

2

RELATIONS
WITH THE
STAKEHOLDERS





CUSTOMERS AND THE COMMUNITY

SCOPE

Data pertaining to the volume of customers, apart from the Companies Acea Energia, Areti, and, in the water segment, to the Companies Acea Ato 2, Acea Ato 5, Gesesa, Gori and AdF also includes data related to Umbria Energy and other water companies (Acque, Publiacqua, AdF and Umbra Acque) – that are not included in the NFS scope – highlighting the single contribution for the sole pur-

pose of providing a “global” dimension. Data pertaining to perceived quality, delivered quality, tariffs, customer care and communication activities relates to the operating Companies – Acea Energia, Areti, Acea Ato 2, Acea Ato 5, Gesesa, Gori and AdF – and the Parent Company – as recalled in the text.

ACEA GROUP CUSTOMERS: ELECTRICITY AND WATER SERVICES



Over
1.4
million customers
for energy and gas



Over
1.6
million withdrawal
points for
electricity
distribution



Over **2.7**
million water user
accounts in Italy
(of which more than
956,700 in Lazio),
equal to around
8.6 million
inhabitants served
(4.2 million in Lazio)



Social bonuses for
electricity, gas and water
(national and local) have
respectively generated
savings
of **€60.6** and
29.5 million for eligible
customers/users

According to the latest data from the Regulatory Authority for Energy, Networks and Environment (ARERA)⁵⁶, **Acea Energia** is **Italy's seventh largest operator** in terms of volumes of electricity sold on the final market, with a share increased from 2.7% in the previous survey to 3.1%, and **fourth**, with a 3.3% market share, for **energy sold to households** (“domestic customers”). The company also confirmed its position as **Italy's second largest operator** in terms of volumes sold to customers of the **standard market service**, with a market share of 5.3%, and rose to **tenth** in terms of volumes sold to the **free market**, with a share of 2.8% (it was eleventh in the previous survey, with a share of 2.3%).

The contracts managed by the Group for electricity and gas (free market and standard market service⁵⁷), as at 31 December 2022,

are **more than 1,420,700**, with an increase compared to the 2021 figure (+1%), which concerned all types of customers in the free market segment (see Table no. 18).

Areti, holder of the ministerial concession for the **distribution of electricity** in the territory of Rome and Formello, is **Italy's third largest operator** in terms of **volumes of energy distributed**, with 3.4% of the market share (4.5% in the “domestic” and 3.0% in the “non-domestic”) market and **Italy's second largest operator** in terms of **withdrawal points**⁵⁸. As at 31 December 2022, it manages **1,650,024 withdrawal points**. The growth of the customer base, which generally shows slight increases or decreases, is due both to urban expansion and disposals resulting, for example, from discontinued operations (see Table no. 18).

⁵⁶ See the *Annual report on the status of services and activities carried out*, 2022 edition (on 2021 data), *Structure, pricing and quality in the electricity sector*, available online on the website of the Authority (ARERA).

⁵⁷ The relevant national Authority accurately defines the energy market segments. See the ARERA website.

⁵⁸ See the *Annual report on the status of services and activities carried out*, 2022 edition (on 2021 data), *Structure, pricing and quality in the electricity sector*, available online on the ARERA website.

MORE ACCENTUATED GROWTH IN 2022 OF “PROSUMERS” CONNECTED TO THE ACEA NETWORKS

A prosumer is at the same time a **producer and consumer of energy**; it partially or totally ensures its own energy supply and transfers any surplus produced to the grid. In the **new energy model**, prosumers play **an increasingly consolidated and widespread role**, interacting with both the distributor and the entity in charge of selling/collecting energy. **Acea responds adequately to the evolution of the energy model**, by developing the capacity of connection, transmission and distribution systems.

As at 31/12/2022, there were **17,993 prosumers** active on the energy distribution network managed by Areti: this **figure has increased by 14%**, from the 15,786 prosumers recorded in 2021, marking a

jump compared to the annual growth trend of 8% recorded in the previous three-year period (2019-2021).

The largest number of prosumers (14,736) are qualified as “domestic prosumers”, i.e. customers with residential user contracts who are also small-scale energy producers, **and 3,257 are qualified as “other uses”**, i.e. non-domestic users (businesses, professional firms and artisans). **About 10,000** of the prosumers on the Acea network **are fed Acea Energia customers**. **The energy fed into the grid** by these entities in 2022 is **97.34 GWh** (15% more than the 84.43 GWh fed in 2021), of which **about 74% is from photovoltaic sources**.

ELECTRICITY AND GAS SOCIAL BONUS: SAVINGS OVER € 60 MILLION FOR ELIGIBLE ACEA ENERGIA CUSTOMERS

The payment of the **electricity and gas social bonus** envisaged for customers **in financial hardship** and for customers that, due to their **state of health**, require energy-intensive medical equipment, **has undergone legislative changes in the last two years**⁵⁹, which, among other things, include the automatic recognition **for citizens/households who are eligible** of the electricity and gas social bonuses for financial hardship⁶⁰ (while the bonus for physical hardship continues to be managed by municipalities and/or CAF – tax assistance centres). These changes led, in 2022, to another **significant increase in the number of users of the bonus (electricity and gas) and to the amounts recognised**.

In particular, in 2022, **108,909**⁶¹ **Acea Energia customers were eligible to benefit from the electricity bonus** (standard market service and free market) (around 89% more than the 57,644 customers eligible in 2021), with a financial saving generated for those eligible of around **€ 51.1 million**. In detail, 107,979 bonuses were paid for economic hardship (99% of the total) and 1,102 for physical hardship (state of health), making a total of 109,081, which is higher than the number of beneficiary customers as one customer may

benefit from both subsidies.

Similarly to the electricity bonus, ARERA provides for the **“GAS bonus”**, with similar procedures. **The number of customers eligible for this bonus** in 2022 **was 29,752** (19,147 in 2021), representing economic savings equal to about **€ 9.5 million**.

Overall, during the year, **the bonus system (both electricity and gas) resulted in savings of around € 60.6 million for Acea Energia customers who benefited from it** (this figure in 2021 was € 8.8 million).

In the territory served by the **distribution network** managed by **Areti**, which refers to customers served by both Acea Energia and other sellers, in 2022 there was **a total of 126,584 customers eligible for the electricity bonus** (125,073 for financial hardship, 1,511 for physical hardship), recording an increase of around 38% in the number of those eligible (91,796 eligible for the bonus in 2021).

The major changes recorded in the year should be considered mainly in relation to the legislative amendment of the ISEE threshold value for accessing the benefits (from 9,530 for 2021 to 12,000 for 2022).

Acea is also **Italy’s leading integrated water service operator** (catchment, supply, purification, wastewater collection and treatment) in terms of population covered, with over **2.7 million connected users** and **8.5 million inhabitants served** (see Table no. 18). Within the area of Rome and province alone, managed by Acea Ato 2, there are more than **754,000 users** and a served population equal to nearly **3.8 million people**. Starting from this area – OTA 2-Central Lazio – over time the Group has expanded its activities,

becoming the reference operator also in the province of Frosinone (Lazio), in the provinces of Pisa, Florence, Siena, Grosseto, Arezzo and Lucca (Tuscany), in the areas from the Sorrento peninsula to the areas around Vesuvius in the provinces of Naples and Salerno and the province of Benevento (Campania) and Perugia and Terni (Umbria). Moreover, the Group operates in a number of South American countries.

⁵⁹ As of Decree Law no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019, which introduced the automatic recognition of the social bonus for financial hardship. Furthermore, Decree Law no. 130 of 27 September 2021 introduced the supplementary social bonuses from 01/10/2021; Decree Law no. 21 of 21 March 2022, limited to the electricity and gas social bonuses, increased the ISEE threshold for accessing benefits for 2022 to € 12,000 for the period 1 April to 31 December 2022; Decree Law no. 50 of 17 May 2022, without prejudice to the ISEE threshold envisaged for the first quarter of 2022, in case of an ISEE certificate provided in 2022, provided for eligibility for recognition of the annual bonuses starting from 01/01/2022.

⁶⁰ In order to obtain the bonus for economic hardship, it is sufficient to request the ISEE certificate; if the household meets the conditions that entitle it to the bonus, INPS, in compliance with privacy regulations, sends the necessary data to the Integrated Information System (IIS), managed by Acquirente Unico company, which cross-checks the data received with those relating to electricity supplies, enabling the automatic payment of the bonus to those entitled.

⁶¹ For customers with financial hardship and health problems reference is made to the number of customers who benefited from the bonus at least once during the year.

THE APPLICATION PROCESS OF THE NATIONAL SOCIAL WATER BONUS IN 2022

The **social water bonus**, implemented by ARERA, provides for a **discount for the supply of water to domestic users under ascertained socio-economic hardship**, based on specific thresholds of the ISEE indicator and calculated according to family numbers (per capita basis), applying the discounted tariff to the quantity of water required to satisfy the protected amount (about 50 litres/inhabitant/day). **Area Governing Bodies may introduce or confirm further measures of protection** for users in financially vulnerable conditions, granting a local **“supplementary water bonus”**.

From 1 January 2021 the national water social bonuses for financial hardship were **automatically recognised for eligible citizens/households**, without requiring submission of an application⁶². The Authority approved the provisions for the management of the transition period to the new automatic recognition system and the application methods⁶³, governing the activities of the territorially competent water operator, such as the identification methods for the water supplies to be subsidised, the quantification criteria and the payment of the bonus to those eligible. The automatic recognition of the bonus involves an exchange of information flows between the Water Operator, Acquirente Unico SpA (the manager of the Integrated Information System) and INPS, assigning to the Operators the **responsibility of processing the personal data**⁶⁴ required to identify the users and pay the bonuses. The procedure to appoint the Operators as data processors of the data that allow Acquirente Unico to transmit the information of the eligible parties (starting the automatic recognition system) is still being finalised. In 2022,

ARERA approved, with resolutions 106/2022 and 651/2022, the “Simplified regulation for the recognition and payment of the 2021 water bonus” and its extension to 2022, but it is still carrying out the adequacy checks on the privacy obligations of the operators and, as a result, is gradually authorising the start of the information flows. Therefore, not all companies of the Acea Group have had access to the information flows required to begin paying the automatic bonus. The main changes made to the operational regulation (envisaged from the bonuses for 2023) reside in:

1. the assumption that the household receiving the electricity social bonus is also entitled to the water social bonus, without further verification by the operator;
2. the communication of the information relating to the ISEE households in receipt of the social bonus – for the relevant year – by the Integrated Information System of Acquirente Unico to the operators;
3. the quantification of the bonus calculated on the standard numbers (3 members) should the operator not know the actual numbers, or if this assessment does not allow for payment of the benefit by the expected deadline (for 2022 equalisation is envisaged within 3 months from the first bonus payment, with recalculation using the effective numbers);
4. the payment of the benefit may be made for direct and indirect (condominiums) users through a one-off cheque or, for direct users only, in the bill.

NATIONAL AND INTEGRATED WATER BONUS USERS FOR ACEA GROUP COMPANIES

In 2022, **Acea Ato 2** paid **national water bonuses to 179,733 users**, for a **value of around € 19.8 million** and **supplementary water bonuses (local) to 4,171 users for a value of € 835,569**. The data related to the national water bonuses are **much higher** than 2021 (8,034 national water bonuses, for a value of around € 354,000), since the Company fully received the envisaged information flows (see the box dedicated to the water bonus application procedure) and applied **the automatic payment**, which activates without requiring an application, **to everyone with an ISEE below the threshold established for 2021 and/or 2022**.

Acea Ato 5 communicated that it had received from Acquirente Unico, in July 2022, the information flows essential for recognition of those eligible for the water bonus for 2021 and 2022; therefore, as at 31 December 2022 it had paid **national water bonuses to 23,161 users**, direct and indirect, which generated an overall financial saving for the beneficiaries of around **€ 4.22 million**.

AdF continued to give visibility to the possibility of accessing the **national water bonus** and the **supplementary bonus** through the **fiora.it** website and by notices posted at “AdF Points”. As for the national water bonus (2021 and 2022), the Company is still waiting

to receive the lists of beneficiaries from Acquirente Unico; on the other hand, it paid the **supplementary water bonus to 3,576 users**, for amounts equal to **€ 626,472**.

Gori, which received the underlying information flows, in 2022 paid the national water bonus to **102,054 users**, for a value of **around € 4 million** (in 2021 bonuses were paid to 21,538 beneficiaries, for an amount of € 880,739).

In 2022, **Gesesa** published a release via its social channels to provide visibility and information about the procedures on accessing the benefits relating to the water bonus and on the application methods envisaged by the new legislation. However, the Company has not yet received the information flows in preparation for payment of the bonuses.

Considering, on a whole, the data related to the national water bonuses, for the water companies in the scope that were authorised to pay them, upon conclusion of the privacy management checks by the Authority, and the figures of the supplementary water bonuses, where applied, **the system generated for the beneficiaries an overall economic saving of over € 29.5 million**.

62 Pursuant to Decree Law no. 124 of 26 October 2019, converted with amendments by Law no. 157 of 19 December 2019.

63 Resolution 63/2021/R/com, subsequently amended and supplemented by resolution 257/2021/R/com.

64 Resolution 366/2021/R/com.

Table no. 18 – Acea Group customers (energy and water sectors) (2020-2022)

	u. m.	2020	2021	2022
ENERGY AND GAS SALES (Acea Energia and Umbria Energy)				
standard market service (*)	no. of withdrawal points	738,989	690,806	637,724
free market EE - mass market	no. of withdrawal points	364,378	393,182	426,963
free market EE - large customers	no. of withdrawal points	72,195	94,698	108,246
free market gas	no. of redelivery points	212,234	228,148	247,785
total	no. of supply contracts	1,387,796	1,406,834	1,420,718
ENERGY DISTRIBUTION (Areti)				
domestic customers, low voltage	no. of withdrawal points	1,330,557	1,338,868	1,348,757
non-domestic customers, low voltage	no. of withdrawal points	296,248	298,736	298,399
customers at medium voltage	no. of withdrawal points	3,116	2,851	2,862
customers at high voltage	no. of withdrawal points	7	6	6
total	no. of withdrawal points	1,629,928	1,640,461	1,650,024
WATER SALE AND DISTRIBUTION (main water Companies of Acea Group)				
Acea Ato 2 (*)	no. of users	705,685	705,607	754,569
Acea Ato 5	no. of users	200,876	201,878	202,209
Gori	no. of users	531,987	533,662	534,263
Gesesa	no. of users	57,247	57,404	57,470
AdF (***)	no. of users	232,152	233,440	234,089
Acque	no. of users	327,412	329,973	342,259
Publiacqua (****)	no. of users	399,943	402,363	405,786
Umbra Acque	no. of users	234,185	234,850	235,946
total	no. of users	2,689,487	2,699,177	2,766,591
Acea Ato 2	population served	3,705,295	3,705,995	3,791,167
Acea Ato 5	population served	467,993	455,164	450,434
Gori	population served	1,398,678	1,395,841	1,392,279
Gesesa	population served	116,897	110,316	110,093
AdF (****)	population served	382,724	380,463	377,648
Acque	population served	734,898	734,898	735,059
Publiacqua (****)	population served	1,217,083	1,234,292	1,234,292
Umbra Acque (****)	population served	494,272	493,960	490,272
total	population served	8,517,840	8,510,929	8,581,244

(*) The 2021 figure relating to the withdrawal points in the standard market service has been adjusted following consolidation; this also led to a recalculation of the total supply contracts for the sale of energy and gas.

(**) The 2022 figures include an estimated portion pertaining to users in newly acquired municipalities.

(***) The total users also includes the number of existing aqueduct users. The 2022 values for aqueduct, sewerage and purification, as for the previous years, are to be considered provisional because they are calculated according to the criteria indicated in ARERA Res. 5/2016.

(****) Figures for 2022 are estimates; some 2021 figures on users and/or "population served" have been adjusted, after the final calculation, also leading to a recalculation in total users and population served.

(*****) Figures for 2022 refer to the latest ISTAT population update in October 2022.

PERCEIVED QUALITY



Surveys of customer and public satisfaction with services delivered: **more than**

39,993 people interviewed



Overall opinion in 2022

on the services provided (score 1-10):

- electricity service “sales”(MV and LV): **7.8** and “distribution”: **7.5**
- public lighting service: **6.9**
- water service in Rome, Fiumicino and province: **7.9** and **7.5** in Frosinone and province: **6.5**
- in Sarnese Vesuviano: **6.7**
- in Benevento and province: **7.1**
- in Grosseto, Siena and province: **7.7**

The **Customer listening Unit** of the Parent Company **coordinates the process of measuring customer and citizen satisfaction** with the services provided in the electrical, water⁶⁵ and public lighting sectors. The Unit works **in agreement with the operating companies** that manage the services and supports the corporate managers and top management of Acea SpA with analysis of the data collected.

