main axes, declined in the Framework itself, that follow most of the 17 United Nations' Sustainable Development Goals (SDGs):

GREEN FINANCING FRAMEWORK AXES			
N.	**AXES**	**RELATED SDG NUMBER***	**RELATED SDG**
1	WATER MANAGEMENT		Clean water and sanitation
2	ENERGY EFFICIENCY		Affordable and clean energy Industry, innovation and infrastructure Sustainable cities and communities Climate Action Life on Land
3	CIRCULAR ECONOMY		Clean water and sanitation Affordable and clean energy Industry, innovation and infrastructure Sustainable cities and communities Responsible production and consumption Climate Action
4	GREEN ENERGY		Affordable and clean energy Industry, innovation and infrastructure Climate Action

* The projects clustered into the abovementioned axes manifest clear references with respect to the illustrated SDGs, but can be linked also to other SDGs.

3 In February 2025, Acea published its first "Green & Blue Financing Framework", which includes a specific focus on the "Blue Economy" initiatives associated with water sector projects and therefore eligible for the issuance of "Blue Bonds". For the sake of clarity, this Green Bond Allocation & Impact Report is compliant with the 2021 Acea's Green Financing Framework principles while the green bonds outstanding have been issued under the previous framework.

The reporting plan for the Green Bond, issued in 2023, is structured as follows:

1) the third release of the **Green Bond Allocation & Impact Report** published on September 2024 which covers:
   - the financial indicators for the period 2022-2023, and
   - non-financial indicators, if measurable or available, for years 2020-2023;

2) this fourth release which covers
   - all the financial indicators for the period 2022-2024, and
   - non-financial indicators, if measurable or available, for year 2020-2024[4];

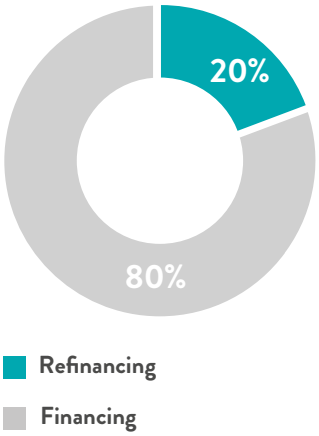
3) the next release will represent the results obtained until complete allocation of net proceeds and will be disclosed after the presentation of Acea Group financial and non-financial results.

The projects described below follow the rationale entailed in the Green Financing Framework, thus it is possible that in some cases a few projects are merged to show the main objective described in the Framework.

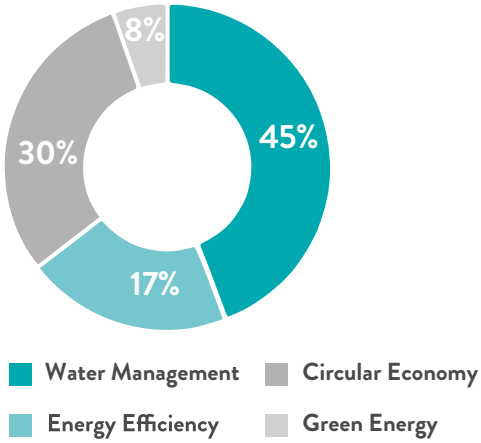
Green bond allocation meant for refinancing & financing of eligible projects

This second Green Bond issuance raised a total amount of net proceeds equal to Euro 698.1 million. Within the perimeter of this report, that includes the allocation for 2022[5], 2023 and 2024 in total equal to Euro 611.11 million (87.5% of the total amount of net proceeds raised), around 20% of this latter amount has been allocated to refinance eligible projects (investments made in 2022), 80% has been allocated to finance eligible projects (investments made in 2023 and 2024). A portion of investments for the residual amount of unallocated proceeds (around Euro 87 million) will be allocated in the first months of 2025.

USE OF PROCEEDS (AT 31/12/2024)



FUNDS ALLOCATION PER AXES



4 With respect to non-financial indicators and KPIs, in line with the Green Bond Allocation & Impact Reports already disclosed, starting from the first Green Bond issued in 2021, 2019 represents the base year from which calculation of non-financial performance is calculated.

5 An amount of reported eligible projects in 2022 equal to Euro 147.96 million has been already allocated for the first green bond.

Green financing working group & procedure

Since the issuance of the Green Financing Framework in 2021, Acea has established within its governance system an internal procedure for the establishment of best practices for the whole Group in the sustainable finance world, including processes for designing, planning, executing and monitoring all the sustainable finance activities in the Group. Furthermore, the company formed a Green Finance Working Group (GFWG), a cross-department table led by the Chief Financial Officer (CFO). It includes representatives from Finance, Sustainability Planning & Reporting and Planning & Control holding departments, each covering responsibility according to its own expertise, and works in harmony with representatives of the Group's operating subsidiaries. The GFWG is responsible of creating and updating the abovementioned Green Financing Framework in line with the sustainability objectives of the Group, and dives deep into the eligibility criteria for potential green projects. The initial process for the first selection and evaluation of potential eligible green projects was based on the materiality assessment carried out by the Group for both the Acea's Business and Sustainability Plans, in order to isolate and define the most relevant topics and issues at stake for the whole Group in terms of sustainability objectives and related investments. Today, this process is structured as follows:

- reviewing and validation of the Eligible Green Projects identified in accordance with the defined Eligible Green Project Categories listed in the Use of Proceeds section of the Green Financing Framework;
- monitoring of the Eligible Green Project portfolio during the life of the transaction through a tracked and integrated internal periodical report for the whole Group, fed with Enteprise Resource Planning tools and data, regarding financial allocation;
- if the Sustainability department deems that an eligible project becomes subject to a major ESG controversy, the GFWG will analyse it and may decide to exclude and replace such Eligible Green Project;
- managing any future update of the Green Financing Framework.

All potential Eligible Green Projects comply with local laws and regulations, including any applicable regulatory environmental requirements, as well as Acea's internal standards for managing ethical and governance risks following the current Code of Ethics and different Management Systems, all publicly available in the Acea website.

Thirteen summary project cards have been set up with the relevant economic and KPI indicators for the following eight categories:

- water resource protection;
- resilience of electricity distribution Infrastructure;
- clean transportation and infrastructure for Low Carbon Transport;
- smart meters;
- wastewater treatment;
- anaerobic digestion of bio-waste and/or sewage sludge;
- waste management;
- renewable energy.

All the eligibility criteria are defined in the Green Financing Framework, available in the Acea Group website, so that all the projects are consistent to the Group's sustainability objectives and to the most relevant SDGs for the Group's business.

The GFWG is also responsible for managing and reporting the allocation of proceeds in the most transparent way to make up to the specific investors' and stakeholders' expectations and regulatory requirements. The GFWG monitors and tracks the net proceeds through a dedicated reporting.

Data sourcing & calculation methodology

For projects within the Water Management, quantitative environmental KPIs, showing the project progress, managed by the process owners, are based on data extracted from management systems, such as water balance systems, plant georeferencing systems, etc., or are calculated ad hoc (e.g. based on the progress schedules of works).

For Energy Efficiency, where quantitative environmental KPIs relate to tons of non-emitted CO_2, data are calculated by process owners from primary data, estimated by the energy managers, applying national reference conversion factors relating to the baseline year of investment plan. In other cases as for the KPI related to IRI (Intervention Risk Index), the indicator is consistent with the calculation methodology of ARERA (Autorità di Regolazione per Energia Reti e Ambiente), or data are extracted from software and applications and verified/integrated after the collection of actual data, or obtained from specific meters (e.g. in the case of meters for electricity delivered by installed charging stations).

For the Circular Economy, depending on the specific project and the relevant environmental KPIs, the data managed by the process owners are extracted from systems (as in the case of the waste management/"MUD"declaration - Environmental Declaration Model for sludge) or calculated on the basis of primary data (in the case of the quantification of tons of non-emitted CO_2), or measured by specific meters (e.g. in the case of biomethane fed into the grid) or taken from technical data of plant administration (e.g. for compost produced, waste treated, etc.).