The **customer satisfaction surveys** (“quality perceived”) are carried out with support from a market research company, selected through tender procedures. Since 2022, most of the surveys are **distributed evenly throughout the year** so as to generate frequent results that allow the Group companies to intervene promptly, where necessary, on the provision of the services and communication. For example, the new continuous survey method for the experience of customers who contacted Acea through the various channels available (callback)⁶⁶ makes it possible to minimise the impact of any seasonal peaks or defined anomalies.

The reports on the results of the surveys of the **total sample surveyed** are, however, always produced at the end of the six-month period, therefore, in this context the findings of the **2022 half-yearly surveys** are presented.

In line with previous years, the surveys on the perceived quality of the services were conducted using the CATI⁶⁷ method; the CAWI method (online surveys), introduced in 2021, was used more significantly especially in relation to the perception of the digital channels. Therefore, also as a guarantee of comparability, it is deemed useful to maintain the representation of only data collected using the CATI method in this context, which made it possible to process **the following main indicators**:

- the overall **judgement** on the general quality of the service (**scale of 1 to 10**), where 1 means very bad and 10 means very good,

which expresses an **instinctive evaluation** by customers;

- **overall opinions on individual aspects of the service** (scale of 1-10);
- the **percentages of satisfaction with the items**, or quality factors, selected within each aspect of the service, according to the importance attached to them by the respondents.

In 2022, a total of **39,993 people were interviewed** about the quality of the services provided by Acea Energia, Areti – both for the distribution and public lighting service – Acea Ato 2 (Rome and Fiumicino and province), Acea Ato 5, Gori, Gesesa and AdF. The **overall opinions** expressed on each service, as an average of the two six-monthly surveys, fall **within 6.5 and 7.9** (see the charts below and the tables at the end of this paragraph).

The **overall opinions** expressed on the **electricity service and the main aspects** into which it is divided indicate, for **Acea Energia sales**, positive evaluations and above average satisfaction (rating >7/10), both for the service in general (7.7/10 for standard market customers and 7.8/10 for free market customers) and for all aspects of the standard market service and “billing” on the free market; other aspects of the free market, including the “online branch”, are in the area of complete satisfaction (ratings of 8-10). For **distribution**, managed by **Areti**, the overall rating was 7.5/10 and the aspects of the service received overall ratings higher than 7/10, with fault reporting achieving complete satisfaction (8/10). Residents of Rome were interviewed about the **Public Lighting service** for all areas. The overall opinions on the service and its aspects are confirmed to be of average satisfaction (rating of 6-7), with ‘fault reporting’ receiving higher ratings of 7.6/10.

⁶⁵ As regards water services, the main results of the customer satisfaction surveys carried out by Acea SpA and reported here concern the customers of the companies Acea Ato 2 (Rome and Fiumicino and province) and Acea Ato 5 (Frosinone and province) operating in the Lazio area, Gesesa and Gori, both operating in Campania, and AdF, operating in Tuscany.

⁶⁶ Interviews on “contact channels” are aimed at selected customers, using the “call back” method, from among those who have used the services (toll-free numbers for commercial information or fault reporting, website, branch, technical intervention, chat channels and digital service points) immediately before the first entry and consented to be contacted again.

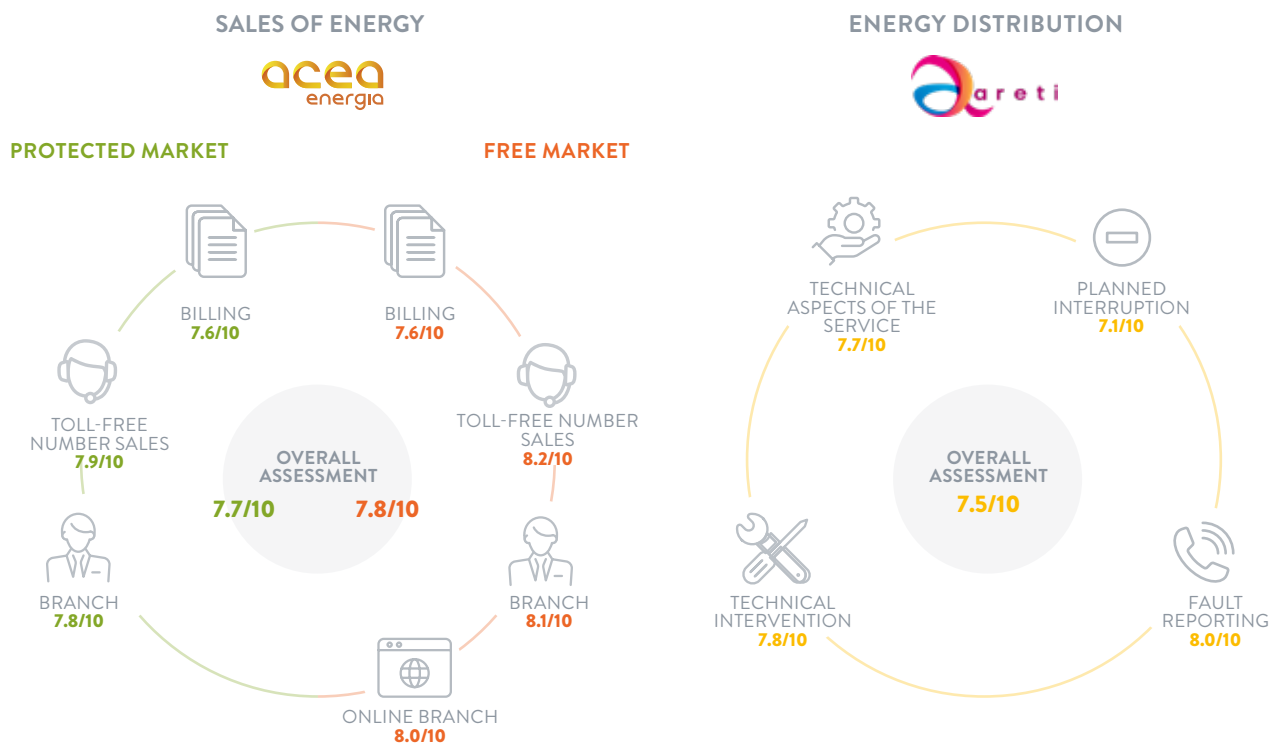
⁶⁷ Computer Assisted Telephone Interviewing of a stratified sample based on variables and representative of the universe of reference, following a structured questionnaire. Depending on the sample, the statistical error varies between +/- 2.5% and a maximum of +/- 4.2% and the level of significance is 95%.

As regards the water service (sale and distribution of water), the satisfaction of **customers of Acea Ato 2** (Rome and Fiumicino and province) and **Acea Ato 5** (Frosinone and province), in the Lazio area, **customers of Gori** and **Gesesa**, operating in Campania, and customers of **AdF**, operating in Tuscany, was measured. **The overall opinion** on the service provided by **Acea Ato 2 in Roma and Fiumicino** was 7.9/10; all aspects of the service monitored were close to or higher than 8/10. For **Acea Ato 5**, which operates in the city and province of Frosinone, **the overall rating** of the service is 6.5/10; the overall opinions on “billing” and “technical aspects” are on the average level of satisfaction, “branch” receives a rating over 7/10, while all other aspects receive overall ratings of complete satisfaction, over 8/10. For **Gori**, which manages the service in the Sorrento peninsula and Vesuvius centres between the provinces of Naples and Salerno, the **overall opinion** was also 6.7/10; “technical intervention” recorded complete satisfaction (8.4/10) whereas all other aspects reported opinions equal to or higher than 7/10. With

regard to **AdF**, which operates in Tuscany, in the provinces of Grosseto and Siena, **the overall opinion** on the service was 7.7/10; the overall rating of the service aspects were over 7/10 for “billing” and over 8/10, i.e. in the area of complete satisfaction, for all other areas. For **Gesesa**, lastly, which operates in Benevento and its province, the **overall opinion** of the service was 7.1/10; an overall rating of 7.3/10 was received for both “technical aspects of the service” and “billing”.

The charts below show, for each service, **the 2022 overall opinion (scale of 1-10)**, as the **average of the two half-yearly surveys**, and Tables 19 and 20 also show **the percentages of satisfied customers** insofar as the most important **quality factors** for the electricity sales and distribution services, the public lighting service and the water service, and the **comparison with the previous year**, with indication of the most significant deviations.

Chart no. 20 – Overall opinion and on aspects of electricity service – sale and distribution of energy - 2022 (scale of 1-10)



NOTE: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

Chart no. 21 – Overall opinion and on aspects of the public lighting service in Rome and Formello - 2022 (scale of 1-10)

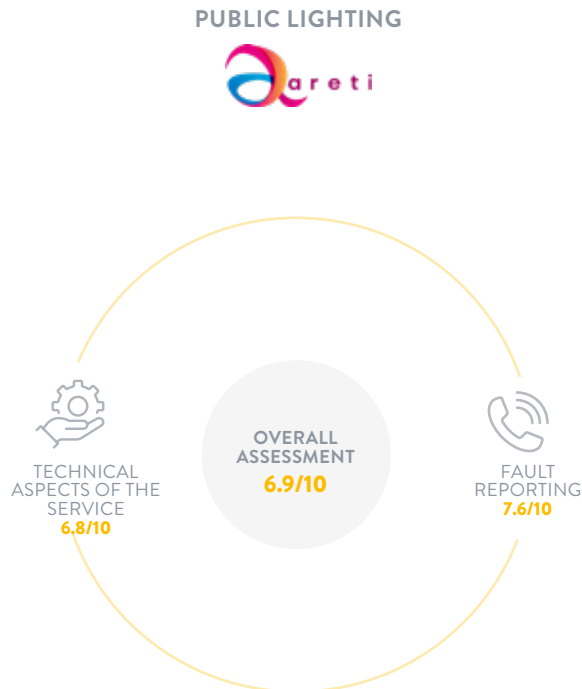


Chart no. 22 – Overall opinion and on aspects of the water service – sale and distribution of water in Rome and Fiumicino - 2022 (scale of 1-10)



NOTE: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

SURVEYS ON SATISFACTION WITH WATER SERVICE IN OTHER AREAS IN OTA 2 – CENTRAL LAZIO

Customer satisfaction surveys were also conducted **in the province of Rome**. In particular, **in 2022**, the two six-monthly surveys involved a sample of **2,200 customers** with direct users, representative of three territorial areas – **North Lazio, East Lazio and South Lazio** – falling within Optimal Territorial Area 2 – Central Lazio, managed by Acea Ato 2.

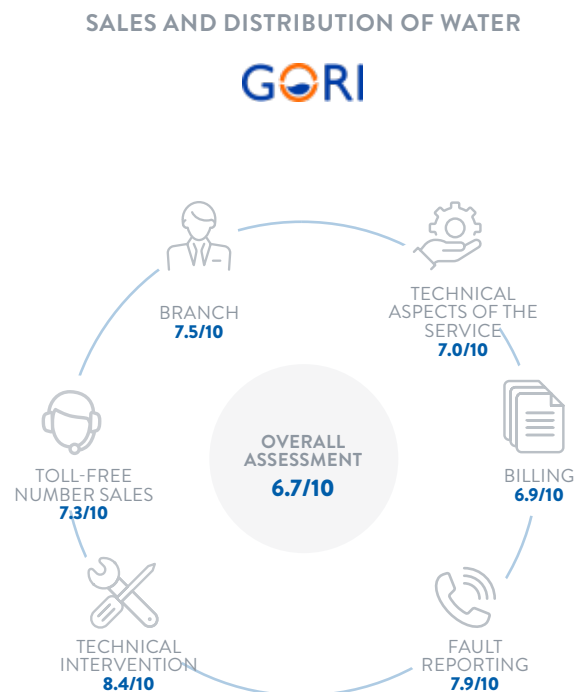
Since 2022, in addition to the “sales toll-free number” already monitored in 2021, the callback surveys also looked at “fault reporting” and “technical intervention”, whereas contact in the “branch” was intercepted, as in previous years, through general survey.

The **overall opinion on the water service** in 2022 was **7.5/10**, an increase on the figure for 2021 (7.2/10); ratings for **individual aspects** of the service were **7.6/10** for “**technical aspects**” (including continuity of service and water pressure level), **7.7/10** for “**billing**”, **8.1/10** for “**fault reporting**”, **8.3/10** for “**technical intervention**”, **8.2/10** for “**sales toll-free number**”, whereas the low numbers of those who used the “branch” did not allow for a statistic of the figure. The ratings expressed are therefore in the area of **average and high satisfaction**.

Chart no. 23 – Overall opinion and on aspects of the water service – sale and distribution of water in Frosinone and its province - 2022 (scale of 1-10)



Chart no. 24 – Overall opinion and on aspects of the water service – sale and distribution of water in Sarnese Vesuviano - 2022 (scale of 1-10)



NOTE: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

Chart no. 25 – Overall opinion and on aspects of the water service – sale and distribution of water in Territorial Conference no. 6 “Ombrone” - 2022 (scale of 1-10)

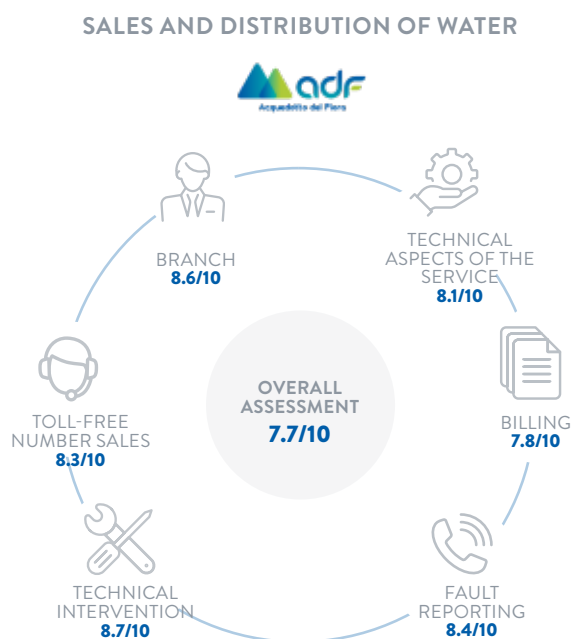
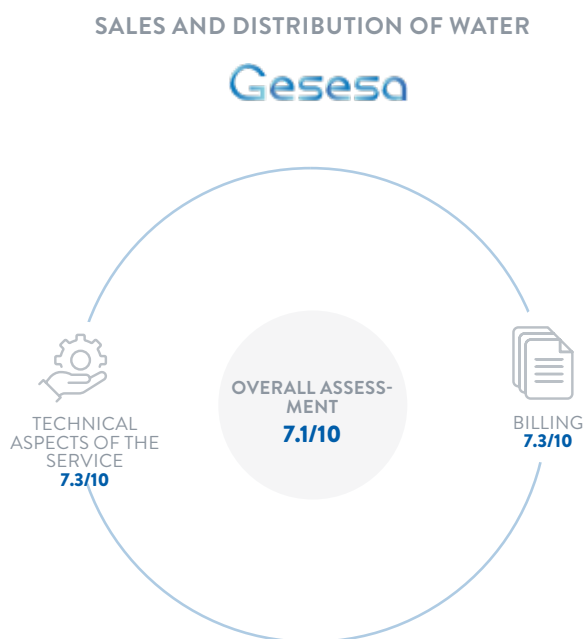


Chart no. 26 – Overall opinion and on aspects of the water service – sale and distribution of water in Benevento and its province - 2022 (scale of 1-10)



NOTE: the overall opinions and on the individual aspects of the service – shown in the chart are the average of the two semi-annual surveys.

THE PERCEIVED QUALITY OF THE WATER SEGMENT WEB PORTALS, RESULTS OF THE 2022 SATISFACTION SURVEYS

With a view to the **growing importance of the digital channels**, Acea upgraded the monitoring of the contact experience through the reserved area of the websites available to customers, introducing, in 2022, a sample portion **collected via CAWI** to also intercept the most digitalised users.

The companies Acea Ato 2 (Rome), Acea Ato 5, AdF and Gori received overall ratings **higher than 7/10** and the areas deemed most important by customers, albeit with varying weights in the different businesses, were mainly the “possibility to communicate meter readings”, the “clarify of the information” and “ease of browsing”.

Table no. 19 – Results of customer satisfactions surveys: sales and distribution of energy, public lighting service (2021-2022)

average of the two interim reports	u. m.	2021	2022	
ELECTRICAL SERVICE – SALE OF ENERGY – ACEA ENERGIA				
STANDARD MARKET SERVICE CUSTOMERS				
sales activity (overall opinion)	1-10	7.9	7.7	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
billing	1-10	7.7	7.6	
correctness of the amounts (*)	%	91.9	93.6	
bill clear and easy to read	%	90.1	91.8	
sales toll free number	1-10	8.4	7.9	
operator's competence	%	93.6	93.4	
clarity of operator's answers	%	92.6	93.3	
branch	1-10	8.4	7.8	
operator's competence	%	92.2	95.8	
operator's courtesy and availability	%	94.0	95.1	
FREE MARKET CUSTOMERS				
sales activity (overall opinion)	1-10	7.6	7.8	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
billing	1-10	7.5	7.6	
correctness of the amounts (*)	%	86.8	91.3	▲
bill clear and easy to read	%	88.6	91.0	
sales toll free number	1-10	8.3	8.2	
operator's competence	%	89.1	92.6	
clarity of answers provided	%	88.5	91.3	
branch	1-10	8.4	8.1	
operator's competence	%	90.5	90.3	
operator's courtesy and availability	%	92.0	91.7	
on-line branch	1-10	7.7	8.0	
ease of browsing	%	92.9	95.3	
clarity of the information found	%	94.9	95.0	
ELECTRICAL SERVICE – ENERGY DISTRIBUTION – ARETI (Rome and Formello)				
distribution activity (overall opinion)	1-10	7.8	7.5	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.9	7.7	
service continuity	%	97.5	94.5	
planned interruption	1-10	7.5	7.1	
prior notice of suspended supply	%	87.1	85.8	
clarity of information on notices regarding recovery times	%	86.8	88.2	
fault reporting	1-10	6.9	8	▲
clarity of the information provided	%	78.3	89.3	▲
easy to follow the automatic answering machine	%	76.8	87.5	▲
technical intervention	1-10	7.7	7.8	
intervention speed following the request	%	80.3	79.8	
technicians' competence	%	85.1	86.8	
PUBLIC LIGHTING SERVICE – ARETI (Rome and Formello)				
lighting service (overall opinion)	1-10	6.7	6.9	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	6.7	6.8	
service continuity	%	77.2	87.1	▲
replacement times of posts knocked down	%	83.0	78.2	▼
fault reporting	1-10	7.5	7.6	
clarity of the information provided	%	86.3	89.5	
operator's courtesy and availability	%	90.8	90.3	

(*) The figure refers to the correctness of the amounts of the electricity supply on the bill.

NOTE: the table shows **only the quality factors indicated as most important by the sample of interviewees in 2022**, which may lead to consequent changes in the 2021 column. The right-hand column also shows the **most significant deviations, of about 5 percentage points**, for the individual items surveyed.

Table no. 20 – Results of customer satisfactions surveys: water service (2021-2022)**average of the two interim reports**

	u. m.	2021	2022	
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – ACEA ATO 2 (Rome and Fiumicino)				
water service (overall opinion)	1-10	7.9	7.9	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.9	8.2	
service continuity	%	96.2	97.4	
billing	1-10	7.3	7.9	
correctness of invoiced consumption (*)	%	93.9	95.3	
bill clear and easy to read	%	92.3	95.1	
fault reporting	1-10	8.1	8.1	
operator's courtesy and availability	%	93.5	94.0	
clarity of the information provided	%	91.3	94.5	
technical intervention	1-10	8.1	7.8	
technicians' competence	%	90.6	93.3	
intervention speed following the request	%	85.5	83.8	
sales toll free number	1-10	8.0	8.2	
operator's competence	%	89.3	92.6	
operator's courtesy and availability	%	90.9	93.8	
branch	1-10	8.6	8.5	
operator's competence	%	93.5	92.3	
operator's courtesy and availability	%	95.2	94.4	
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – ACEA ATO 5 (municipalities within OTA 5 – Frosinone)				
water service (overall opinion)	1-10	6.3	6.5	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	6.9	6.9	
service continuity	%	81.6	84.8	
billing	1-10	6.5	6.6	
correctness of invoiced consumption (*)	%	75.7	82.1	
bills sent regularly	%	76.4	81.8	▲
fault reporting	1-10	7.9	8.2	
clarity of the information provided	%	89.3	93.8	▲
operator's courtesy and availability	%	90.8	94.3	▲
technical intervention	1-10	7.8	8.5	▲
technicians' competence	%	88.0	92.8	▲
intervention speed following the request	%	81.8	92.8	▲
sales toll free number	1-10	7.8	8.0	
operator's competence	%	93.5	92.3	
clarity of the information provided	%	93.3	92.8	
branch (**)	1-10	7.9	7.8	
operator's competence	%	97.6	95.0	
clarity of the information provided	%	97.8	94.0	
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – GORI (municipalities within the Sarnese-Vesuviano District Area)				
water service (overall opinion)	1-10	6.6	6.7	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.1	7.0	
service continuity	%	79.8	84.5	
billing	1-10	6.6	6.9	
correctness of invoiced consumption (*)	%	72.6	83.4	
bills sent regularly	%	79.0	80.7	
fault reporting	1-10	7.7	7.9	
clarity of the information provided	%	86.9	90.8	
operator's courtesy and availability	%	89.1	91.0	
technical intervention	1-10	8.5	8.4	
technicians' courtesy and availability	%	91.8	92.8	
intervention speed following the request	%	90.5	90.8	

sales toll free number	1-10	7.9	7.3	
clarity of the information provided	%	89.4	91.8	
operator's competence	%	88.9	90.8	
branch	1-10	8.0	7.5	
operator's competence	%	89.1	92.0	
clarity of the information provided	%	88.9	93.0	▲
WATER SERVICE – SALE AND DISTRIBUTION OF WATER – AdF (municipalities falling within Territorial Optimal Conference no. 6 Ombrone)				
water service (overall opinion)	1-10	7.5	7.7	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.6	8.1	
service continuity	%	92.3	94.8	
billing	1-10	7.2	7.8	
correctness of invoiced consumption (*)	%	87.6	93.6	
bill clear and easy to read	%	87.2	92.3	
fault reporting	1-10	8.3	8.4	
clarity of the information provided	%	90.8	93.8	
operator's courtesy and availability	%	93.8	95.8	
technical intervention	1-10	8.5	8.7	
technicians' courtesy and availability	%	96.5	97.0	
intervention speed following the request	%	93.5	95.5	
sales toll free number	1-10	8.4	8.3	
operator's competence	%	94.6	95.5	
operator's courtesy and availability	%	94.1	95.0	
branch	1-10	8.3	8.6	
operator's competence	%	89.8	95.5	
operator's courtesy and availability	%	91.8	95.3	
WATER SERVICE — SALE AND DISTRIBUTION OF WATER — GESESA (***) (municipalities within OTA – Calore Irpino)				
water service (overall opinion)	1-10	6.9	7.1	
ASPECTS OF THE SERVICE AND ELEMENTS OF QUALITY				
technical aspects of the service	1-10	7.2	7.3	
service continuity	%	84.2	89.6	
billing	1-10	6.9	7.3	
correctness of invoiced consumption (*)	%	80.1	91.6	
bills sent regularly	%	83.1	89.1	

(*) From the first half of 2022 the formulation of the question “correctness of the amounts” was replaced, for all companies in the Water Business, by “correctness of invoiced consumption”.

(**) It should be noted that in the satisfaction surveys of Acea Ato 5 customers relating to the “branch” aspect, the data for the first half of 2021, included in the calculation of the average for the year, refers to a sample of only 52 respondents, which is lower than the statistical significance, due to the low influx recorded for the pandemic situation.

(***) For Gesesa, a smaller company, the service aspects investigated and represented herein are “technical aspects” and “billing”.

NOTE: the table shows **only the quality factors indicated as most important by the sample of interviewees in 2022**, which may lead to consequent changes in the 2021 column. The right-hand column also shows the **most significant deviations, of about 5 percentage points**, for the individual items surveyed.

QUALITY DELIVERED

Acea oversees the **quality of the services provided** with interventions aimed at its constant improvement. To this end it trains people and ensure that they attend seminars, applies innovative technology to the management of processes, renews and expands the infrastructure (networks and plants), increasing its resilience, also aimed at the reduction of failures and timely recovery, increases the offer of digital contact channels, complementing the traditional ones and takes care of communication with customers.

The “**quality delivered**” is also measured via benchmarks defined by the sector authority or indicated in the **service contracts and management agreements** with local authorities, in particular:

- for the **Public Lighting** service, the contract between Acea and Roma Capitale regulates the qualitative parameters (performance standards);
- the **technical and commercial quality standards in the energy**

sector (for both distribution and sales) and the **contractual and technical quality standards in the integrated water service** are defined and updated by the **Energy, Networks and Environment Authority (ARERA)** and, for the water sector, also by the local authorities.

The **main regulatory interventions by ARERA** in 2022 for the electricity and water sectors are summarised in the *Group profile*, in the paragraph “*Context analysis and business model*”, to which reference should be made.

In addition to complying with the quality standards laid down by the regulation, Group companies operate in accordance with **UNI EN ISO certified management systems** based on a **rationale of continuous improvement** (see also *Corporate identity*, in the paragraph *Management systems*).

QUALITY IN THE ENERGY SEGMENT

This section illustrates the quality aspects relating to **electricity distribution services** in the municipalities of Rome and Formello, and **public lighting** in the municipality of Rome, both managed by **Areti**⁶⁸, while for electricity and gas sales, managed by Acea Energia, see the

section on *Customer Care*.

The Company operates in compliance with the **QESE (Quality, Environment, Safety and Energy) Management System** for both the construction and management of distribution infrastructure and Public Lighting.

THE DISTRIBUTION OF ELECTRICITY



Plan for en masse replacement of second generation devices:

installed another

273,294 2G meters

in 2022 for over **1.6 million meters** remotely managed



As part of **Areti's resilience plan**, **critical factor "heat waves"**:

modernised **58 km** of MV CABLE and rebuilt

53 secondary substations, **critical factor "flooding"**: rebuilt **35 secondary substations**



in 2022:

8,507 MV nodes remotely controlled



Carried out **mass drone inspections**, for a section of the overhead MV network equal to **160 km**

ti plans and carries out the modernisation and expansion works on **the electricity distribution network**, consisting of high (HV), medium (MV) and low (LV) voltage power lines, primary and secondary substations, and systems for the remote control and measurement of energy drawn from and fed into the grid. **The interventions** take into account the objectives established by the national authority (ARERA), the progressive evolution of electricity applications, the increase in "prosumers"⁶⁹, new connections, etc., and **aim to make the infrastructures increasingly resilient**, with an adequate and **enabling network configuration for future scenarios**, such as **widespread electric mobility** and progressive **electrification of consumptions**.

The **integrated development of the electricity grids** is defined in the Master Plans for the HV, MV and LV networks, which Areti implements through construction – and also decommissioning or demolition, and consequent containment of environmental impacts, in specific areas-, transformation, modernisation, maintenance, etc.

(see Table no. 21). The interventions carried out each year are aimed at **rationalising and upgrading the networks**, increasing transport capacity and margins for further use, **increasing their adaptability** and **reducing network losses and voltage drops**, improving **service continuity**.

In 2022, as part of the implementation of the **Resilience Plan**⁷⁰, **58 km** of medium voltage cable at 20 kV **were upgraded** and **53 secondary substation renovations** were carried out to increase their **resilience to the critical factor of "heat waves"**, and **35 secondary substation renovations** were carried out to increase **resilience to the critical factor "flooding"**. For the LV networks, **86 km** were put in place as part of the **overall network modernisation programme**, in preparation for the subsequent voltage change from 230 V to 400 V. **Remote control** was extended to additional **secondary substations** and **reclosers**, for a **total of 8,507 remote-controlled MV nodes** at 31 December 2022 (7,582 in 2021).

68 Areti holds the ministerial concession for the distribution of electricity in the areas indicated and manages public lighting under the *Service Contract* stipulated between Acea SpA and Roma Capitale.

69 Prosumers are both consumers and producers of energy, which they use for their own consumption or sell to the grid (see the box on prosumers connected to Acea's networks, which are constantly increasing, in the section on *Acea Group customers: electricity and water services*).

70 Areti's Resilience Plan was submitted to ARERA in June 2019.

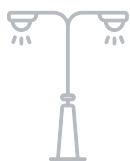
Table no. 21 – Main interventions for the management and development of electricity grids and substations (2022)

type of work	HV lines and primary substations (PSs)
Demolition of grid and supports	work continued on the dismantling of high-voltage lines , which had been taken out of service, leading to the removal of a total of 49 pylons of the 150 kV and 60 kV lines; a total of 5.4 km of the 60 kV high-voltage lines in EPR underground cable (Castel Romano HV lines 1 and 2 leaving PS Laurentina towards Via Gadda terminal area) were decommissioned.
Construction of grid and supports	the new 150 kV Selvotta – Castel Romano line was completed and put into service (formed of the 5.8 km overhead stretch and 24 supports as well as the 2 km cable section); the works to build the new stretch of the 150 kV North Rome – San Basilio underground cable line (3.4 km) are awaiting authorisation; the works to upgrade the 150 kV high-voltage Capannelle – Cinecittà/O cable in existing O.F. with XLPE cable (cross linked polyethylene) were launched, from terminal area “Osteria del Curato” to PS Cinecittà/O (1.56 km of new HV cable installation and subsequent removal of two sets of three HV cables in existing O.F. for a total of 2.7 km).
Station upgrading, expansion, renovation	interventions were carried out in 49 primary substations ; at PS Prenestina works were completed to renovate the high-voltage 150 kV section and new TR 3; at PS Ostiense works began to replace the 150 kV high-voltage switchgear with the installation of the first high-voltage hybrid section; at PS Selvotta , the new TR1 150/20 kV was put into operation .
Ordinary and extraordinary maintenance on PS station equipment	interventions were made on 98 high-voltage circuit breakers and 686 medium-voltage circuit breakers were maintained; 17 on-load tap changers of power transformers were overhauled and 36 high-voltage measuring transformers were replaced; the 220/150 kV ATR transformer at the Cinecittà/F primary substation was also replaced.
	HV and MV protection and measures
Remote management	the following were prepared, calibrated and put into operation 60 new MV line bays ; checked 601 posts (57 HV posts and 544 MV posts) and 56 transformers (between HV/MV and MV/MV).
measures	earth resistance measurements were carried out on 2,731 secondary substations ; step and contact voltages and total earth resistance measurements were conducted on 13 substations (10 primary and 3 secondary).
	MV and LV lines
Modernisation and upgrading of MV networks (transformation from 8.4 kV to 20 kV) and LV networks (transformation from 230 V to 400 V)	143 km of 20 kV MV cable (25 km for expansion and 118 km for upgrading), including 58 km to increase resilience to heat waves , and 156 km of LV cable (70 km for expansion and 86 km for upgrading in preparation for voltage changeover) were installed.
ordinary and extraordinary maintenance	Massive drones inspections were carried out for an extension of the overhead MV network equal to 160 km , in order to carry out specific interventions to replace equipment, supports, conductors, etc. necessary for the preservation and maintenance of the functionality of the systems.
	secondary substations (SSs) and remote control
construction, extension, reconstruction SS	721 secondary substations were built/upgraded/rebuilt (140 for new connections or power increases, 581 for upgrading to 20 kV, renewing equipment, setting up remote control), of which 88 substations were rebuilt to increase resilience to “heat waves” (53 substations) and “flooding” (35 substations).
ordinary and extraordinary maintenance on SS	1,328 extraordinary maintenance operations and 583 inspections on secondary substations were carried out
remote control	remote control was extended to 241 secondary substations and 681 reclosers (8,507 MT nodes were remote controlled at 31 December 2022) and 4043 maintenance operations were carried on TLCs and reclosers.

In 2022, Areti continued to carry out interventions to protect the primary and secondary substations, as part of the activities aimed at raising the levels of security for the **protection of infrastructures from cyber risks, technological solutions** have been implemented to protect field equipment, **capable of filtering data traffic**. New solutions were also implemented for **monitoring the data networks, identifying and responding to incidents** in light of the creation of the Security Operation Centre (SOC). See also the chapter *Institutions and the Company* for an in-depth analysis of research and innovation and the projects implemented in the year.

As part of the plan for the **mass replacement of first-generation (1G) meters with second-generation (2G) ones**, launched in the last quarter of 2020, which will progressively affect the entire managed territory, in **2022 Areti installed a further 273,294 2G meters**; the new meters encourage greater customer awareness of consumption, thanks to the data available, and a reduction in estimated billing. The total number of **remote-controlled meters** (1G and 2G) installed on low-voltage active users at 31 December 2022 is **1,652,552**.

PUBLIC LIGHTING



204,676
light points and
231,437
bulbs managed in Rome:
92% of the park LED
lamps



2,059
lamp posts reinstalled
and
10,502 maintenance interventions on
LED lamps/fixtures



lighting
projects
in the green areas of the capital:
Nicholas Green Park, Stefano
Cucchi Park, Antonella Renzi
Park, Volpi Park, Spallette Park
and green areas on Via G. Falck
and Via Levanna

Areti manages, by virtue of the *Service Agreement*⁷¹ between Acea SpA and Roma Capitale, works on the **functional** and **artistic-monumental public lighting** infrastructures, for **over 204,600 lighting points** located on a territory covering about 1,300 km².