For the Green Energy area, the relevant environmental KPIs are based on extracted data (remote metering), or related to installed power generation, or are calculated on the base of data of gross energy produced from renewable source multiplied by the emission factor from fossil source, of the year of project start-up, for the calculation of avoided emissions.

GREEN BOND FINANCED PROJECTS

Acea has allocated a total of Euro 611.11 million until the end of 2024 divided as described in the following axes and project cards.

Regarding to the year 2022, an amount of Euro 147.96 million were allocated to the first Green Bond issued in 2021, as reported in the second release of Green Bond Allocation & Impact Report of January 2024, and Euro 119.25 million to the second Green Bond issued in 2023, as reported in the third release of Green Bond Allocation & Impact Report of September 2024.

Total Allocated Amount per Axis (2022-2024)

(€ MILLION)	TOTAL	PRO QUOTA GREEN BOND ISSUED IN 2021	PRO QUOTA GREEN BOND ISSUED IN 2023	TOTAL	TOTAL	TOTAL
GREEN FINANCING FRAMEWORK AXES	**2022**	**2022a**	**2022b**	**2023**	**2024**	**2022b-2024**
Water Management *total categories*	106.36	58.90	47.47	82.34	145.41	**275.21**
Energy Efficiency *total categories*	76.84	42.55	34.29	53.20	16.92	**104.41**
Circular Economy *total categories*	92.57	51.26	41.31	56.12	86.63	**184.05**
Green Energy *total categories*	-8.56	-4.74	-3.82	35.02	16.24	**47.44**
Total	**267.21**	**147.96**	**119.25**	**226.68**	**265.19**	**611.11**

The following project cards include summary descriptions, results, performances of the eligible projects started in 2020 (base year 2019) and financed by the Acea's green bonds, and the EU Taxonomy alignment of the relevant activities for year 2024, on a best effort basis. For better reading, this report shows the economic allocation for the full years 2022, 2023 and 2024 and environmental KPIs for the full years 2020-2024.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Water Management	Water Resource Protection	The project is linked to the taxonomic activity 2.1 (WTR), totally aligned in 2024
Short Description		
Investment aiming at reducing at least by 20% water losses and installation of gauges for pressure and flow rate management; production and installation of water smart meters on the network		

1. Water losses reduction

The sustainable management of the water resource is one of the distinctive features of the Acea Group. This implies a strong effort over the entire water service value chain and over many other themes. Within those, particular relevance is covered by the containment of water losses, faced by the Group with a shared approach. The interventions that enable the containment of physical and commercial losses are: for physical losses, the districtisation of networks, flow and pressure meters, sensors, remote control; for commercial losses, the installation of 'smart' meters at users (for which increasingly effective remote solutions are being studied) and actions to combat abuse. In addition, the interventions lead to an optimisation in the management of infrastructures: the central system acquires quantitative and qualitative data from meters and sensors connected to the sites equipment, and remote manoeuvres can be carried out thanks to remote control.

PROJECT STATUS: ongoing
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (*€ MILLION*)	**2022**	**2023**	**2024**
194.85	83.30	65.79	45.76

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
% Reduction of water volume lost (over 2019)*	%	-5	-13.6	-17.2	-19	-18.4
Flow and pressure meters installed during the year	n.	354	641	455	529	443
Reclaimed water network during the year	km	136.2	203.4	204.5	68	121
Districted water network during the year	km	7,907	3,687	1,373	109	159

* The data on the reduction of water volume lost are always calculated using the same method and for the same perimeter of municipalities managed in 2019, the base year for the start of the project, in order to preserve comparability. However, considering the entire perimeter of the municipalities managed by Acea Ato 2 in 2024, which includes the recent acquisitions of 2022, and applying the new calculation methods defined by ARERA, there was a 1.5% reduction in water loss volumes between 2024 and 2023.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Water Management	Water Resource Protection	The project is linked to the taxonomic activity 2.1 (WTR), totally aligned in 2024
Short Description		
Water supply system aimed at increasing the resilience of the water supply system		

2. Interventions to increase the water system resilience and the security of water supply

Acea Ato 2 began planning and realising a series of interventions for the medium-long term to increase the resiliency of the Roman and ATO2 related territory drinking water system infrastructure, thus improving the service continuity and the quantitative and qualitative supply security, also under the scope of climate change issues.

The more complex interventions, that require a longer period of time for realisation, contribute to the improvement of the whole water system's reliability and flexibility management and foresee new interventions (such as adducers, new water connections) and infrastructure and technology renewals for major aqueduct systems such as Peschiera-Le Capore, Marcio and big water connection systems. With reference to the four sub-projects concerning the modernization of Peschiera water system, the design and permitting phases were completed in 2023. As a result, starting from 2024 the progress of the works' execution and implementation phases is reported.

The medium-term interventions, focused on the realisation/renewal of water purifiers, tanks and adducers, all aim at mitigating and/or eliminating the different challenges in the water supply system for certain areas, especially in the outskirts of Rome, where water sources are the most vulnerable either in prolonged periods of drought or in cases of sustained issues in the local aqueduct systems.

PROJECT STATUS: ongoing
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
139.26	23.07	16.55	99.64


PERICOLO
RISCHIO

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" • Sub-project "New Marcio water system, lot #1"	%	10	30	80	100	-
Progress in the implementation phase of the Sub-project "New Marcio water system, lot #1"	%	-	-	-	-	45
Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" • Sub-project "Doubling Siphon VIII – segment Casa Valeria – exit Galleria Ripoli"	%	0	20	80	100	-
Progress in the implementation phase of the Sub-project "Doubling Siphon VIII – segment Casa Valeria – exit Galleria Ripoli"	%	-	-	-	-	30
Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" • Sub-project "Monte Castellone conduct - Colle Sant'Angelo (Valmontone)"	%	0	10	80	100	-
Progress in the implementation phase of the Sub-project "Monte Castellone conduct – Colle Sant'Angelo (Valmontone)"	%	-	-	-	-	48
Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" • Sub-project "Ottavia-Trionfale adducer"	%	0	20	80	100	-
Progress in the implementation phase of the Sub-project "Ottavia-Trionfale adducer"	%	-	-	-	-	41
Interventions* in pipeline/interventions in the ATO2 scope	%	50	40	10	10	10
Interventions* in process/interventions in the ATO2 scope	%	40	40	70	50	40
Interventions* completed/interventions in the ATO2 scope	%	10	20	20	40	50

* All the "interventions" references involve a series of medium-term interventions aimed at the security of the water system supply in the ATO2 territory – central Latium/Rome – in those areas affected by vulnerable water and/or infrastructure availability. The KPIs are to be read together, taking into consideration the number of interventions in pipeline/in process/completed over the total number of the considered perimeter of interventions (10 interventions).

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Energy Efficiency	Resilience of electricity distribution Infrastructure	The project is linked to the taxonomic activity 4.9 (CCM), totally aligned[6] in 2024
Short Description		
Investments to reduce networks energy losses		

3. Energy efficiency in the electricity distribution networks' management

Acea is deeply focused and committed to the improvement of Rome and Formello electricity distribution networks, both managed by Areti, which, among others, qualify the whole Group as the second ranked national operator in terms of points of delivery. The company has planned voltage change interventions as well as interventions to substitute medium voltage/low voltage transformers with components aimed at reducing losses which will eventually contribute to the diminishing of the technical energy losses on the electric network. Energy efficiency interventions will reduce electricity consumption required to manage processes, resulting in savings which can be converted in both TOE and avoided CO_2 emissions.