The company handles the **design, construction, operation, maintenance and renovation of lighting networks and installations**, and plans interventions **in accordance with the instructions of the local government departments and supervisory departments**, which are responsible for new urban developments, redevelopment projects and cultural heritage.

In addition to the service provided to Roma Capitale, Areti also makes public and artistic lighting services available to other stakeholders (e.g. ecclesiastical bodies, hotels, etc.).

Table no. 22 – Public lighting in Rome in figures (2022)

lighting points (no.)	204,676
monumental artistic lighting points (no.)	around 10,178
bulbs (no.)	231,437
MV and LV network (km)	8,166

Energy consumption for public lighting, which has seen a downward trend in previous years thanks to the modernisation of the systems with the installation of LED lamps, has stabilised; as at 31 December 2022, the **212,799 LED lamps installed cover 92% of the total number of lamps** (see *Relations with the Environment; The Use of Materials, Energy and Water* and the *Environmental Accounts*).

In 2022 activities continued for the development of an **innovative technological solution** intended for the creation of a “**smart pole**”, in a “**smart city**” perspective. In particular, the design and development of the solution and the prototypes reached an advanced stage and the phase of the equipment also went into production.

The lighting projects carried out during the year include, by way of example, the new lighting of some **parks and gardens** located in central and suburban areas of the capital, for the benefit and greater safety of citizens, and among the functional projects were systems to serve certain **streets without lighting**. During the year, certain plants subsequently acquired were also adapted and **plant sections were built for major public works** with multi-year timeframes (see the info boxes).

LIGHTING WORKS IN PARKS AND GARDENS

In 2022, Areti carried out multiple lighting interventions in parks and gardens of the capital; in particular, with financing from the Department for Coordination and Development of Infrastructure and Urban Maintenance (CSUMI) of Roma Capitale, new lighting was created in the **Nicholas Green Park**, in Rome's Municipio XIII, which involved the installation of **38 lighting points for the pedestrian routes within the park, the play area and the sports field**, for an overall installed power of 950W, and the **green area on Via Giorgio Falck** (in Municipio V), with the installation of 11 lighting points for the pedestrian route and the play area (power 400W). Lighting was installed in the **Stefano Cucchi Park** (6 lighting points) and the **Antonella Renzi Park** (14 lighting points), using the available funds

of Municipio X and VII respectively, for a total installed power of 500W; upgrading and lighting works were carried out in the **Volpi Park** in Municipio XV (17 lighting points, total power 700W) and the **Spallette Park** in Municipio XI (13 lighting points, overall power 500W), thanks to the collaboration with the Roma Capitale Environment Department.

Lastly, in the green area on **Via Levanna** (Municipio III), a new public lighting system was created through the installation of 13 lighting points, for a total power of 500W.

All the interventions mentioned were carried out using LED light sources.

⁷¹ By Resolution of the City Council no. 130 dated 22 December 2010 regarding the *Updating of the Service Agreement between Roma Capitale and Acea SpA*, effective 15 March 2011, the agreement was extended to 31 December 2027.

FUNCTIONAL INTERVENTIONS

The **upgrade to Piazza Sempione** (in Municipio III), which created a large pedestrian zone, also led to the **restructure of the public lighting system**, through the removal of the existing system (~450 W) and the installation of 8 candelabras in style equipped with LED lanterns (total 280W). The pedestrian zone between **Via Castore**

Durante and **Via delle Palme** (in Municipio V) was lit with 8 LED lighting points with an overall power of 400W. Lastly, **Via Fortunato Pintor**, in Municipio XIV, was lit through the installation of **8 supports with street fixtures** (400W).

MAJOR WORKS AND TAKING OVER SYSTEMS

As part of the major public works affecting the streetscape and the public lighting systems, Areti is carrying out interventions for the creation of new systems as works progress for:

- demolition of the **Tangenziale Est** overpass of
- widening of the road surface on **Via Tiburtina**
- creation of the road network in the **Compensorio Direzionale**

Pietralata (formerly SDO)

The systems relating to the **Spizzichino Bridge** were also adapted and taken over (61 lighting points for an installed power of 3500W) and the **Nuvola Conference Centre** (55 lighting points for 3500W of power).

Every year, Areti carries out **efficiency and safety upgrades** at lighting points, as well as **scheduled and extraordinary maintenance** on the installations (see Table no. 23).

Table no. 23 – Main interventions for improved efficiency, safety, repairs and maintenance (2022)

type of work	(no.)
energy efficiency/technological innovation (replacement of fixtures)	780 light points replaced (not including new LED installations)
safety measures	3,520 lighting points made safe – class 2
checking corrosion on lamp posts	27,285 supports verified (functional and artistic)
LED lamp reinforcement/maintenance	10,502 maintenance jobs
Reinstalling lamp posts that were corroded or knocked down due to accidents	2,059 lamp posts reinstalled

NOTE: the table includes operations carried out for the Municipality of Rome and third parties.

Acea monitors the **quality parameters of the public lighting service** with regard to the **repair time of faults**, calculated from the time the citizen's report⁷² is received. The **performance standards** are **expressed by an average allowable restoration time (TMRA)**, within which repairs should be carried out, **and a maximum time (TMAX)**, beyond which a **penalty mechanism is triggered**⁷³.

For the **2022 performance** relating to the **average recovery time (TMR) of the functionality of the plants**, for the various types of failure, Table no. 24 shows the best estimate available, since at the time of publication of this document, the data are in the process of being consolidated; all the performances are below the average restoration time limits allowed by the contractual standards.

Table no. 24 – Public lighting fault recovery: penalties, standards and Acea performance (2021-2022)

type of fault	daily penalty for delays (euro)	standard contractual service (*)		Acea service	
		TMRA (average permitted recovery time) (working days)	TMAX (maximum recovery time) (working days)	TMR (average recovery time) (working days)	
				2021	2022
blacked out neighbourhood – MV grid failure	70	1 working day	1 working day	< 1 working day	< 1 working day
blacked out street – MV or LV grid failure	50	5 working days	8 working days	1.2 working days	1.6 working days
blacked out stretch (2-4 consecutive lights out)	50	10 working days	15 working days	9.7 working days	8.9 working days
Lighting points out: single lamps, posts, supports and armour	25	15 working days	20 working days	23.4 working days	14.7 working days

(*) Consistent with previous years, data were monitored in compliance with provisions under Annex D/2 to the 2005-2015 Municipality of Rome – Acea SpA Service Agreement.

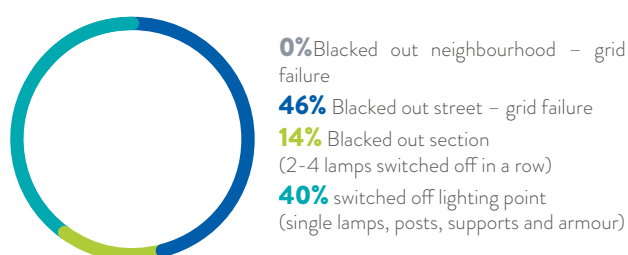
⁷² For the purpose of calculating service levels, reports pertaining to damages caused by third parties are not be considered.

⁷³ Fines are calculated using the following criteria: if the average repair time (TMR) is higher than the average allowable repair time (TMRA), for each type of report daily fines are applied to each notice for which the lead time (LT) exceeds the value of the TMRA. If the TMR is lower than or equal to the TMRA, for each type of report daily fines are applied to each notice for which the LT exceeds the value of the maximum allowable recovery time (TMAX).

Control systems, such as remote management, detect the fault situation, which **can also be reported** via contact channels (call centre, app, web, fax or letter)⁷⁴. In 2022, **12,385 fault reports were received**⁷⁵, a reduction of around 32% compared to the previous year (18,340 reports), and **91%** were followed up within the year.

The **percentage distribution of the total number of reports received by type of fault** is shown in Chart no. 27. The most significant incidents concern “blacked out street” (46%) and “lighting point out” (40%). “Blacked out stretch” is more contained (14%), but still higher than 2021. During the year there have been no cases of “Blacked out neighbourhood” due to grid failure.

Chart no. 27 – Types of public lighting faults out of total reports received (2022)



Areti also has consolidated expertise in **artistic and monumental lighting**, of which there were **10,178 dedicated lighting points** in 2022. In addition to interventions relating to new constructions or modernisation works that are designed and carried out in accordance with the supervisory departments, examples also include the **special lighting/switching off lights at symbolic sites**, such as those **carried out in 2022** at the Colosseum, Senate Palace, Lazio Region Palace, etc. with the intention of raising citizens' awareness during particular anniversaries. For the remainder, only **ordinary maintenance** was carried out during the year, including a particularly important case involving the replacement of the **underwater projectors** in the **Fountain of the Naiads**, in Piazza della Repubblica. Other maintenance interventions were carried out at the **archaeological sites** of Trajan's Market, at the Baths of Caracalla, the Baths of Diocletian and the Colosseum, at the site of Castel Sant'Angelo, the palaces of the EUR and in the monumental parks of Municipio I and Municipio II.

THE QUALITY LEVELS REGULATED BY ARERA IN THE ELECTRICITY SECTOR

The **Regulatory Authority for Energy, Networks and the Environment (ARERA)** defines, at a national level, the **commercial quality standards** (timing of the technical-commercial services requested by customers, such as estimates, work on connections, activation/deac-

tivation of the supply, response to complaints) and **technical quality standards** (continuity of supply) **of the electricity service; it periodically reviews them**, directing operators to constantly improve performance.

Commercial quality is divided into “specific” and “general” levels,⁷⁶ for the **distributor** (differentiated for low and medium voltage supplies) and for those of the **seller** (see Tables 25, 26 and 27).

Every year **Acea communicates to ARERA the results achieved and includes them in the bill it sends to its customers**.

The **2022 commercial and technical quality results**⁷⁷ related to the **distribution** and metering, as disclosed herein, represent the **best estimate available**⁷⁸ at the time of writing and may not precisely coincide with those submitted to ARERA as part of the annual reports.

As regards the “specific” levels of commercial quality, compared to the previous year, there is an improvement in the completion time of simple works for the creation of new ordinary LV connections (in particular for domestic users) and ordinary MV connections, whereas other performance has remained stable. On the other hand, there was a worsening in the estimate time for works on LV networks, both in terms of the average days for preparing the estimate and the percentage of compliance with the standard. With regard to the “general” levels relating to responses to written complaints/enquiries, there was an improvement in performance compared to 2021, with a recovery both in terms of average days to process complaints and the percentage of response within the times envisaged by ARERA, with the same number of requests received as last year (see Table no. 25). Automatic compensation to customers⁷⁹ to be paid in case of non-compliance with “specific” quality levels, start from a basic amount⁸⁰, which can be doubled (if the timing of the activities exceeds the standard between two and three times) or tripled (if the timing exceeds the standard by three times).

For the quality aspects of the **sales service**, managed by **Acea Energia**, in the context of the “specific levels” of commercial quality in 2022, the percentages of compliance with the standards set by ARERA decreased due to billing corrections for the standard market, but, on the other hand, improved significantly for the free market. The percentages of compliance also contracted for the reasoned reply to written complaints, in both markets, but to a lesser extent for the free market (see Table no. 26).

With reference to Areti's performance related to the incentive regulation of the **duration and number of interruptions without prior notice for low-voltage users**, the data related to the 2022 financial year – summarised in Table no. 27 – indicate that in the urban areas characterised by the highest degree of concentration of users (so-called high and medium concentration territorial areas), the **continuity of the service** was guaranteed with a **better quality** compared to last year. Positive results are also being achieved in suburban and rural areas.

In addition to the indicators described above, the electricity distributor is also required to comply with specific levels of service continuity with

⁷⁴ More detailed information on call centre performance and written complaints is provided in the *Customer Care* section.

⁷⁵ The data excludes reminders and repeated reporting of the same fault.

⁷⁶ Specific quality standards” are defined as the deadline within which the service provider must provide a given service and, in the event of non-compliance, they require that automatic compensation is granted to customers; the general quality standards” are defined as the minimum percentage of services to be provided within a given deadline.

⁷⁷ Integrated Test on the output-based regulation of electricity distribution and measurement services – Annex A to ARERA resolution 646/2015/R/eel as subsequently amended and supplemented.

⁷⁸ This is due to the misalignment between the delivery times of reports to the Authority and those required by law for the publication of this document.

⁷⁹ Where due, automatic compensation is paid to the customer by deduction from the amount charged in the first subsequent bill and if needed in following bills, or paid by direct remittance. In any case, such automatic compensation must always be paid to the customer within 6 months from the date of receipt of the written complaint or the request for reimbursement of double billing, with the exception of customers who are billed quarterly, for which the term is set at 8 months. For distribution activities, automatic compensation is paid by the distributor to the service recipient within 7 months from the date on which the required service is provided.

⁸⁰ The amount set by the Authority for compensation for non-compliance with the specific quality standards for the distribution service starts from a basic amount of € 35 for domestic low voltage customers; € 70 for non-domestic low voltage customers and € 140 for medium voltage customers. In the event of non-compliance with the specific quality standards of the sale, the seller shall pay the final customer an automatic compensation of € 25. Compensation grows in relation to the delay in the provision of the service.

reference to **medium voltage users** for which automatic compensation will be paid⁸¹ in cases where the number of interruptions during the year exceeds a defined standard.
Finally, separately for **medium and low voltage users** in the event of

failure to comply with the maximum power restoration times, there is an additional reimbursement to be paid by the distribution company to each user that is disconnected for more than 4 or 8 hours respectively.

Table no. 25 – Main specific and general levels of commercial quality – energy distribution (2021-2022) (ARERA parameters and Areti performance – 2021: data submitted to ARERA; 2022: estimated data)

ENERGY DISTRIBUTION

SPECIFIC LEVELS OF COMMERCIAL QUALITY

SERVICES	ARERA PARAMETERS – maximum time by which the service must be performed	average actual completion time for services	percentage of services carried out within time limit	average actual completion time for services	percentage of services carried out within time limit
		2021		2022	
LOW VOLTAGE (LV) SUPPLIES					
DOMESTIC CUSTOMERS			ARETI'S PERFORMANCE		
estimates for work on LV networks (ordinary connections)	15 working days	9.44	92.77%	14.72	71.66%
completion of simple work (ordinary connections)	10 working days	10.48	71.21%	10.25	81.76%
completion of complex works	50 working days	11.94	95.21%	18.73	91.82%
supply activation	5 working days	1.39	97.50%	1.50	97.17%
deactivation of supply on customers request	5 working days	1.05	98.59%	1.10	98.54%
reactivation of supply following disconnection for late payment	1 working day	0.11	99.33%	0.12	99.05%
resumption of the supply following faults of the metering equipment (requests sent during business days from 08:00 to 18:00)	3 hours	3.52	60.07%	3.43	62.10%
resumption of the supply following faults of the metering equipment (requests sent during non-business days or from 18:00 to 08:00)	4 hours	2.40	86.40%	2.94	81.78%
maximum punctuality band for appointments with customers	2 hours	N.A.	91.60%	N.A.	87.08%
NON-DOMESTIC CUSTOMERS			ARETI'S PERFORMANCE		
estimates for work on LV networks (ordinary connections)	15 working days	9.61	90.58%	14.85	69.40%
completion of simple work (ordinary connections)	10 working days	11.05	77.21%	10.58	79.87%
completion of complex works	50 working days	17.55	92.67%	29.06	86.29%
supply activation	5 working days	2.27	93.63%	2.31	93.51%
deactivation of supply on customers request	5 working days	4.94	94.58%	2.61	94.03%
reactivation of supply following disconnection for late payment	1 working day	0.14	99.30%	0.12	98.86%
resumption of the supply following faults of the metering equipment (requests sent during business days from 08:00 to 18:00)	3 hours	3.48	62.78%	3.23	64.41%
resumption of the supply following faults of the metering equipment (requests sent during non-business days or from 18:00 to 08:00)	4 hours	2.51	84.91%	2.67	81.89%
maximum punctuality band for appointments with customers	2 hours	N.A.	91.68%	N.A.	89.13%
MEDIUM VOLTAGE SUPPLIES (MV)					
END CUSTOMERS			ARETI'S PERFORMANCE		
estimates for work on MV networks	30 working days	17.14	84.05%	17.33	93.06%
completion of simple work	20 working days	3.00	100%	12.00	100%
completion of complex works	50 working days	9.88	92.86%	14.60	97.14%
supply activation	5 working days	10.52	56.53%	9.6	56.00%
deactivation of supply on customers request	7 working days	19.53	67.86%	37.13	16.67%
reactivation of supply following disconnection for late payment	1 working day	0.43	100%	0.37	100%
maximum punctuality band for appointments with customers	2 hours	N.A.	92.11%	N.A.	89.80%

81 In order to be entitled to compensation, medium voltage customers must prove that they have installed protection devices at their plants that can prevent any interruption caused by faults in their utility plants from having repercussions on the Areti network, damaging other customers connected nearby. Furthermore, they must send their own plant adequacy statement, issued by parties with specific technical and professional expertise. Where customers fail to meet the requirements whereby compensation may be sought, that amount is paid by Areti as a fine to the Energy and Environmental Services Fund.

GENERAL LEVELS OF COMMERCIAL QUALITY					
SERVICES	ARERA PARAMETERS minimum percentage of services to be performed within a maximum time	average actual completion time for services	percentage of services performed within the maximum time	average actual completion time for services	percentage of services per- formed within the maximum time
			2021	2022	
LOW VOLTAGE (LV) SUPPLIES					
DOMESTIC CUSTOMERS		ARETI'S PERFORMANCE			
reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	85.47	50.70%	28.55	73.53%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	72.46	44.72%	47.25	61.51%
NON-DOMESTIC CUSTOMERS		ARETI'S PERFORMANCE			
reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	59.08	66.53%	32.82	69.68%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	79.03	38.46%	68.00	50.60%
MEDIUM VOLTAGE SUPPLIES (MV)					
END CUSTOMERS		ARETI'S PERFORMANCE			
reply to written complaints/enquiries regarding distribution operations	95% within 30 calendar days	34.73	75.38%	25.00	77.00%
reply to written complaints/enquiries regarding metering operations	95% within 30 calendar days	136.74	20.83%	42.00	66.10%

NOTE: The symbol "/" is used when services were not requested during the year, n.a. means the data are not applicable.

Table no. 26 – Main specific and general levels of commercial quality – energy sales (2021-2022) (ARERA parameters and Acea Energia performance – data submitted to ARERA)

ENERGY SALES			
SPECIFIC LEVELS OF COMMERCIAL QUALITY (*)			
SERVICES	ARERA PARAMETERS maximum time by which the service must be performed	percentage of services carried out within time limit	percentage of services carried out within time limit
		2021	2022
MORE PROTECTED SERVICE		ACEA ENERGIA PERFORMANCE	
billing adjustments	60 calendar days	100%	85.71%
double billing adjustments	20 calendar days	/	100%
reasoned reply to written complaints	30 calendar days	92.30%	80.09%
FREE MARKET		ACEA ENERGIA PERFORMANCE	
billing adjustments	60 calendar days	52.89%	68.24%
double billing adjustments	20 calendar days	/	/
reasoned reply to written complaints	30 calendar days	93.08%	89.47%
GENERAL LEVELS OF COMMERCIAL QUALITY			
SERVICES	ARERA PARAMETERS minimum percentage of services to be performed within a maxi- mum time	percentage of services performed within the maximum time	percentage of services per- formed within the maximum time
MORE PROTECTED SERVICE		ACEA ENERGIA PERFORMANCE	
reply to written enquiries	95% within 30 calendar days	99.72%	97.39%
FREE MARKET		ACEA ENERGIA PERFORMANCE	
reply to written enquiries	95% within 30 calendar days	99.64%	99.25%

(*) Free market and more protected service customers with low and medium voltage supplies, and end customers of low-pressure natural gas (predominantly domestic customers and small businesses) receive an automatic compensation calculated on a base value of € 25 if standards are not met. The symbol "/" is used when services were not requested during the year, N.A. means the data are not applicable.

Table no. 27 – Service continuity data – energy distribution (2020-2022)

(ARERA parameters and Areti performance – 2020-2021: data certified by ARERA; 2022: provisional data)

ENERGY DISTRIBUTION – CONTINUITY INDICATORS – LV CUSTOMERS

DURATION OF DISRUPTIONS AND PERCENTAGE CHANGES					
SERVICES	average cumulative duration of long disruptions without prior notice under the operator's responsibility per LV customer per year (minutes)			percentage changes	
	2020	2021	2022	2022 vs. 2020	2022 vs. 2021
high concentration	42.3	30.4	29.9	-29.31%	-1.64%
medium concentration	52.0	45.5	38.1	-26.73%	-16.26%
low concentration	47.6	47.3	44.6	-6.30%	-5.71%
AVERAGE NO. OF DISRUPTIONS AND PERCENTAGE CHANGES (*)					
SERVICES	average no. of disruptions without prior notice under the operator's responsibility per LV customer per year			percentage changes	
	2020	2021	2022	2022 vs. 2020	2022 vs. 2021
high concentration	1.869	1.603	1.389	-25.68%	-13.35%
medium concentration	2.589	2.461	1.909	-26.26%	-22.43%
low concentration	3.064	3.247	2.504	-18.28%	-22.88%

(*) The yearly average number of disruptions per low voltage customer considers both lasting disruptions (> 3 minutes) as well as short disruptions (≤ 3 minutes but longer than 1 second).

Note: the three territorial areas are defined on the basis of the degree of concentration of the resident population: more than 50,000 inhabitants is defined as "high concentration"; between 5,000 and 50,000 inhabitants is defined as "medium concentration"; less than 5,000 inhabitants is defined as "low concentration".

QUALITY IN THE WATER AREA

165 Water Kiosks
active in the communities
managed by Acea Ato 2, Gori
and AdF:
over **38.7 million litres of**
water supplied, equal to
774 tonnes of plastic/
year saved and over
2,000 tonnes of CO₂ not
emitted into the atmosphere

The Acea Group manages the integrated water service (IWS) in several Optimal Areas of Operations (OTA) or District Areas of Lazio, Tuscany, Campania and Umbria through subsidiaries and investee companies.

Below, in line with the scope of reporting (see Communicating sustainability: methodological note), we describe the activities carried out in **Lazio, Campania and Tuscany** by the following companies:

- **Acea Ato 2**, in OTA 2 - Central Lazio (Rome and 112 other municipalities⁸², of which 89 are managed⁸³ by Acea Ato 2, equal



Strategic infrastructure:
launched authorisation
procedures to build the **new**
upper section of the Pescara
Aqueduct and carry out 4
sub-projects



Waidy Wow,
the "water community"
app installed on around
106,000 devices:
presented the latest upgrade
at Acea Innovation Day 2022

to about 98% of the population in the area), the Group's "historical" area of operation⁸⁴, with a pool of around 3.8 million inhabitants served;

- **Acea Ato 5**, in OTA 5 – southern Lazio – Frosinone (86 municipalities managed⁸⁵ in the area of Frosinone and vicinity, equal to about 93% of the population), for about 450,000 residents served;
- **Gori** operates in the Sarnese-Vesuviano district (in 76 municipalities – 59 in the province of Naples and 17 in the province of

82 In July 2021, with Regional Council Resolution no. 10, the Optimal Territorial Area 2 - Central Lazio-Rome was modified to include the Municipality of Campagnano di Roma, which previously belonged to OTA 1 - North Lazio-Viterbo.

83 In 89 municipalities, Acea Ato 2 managed the entire IWS (aqueduct, sewerage and waste water treatment), and the IWS was partially managed in another 17 municipalities.

84 Acea was entrusted with the running of the capital's aqueduct service since 1937, the water treatment system since 1985 and the entire sewerage system since 2002, effective 1 January 2003.

85 Including the management of two municipalities outside the area (Conca Casale and Rocca d'Evandro).

Salerno - of which 74 are managed), with approximately 1.4 million residents served;

- **Gesesa** operates in the OTA - Calore Irpino (22 municipalities managed, in the area of Benevento and province), with more than 110,000 residents served.
- **AdF**, operating in the OTA 6 Ombrone, which includes 55 municipalities (28 in the province of Grosseto and 27 in the province of Siena) with a population of more than 390,000 (for over 377,600 residents served)

The integrated water service (IWS) involves **the entire cycle of drinking water and wastewater**, from the collection of water from the springs until its return to the environment, and is regulated by a **management agreement** signed **between the Company that takes charge of the service and the Area Authority** (AGB – Area Governing Body).

The Regulatory Authority for Energy, Networks and the Environment (ARERA), which also regulates the water sector at a national level, has defined the minimum essential contents of the **"Standard Agreement" between the entrusting bodies and the service operators**. For the main regulatory interventions in the water sector undertaken during the year by ARERA, see paragraph *Context analysis and business model* (Group Profile chapter), and for more details see the Authority's website.

The **Integrated Water Service Charter**, annexed to the Agreement, defines the **general and specific quality standards** that the operator must respect in relation to the users, in compliance with the ARERA Resolutions on **contractual quality and technical quality aspects**. The **User Regulations**, also annexed to the Agreement, govern the **relationship with customers**, establishing the technical, contractual and economic conditions that are binding for the operator in the provision of services. For the **contractual quality performance** of water companies, see below the sub-section *Levels of quality regulated by ARERA in the water segment*.

The **management activities** of the integrated water service, though **closely related** and therefore allowing an **optimal definition of the processes**, must relate to **situations that are very diversified** from the standpoints of **size, demographics, geomorphology and hydrology** of the regions served, which also have an impact on the infrastructure to be implemented.

The Companies operate in compliance with the procedures of the **certified management systems**, in particular, for Acea Ato 2, Acea Ato 5 and Gesesa in the areas of Quality, Environment, Safety and Energy, for Gori in the areas of Quality, Environment and Safety and for AdF in the areas of Quality and Safety (see, for further details, *The corporate identity, The management systems*).

CONSISTENCY, INTERVENTIONS AND REMOTE CONTROL

The companies managing the IIS are engaged in progressive **digitising of the networks**, through studies, field surveys and **data entry into the geo-referenced information system (GIS)**. In particular, as at 31 December 2022, **Acea Ato 2** has **over 85% of the networks traced in the GIS system**; **Acea Ato 5** has digitised **around 5,399 km** of the water network (measured in the field and published in GIS) as at 31 December 2022, corresponding to **around 87% of the total**. **Gori** and **Gesesa** have georeferenced the stocks shown in Table no. 28 and are continuing to survey and update the data; **Gesesa** has already georeferenced the **water sites** (wells, springs, reservoirs/partitions) and the **sewage lifting and treatment plants**, including their functional diagrams.

AdF, in 2022, activated a process to validate the information present on the GIS system, through the obligation to update certain type of activities in GIS, which made it possible to validate around 565 km of aqueduct and around 61 km of sewerage.

Table no. 28 – Water mains areas 2022 (georeferenced data)

company	drinking water network (km)	sewerage network (km)
Acea Ato 2	13,468 (740.9 km of aqueduct, 1,190 km of supply network and 11,537 km of distribution)	6,447
Acea Ato 5	6,181 (1,233 km of supply network and 4,948 km of distribution network)	1,800
Gori	5,227 (867 km of supply network and 4,360 km of distribution network)	2,697
Gesesa	2,093 (180 km of supply network and 1,913 km of distribution network)	527 (among outfalls, main and secondary collectors)
AdF	8,360 (1,993 km of supply network and 6,366 km of distribution network)	1,754 (among outfalls, main and secondary collectors)

The networks are connected to a complex system of equipment and plants necessary for the operations of the aqueduct, treatment and sewerage services. Each year, the Companies carry out:

- **infrastructure interventions** such as **modernisation** or **strengthening of the plants**, the **remote control** of infrastructures, the **completion, extension** or the **drainage of pipelines and networks**, to contain the losses and improve the efficiency and quality of the service provided;
- **interventions to improve utility management** (such as installation and replacement of meters), in addition to everything concerning the relationship with customers, for which reference is made to the paragraph *Customer care*;
- **interventions to protect people and territory**, aimed at ensuring the **quality of the drinking water** distributed and the water returned to the environment, such as the Water Safety Plans (WSPs) and laboratory controls; see the section *Relations with the environment*, paragraph *Water segment*).

For a quantification of the main interventions carried out by the com-

panies during the year and the analytical checks on drinking water and waste water carried out independently or by Acea Elabiori, see Table no. 29.

In 2022, **Acea Ato 2** continued the development of all interventions intended to secure and modernise the **Peschiera aqueduct system, essential strategic infrastructure** to ensure the greater resilience of the procurement and supply system managed. Technical and Economic Feasibility Studies were completed and the **authorisation procedures** were launched **for the 4 sub-projects**⁸⁶ relating to hydraulic works, identified in 2021, which will also be carried out with financing of around € 244 million obtained as part of the National Recovery and Resilience Plan (NRRP)⁸⁷. As regards the **main intervention**, the "New Upper Section of the Peschiera Aqueduct", which will also be carried out thanks to financing of € 700 million established by the 2023 Budget Law (Italian Law no. 197/22), **the authorisation procedure was launched in 2022**⁸⁸.

⁸⁶ These are the "New Marcio Aqueduct - Lot I", the "Raddoppio VIII Syphon - Casa Valeria Section - Ripoli Tunnel Exit - Phase I", the "Ottavia - Trionfale Supply System" and the "Monte Castellone - Colle S. Angelo (Valmontone) Pipeline".

⁸⁷ According to Ministerial Decree 517/21 and the Decree of the State General Accounting Office no. 160/22 (provision for launch of works that cannot be postponed).

⁸⁸ On the basis of the opinion of the authority responsible for overseeing public works expressed at the meeting on 14/10/2020 (no. 46/2020) and pursuant to art. 44, paragraph 1-bis of

The design of the infrastructure is also defined, in collaboration with **Acea Elabori**, with **specific attention to sustainability criteria**, in accordance with the **Envision Protocol**.

In 2022, Acea Ato 2 **installed 178 hydro valves** to optimise the operating pressures of the distribution networks and **reclaimed 204.5 km of water mains**; it started work on **major supply systems** to increase the resilience of complex municipal systems with particular

reference to the **Albano Laziale** and **Civitavecchia** interconnections; to increase the availability of water in the municipalities managed, it completed the new drinking water plants serving the Orsini and La Dolce wells in the municipalities of **Ariccia** and **Manziana**. The programme to install flow-limiting devices on rural utilities has also continued to limit non-drinking consumption.

Table no. 29 – Main interventions on the drinking water and sewerage networks and controls on drinking water and wastewater (2022)

INTERVENTIONS ON DRINKING WATER NETWORKS, METERS AND WATER TESTS	
type of work	
ACEA ATO 2	
interventions due to network failure/leak detection	35,396 interventions (35,090 due to faults, 306 leak detection)
planned interventions	11,540 interventions
Meter installations (new installations and replacements)	15,726 interventions (12,501 new installations and 3,225 replacements) and 45,780 mass replacements under contract
network extension	9.04 km of expanded network
network reclamation	204.5 km of reclaimed network
drinking water quality control	11,966 samples collected and 365,546 tests performed
ACEA ATO 5	
interventions due to network failure/leak detection	10,119 interventions
planned interventions	3 interventions (on distribution network)
Meter installations (new installations and replacements)	26,005 interventions (3,044 new installations and 22,961 replacements)
network extension	0 km of expanded network
network reclamation	46.3 km of reclaimed network (*)
drinking water quality control	2,565 samples collected and 107,420 tests performed
GORI	
interventions due to network failure/leak detection	16,412 interventions
planned interventions	7,003 interventions
Meter installations (new installations and replacements)	25,484 interventions (12,565 new installations and 12,919 replacements)
network extension	0.78 km of expanded network
network reclamation	14.7 km of reclaimed network
drinking water quality control	4,908 samples collected and 132,538 tests performed
GESESA	
interventions due to network failure/leak detection	3,190 interventions (3,090 due to faults, 100 leak detection)
planned interventions	123 interventions
Meter installations (new installations and replacements)	1,162 interventions (257 new installations and 905 replacements)
network extension	2 km of expanded network
network reclamation	1.8 km of reclaimed network
drinking water quality control	1,048 samples collected and 12,307 tests performed
AdF	
interventions due to network failure/leak detection	8,901 interventions (8,288 due to faults, 613 leak detection)
planned interventions	54 interventions
Meter installations (new installations and replacements)	19,728 installations (3,257 new installations and 16,471 replacements)
network extension	2 km of expanded network
network reclamation	33 km of reclaimed network
drinking water quality control	4,514 samples taken and 121,738 tests performed (120,940 on drinking water and 798 on surface water)
INTERVENTIONS ON SEWERAGE NETWORKS AND TESTS	
type of work	
ACEA ATO 2	
interventions due to network failure	2,986 interventions
planned interventions	245 interventions
network extension	21.8 km of expanded network
network reclamation	13.4 km of reclaimed network

wastewater quality control **6,999 samples** collected and **135,906 tests** performed

ACEA ATO 5

interventions due to network failure	347 interventions
planned interventions	-
network extension	-
network reclamation	1.7 km of reclaimed network
wastewater quality control	3,281 samples collected and 67,810 tests performed

GORI

interventions due to network failure	433 interventions
planned interventions	7,521 interventions
network extension	15.9 km of expanded network
network reclamation	8.4 km of reclaimed network
wastewater quality control	1,582 samples collected and 43,564 tests performed

GESESA

interventions due to network failure	117 interventions
planned interventions	6 interventions
network extension	-
network reclamation	-
wastewater quality control	630 samples collected and 12,234 tests performed

AdF

interventions due to network failure	335 interventions
planned interventions	24 interventions
network extension	3.95 km of expanded network
network reclamation	2.95 km of reclaimed network
wastewater quality control	7,734 samples collected and 40,481 tests performed

Acea Ato 2's aqueducts and supply network are equipped with **remote-control systems: meters and sensors** connected to the field equipment provide the **central system** with useful information on the condition of the network and its operation (system set-up, pump and valve status, hydraulic, chemical, physical and energy measurements), **highlighting any alarms** and offering the possibility of **remote operation**, such as turning pumps on or off, opening, closing or adjusting valves. Rome's particularly complex distribution network is fed by water centres, where **remote control has been implemented extensively**. The number of **water centres and points on the network** that are partially or fully **remote-controlled** has **further increased**: at the end of 2022, there were **1,211 remote-controlled plants** on the collection and distribution network (springs, wells, aqueducts, supply systems, water centres, drinking water treatment plants) and a further **1,947** remote-controlled ones along the distribution network (1,256 districtisation points, 124 water kiosks and 567 network pressure measuring points, including 401 hydro valves and 166 pressure points). Of these, **507** are equipped with **water quality** measurement systems. **For the sewage system** the progressive remote control of the entire sector is very advanced **which intervenes on both central systems and plants** (large and small treatment plants and sewage lifting plants): **the main treatment plants are already remotely controlled through on-site rooms** and further work to upgrade the technology and connect them to the central room is in progress.