PROJECT STATUS: ongoing, but the proceeds from Green Bond on this project have been fully allocated.
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
7.75	5.00	2.75	-

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Saved electricity/ Distributed electricity	MWh/ MWh	1,770/ 9,070,469	1,127/ 9,206,108	744/ 9,408,392	514*/ 9,195,590	630/ 9,369,020
Avoided emissions**	tCO_2	637	406	268	185	227
TOE saved	TOE	331	211	139	96	117.8

* The total MWh of energy savings in 2023, and the related data, have been revised to align with the scope applied in previous years.
** Avoided emissions calculation is carried out with the 2019 location-based conversion factor (base year of intervention planning). The figures are obtained by multiplying yearly saved MWh with the Terna 2019 national mix conversion factor. For the sake of transparency, the 2020, 2021, 2022 and 2023 avoided emissions datapoint, calculated based on the Terna 2020 and invariated for the years 2021-2023 location-based conversion factors, are equal to 595 tCO_2, 355 tCO_2, 234 tCO_2 and 162 tCO_2; for the year 2024, avoided emissions are calculated considering the ISPRA 2024 location-based emission factor and are equal to 35,7 tCO_2.

6 The taxonomic activity 4.9 (CCM) presents a minimum misalignment linked to the residual presence of transformers with PCBs (in 2024 only 56 transformers out of a total of 12,996 which are currently in the process of being decommissioned); the misalignment is not related to Capex and therefore, for the purposes of the Green Bond Allocation, is considered totally aligned.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Energy Efficiency	Resilience of electricity distribution Infrastructure	The project is linked to the taxonomic activity 4.9 (CCM), totally aligned[7] in 2024
Short Description		
Investments in digital technologies to improve the management and increase the efficiency of the electric grid		

4. Increased resilience in the electricity distribution network thanks to development, modernisation, connectivity and telematic control interventions

In order to increase the resilience and efficiency of the electricity distribution network, Areti, the company within the Acea Group responsible for its management, has put into place different interventions that cover maintenance, development and physical modernisation of the network as well as connectivity and telematic control of the infrastructures.

Among the main projects we find:

- Maintenance and development interventions to increase the resilience of the electric system, which in turn imply the reduction of failures – especially the reduction of the intervention risk index – as well as the better adaptation capacity of the network to critical factors such as flooding and heat waves;
- Planning for the realisation of plants and the decommissioning of air links and fluid oil cables in the operating high voltage network thanks to a coordinated and synergistic action between the high voltage transmission and distribution networks in the Rome area. This project contributes to the safeguard of the territory and to the environmental impact reduction in protected natural areas;
- Digitalisation, connectivity and telematic control processes for the network and infrastructures, including broadband cabling for all Primary Substations and a segment of relevant Secondary Substations, to boost observability of both the low/medium voltage networks and infrastructures. Moreover, this project enables remote interventions, optimising the underlying service and reducing the interventions' timing when failures occur.

PROJECT STATUS: ongoing
LOCATION: Latium, Italy

7 The taxonomic activity 4.9 (CCM) presents a minimum misalignment linked to the residual presence of transformers with PCBs (in 2024 only 56 transformers out of a total of 12,996 which are currently in the process of being decommissioned); the misalignment is not related to Capex and therefore, for the purposes of the Green Bond Allocation, is considered totally aligned.

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
80.74	46.98	18.61	15.15

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Annual % variation of the IRI (intervention Risk Index)= after intervention value/ before intervention value)	%	-25	-24	-17	-4.5	-2.3
Activation/Upgrade of Secondary Substations' automation and telematic control	n.	582	1,454	1,646	1,326	2,364
Broadband linked Primary Substations / 70 Primary Substations	n./n.	14/70	10/70	6/70	37/70	1/70
cumulative	*n./n.*	*14/70*	*24/70*	*30/70*	*67/70*	*68/70*
Number of pylons removed during the year*	n.	22	48	49	39	49
cumulative	*n.*	*22*	*70*	*119*	*158*	*207*
Recovered soil in highly-biodiverse areas during the year*	m^2	275	740	980	780	200
cumulative	m^2	*275*	*1,015*	*1,995*	*2,775*	*2,975*

* The high biodiversity areas impacted are: Veio Natural Park and Litorale romano Natural Reserve.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AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Energy Efficiency	Clean Transportation and Infrastructure for Low Carbon Transport	The project is linked to the taxonomic activity 6.15 (CCM), totally aligned in 2024
Short Description		
Installation of charging stations for electric vehicles and related services		

5. Electric mobility and related services

Acea aims at contributing to the development of sustainable mobility, thanks to the infrastructures that enable its adoption. Acea Innovation, in particular, which was merged by incorporation into Acea Energia with effect from 1 January 2025, will be involved in the progressive installation of electric recharge columns for electric vehicles (EV) which supply certified green energy, with a recharging power of either 22kW or 50kW. Acea Innovation also developed a multifunctional platform with the BOMTS proprietary technology (Banking Operation Maintenance Telematics Security) that allows different types of electric transportation services to be provided: from the control of the recharging infrastructure to payments, from the supply of information services to video surveillance and other applications balanced on the clients' needs, being them either retail or big corporates. This activity will contribute to the wider adoption of electric vehicles for those who value sustainable behaviours.

PROJECT STATUS: ongoing
LOCATION: Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (*€ MILLION*)	**2022**	**2023**	**2024**
9.29	4.74	2.78	1.77

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Installed charging columns during the year	n.	-	200	223	148	50
Supplied certified green energy through Acea charging columns	MWh	-	123	805	2,307	2,842
Avoided emissions*	tCO_2	-	144	942	2,698	3,322
Acea clients using the platform during the year	n.	-	978	2,813	3,865	4,972

* The emissions reduction represented here can be linked to consumers' habits, to those who picked electric vehicles rather than traditional ones and to the fact that Acea charging columns supply certified green energy.

NB: environmental performance data are available starting from 2021.


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AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Energy Efficiency	Clean Transportation and Infrastructure for Low Carbon Transport	The project is not linked to taxonomic eligible activities
Short Description		
Acquisition of zero emissions vehicles		

6. Environmental impact reduction from the vehicles of the company's fleet

With the objective of containing the environmental impacts linked with the company's fleet used for on-site interventions Areti, the company's subsidiary that focuses on the management of the electricity distribution network in Rome and Formello, bought electric vehicles for operative employees and planning the realisation of car sharing solutions. In the same manner, Areti is engaged in the realisation of charging infrastructure within operative sites.

PROJECT STATUS: completed. The proceeds from Green Bond on this project have been fully allocated.
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
-	-	-	-

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Avoided emissions	tCO_2	5.2	26.6	24.1	19.7*	19.6
Total number of electric vehicles from Areti	n.	125	125	125	121	121

* The 2023 avoided emissions figure has been revised following a recalculation.


MORSETTI USCITA CLIENTE
BIRD

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Energy Efficiency	Smart Meters	The project is linked to the taxonomic activity 7.5 (CCM), totally aligned in 2024
Short Description		
Production and installation of energy smart meters on the network		

7. Substitution of 2G meters in the electricity distribution service

The technological innovation applied to management processes is assuming an ever-growing role for Acea as it aims the enabling of the development of the so-called 'smart-living', and clear impacts on energy savings. In particular, Areti is engaged in the massive substitution campaign with the new generation 2G meters, for a total of more than a million devices. The characteristics of those meters will provide clients with more data and more awareness, together with narrowing the expected estimates on invoices.

PROJECT STATUS: ongoing, but the proceeds from Green Bond on this project have been fully allocated
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (€ MILLION)	**2022**	**2023**	**2024**
49.18	20.12	29.06	-

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Number of 2G meters installed during the year	n.	59,275	316,176	273,294	337,546*	446,351
Installed 2G smart meters / total meters	%	3.5 (59,275/ 1,676,378)	22.4 (375,451/ 1,676,378)	38.7 (648,745/ 1,676,378	58.8* (986,291/ 1,676,378)	85.5 (1,432,642/ 1,676,378)

* 2023 figure has been adjusted for data consolidation.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Circular Economy	Wastewater Treatment	The project is linked to the taxonomic activity 2.2 (WTR), partially aligned in 2024
Short Description		
Operation of wastewater collection and treatment aiming at reducing sewage sludge		

8. Efficiency and modernisation of the purification sector (sludge reduction, centralisation and processing capacity increase, energy efficiency)

Acea, within the most important players in the integrated water system and national leader in the sector for consumers served, started different initiatives that converge to the efficiency and modernisation of the water purification sector. In particular, Acea Ato 2, the major subsidiary for the water sector within the Group, has developed a few projects with relevant impacts. Among those, the definition of a "Sludge Plan" which includes structural interventions aimed at increasing the power of medium-to-big-sized purifiers

and reducing the quantity of the overall sludge produced thanks to, by means of example, the further development of dryers, the process integration of different technologies such as ozonolysis, the renewal or the adoption of sludge drying compartments, and so on. Acea Ato 2 has also defined a plan for the rationalisation of purification plants, identified through the study of the territory on both an urbanistic and a geomorphological perspective. This activity will continue to be carried out by upgrading existing small plants or, whenever possible, through the centralisation of the purifying treatment process in bigger plants, with the related dismissal of smaller plants. Lastly, various energy efficiency activities have contributed to the modernisation of the purification sector, having been identified with a deep analysis of the plants' energy consumption and their relative sub-compartments.

PROJECT STATUS: ongoing
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
180.53	65.23	39.81	75.49

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Sludge reduction						
Total sludge (solid and liquid)	t	78,934	66,605	63,229	58,384*	44,974
Reduction with respect to base year (2019)	%	21.3	33.6	37	41.8	55.2
Rationalisation of purifying plants						
Percentage increase of the purifying capacity with respect to base year (2019)	%	3.7	3.7	3.7	3.7	3.9
Dismissed-centralised plants during the year	n.	7	6	4	4	4
Population equivalent interested in the centralisation of purifiers during the year	PE	15,730	26,540	17,100	69,630	7,200
Energy efficiency interventions						
Avoided emissions thanks to energy savings in the purifying compartment**	tCO_2	399.6	567.36	673.2	1,014.13*	1,214.72***

* 2023 figure has been adjusted for data consolidation.
** The calculation refers to the Terna conversion factor of the national mix for 2019, when the project started. Figures 2021-2024 considers the emissions avoided related to the energy efficiency measures in the purifying compartment carried out in previous years, which also determine benefits for the following year.
*** Estimated figure, pending consolidation of 557,20 MWh saved 2024.


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AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Circular Economy	Anaerobic Digestion of Bio-waste and/or Sewage Sludge	The project is linked to the taxonomic activity 5.6 (CCM), totally aligned in 2024
Short Description		
New and revamping of the Anaerobic digestion facilities		

9. Biomethane production from purification plants

Between 2020 and 2023, Acea Ato 2 developed and completed the upgrading interventions in the anaerobic digestion compartments for the two biggest purifiers in Rome (North and East), functional to the transformation of locally produced biogas into biomethane. The intervention's objective was to isolate all the methane contained into the biogas, controlling its quality and quantity, and optimising its usage. In 2024 the production of biomethane was started; it is injected into the gas network and intended for vehicles. The biomethane production supply chain management system is certified according to the UNI/TS 11567:2024 standard and enables Acea Ato 2 to issue sustainability certificates for the biomethane produced, providing environmental benefits linked to the reduction of transportation emissions.

PROJECT STATUS: ongoing
LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (€ MILLION)	**2022**	**2023**	**2024**
9.71	0.42	7.51	1.78

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
% upgrading intervention advancement upgrading for North and East Rome	%	35	50	70	100	-
Biomethane introduced in the network	Sm^3	-	-	-	-	122,893
Avoided emissions*	tCO_2	-	-	-	-	298.5

*The environmental benefits are attributed to the drivers of vehicles using biomethane instead of fossil fuels. The UNI/TS 11567:2024 standard sets the reference criteria for calculating the avoided CO_2 emissions.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Circular Economy	Anaerobic Digestion of Bio-waste and/or Sewage Sludge	The project is linked to the taxonomic activity 5.7 (CCM), totally aligned in 2024
Short Description		
Facilities and services related to composting of bio-waste		

10. Production of renewable energy through composting plants

Acea Ambiente and Orvieto Ambiente own an integrated system of waste management and, respectively two plants, in Lazio and in Tuscany, and one in Umbria, aimed at creating compost, where it is also possible to gather electric and thermal energy in the anaerobic digestion sections, thanks to specific realised and undergoing investments. The organic matrix coming into the anaerobic digestion section in fact gets biologically degraded and thus produces biogas, caught to produce 100% renewable energy for the market.

PROJECT STATUS: ongoing
LOCATION: Latium, Umbria and Tuscany, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (€ MILLION)	**2022**	**2023**	**2024**
12.51	5.34	3.27	3.90

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Biogas based electric energy produced and served in the network	MWh	18,715	15,962	17,587	21,024	21,880
Installed power	MW	6.96	6.96	6.96	6.96	6.96
Gross electric energy produced/ waste sent to treatment to the Aprilia, Monterotondo Marittimo, Orvieto plants	MWh/t	0.1216	0.1256	0.1363	0.1482	0.1425
Avoided emissions to produce electric energy*	tCO_2	6,737	5,746	6,331	7,569	7,877

* Calculations refer to the Terna 2019 national mix conversion factor, when the project started.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Circular Economy	Waste Management	The project is not linked to taxonomic eligible activities
Short Description		
Infrastructure to increase the total waste management capacity		

11. Increase in the waste treatment capacity

Acea aims at consolidating its positioning in the circular economy sector, reinforcing core businesses such as waste to energy (WtE) and composting, developing the waste to material (WtM) value chain for plastics and paper, for example, through the acquisition of material selection and treatment plants, and with a particular focus in the special waste category sector. All this entails different synergies between the Group's activities, for example, closing the water waste circle (sludge) also through waste-to-energy and the realisation of residual ashes recovery plants coming from the same waste-to-energy process.

PROJECT STATUS: ongoing
LOCATION: Latium, Marche, Piedmont and Umbria, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
31.74*	21.07	5.22	5.45

* of which M&A activities for Euro 12.63 million in 2022.

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	
Overall waste treatment capacity in the year	t	1,905,360	2,448,120	2,562,865	2,519,990	2,706,964
Treated waste for the year	t	1,449,110	1,514,554	1,714,281	1,765,735	1,703,687
Compost produced/ waste sent to composting plants	%	9.8	13.5	21.2	22.1	21.5
Secondary raw materials out of treatment plants/ waste coming in plants	t/t	147,542/ 184,182	182,615/ 246,236	189,717/ 286,772	264,121/ 329,314	274,403/ 330,770


WASTE TRANSITION

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Circular Economy	Waste Management	The project is linked to the taxonomic activity 5.8 (CCM), totally aligned in 2024
Short Description		
Installation of Smart composting systems		

12. Acea Smart Comp

Among the initiatives that promote a circular economy, Acea has developed and trademarked an intelligent system equipped with IoT technology and movement sensors for zero kilometer composting. Research and development activities led Acea Infrastructure (formerly Acea Elabori) to the creation of a Smart Comp Unit prototype, which will form the basis of the new version Acea Smart Comp 2.0. The Smart Comp composter is a small-scale plant which, through a completely automated process, takes 90 days to transform organic waste into quality-certified compost, sanitised and without pathogenic bacteria, ready to be used as fertilizer and soil conditioner. The local treatment of organic waste is thought for those who produce huge quantities of waste: markets, malls, airports, stations, canteens, etc. Acea Smart Comp allows waste to be treated on site and thus avoids its transportation, reducing its cost and the relative emissions. The advanced integrated IoT technology automates the whole process, monitoring in real-time the state of transformation and various environmental data (temperature, humidity, interstitial gas, emissions, etc). Data gathered and analysed is given back to the client through a dedicated dashboard which shows the performance of the different indicators, such as removed CO_2 emissions and the quantity of produced compost. Acea Innovation has begun the commercialisation of the Smart Comp.

PROJECT STATUS: completed. The proceeds from Green Bond on this project have been fully allocated.