The water sites managed by **Acea Ato 5** - including supply sources, distribution plants, sewage lifting stations and purification plants - are partly **equipped with remote control**, which makes telemetry, remote command and control possible, as well as the detection of hydraulic (water flow rate, network pressure, tank level, operating status of electric pumps), electri-

cal and qualitative (turbidity and residual chlorine) parameters.

qualitative (turbidity and residual chlorine) parameters. At the end of 2022, there were **395 plants with a remote control system installed** (equipped with hydraulic measurements - flow rates, pressure and levels - 16 of which were also equipped with water quality control), and 111 network points (with continuous pressure or flow monitoring systems).

The plants managed by **Gori**, relating to the drinking water, sewage and purification systems, **are all equipped with remote-control systems**; there are a total of **677 plants** (269 water sites and 203 water network nodes, 195 sewage sites and 10 purification sites), at which telemetry, remote command and control activities, as well as the detection of hydraulic parameters, are carried out. A local control system provides automated management⁸⁹ of electric pumps and valves, according to a logic of energy efficiency and saving of water resources; in the largest reservoirs, outflow control valves are installed and remotely controlled, for dynamic adjustment of the quantity of resource supplied, based on different water availability scenarios. The application of **IoT technologies** in nodes of the water and sewerage networks **where electricity is absent** also allows essential network parameters (pressures and flows) to be monitored. With **another 2 interventions** in 2022, **Gesesa** continued the gradual installation of the remote-control system at the sites managed; in particular, automation was implemented in the Forchia reservoir well and a remote-control system only previously accessible locally was moved to the company SCADA (Supervisory Control and Data Acquisition) system. A tender was also held in the final part of the year to award contracts for further interventions.

In 2022, **AdF** expanded remote control to **another 52 aqueduct sites**; constant monitoring of the networks (district flow measurements and control valves) and of the smaller reservoirs makes it

89 With human intervention only in emergencies.

possible to reduce inefficiencies, as well as to optimise their management. The automatic instruments installed on the pumping systems of the sewage lifts also facilitate predictive maintenance, frequency analysis of alarms, and the status of priority process meters for management and budgetary purposes. Work continued during the year to implement **automatic regulation of the network**, depending on pressure conditions, and tests on battery-powered pressure and flow rate sensors with NB-IoT technology. As at 31 December 2022, there were a **total of 1,895 remote-control** sites managed by AdF, relating to the drinking water, sewage and purification systems, including plants and manholes (of which 508 aqueduct sites and 221 water network nodes, 202 sewage sites and 115 purification sites).

The issue of **limiting losses on distribution networks** is carefully monitored by all Group companies, which are committed to the **sustainable management of the water cycle**; to this end, **organisational structures dedicated to protecting the resource** have been set up. The companies carry out districtisation, inspection and reclamation of the networks, installation of automatic valves and other pressure control instruments, verification and calibration of meters, identification of abnormal consumption and implement interventions to counter illicit connections and improper use of the resource. The specific activities undertaken in 2022 by each company are illustrated in the dedicated chapter *Water Segment* in the section Relations with the environment, to which reference should be made.

UTILITY MANAGEMENT AND SERVICE CONTINUITY

The companies continued in 2022 with the installation of new meters and the replacement of old ones (see figures in Table no. 29).

As part of its **mass meter replacement activities**, Acea Ato 2 has continued its functional project for the gradual remote reading of water meters, initially by developing and patenting, in collaboration with Areti, an “Add-On” remote reading device called “Proteus” and, in 2022, by installing, in addition to Proteus, other NB-IoT “Add-On” devices, for around 6,000 devices installed in the year, which led, in total, to around **34,000 remote reading devices**. The Company also plans to introduce **specific solutions** according to different requirements, with the installation of “Add-On” devices mainly on the large sizes, whereas for lower sizes (for example with DN15 pipes), it is implementing **the design and development of an “integrated smart meter” remote reading device with innovative and advanced NB-IoT technology for the water service**, which is expected to provide benefits in terms of remote management and optimisation of quality, quantity and security of data.

AdF continued to implement **remote reading of meters** in the area, installing a device that makes it possible to increase reading frequency and to facilitate data collection; in 2022 it installed **around 20,000 remote reading meters**, achieving **coverage of 58% of the entire fleet of meters**. AdF also has a **platform for analysing, checking and monitoring** data from remote reading, which, by also integrating data collected from fixed and mobile concentrators, allows greater control of the flows supplied and network balance.

The **continuity of the water supply** is a fundamental service parameter for customer satisfaction, which is subject to regulation by the ARERA. Table no. 30 shows the data of the last three years relating

to **disruptions and water reductions, urgent** (due to accidental breakdowns of pipelines or plants, energy interruption, etc.) **or planned**, for the Companies in question.

Table no. 30 – Number, type and duration of disruptions in the supply of water (2020-2022)

type of disruption	2020	2021	2022
ACEA ATO 2 (*)			
urgent disruptions (no.)	1,207	911	882
planned disruptions (no.)	212	336	262
total disruptions (no.) (**)	1,419	1,247	1,144
suspensions lasting > 24hrs (no.)	196	167	179
ACEA ATO 5			
urgent disruptions (no.)	521	691	686
planned disruptions (no.)	568	397	457
total disruptions (no.) (**)	1,089	1,088	1,143
suspensions lasting > 24hrs (no.)	0	0	0
GORI			
urgent disruptions (no.)	3,042	2,629	2,610
planned disruptions (no.)	103	59	141
total disruptions (no.) (**)	3,145	2,688	2,751
suspensions lasting > 24hrs (no.)	0	0	0
GESESA			
urgent disruptions (no.)	90	17	36
planned disruptions (no.)	57	19	46
total disruptions (no.) (**)	147	36	82
suspensions lasting > 24hrs (no.)	1	8	0

AdF (*)			
urgent disruptions (no.)	1,918	2,158	2,470
planned disruptions (no.)	313	342	457
total disruptions (no.) (**)	2,231	2,500	2,608
suspensions lasting > 24hrs (no.)	48	44	62

(*) The 2021 figures for Acea Ato 2 have been consolidated; the figures for the 2020-2021 two-year period for AdF, net of the item suspensions lasting > 24hrs, have been adjusted excluding the disruptions lasting over one hour, in line with what was reported to ARERA. Additionally, the 2022 figures for Acea Ato 2 and AdF are being consolidated. Any adjustments, after data consolidation, will be reported in the next reporting cycle.

(**) As envisaged by ARERA, total disruptions include shutdowns (due to damage to pipes/pipelines and network changes) and interruptions due to disruptions and system anomalies. The number of total out of service cases is therefore used for the calculation.

WATER DISTRIBUTED AND RETURNED TO THE ENVIRONMENT

The quality of the drinking water distributed safeguards aspects related to **the health and safety of the community** and the resource **returned to the receiving water bodies** has impacts on **safeguarding ecosystems**. Consequently, **all the Companies independently carry out controls on drinking and wastewater** using internal laboratories or with the support of **Acea Elabiori** (see Table no. 29).

In particular, **tests on water intended for consumption** are carried out on samples collected from springs and wells, supply plants, reservoirs and along distribution networks, as well as samples collected for extraordinary testing and specific parameters. Test frequency and sampling points are defined taking into consideration **the volumes of water distributed, population served, network and infrastructure conditions and specific characteristics of local springs** (see also *Environmental relations*).

All the Water Operations Companies in the Group have started preparations or begun to implement **Water Safety Plans (WSPs)**, aimed at **preventing and reducing the risks inherent to the drinking water service**; the activities in question, conducted in 2022, are illustrated in the Water Area chapter in the "Relations with the Environment" section, to which reference should be made.

As regards the territory managed by Acea Ato 2, the spring water collected to supply the Rome and Fiumicino area presents levels of excellent quality at the source, while in the Castelli Romani area and other areas of upper Lazio, the volcanic nature of the terrain adds mineral elements to the aquifer such as fluorine, arsenic and vanadium, in concentrations exceeding those envisaged by the law. For some time, Acea Ato 2 has been working to resolve these issues, such as by decommissioning some local sources of supply and replacing them with higher quality springs. In 2022, in particular, **Acea Ato 2** built new drinking water plants or upgraded/expanded existing plants in the municipalities of Ariccia, Allumiere, Rignano Flaminio and Manziana. It has also **started work on aqueduct interconnections in the municipalities of Civitavecchia and Albano Laziale** that will ensure greater network resilience and improve the service provided.

In 2022, AdF implemented the project launched in 2021 to **monitor the quality of supply sources with online instrumentation**. The project involved the installation of the instruments, the acquisition of the remote-control signals and the preparation of the relative control/reporting dashboards, through which it is possible to integrate the qualitative data collected with quantitative information and with the meteorological and hydrogeological information

made available online by the related regional services, updated on a daily basis. The 8 supply sources monitored in 2021 were joined in 2022 by **another 10 sources**, for a total control of around **75% of the resource collected from the environment**. The installation of online measurement systems and the uptake of remote control makes it possible to continuously monitor the quality of the water and activate early warning systems as provided for in the guidelines of European Directive 2020/2184 on the safety of drinking water. **Gori** distributes quality water, **collected from deep wells**. The qualitative characteristics of the water are verified by the internal "Francesco Scognamiglio" laboratory, located in Pomigliano d'Arco, which uses cutting-edge instruments, including a spectrometer capable of determining **all the metals** indicated by the regulations in force on drinking water.

Gesesa participates in the technical round table, together with the Campania Water Authority, local, provincial and regional institutions, Arpac and the local health authorities, dedicated to the monitoring and characterisation of the groundwater resource that, through the Campo Mazzoni and Pezzapiana wells, supplies the city of Benevento. In 2022, Gesesa continued a project for the creation of an **activated-carbon filtration system** for the treatment of drinking water for the water plant in Benevento (see also *Water Segment in Relations with the Environment*).

In 2022, there were **165 water kiosks** active (**124 of Acea Ato 2**, of which 36 in the City of Rome and 88 in the province of Rome, **20 of Gori** and **21 of AdF**); these are dispensers of chilled natural or sparkling water, installed throughout the territory, **available to citizens and tourists**, free of charge or at minimal cost. The water distributed is the same as the aqueducts and **the quality is certified by regular checks** conducted by the companies and the relevant local health authorities. The initiative continues to be met with a positive response and in the year in question, the "kiosks" **supplied a total of over 38.7 million litres of water** (about 34.2 million litres from Acea Ato 2, about 3.5 million litres from Gori and about 1 million litres from AdF water kiosks), with a percentage of sparkling water of about 39%. The **environmental benefits** are clear: **the litres dispensed are equivalent to 774 tonnes of plastic saved over the year** (equal to around 26 million 1.5 litre bottles) and **over 2,000 tonnes of CO₂ not emitted into the atmosphere** (around **34% more emissions avoided** than the 2021 figure of 1,580 tonnes of CO₂ avoided), due to the lack of bottle production⁹⁰ and net of emissions due to the energy consumption of the kiosks⁹¹ and the CO₂ added to obtain sparkling water.

Acea Ato 2 is also responsible for water up to the "point of supply" for the **drinking water fountains** in Rome (so-called **Waidy**

⁹⁰ The figure, although significant, is certainly underestimated because it does not take into account the emission savings induced by not transporting the bottles by road/rail.

⁹¹ Consumption data of the AdF water kiosks managed by the municipalities are not available.

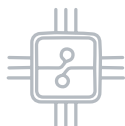
Wow app, designed by a team in the Acea Group, makes it possible to **identify the water supply points** located throughout the territory, not only in the areas served by the Group companies, but across Italy, with over 50,000 water points mapped. The application is designed and developed to **create a community**, to improve the lifestyle of the people who use it, and to promote values and habits formed with respect for the environment. It led to communication initiatives that disseminate the culture of water and the beauty of the territory: indeed, one feature makes it possible to identify **personalised routes by following the “water ways”** (drinking fountains, fountains, water kiosks) or to access pre-set thematic routes and

related multimedia content. Finally, the app gives access to a “web radio”, a channel dedicated to infotainment with 24-hour music programming and the inclusion of short videos on sustainability in collaboration with LifeGate. As part of **Acea Innovation Day 2022**, the latest upgrade to the Waidy application was presented, carried out with the start-up UP2YOU, which can precisely calculate the environmental benefits that people can help generate by using drinking fountains, and in particular to reduce plastic and CO₂ emissions. As at 31 December 2022, **the Waidy Wow app was installed on 105,947 devices**.

FUNCTIONS OF THE WAIDY WOW APP



Geolocalise water points
To find the closest drinking fountain and learn about the water quality



Create or follow routes
To walk or cycle alongside the water and experience its beauty



Rediscover the past
To discover historical news about water fountains



Encourage good practices
To take part in contests, to monitor hydration and the impact on the environment



Leave feedback
To send possible reports and add water points not yet surveyed



Read news and advice
To stay updated about sustainability with exclusive content

THE PERCEIVED QUALITY OF DRINKING WATER, RESULTS OF THE 2022 SATISFACTION SURVEYS

Acea **measures customer habits and perceptions regarding the quality of the drinking water supplied**. The customer satisfaction surveys not only include an overall opinion on water quality, but also an in-depth analysis of the subject. The outcomes presented below are the **average of the two half-yearly surveys**.

For **Rome and Fiumicino**, where the service is managed by **Acea Ato 2**, the **overall opinion on taste, smell and clarity of drinking water** expressed by the sample of respondents remains **stable and high at 7.5/10** (7.6/10 in 2021); **35.8%** of those interviewed, a figure that is down compared to 2021 (39.2%), **state that they habitually drink the water that comes to their homes**, while **30.7%** (28% in 2021) **state that they never drink it**; the **reasons given** by those who never drink water at home continue to include the habit of drinking mineral water, followed by the response “it is not good for my health”.

In the other areas served by Acea Ato 2, in the province of Rome, the **overall satisfaction** rating for water quality was **7/10**, a slight increase (6.8/10 in 2021); as for consumption habits, **24%** of the sample (25.1% in 2021) **stated that they regularly drink tap water** and **41%** (45.9% in 2021) **never drink it**; for the latter, the main reason is related to the habit of drinking mineral water, followed by the opinion on the taste.

For **Acea Ato 5** customers in Frosinone and vicinity, in 2022 the overall opinion expressed on drinking water came to **6.4/10** (it was 6.1/10 in 2021). **The percentage of respondents** stating that they **habitually drink** tap water remains limited and is decreasing at **15.6%** (17% in 2021), while the percentage of those stating that

they never drink it, equal to **58.7%** is high (previously 54.9%).

For the latter, the main reasons given were the habit of drinking mineral water and aspects related to health.

In the Sarnese Vesuviano district, the overall opinion on drinking water expressed by **Gori** customers in 2022 remains stable at **6.4/10** (6.2/10 in 2021), with the percentages of **respondents** who say they **habitually drink** tap water decreasing to **19.6%** (23% in 2021), and those who **never drink it** increasing to **58.7%** (52.4% in 2021). The main reasons cited by those who do not prefer tap water are “it is not good for my health” and “I am accustomed to drinking mineral water”.

For customers of **Gesesa**, in Benevento and province, the overall opinion expressed on the quality of drinking water is **6.8/10** (6.9/10 in 2021); a **slight decrease** is recorded in the percentage of customers who say **they drink tap water regularly**, which was **15.3% in 2022** (16.6% in 2021) and an increase (**62%**) in those who state that they never drink it (55.6% in 2021); in this area, the prevailing reasons given were “I am accustomed to drinking mineral water” and “it is not good for my health”.