LOCATION: Latium, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT *(€ MILLION)*	**2022**	**2023**	**2024**
0.82	0.51	0.31	-

Environmental performance indicators

KPI	UoM	2020	2021	2022	2023	2024
Number of Smart Comp installed*	n.	-	4	4	4	4
Organic waste treated by Smart Comp**	t	-	200	240	240	160
Produced compost by Smart Comp**	t	-	40	48	48	32
Avoided emissions**	tCO_2	-	400	480	480	320

* Number of Smart Comp installed during 2021-2024 is unchanged. In 2024, only 2 out of the 4 installed composters were operational.
** The environmental advancement represented are linked to consumers that installed Smart Comp.
NB: environmental performance data are available starting from 2021.

AXIS	CATEGORY	EU TAXONOMY ALIGNMENT FOR THE YEAR 2024
Green Energy	Renewable Energy	The project is linked to the taxonomic activity 4.1 (CCM), totally aligned in 2024
Short Description		
Construction, acquisitions and development of photovoltaic plants and development of greenfield photovoltaic plants		

13. Production of electric energy from photovoltaic sources

Acea embraced the journey of production of electric energy from renewable sources, in particular from photovoltaic sources, thanks to the acquisition and realisation of new plants, with the objective of achieving an overall 747MW installed capacity (178MW through M&A activities and 569MW through the construction of greenfield photovoltaic plants in industrial and rural areas).

PROJECT STATUS: ongoing
LOCATION: Apulia, Basilicata, Latium, Marche, Piedmont, Sardinia and Sicily, Italy

Green Bond Allocation

ALLOCATION			
TOTAL FINANCED AMOUNT (€ MILLION)	**2022**	**2023**	**2024**
42.70*	-8.56[8]	35.02	16.24

* of which M&A activities (net of divestments) for Euro -34 million in 2022 and Euro 3.24 million in 2023.

Environmental performance indicators

KPI	UoM	2020	2021	2022*	2023	2024
Installed power/Expected power	MW/MW	52/747	72.5/747	101/747	101/747	154/747
Gross production of electric energy	GWh	74.96	78.61	111.9	134.4	172.5
Avoided emissions**	tCO_2	39,961	41,907	59,654	71,649	91,960

* From 2022 figures include the capacity of the plants and the gross electricity production of the investee companies, which are not fully consolidated.
** The calculation of avoided emissions refers to the emissions' intensity index provided by Acea Produzione coming from non-renewable sources in 2019. This data is multiplied by the photovoltaic energy produced during the year.

8 On March 2022 Acea closed the agreement with the UK investment fund Equitix, managed by Equitix Investment Management Limited, for the sale of a majority interest in its photovoltaic holding company to which Acea's photovoltaic assets were transferred.

Annex I – Total allocated amounts per Project Card (2022-2024)

AXIS	CATEGORY	PROJECT CARD	2022 (M€)	2022a[9] (M€)	2022b[10] (M€)	2023 (M€)	2024 (M€)	TOTAL 2022b-2024(M€)
Water Management	**Water Resource Protection**	1. Water losses reduction	83.30	46.12	37.17	65.79	45.76	148.73
		2. Interventions to increment the water system resilience and the security of water supply	23.07	12.77	10.29	16.55	99.64	126.48
Energy Efficiency	**Resiliency of electricity distribution infrastructure**	3. Energy efficiency in the electricity distribution	5.00	2.77	2.23	2.75	0.00	4.98
		4. Increased resilience in the electricity distribution network thanks to development, modernisation, connectivity and telematic control interventions	46.98	26.01	20.97	18.61	15.15	54.72
	Clean Transportation and Infrastructure for Low Carbon Transport	5. Electric mobility and related services	4.74	2.62	2.11	2.78	1.77	6.67
		6. Environmental impact reduction from the vehicles of the company's fleet	0.00	0.00	0.00	0.00	0.00	0.00
	Smart Meters	7. Substitution of 2G meters in the electricity distribution service	20.12	11.14	8.98	29.06	0.00	38.04
Circular Economy	**Wastewater Treatment**	8. Efficiency and modernisation of the purification sector (sludge reduction, centralisation and processing capacity increase, energy efficiency)	65.23	36.12	29.11	39.81	75.49	144.41
	Anaerobic Digestion of Bio-waste and/or Sewage Sludge	9. Biomethane production from purification plants	0.42	0.23	0.19	7.51	1.78	9.48
		10. Production of renewable energy through composting plants	5.34	2.96	2.39	3.27	3.90	9.56
	Waste Management	11. Increase in the waste treatment capacity	21.07	11.67	9.40	5.22	5.45	20.07
		12. Acea Smart Comp	0.51	0.28	0.23	0.31	0.00	0.54
Green Energy	**Renewable Energy**	13. Production of electric energy from photovoltaic sources	-8.56	-4.74	-3.82	35.02	16.24	47.44
Total			**267.21**	**147.96**	**119.25**	**226.68**	**265.19**	**611.11**

9 Pro quota allocation of capex 2022 to the first Green Bond issued in 2021.
10 Pro quota allocation of capex 2022 to the second Green Bond issued in 2023.

Annex II – Output & Impact KPI per Project Card (2020-2024)

AXIS	CATEGORY	PROJECT CARD	KPI	UoM	2020	2021	2022	2023	2024
Water Management	Water Resource Protection	1 - Water losses reduction	% Reduction of water volume lost (over 2019)*	%	-5	-13.6	-17.2	-19	-18.4
			Flow and pressure meters installed during the year	N.	354	641	455	529	443
			Reclaimed water network during the year	km	136.2	203.4	204.5	68	121
			Districted water network during the year	km	7,907	3,687	1,373	109	159
		2 - Interventions to increment the water system resilience and the security of water supply	Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" - Sub-project "New Marcio water system, lot #1"	%	10	30	80	100	-
			Progress in the implementation phase of the Sub-project "New Marcio water system, lot #1"	%	-	-	-	–	45
			Advancement of the design/ authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" - Sub-project "Doubling Siphon VIII – segment Casa Valieria – exit Galleria Ripoli"	%	0	20	80	100	–
			Progress in the implementation phase of the Sub-project "Doubling Siphon VIII – segment Casa Valeria – exit Galleria Ripoli"	%	-	-	-	-	30
			Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" - Sub-project "Monte Castellone conduct – Colle Sant'Angelo (Valmontone)"	%	0	10	80	100	-
			Progress in the implementation phase of the Sub-project "Monte Castellone conduct – Colle Sant'Angelo (Valmontone)"	%	-	-	-	-	48
			Advancement of the design/authorisation phase of the longer-term interventions "Securing and modernisation of the Peschiera water system" - Sub-project "Ottavia-Trionfale adducer"	%	0	20	80	100	-
			Progress in the implementation phase of the Sub-project "Ottavia-Trionfale adducer"	%	-	-	-	–	41


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AXIS	CATEGORY	PROJECT CARD	KPI	UoM	2020	2021	2022	2023	2024
Water Management	**Water Resource Protection**	2 - Interventions to increment the water system resilience and the security of water supply	**Interventions** in pipeline/ interventions in the ATO2 scope**	%	50	40	10	10	10
			Interventions in process/ interventions in the ATO2 scope**	%	40	40	70	50	40
			Interventions completed/ interventions in the ATO2 scope**	%	10	20	20	40	50
Energy Efficiency	**Resiliency of electricity distribution Infrastructure**	3 - Energy efficiency in the electricity distribution networks' management	**Saved electricity/ Distributed electricity**	MWh/ MWh	1,770/ 9,070,469	1,127/ 9,206,108	744/ 9,408,392	514***/ 9,195,590	630/ 9,369,020
			Avoided emissions	tCO_2	637	406	268	185**	227
			TOE saved	TOE	331	211	139	96**	117,8
		4 - Increased resilience in the electricity distribution network thanks to development, modernisation, connectivity and telematic control interventions.	**Annual % variation of the IRI (intervention Risk Index)=after intervention value/before intervention value)**	%	-25	-24	-17	-4.5	-2.3
			Activation/ Upgrade of Secondary Cabins' automation and telematic control	n.	582	1,454	1,646	1,326	2,364
			Broadband linked primary cabins / 70 primary cabins	n./n.	14/70	10/70	6/70	37/70	1/70
			cumulative	n./n.	*14/70*	*24/70*	*30/70*	*67/70*	*68/70*
			Number of pylons removed	n.	22	48	49	39	49
			cumulative	n.	*22*	*70*	*119*	*158*	*207*
			Recovered soil in highly-biodiverse areas	m^2	275	740	980	780	200
			cumulative	m^2	*275*	*1,015*	*1,995*	*2,775*	*2,975*

AXIS	CATEGORY	PROJECT CARD	KPI	UoM	2020	2021	2022	2023	2024
Energy Efficiency	Clean Transportation and Infrastructure for Low Carbon Transport	5 - Electric mobility and related services	**Installed charging columns**	n.	not available in 2020	200	223	148	50
			Supplied certified electricity through Acea charging columns	MWh	not available in 2020	123	805	2,307	2,842
			Avoided emissions	tCO_2	not available in 2020	144	942	2,698	3,322
			Acea clients using the platform during the year	n.	not available in 2020	978	2,813	3,865	4,972
		6 - Environmental impact reduction from the vehicles of the company's fleet	**Avoided emissions**	tCO_2	5.2	26.6	24.1	19.7****	19.6
			Number of electric vehicles from Areti	n.	125	125	125	121	121
	Smart Meters	7 - Substitution of 2G meters in the electricity distribution service	**Number of 2G meters installed during the year**	n.	59,275	316,176	273,294	337,546*****	446,351
			Installed 2G smart meters / total meters	%	3.5	22.4	38.7	58.8*****	85.5
					(59,275/ 1,676,378)	(375,451/ 1,676,378)	(648,745/ 1,676,378)	(986,291/ 1,676,378)	1,432,642/ 1,676,378)
Circular Economy	Wastewater Treatment	8 - Efficiency and modernisation of the purification sector (sludge reduction, centralisation and processing capacity increase, energy efficiency)	**Total sludge (solid and liquid)**	t	78,934	66,605	63,229	58,384*****	44,952
			Reduction with respect to base year (2019)	%	21.3	33.6	37	41.8	55.2
			Percentage increase of the purifying capacity with respect to base year (2019)	%	3.7	3.7	3.7	3.7	3.9
			Dismissed-centralised plants	n.	7	6	4	4	4
			AE interested in the centralisation of purifiers	AE	15,730	26,540	17,100	69,630	7,200
			Avoided emissions thanks to energy savings in the purifying compartment	tCO_2	399.6	567.36	673.2	1,014.13******	1,214.72******

AXIS	CATEGORY	PROJECT CARD	KPI	UoM	2020	2021	2022	2023	2024
Circular Economy	Anaerobic Digestion of Bio-waste and/or Sewage Sludge	9 - Biomethane production from purification plants	**% upgrading intervention advancement upgrading for North and East Rome**	%	35	50	70	100	-
			Biomethane introduced in the network	Sm^3	not applicable before upgrading completion	not applicable before upgrading completion	not applicable before upgrading completion	not applicable before upgrading completion	122,893
			Avoided emissions *******	tCO_2	not applicable before upgrading completion	not applicable before upgrading completion	not applicable before upgrading completion	not applicable before upgrading completion	298.5
Circular Economy	Anaerobic Digestion of Bio-waste and/or Sewage Sludge	10 - Production of renewable energy through composting plants	**Biogas based electric energy produced and served in the network**	MWh	18,715	15,962	17,587	21,024	21,880
			Installed power	MW	6.96	6.96	6.96	6.96	6.96
			Gross electric energy produced/ waste sent to treatment to the Aprilia, Monterotondo Marittimo, Orvieto plants	MWh/t	0.1216	0.1256	0.1363	0.1482	0.1425
			Avoided emissions to produce electric energy	tCO_2	6,737	5,746	6,331	7,569	7,877

* The data on the reduction of water volume lost are always calculated using the same method and for the same perimeter of municipalities managed in 2019, the base year for the start of the project, in order to preserve comparability. However, considering the entire perimeter of the municipalities managed by Acea Ato 2 in 2024, which includes the recent acquisitions of 2022, and applying the new calculation methods defined by ARERA, there was a 1.5% reduction in water loss volumes between 2024 and 2023.

** All the "interventions" references involve a series of medium-term interventions aimed at the security of the water system supply in the ATO2 territory – central Latium/Rome – in those areas affected by vulnerable water and/or infrastructure availability. The KPIs are to be read together, taking into consideration the number of interventions in pipeline/in process/completed over the total number of the considered perimeter of interventions (10 interventions).

*** The total MWh of energy savings in 2023, and the related data, have been revised to align with the scope applied in previous years.

AXIS	CATEGORY	PROJECT CARD	KPI	UoM	2020	2021	2022	2023	2024
Circular Economy	Waste Management	11 - Increase in the waste treatment capacity	Overall waste treatment capacity in the year	t	1,905,360	2,448,120	2,562,865	2,519,990	2,706,964
			Treated waste for the year	t	1,449,110	1,514,554	1,714,281	1,765,735	1,703,687
			Compost produced/ waste sent to composting plants	%	9.8	13.5	21.2	22.1	21.5
			Secondary raw materials out of treatment plants/Waste coming in plants	t/t	147,542/ 184,182	182,615/ 246,236	189,717/ 286,772	264,12/ 329,314	274,403/ 330,770
		12 - Acea Smart Comp	Number of Smart Comp installed********	n.	not available in 2020	4	4	4	4
			Organic waste treated by Smart Comp	t	not available in 2020	200	240	240	160
			Produced compost by Smart Comp	t	not available in 2020	40	48	48	32
			Avoided emissions	tCO_2	not available in 2020	400	480	480	320
Green Energy	Renewable Energy	13 - Production of electric energy from photovoltaic sources *********	Installed power/ Expected power	MW/ MW	52/747	72.5/747	101/747	101/747	154/747
			Gross production of electric energy	GWh	74.96	78.61	111.9	134.4	172.5
			Avoided emissions	tCO_2	39,961	41,907	59,654	71,649	91,960

**** The 2023 avoided emissions figure has been revised following a recalculation.

***** 2023 figure has been adjusted for data consolidation.

****** Estimated figure, pending consolidation of 557,20 MWh saved 2024.

*******The environmental benefits are attributed to the drivers of vehicles using biomethane instead of fossil fuels. The UNI/TS 11567:2024 standard sets the reference criteria for calculating the avoided CO_2 emissions.

******** Number of Smart Comp installed during 2021-2024 is unchanged. In 2024, only 2 out of the 4 installed composters were operational.

********* From 2022 figures include the capacity of the plants and the gross electricity production of the investee company, which is not fully consolidated.

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WHEN TRUST MATTERS

EXTERNAL REVIEW ON THE FOURTH RELEASE OF ACEA'S GREEN BOND REPORT

Second Party Opinion

Document title: External Review on the Fourth Release of Acea's Green Bond Report

Prepared by: DNV Business Assurance Italy S.r.l.

Location: Milan, Italy

Date: 01/08/2025

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Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

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[1] DNV Code of Conduct is available from DNV website (www.dnv.com)

DNV'S INDEPENDENT ASSESSMENT

Scope and objectives

Acea S.p.A (hereinafter referred to as "Acea", or "the company"), originally established in 1909 as Azienda Elettrica Municipale (AEM) of the Municipality of Rome, is responsible for managing Rome's essential infrastructure, including electricity and water services. These services support the city's growth, social development, and environmental balance. Over the years, Acea has adapted to market opportunities, regulatory changes, and stakeholder needs, evolving its corporate and operational structures for greater efficiency. Initially focused locally, Acea has expanded into a nationwide industrial group involved in integrated water management, electricity production, distribution, sales, and environmental services, with a presence in Central and South America.