For customers of **AdF**, operating in the provinces of Grosseto and Siena, the overall opinion expressed on drinking water improved and was **7.5/10** (6.9/10 in 2021). The percentage of respondents stating that they **habitually drink tap water**, **38.9%**, also increased (36.9% in 2021) and the percentage of those stating that they **never drink it** decreased to **37.7%** (40.2% in 2021), mainly, also in this case, due to the habit of drinking mineral water and because they do not like the taste.

The collection of wastewater and its treatment prior to being returned to the environment takes place through a complex system and a configuration organised by “areas” comprising wastewater treatment plants, sewerage networks connected thereto and the associated pumping stations. Acea Ato 2 manages 725 sewage lifting plants, 171 purification plants and more than 7,000 km of sewerage networks (of which 6,447 km mapped on GIS); in 2022, the company continued with its plan to centralise the purification plants, for the work carried out, see the box in the *Water Area* chapter of the section *Relations with the environment*.

The Acea Ato 2 Environmental Operations Centre constantly monitors data recorded remotely using cutting-edge technology relating to hydrometric and rainfall information for the Rome area, shared with the Rome Hydrographic and Tide Gauge Operations Office, as well as data on the quality of water of the water bodies: in 2022, 349 samples were taken at 25 sampling points on the Tiber and Aniene rivers and at 33 sampling points on Lake Bracciano.

In the territory of the municipality of Rome, Acea Ato 2 also manages the lifting plants and tanks for the watering network and the non-drinking water network supplying the water features of the most important artistic fountains. In particular 9 of the main artistic and monumental fountains of the capital: the Triton Fountain, the three fountains in Piazza Navona – the Fountain of the Four Rivers, the Moor Fountain and the Fountain of Neptune – the Trevi Fountain, the Fountain of Turtles, the Fountain of Moses, the Fountain of the Naiads.

The infrastructure of the water treatment and sewerage service managed by Acea Ato 5 includes, as at 31 December 2022, 233 sewage lifting plants, 125 purification plants and approximately 1,800 km of dedicated networks. Gori manages 2,697 km of network serving the water treatment and sewerage system and 12 treatment plants some serving individual municipalities and others serving inter-municipal areas of Sarnese-Vesuvius agriculture.

Gori continues to implement an important project, launched in 2021, to complete the sewerage and purification works in the Sarno hydrographic basin, which will have a significant environmental impact not only in terms of re-establishing the river ecosystem, thanks to the elimination of polluting discharges, but also with positive effects on the entire area, including the health of agricultural products, and the Gulf of Naples.

As at 31/12/2022 the infrastructure of the water treatment and sewerage service managed by AdF included 294 sewerage lifting plants, 150 treatment plants (and 152 Imhoff tanks) and over 1,754 km of sewerage networks. Gesesa, in the territory served, manages 20 sewerage pumping stations, 32 treatment plants and 527 km of dedicated networks.

QUALITY LEVELS REGULATED BY ARERA IN THE WATER SECTOR

The Regulatory Authority for Energy Networks and Environment (ARERA) defines the specific and general levels of contractual quality for the water sector⁹². With resolution 547/19, the Authority amended and supplemented the previous regulations outlining an incentive system divided into bonuses and penalties to be attributed from 2022 based on operator performance. In late 2021, the ARERA issued its guidelines for consultation on the update of the methods for verifying contractual quality data (control procedures and penalty amounts) and, with resolution 639/2021 of 30 December, established flexible elements in the mechanisms used to assess performance, including cumulative evaluation of quality objectives on a two-year basis (2022-2023).

The introduction of the new contractual quality incentive system did not maintain the possibility, provided for in the past⁹³, of accessing premiums in the event of the achievement of improved quality standards with respect to those defined at national level.

Acea Ato 2 has in any case maintained the improved levels of contractual quality standards, as defined by the application submitted in 2016 by the Area Governing Body (Conference of Mayors of OTA 2 Central Lazio) and accepted by ARERA, and by the amendments subsequently made by resolution 4/20 of the Conference of Mayors relating to the updating of the Service Charter. In particular, the improvement standards concern 39 indicators out of the 47 established by the resolution. For some services envisaged in the Service Charters attached to their respective concession agreements, Acea Ato 5 and AdF also pursue and have maintained standards that are better than those imposed by the Authority.

The timing of the delivery of data on specific and general contractual quality levels to the Authority shall be subsequent to the publication of this document. Therefore, unconsolidated data for all companies are presented here, based on the best estimates available at the time of publication, and are intended as indicative of performance trends; consolidated data will be published in the next reporting cycle (see Tables 31-35).

There is a mechanism for automatic compensation of customers in the event of non-standard performance on “specific” indicators, the value of which varies according to the delay in performance (see also the box describing investigations, rewards and penalties in the chapter *Institutions and the Company*).

The water companies, as required by the Authority, communicate commercial performance data to users in their bills once a year: Acea Ato 2, Acea Ato 5 and AdF also publish them online, and all publish information on the quality of the drinking water distributed on their websites.

⁹² For most of the services the regulation of contractual quality aspects is in force from July 2016 according to resolution 655/2015/R/Idr or RQSI (Regulation of the contractual quality of the integrated water service).

⁹³ Contractual quality premiums related to the achievement of improved quality standards with respect to those defined in Resolution 655/2015/R/IDR were introduced by Resolution 664/2015/R/Idr on the Integrated Water Service Tariff Method for the second regulatory period (2016-2019).

Table no. 31 – The main specific and general levels of contractual quality in the water sector (2021-2022) – Acea Ato 2 – (ARERA parameters, improvement standards and Acea Ato 2 performance – 2021 data are consolidated, 2022 data are not consolidated)

ACEA ATO 2 - CONTRACTUAL WATER QUALITY SEGMENT						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	ACEA ATO 2 IMPROVEMENT STANDARD	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
ACEA ATO 2 PERFORMANCE						
			2021	2022		
estimate for water connection with inspection	20 working days	15 working days	6.1	98.6%	4.0	99.1%
estimate for sewage connection with inspection	20 working days	15 working days	3.7	98.6%	3.6	100%
execution of the water connection with simple work	15 working days	10 working days	4.2	100%	4.3	100%
execution of the sewage connection simple work	20 working days	15 working days	6.6	100%	/	/
supply activation	5 working days	3 working days	2.7	97.4%	3.2	97.7%
reactivation or takeover of the supply without changing the meter rate	5 working days	3 working days	1.5	98.4%	1.5	98.6%
reactivation or takeover supply with changes to the meter rate	10 working days	6 working days	1.0	100%	1.0	100%
reactivation of supply following disconnection for late payment	2 working days	1 weekday	0.8	99.3%	0.6	99.5%
deactivation of supply	7 working days	3 working days	2.8	98.4%	2.1	99.4%
transfer of registration	5 working days	3 working days	0.2	99.6%	0.3	99.2%
estimates for works with inspection	20 working days	15 working days	5.8	99.2%	4.0	99.7%
completion of simple work	10 working days	6 working days	3.9	100%	3.2	100%
punctuality band for appointments	180 minutes	120 minutes	0.8	99.8%	0.9	99.1%
reply to complaints	30 working days	20 working days	5.7	99.8%	5.7	100%
reply to written enquiries	30 working days	20 working days	5.3	99.7%	4.8	100%
billing adjustment	60 working days	55 working days	6.8	100%	6.4	100%
GENERAL LEVELS OF QUALITY						
ACEA ATO 2 PERFORMANCE						
			2021	2022		
completion of complex water connection	90% of the services within 30 working days	90% of the services within 20 working days	8.2	97.6%	8.2	97.9%
completion of complex sewage connection	90% of the services within 30 working days	90% of the services within 25 working days	13.1	97.1%	38.0	70.0%
completion of complex works	90% of the services within 30 working days	90% of the services within 20 working days	14.9	93.1%	12.9	94.9%
maximum time for the agreed appointment	90% of the services within 7 working days	90% of the services within 5 working days	2.8	97.0%	2.2	99.6%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	90% of the services within 2 minutes from the telephone conversation with the operator	1.4	98.9%	1.9	97.4%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	95% of the services within 20 working days from receipt of the request	6.0	99.8%	5.7	100%
reply to the emergency call (CPI)	90% of the services within 120 seconds	90% of the services within 110 seconds	55	97.4%	13	98.0%

Note: the 2022 data are being consolidated and have still not been submitted to the OTS or reported to ARERA. The symbol “/” is used when there are no services during the year.

Table no. 32 – Main specific and general levels of contractual quality in the water sector (2021-2022) – Acea Ato 5 – (ARERA parameters, improvement standards from the Service Charter, and Acea Ato 5 performance – 2021 data are consolidated, 2022 data are not consolidated)

ACEA ATO 5 - CONTRACTUAL WATER QUALITY SEGMENT						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	ACEA ATO 5 IMPROVEMENT STANDARD (from SC)	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
ACEA ATO 5 PERFORMANCE						
			2021	2022		
estimate for water connection with inspection	20 working days	10 working days	3.6	98.0%	3.4	99.5%
estimate for sewage connection with inspection	20 working days	10 working days	7.9	94.1%	5.8	90.6%
execution of the water connection with simple work	15 working days		1.9	99.3%	2.5	100%
execution of the sewage connection simple work	20 working days		-	-	-	-
supply activation	5 working days		2.9	97.4%	2.1	99%
reactivation or takeover of the supply without changing the meter rate	5 working days		1.4	98.9%	1.7	98.7%
reactivation or takeover supply with changes to the meter rate (*)	10 working days		0.0	100%	-	-
reactivation of supply following disconnection for late payment	2 working days		0.9	97.3%	0.9	98.8%
deactivation of supply	7 working days	5 working days	2.1	99.4%	2.2	99.9%
transfer of registration	5 working days		0.1	99.7%	0.2	99.6%
estimates for works with inspection	20 working days		3.3	99.3%	2.8	100%
completion of simple work	10 working days		2.0	100.0%	6.0	100%
punctuality band for appointments	180 minutes		0.8	99.7%	1.6	99.4%
reply to complaints	30 working days	20 working days	10.0	98.7%	9.2	96.4%
reply to written enquiries	30 working days	10 working days	7.9	99.9%	7.2	99.2%
billing adjustment	60 working days		6.5	100%	5.9	100%
GENERAL LEVELS OF QUALITY						
ACEA ATO 5 PERFORMANCE						
			2021	2022		
completion of complex water connection	90% of the services within 30 working days	90% of the services within 20 working days	12.6	90.4%	22.2	85%
completion of complex sewage connection	90% of the services within 30 working days	90% of the services within 20 working days	21.5	66.7%	50.9	60.8%
completion of complex works	90% of the services within 30 working days		11.8	85.7%	18.3	85.4%
maximum time for the agreed appointment	90% of the services within 7 working days		1.9	99.8%	2.5	99.8%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	95% of the services within 10 working days from receipt of the request	8.8	98.5%	8.1	98.4%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	90% of the services within 70 minutes from the telephone conversation with the operator	96.5	87.9%	105.3	89.3%

NOTE: The symbol "-" indicates that the average time cannot be calculated because the service is on/off.

Table no. 33 – Main specific and general levels of contractual quality in the water sector (2021-2022) – Gori (ARERA parameters and Gori performance - 2021 data are consolidated, 2022 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR- GORI					
SPECIFIC LEVELS OF QUALITY					
SERVICES	ARERA STANDARDS	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
GORI PERFORMANCE					
			2021		2022
estimate for water connection with inspection	20 working days	6.05	98.9%	6.51	99.0%
estimate for sewage connection with inspection	20 working days	36.47	98.2%	6.49	98.6%
execution of the water connection with simple work	15 working days	15.13	81.2%	11.71	85.7%
execution of the sewage connection with simple work	20 working days	8.57	100%	23.00	66.7%
supply activation	5 working days	4.76	93.4%	4.81	91.8%
reactivation or takeover of the supply without changing the meter rate	5 working days	1.94	97.3%	1.78	97.9%
reactivation or takeover of the supply with changes to the meter rate	10 working days	/	/	/	/
reactivation of supply following disconnection for late payment	2 working days	2.55	97.4%	1.14	96.5%
deactivation of supply	7 working days	3.71	98.6%	3.06	98.5%
transfer of registration	5 working days	0.5	99.1%	0.5	98.7%
estimates for works with inspection	20 working days	5.48	99.4%	18.70	99.1%
completion of simple work	10 working days	17.23	62.5%	16.24	67.2%
punctuality band for appointments	180 minutes	0.91	99.1%	1.9	98.0%
reply to complaints	30 working days	13.9	85.8%	11	98.7%
reply to written enquiries	30 working days	6.5	95.9%	6.4	99.0%
billing adjustment	60 working days	1.2	100%	16	100%
GENERAL LEVELS OF QUALITY					
GORI PERFORMANCE					
			2021		2022
completion of complex water connection	90% of the services within 30 working days	25.39	77.7%	31.15	70.5%
completion of complex sewage connection	90% of the services within 30 working days	27.37	72.4%	27.78	73.0%
completion of complex works	90% of the services within 30 working days	41.44	66.3%	31.76	67.6%
maximum time for the agreed appointment	90% of the services within 7 working days	6.71	93.8%	3.1	97.6%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	2.04	98.0%	1.4	97.8%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	9.5	95.2%	14.4	99.0%
reply to the emergency call (CPI)	90% of the services within 120 seconds	52	97.4%	47	97.2%

NOTE: The symbol “/” is used when there are no services during the year.

Table no. 34 – Main specific and general levels of contractual quality in the water sector (2021-2022) – Gesesa (ARERA parameters and Gesesa performance – 2021 data are consolidated, 2022 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR - GESESA					
SPECIFIC LEVELS OF QUALITY					
SERVICES	ARERA STANDARDS	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
GESESA PERFORMANCE					
		2021		2022	
estimate for water connection with inspection	20 working days	5.08	98.5%	5.78	62.44%
estimate for sewage connection with inspection	20 working days	/	/	/	/
execution of the water connection with simple work	15 working days	2.56	94.7%	2.31	100%
execution of the sewage connection with simple work	20 working days	/	/	/	/
supply activation	5 working days	28.90	57.1%	7.61	65.67%
reactivation or takeover of the supply without changing the meter rate	5 working days	3.15	89.8%	3.48	83.24%
reactivation or takeover of the supply with changes to the meter rate	10 working days	/	/	/	/
reactivation of supply following disconnection for late payment	2 working days	69.38	83.7%	2.33	66.67%
deactivation of supply	7 working days	3.22	98.8%	3.21	94.50%
transfer of registration	5 working days	1.0	98.9%	0.91	97.01%
estimates for works with inspection	20 working days	4.16	100.0%	4.93	98.15%
completion of simple work	10 working days	1.74	97.2%	3.20	93.33%
punctuality band for appointments	180 minutes	1.77	94.9%	9.8	97.26%
reply to complaints	30 working days	10.35	100%	18.9	99.29%
reply to written enquiries	30 working days	9.62	100%	15.8	100%
billing adjustment	60 working days	1.94	100%	4.6	100%
GENERAL LEVELS OF QUALITY					
GESESA PERFORMANCE					
		2021		2022	
completion of complex water connection	90% of the services within 30 working days	9.49	93.0%	8.46	95.65%
completion of complex sewage connection	90% of the services within 30 working days	/	/	/	/
completion of complex works	90% of the services within 30 working days	2.16	100%	4.89	98.21%
maximum time for the agreed appointment	90% of the services within 7 working days	3.09	97.7%	3.6	94.98%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator	34.69	68.0%	9.22	85.94%
reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	31.14	100%	14.9	100%
reply to the emergency call (CPI)	90% of the services within 120 seconds	85.85	88.0%	84.85	87.0%

NOTE: The symbol “/” is used when there are no services during the year.