In the Rome area, Acea is a key provider of water and energy services. In the water sector, the Group partners with local management companies in parts of Central and Southern Italy, from Tuscany to Campania. Additionally, Acea is active in the circular economy along the Adriatic coast in Central and Northern Italy.

In 2021 Acea issued its first Green Bond for a total nominal amount of Euro 900 million and net proceeds of roughly Euro 888.2 million, divided into two sub-issuances of nominal values Euro 300 million and Euro 600 million respectively, within the Euro Medium Term Notes program, both listed in the Luxembourg Stock Exchange. As described in the Second Release of Green Bond Allocation & Impact Report of January 2024, Acea has achieved the full allocation of the net proceeds raised from the first Green Bond. The issuance was based on the Acea Green Financing Framework (hereinafter also referred to as the "Framework") presented in January 2021 to facilitate transparency and to confirm the commitments made by the Company with respect to green bonds and sustainable finance in general.

In 2023 Acea issued its second Green Bond for a total amount of Euro 700 million, placed in a first issuance of Euro 500 million and a tap issuance of Euro 200 million, and net proceeds of roughly Euro 698.1 million, within the Euro Medium Term Notes program, listed in the Luxembourg Stock Exchange. The demand for this second Acea Green Bond exceeded the supplied total amount by more than 3 times and showed remarkable interest from leading green institutional investors demonstrating the strong interest in Acea's credit profile and the effectiveness of the pre-marketing activity. The transaction followed a well-attended one-day roadshow comprising a Global Investor Call and a series of group calls.
The reporting plan for the Green Bond issued in 2023 is structured as follows:

1) the third release of the Green Bond Allocation & Impact Report published in September 2024 which covers:
   - the financial indicators for the period 2022-2023, and
   - non-financial indicators, if measurable or available, for years 2020-2023.
2) the fourth release, in 2025, which covers
   - all the financial indicators for the period 2022-2024, and
   - non-financial indicators, if measurable or available, for years 2020-2024.
3) the next release which will represent the results obtained until complete allocation of net proceeds and will be disclosed after the presentation of Acea Group financial and non-financial results.

In 2025, ACEA has updated its Green & Blue Financing Framework (hereinafter also referred to as the "Updated Framework") in alignment with its new Industrial Plan for 2024-2028 and the new sustainability targets. The Updated Framework is dedicated to various Green & Blue Financing Instruments (hereinafter referred to as the "Instruments") to be issued or contracted by the company.

DNV Business Assurance Italy S.r.l. ("DNV") had previously been commissioned by Acea to provide an eligibility assessment of the Updated Framework. Our objective has been to provide an assessment on whether the Updated Framework meets the criteria established within the International Capital Market Association (ICMA) Green Bond Principles, "GBP" (June 2021 and Appendix of June 2022) – including the Practitioner's Guide of September 2023 – and the Loan Market Association (LMA) Green Loan Principles, "GLP" (February 2023). Additionally, the assessment included the guidelines for blue finance from the International Finance Corporation (IFC, January 2022).

DNV has now been commissioned to conduct a Green Bond Eligibility Assessment on Fourth Release of Acea's Green Bond Report, covering the financial indicators for the period 2022-2024, and the non-financial indicators, if measurable or available, for the period 2020-2024, using the Green Bond Principles (GBP) and the Harmonised Framework for Impact Reporting (HFIR).

No assurance is provided regarding the financial performance of Bond issued under the Company's Framework, the value of any investments, or the long-term social and/or societal benefits of theassociated transactions. Our objective has been to provide an assessment that the Report has met the criteria established on the basis set out below.

Responsibilities of the Management of Acea and DNV

The management of Acea has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform Acea management and other interested stakeholders in the Framework as to whether the established criteria have been met, based on the information provided to us. In our work we have relied on the information and the facts presented to us by Acea. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect.

Thus, DNV shall not be held liable if any of the information or data provided by Acea's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's opinion

We have adapted our eligibility assessment protocol, which now incorporates the requirements of the Harmonised Framework for Impact Reporting and the Green Bond Principles to create an Acea-specific 2025 Green Bond Report Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the HFIR and GBP-related criteria have been reviewed against the Fourth Release of Acea's Green Bond Report. The criteria are grouped under the five core Principles:

- **Principle One: Use of Proceeds**
  The Use of Proceeds criteria require that the issuer of a Green Bond allocate the proceeds raised exclusively to eligible projects. These projects must deliver tangible green benefits.
- **Principle Two: Process for Project Evaluation and Selection**
  The Project Evaluation and Selection criteria require that a Green Bond issuer clearly describe the process used to assess whether an investment qualifies for funding. Additionally, the issuer should specify any intended impact goals considered during this evaluation.
- **Principle Three: Management of Proceeds**
  The Management of Proceeds criteria require that Green Bond proceeds be tracked within the issuing organization. When appropriate, separate portfolios should be established, and the issuer must disclose how any unallocated proceeds will be managed.
- **Principle Four: Reporting**
  The Reporting criteria recommend that, at a minimum, issuers provide Sustainability Reporting to Bond investors regarding the use of proceeds. Where possible, this reporting should include quantitative and/or qualitative performance indicators.
- **Principle Five: Impact Reporting**
  Reporting also plays a key role in communicating the anticipated green impacts of the proceeds, and should be conducted at least annually. In addition to qualitative indicators and contextual details, the use of quantitative performance metrics is encouraged where feasible. In this context, core impact metrics—such as those outlined under the relevant project categories in the HFIR—are preferred over other types of quantitative measures, such as inputs, outputs, or outcomes.

Work undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by Acea in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion includes:

- Creation of an Acea-specific Protocol, adapted to the purpose of the 2025 Green Bond Report, as described above, in the next page and in Schedule 2 to this Assessment;
- Assessment of documentary evidence provided by Acea on the specific projects that have been (re)financed and supplemented by a high-level desktop research. These checks are used to confirm whether the projects identified fit into the project categories originally included in the Framework;
- Discussions with Acea management, as well as review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against the projects.

Our opinion as detailed below is a summary of these findings.

Findings and DNV's opinion

2025 Green Bond Report

As what concerns the 2025 Green Bond Report, DNV's findings are listed below, with further details in Schedule 2:

- **Principle One: Use of Proceeds.**
  Acea has used the net proceeds of the Green Bond to finance or re-finance, in whole or in part, a pool of nominated Eligible Projects/Activities qualified under the terms of the Green Bond Principles. The 2025 Green Bond Report specifies the following eligible project categories:
  - water resource protection
  - resilience of electricity distribution Infrastructure
  - clean transportation and infrastructure for Low Carbon Transport
  - smart meters
  - wastewater treatment
  - anaerobic digestion of bio-waste and/or sewage sludge
  - waste management
  - renewable energy

  DNV conducted an assessment of the relevant project types to verify whether the proceeds were used to finance or refinance assets classified as 'Green' in accordance with the GBP. Acea has issued a 2025 Green Bond Report outlining the use of proceeds.

  DNV assessed the criteria for the project categories mentioned above to evaluate the eligibility of the nominated projects and assets. It concluded that the financed categories align with those defined in the Framework. The proceeds have been used to finance and refinance the project categories in accordance with the GBP.

- **Principle Two: Process for Project Evaluation and Selection**.

  The proceeds from the Bond have been allocated to finance projects as specified in Schedule 1. The process for asset evaluation and selection described in the Framework has been respected. Acea reviews and validates the selection of projects in accordance with the categories listed in the Framework. Additionally, the company monitors the portfolio during the life of the transaction, including any ESG controversy.

  DNV concludes that Acea has adhered to the established process for project evaluation and selection. This is in line with the GBP.

- **Principle Three: Management of Proceeds**

  From the total eligible portfolio, Acea has allocated a total of Euro 611.11 million from the date of issuance until the end of 2024, including refinancing of eligible projects made in late 2022 for 119.25mEUR before the issuance. In the original Framework, Acea stated that the net proceeds of Acea' Sustainable Debt Instruments would be tracked and managed by the Green Finance Working Group. Pending full allocation, unallocated proceeds may be temporarily invested in accordance with Acea's investment guidelines either in cash, deposits and other liquid money market instruments or in Socially Responsible Investments.

  DNV has reviewed the evidence presented and can confirm that the proceeds have been appropriately managed, in line with the GBP. Unallocated proceeds will be covered in the next reporting period.

- **Principle Four: Reporting**
  Acea has reported annually, and will publish the 2025 Green Bond Report on its website with the following information:
  - ✓ the list of (re)financed projects with the net proceeds of the Bond;
  - ✓ information on key performance indicators (KPIs) related to such Eligible Projects.

  DNV has reviewed the evidence presented and can confirm that the reporting has been provided annually, in line with the GBP.

- **Principle Five: Impact Reporting**
  The assessment and measurement of the impacts generated by Acea Green Bond covered all the project categories. The specific KPIs were inspired by the HFIR and overlap with the list included in the Harmonised Framework.

  DNV has reviewed the evidence presented and can confirm that the KPIs selected by Acea are in line with best market practice.

DNV can confirm that Acea's 2025 Green Bond Report respects the criteria set in the original Framework, and that it appropriately describes the procedures of reporting in line with GBP and HFIR.

for DNV Business Assurance Italy S.r.l.
Vimercate, August 1st, 2025

Giorgio Teresi
Lead Assessor

Riccardo Arena
Technical Reviewer

Schedule 1: Description of projects that have been (re)financed through Acea's 2023 Green Bond

Eligible Green category	Project title	Contribution to UN-SDGs	Alignment with the project categories included in the Framework
WATER MANAGEMENT	• Water losses reduction • Interventions to increase the water system resilience and the security of water supply		✓
ENERGY EFFICIENCY	• Energy efficiency in the electricity distribution networks' management • Increased resilience in the electricity distribution network thanks to development, modernisation, connectivity and telematic control interventions • Electric mobility and related services • Environmental impact reduction from the vehicles of the company's fleet • Substitution of 2G meters in the electricity distribution service		✓
CIRCULAR ECONOMY	• Efficiency and modernisation of the purification sector (sludge reduction, centralisation and processing capacity increase, energy efficiency) • Biomethane production from purification plants • Production of renewable energy through composting plants • Increase in the waste treatment capacity • Acea Smart Comp		✓
GREEN ENERGY	• Production of electric energy from photovoltaic sources		✓

Schedule 2: Acea's 2025 Green Bond Report - Eligibility Assessment Protocol

1. Use of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
1a	Type of Bond	The Bond must fall in one of the following categories, as defined by the Green Bond Principles: • Green Use of Proceeds Bond • Green Use of Proceeds Revenue Bond • Green Project Bond • Green Securitized Bond	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	The reviewed evidence confirms that the Bond meets the criteria for Green Use of Proceeds, demonstrating its compliance with established standards for impactful financing.
1b	Green Project Categories	The cornerstone of Green Bond is the utilization of the proceeds of the Bond which should be appropriately described in the legal documentation for the security.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	As detailed in the Report, the net proceeds from the Green Bond have been solely allocated to financing or refinancing projects that comply with the eligibility criteria defined by the Green Bond Principles.
1c	Green benefits	All designated Green Project categories should provide clear sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	The environmental benefits linked to all funded projects are well-defined, highly pertinent, and quantifiable. These benefits are measured through specific Key Performance Indicators (KPIs), ensuring a transparent and accountable use of the bond proceeds.
1d	Refinancing share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	The 2025 Green Bond Report clearly outlines the proportion of net proceeds allocated to financing versus refinancing, fully consistent with the commitments set forth in the Framework.

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
2a	Investment-decision process	The Issuer of a Green Bond should outline the decision-making process it follows to determine the eligibility of projects using Green Bond proceeds. This includes, without limitation: • A process to determine how the projects fit within the eligible Green Projects categories identified in the GBP; • The criteria making the projects eligible for using the Green Bond proceeds; and • The green sustainability objectives	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	The project eligibility assessment process, as defined in the Framework, has been properly adhered to. DNV concludes that Acea has implemented a robust and well-organized methodology for evaluating and selecting projects, and that this approach has been consistently executed in practice.
2b	Issuer / borrower's Green governance framework	In addition to information disclosed by an issuer on its Green Bond process, criteria and assurances, Green Bond investors may also take into consideration the quality of the issuer's overall framework and performance regarding sustainability.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report • Sustainability Report 2023 • Sustainability Report 2024 , integrated in the Consolidated Financial Statement	During the previous Second Party Opinion (SPO) engagement, DNV reviewed Acea's Sustainability Strategy and Governance framework, utilizing both publicly available information and the Green & Blue Financing Framework.

3. Management of proceeds

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
3a	Tracking procedure	The net proceeds of Green Bond should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an	Review of: • Acea Green Financing Framework (January	The reviewed evidence demonstrates that Acea has allocated the net proceeds of the Green Bond upon issuance. The disbursement details and the remaining balance have been tracked through Acea's internal financial

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
		appropriate manner and attested to by a formal internal process that will be linked to the Issuer's operations for Green Projects.	2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	reporting system, ensuring transparency and accountability throughout the process. A portion of investments for the residual amount of unallocated proceeds (around Euro 87 million) have been allocated in the first months of 2025.
3b	Temporary holdings	Pending such investments or disbursements to eligible Green Projects, the issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	The remaining proceeds have been allocated in the first month of 2025 and will be described in the following reporting period from Acea.

4. Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
4a	Periodical reporting	Issuers should make and keep readily available up to date information on the use of proceeds to be renewed annually until fully drawn, and as necessary thereafter in the event of material developments. This should include a list of the Green projects to which the Green Bond proceeds have been allocated and a brief description of the projects and the amounts allocated and their expected impact. In addition to reporting on the use of proceeds and the temporary investment of unallocated proceeds, Issuers should provide at least annually a list of projects to which Green Bond proceeds have been allocated including a brief description of the projects and the amounts disbursed, as well as the expected sustainable impact.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	Acea has published the 2025 Green Bond Report on its website, including: t: • A detailed list of Eligible Projects refinanced with the Bond's net proceeds; • Key Performance Indicators (KPIs) linked to these Eligible Projects. In addition, Acea has developed a comprehensive register of all Eligible Projects, incorporating relevant impact indicators to track the environmental contributions of the financed initiatives. DNV was engaged to provide an independent assessment, confirming adherence to the established criteria.

5. Impact Reporting

Ref.	Criteria	Requirements	Work Undertaken	DNV Findings
5a	Impact reporting	Reporting is a core component of the GBP, and Green Bond issuers are required to report on both the use of Green Bond proceeds, as well as their expected green impacts at least on an annual basis. Besides qualitative performance indicators and contextual information, the use of quantitative performance measures is recommended, where feasible. In this regard, core impact metrics such as those proposed under the relevant project categories in the Handbook are preferred over other quantitative metrics (e.g. inputs, outputs, outcomes). Depending on the process put in place for the allocation of proceeds, it is recommended that issuers either provide a list of projects to which Green Bond proceeds have been allocated, or report solely on a portfolio level. The impact report should illustrate the expected green impacts or outcomes made possible as a result of projects to which Green Bond proceeds have been allocated.	Review of: • Acea Green Financing Framework (January 2021) • Acea Green & Blue Financing Framework (February 2025) • 2025 Green Bond Report	Acea has fully complied with the reporting requirements outlined by both the Green Bond Principles (GBP) and the Harmonised Framework for Impact Reporting (HFIR). Demonstrating a strong commitment to transparency, the company has issued annual updates detailing the allocation of Green Bond proceeds and the resulting environmental impacts. In line with industry's best practices, Acea has included quantitative performance indicators, emphasizing core impact metrics aligned with the relevant project categories defined in the Harmonised Framework. The report presents a comprehensive list of Eligible Projects along with their corresponding KPIs. Furthermore, Acea's impact reports clearly communicate the expected environmental outcomes of the financed projects, reinforcing the company's adherence to the GBP's principles of accountability and social responsibility.