Table no. 35 – Main specific and general levels of contractual quality in the water sector (2021-2022) – AdF – (ARERA parameters, improvement standards from the Service Charter, and AdF performance – 2021 data are consolidated, 2022 data are not consolidated)

CONTRACTUAL QUALITY WATER SECTOR- AdF						
SPECIFIC LEVELS OF QUALITY						
SERVICES	ARERA STANDARDS	AdF IMPROVEMENT STANDARD (from SC)	average actual completion time for services	degree of compliance	average actual completion time for services	degree of compliance
AdF PERFORMANCE						
			2021	2022		
estimate for water connection with inspection	20 working days		5.41	98.9%	7.41	99.63%
estimate for sewage connection with inspection	20 working days		5.40	99.0%	7.81	99.31%
execution of the water connection with simple work	15 working days		6.56	94.6%	7.34	96.88%
execution of the sewage connection simple work	20 working days		N.A.	N.A.	N.A.	N.A.
supply activation	5 working days		3.58	93.1%	6.25	90.89%
reactivation or takeover of the supply without changing the meter rate	5 working days		2.03	97.8%	1.87	98.28%
reactivation or takeover supply with changes to the meter rate	10 working days		/	/	/	/
reactivation of supply following disconnection for late payment	2 working days		0.85	97.6%	0.85	98.59%
deactivation of supply	7 working days	5 working days	2.81	98.1%	2.34	96.99%
transfer of registration	5 working days		0.19	99.9%	0.20	99.97%
estimates for works with inspection	20 working days		5.82	99.2%	7.04	99.33%
completion of simple work	10 working days		3.85	95.1%	4.63	94.74%
punctuality band for appointments	180 minutes		1.6	99.4%	1.5	99.12%
reply to complaints	30 working days	25 working days	15.4	99.5%	14.25	100%
reply to written enquiries	30 working days	25 working days	15.3	99.5%	12.46	100%
billing adjustment	60 working days		11.8	100%	25.14	100%
GENERAL LEVELS OF QUALITY						
AdF PERFORMANCE						
			2021	2022		
completion of complex water connection	90% of the services within 30 working days		14.5	92.8%	11.71	95.13%
completion of complex sewage connection	90% of the services within 30 working days		20.4	84.9%	19.68	93.18%
completion of complex works	90% of the services within 30 working days		20.0	90.6%	11.57	96.05%
maximum time for the agreed appointment	90% of the services within 7 working days		2.6	98.0%	3.10	98.28%
arrival at the location of the emergency call	90% of the services within 3 minutes from the telephone conversation with the operator		1.5	94.3%	1.51	94.86%

reply to written billing adjustment requests	95% of the services within 30 working days from receipt of the request	17.2	99.9%	19.81	99.53%
reply to the emergency call (CPI)	90% of the services within 120 seconds	43	97.5%	33.42	98.70%

NOTE: The symbol “/” is used when there are no services during the year.

PRICING

ELECTRICITY SERVICE PRICING

In Italy, there are two main types of electricity markets: the standard market service and the free market. In the standard market service, the operator of reference of the territory, which operates in a monopoly regime, offers the supply service to the customer at economic and contractual conditions regulated by ARERA. On the other hand, in the free market the services offered and related prices are the result of competition among all operators. In this context, customers choose their supplier and the offer that most meets their requirements. The legislation has established the gradual abandonment of the standard market service, setting the dates by which the transition to the free market system will become definitive, the full entry into force of which is now set for January 2024.

The costs of supplying electricity are made up of **three items of expenditure**: “**energy**” (supply and retail marketing), “**transport and meter management**” (costs for delivery to customers and reading consumption) and “**taxes**” (consumption tax and VAT), while “**system charges**” (costs for activities in the general interest of the

electricity system, borne by all end customers), present up to 2021, were reduced to zero by the Government.

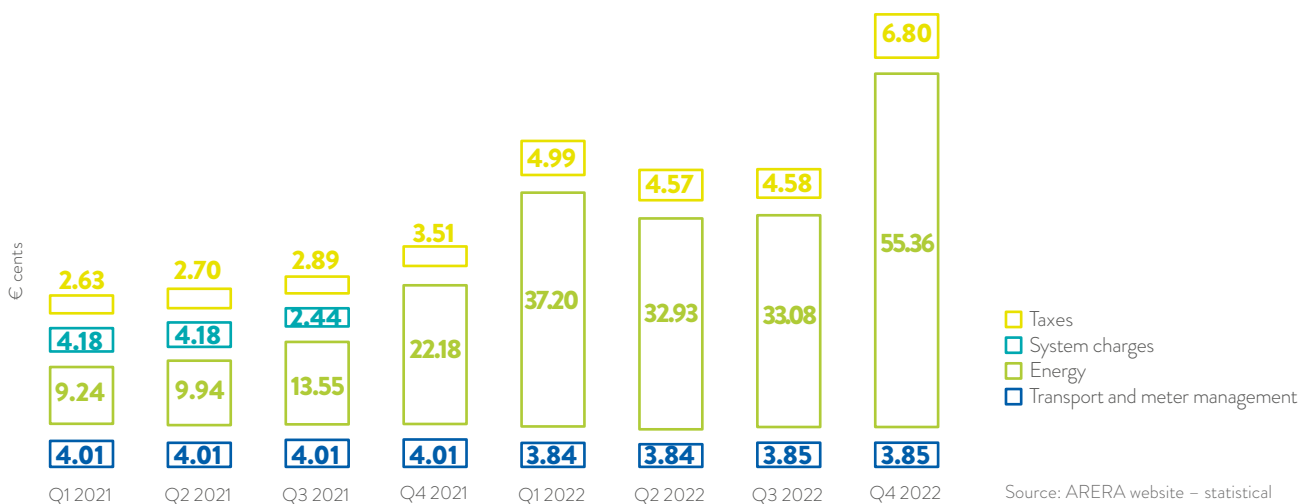
In 2022, the decreasing trend in the number of customers subscribing to the **standard market** service was confirmed, accelerated by the increase in prices, mainly due to international tensions, which drove customers to look for more favourable economic conditions and therefore to change suppliers.

According to the latest ARERA data available, the number of **standard market** service customers, in terms of **withdrawal points**, accounts for **38% of Italian domestic and non-domestic customers** (43% in 2021).

The expansion of the **free market** is evident observing the volumes of electricity sold: free market customers, in fact, consume **86% of the total energy** intended for the end market⁹⁴ (84% in 2021).

For a “**standard**” consumption on the standard market – equal to **2,700 kWh/year**, with a power of 3 kW – the **total annual expenditure** for electricity, estimated by ARERA⁹⁵ in December 2022, was € 1,081.67, **more than double** the previous year (€ 515 per year).

Chart no. 28 – Electricity price trend for a standard domestic customer (€ cent/kWh) (2021-2022)



94 Based on the number of served collection points and the volumes sold in 2021 (ARERA, 2022 annual report).

95 Resolution 289/2022/R/com provides for the monthly update to the spending estimate of offers at variable price and of the protection services in order to include the effects of volatility in prices to allow for an adequate comparison between the fixed price and variable price offers. Source: ARERA – data and statistics.

WATER SERVICE PRICING

By Resolution no. 580/2019/R/IDR of 27 December, the Energy, Networks and Environment Regulatory Authority (ARERA) approved the **Water Tariff Method (WTM-3) for the period 2020-2023**, the guiding principles of which are to overcome the *Water Service Divide*, making operating and management costs more efficient, promoting environmental sustainability and increasing the public's awareness of their water consumption habits. Moreover, the added tools and checks envisaged ensure that any **tariff increases are only possible as a result of investments actually made or certified improvements in management**.

Table no. 36 – Average water prices applied (2022)

Company	€/mc
Acea Ato 2	1.95
Acea Ato 5	2.78
Gesesa	1.65
Gori	2.52
AdF	4.04

CUSTOMER CARE



Higher members and volumes of charging sessions carried out through the **Acea e-mobility app**



In 2022, **new apps** were activated for the electricity and water services: **MyAcea Energia** and **MyAcea Acqua**



20 Waidy Points for Acea Ato 2, in the city and province of Rome, and **189 Acea Energia Points** active across Italy



Around **2,536 GWh** of “green” energy sold by **Acea Energia** to customers of the free market, +15% compared to the consolidated figure for 2021



208.5 tonnes of paper/year saved, +37% compared to the 2021 figure, thanks to customers of the electricity and water services who have chosen **electronic billing**

CUSTOMER CARE POLICY

Looking after customer relations forms the basis of the strategy of Acea, which intends to improve the “customer journey”, the experience customers have when they come into contact with the Group. The **operating companies** pursue this objective in their **daily management of interactions with customers**, while at the Parent Company the **Customer Listening Unit** ensures the monitoring and measurement of customer satisfaction with services provided, to support the companies with finding possible improvement actions. In 2022 the customer satisfaction surveys consolidated and upgraded reporting on the experience on the **digital channels** (see paragraph *Perceived quality*).

In addition, the Customer Listening Unit, in conjunction with the operating companies and through a market research company, carries out **mystery client surveys** to **monitor the quality of customer contact channels**: in 2022, the check on the “video call” channel was also rolled out to AdF. The results are shared with Service Managers and contact operators and facilitate the identification of areas

for improvement in each contact channel to take any necessary corrective measures.

Through the unit **ADR Body - Consumer Associations Coordination Unit** within the Parent Company, Acea monitors **how requests made by Consumer Associations are handled**. The Unit of the Holding has maintained constant relations with the main Consumer Associations to gather requests from local communities and continued to raise awareness for the use of **exclusively dedicated** digital and telephone channels, which are **managed by the Companies** to respond adequately to the new needs emerged since the beginning of the pandemic.

The **Consumer Associations** recognised by the National Consumer and User Council (CNCU) also support and represent customers who intend to resort to a **joint settlement procedure** for the out-of-court settlement of **commercial disputes**, used by Acea. Following the **Memorandum of Understanding for ADR** (Alternative Dispute

Resolution) conciliation signed by 19 consumer associations and the main Group companies⁹⁶, the **ADR body**⁹⁷ was set up, which allows customers of Acea Energia, Areti, Acea Ato 2, Acea Ato 5 and Gesesa to access **out-of-court dispute resolution through the ADR procedure**. With a view to continuous improvement, in 2022 a process of surveys launched in the previous year was consolidated with the aim of measuring customer satisfaction in relation to such activities. In 2022, the Body received a total of **356 requests for procedures – 135 for the water sector and 221 for the energy sector** – an increase of 3.2% compared to the previous year (345 requests in 2021). Of these, in accordance with the law and the Regulation, 235 were assessed as proceeding and 121 as not proceeding.

Gori, which has long signed a **Memorandum of Understanding** for the conciliation of disputes with local consumer associations, also handled **91 conciliation requests** in 2022 and concluded **119 ARERA conciliation requests**.

AdF has a relationship of constant collaboration and comparison with the Consumer Associations active in the territory; in 2022 it ensured direct channels of contact with the representatives of the local associations, in order to limit disputes and facilitate their settlement, through open and constructive dialogue.

The **judicial disputes that took place during the year** between Acea and the customers is explained in the dedicated box.

DISPUTES WITH CUSTOMERS 2022

Legal proceedings **brought by customers** against companies of the Acea Group mainly concerned disputes relating to **charges for service supply, adjustments, pricing structures and service activation delays**.

There were **391** such disputes in 2022, **significantly less** than the 2021 figure (612 disputes started in the year).

As at 31 December 2022, the total number of **disputes pending with customers** (including disputes initiated in previous years) amounted to **1,741**, down with respect to the previous year (1,985). This type of litigation is the one that can be resolved most quickly and normally with a less costly procedure.

Acea Energia has defined and applies **specific procedures**, depending on the channel used, to combat **“disputed activations/contracts”** and **“unsolicited supplies”**⁹⁸.

For **customers of the free market**, in the event of a contract proposal signed using **door-to-door sales or by telephone**, the Company carries out procedures to **verify the correct behaviour of the sales operator**, the clear presentation of the content of the contract signed, and, above all, the customer's awareness of having made a choice by means of a confirmation call aimed at limiting the risk of misunderstanding and belated exercise of the right of withdrawal. Acea Energia **checks the completeness and absence of alterations of all printed contracts** and **listens to all the telephone records produced by the sales reps**. In the event of issues being detected, the IT systems prevent continuation of activation of the offer.

For the **digital sales channel**, in use at the physical channel shop in shop, in **2022 the digital acceptance process was introduced** to replace the process with a biophometric signature via tablets and an App external to the Acea Energia systems. The new process is implemented by preparing the contract directly on the CRM of Acea Energia and providing customers with all the contractual and precontractual elements to affix their electronic signature, through the receipt of a **one-time password (OTP)** directly to their mobile phone.

For the **telemarketing channel**, in 2022, the **“Adobe Sign” digital sales process went live**, nearly entirely replacing the more complicated traditional method. The new process only has one vocal order (not of a contractual nature but to reinforce privacy and quality checks) with an electronic signature also based on a one-time password (OTP). With the digital process, the customer contacted, who has expressed interest in receiving a contract proposal, **can receive in advance**, at his/her e-mail address, **all the precontractual and contractual material in digital format** and proceed only later, if desired, with the digital signature of the contract, by entering the OTP

received via SMS on the mobile phone number indicated. Signing of the contract by digital signature is the only method envisaged for acceptance of the proposal and this **reduces the risk of persuasive phenomena** induced by the sales network.

With the **2022 Agency Mandates**, which govern the relation with the network of sales agents, Acea Energia confirmed the application of a specific annex (“Penalties”) which **regulates the sanctioning process** of the Agencies, providing for a broad, articulated and scalable range of violations and related amounts to be paid according to valid principles of proportionality. In this context, in 2022 **Acea Energia analysed 940 contract proposals** (subject to “unfair commercial practice”), identified through customer complaints or reports or through quality controls carried out internally by the Company, for cases of “disputed activations/contracts”, “unsolicited supplies”, “malpractice” or other violations provided for in the “Penalties” annex. **As a result of the verification activities, Acea Energia reported to the Agencies 827 cases of “unfair commercial practices”**, nearly 88% of the cases analysed. As is customary, in 2022 the Company again carried out a **mandatory training programme for sales representatives** (see the Suppliers chapter) and maintained, in the aforementioned agreements, **bonus/malus mechanisms related to the quality of the contracts acquired**.

Additionally, in 2022 Acea Energia continued the process, already undertaken and in continuous evolution, intended to improve the usability and functionality of the digital channels available to customers, through **digitalisation and simplification**, to provide services that are more and more **focused on the needs of customers**. This includes a project launched during the year to update and simplify the MyAcea Energia app. The **commercial and communication strategy** was also strengthened, highlighting aspects of **sustainability**, through commercial offers and value-added services that contribute to protecting the environment.

⁹⁶ The Protocol was signed in 2016 between the Associations and the companies Acea Energia, Areti, Acea Ato 2 and Acea Ato 5; since December 2020, Gesesa has also joined the ADR body. Three other Group companies active in the water sector, not included in the scope of the NFS, are signatories of the Protocol, and have received a total of 20 requests for ADR procedures, 14 of which are considered eligible.

⁹⁷ Since February 2017 the ADR Body has been included by resolution in the list maintained by the Authority.

⁹⁸ In compliance with ARERA resolution 228/17 and Article 66 quinquies of the Consumer Code.

This strategy is also found in the partnership with WINDTRE, which, since 2021, has seen the **creation of a shared brand: WINDTRE Electricity&Gas Powered by Acea Energia** with a portfolio of sustainable offers. With the new brand, highly innovative for its configuration, Acea Energia has introduced a **model of collaboration** that enhances the commercial potential of the WINDTRE brand and the strength of Acea Energia in the management of the Electricity & Gas service, with the aim of proposing to customers offers marked by transparency, reliability and proximity, thanks to its **widespread national presence** in 2022.

Acea Energia communication in 2022 prioritised the proximity to customers and their central role. For this purpose, the communication campaigns, mainly carried out through the digital channel,

aimed to educate and raise customer awareness, while promoting virtuous behaviour, digital services, electric mobility, value-added and environmentally sustainable products such as latest generation air conditioners and boilers. Communication focused on regions with high potential, with the aim of promoting the knowledge of the brand, the values and the company assets. The digital and innovative positioning achieved was therefore enhanced thanks to the MyAcea Energia app, which allows for self-management of accounts, and the Acea e-mobility app, which allows customers to charge their electric vehicle easily. The recognition expressed by the Financial Times and Statista also deserves a special mention, with **Acea Energia**, representing the Acea Group, included in “Europe’s Climate Leaders 2022”, namely among the **400 leading companies in Europe in the fight against climate change**.

THE ACEA E-MOBILITY APP BY ACEA ENERGIA

In 2022, Acea Energia strengthened its presence on the market of charging services for electric vehicles. Performances arising from diffusion of the **Acea e-mobility** app show a **150% increase in registered users** compared to the end of 2021 and a **50% increase in charging sessions carried out**. The development of the sector of charging stations also allowed for the significant increase in charging points reachable via app.

The **Acea e-mobility** app is characterised by a number of strengths:

- **widespread presence**, with more than 15,000 easily identifiable recharging points around the country;

- **affordability**, with a tariff that has not changed, despite price increases by competitors;
- digitalisation: **top-up and payment via Card or App**;
- **assistance 24 hours a day and 7 days a week** for using the app and for information on prices, payment methods, invoices and problems with the recharging service or the charging stations. Using the App, customers can geolocate the nearest charging station, book it and recharge their car in a smart way. The offer is based on two different tariffs, depending on the type of charging station, for quick or fast recharges.

In 2022 the “**green**” energy sold⁹⁹ by Acea to customers on the free market, estimated at 2,536 GWh, continued to increase, by **over 15%** compared to the volumes consolidated in 2021 (2,196 GWh).

The **share** of this item out of the **total energy sold** in the year to free market customers (around 5,986 GWh, see also *Environmental Accounts*) **reached 42%** (36% on the 2021 consolidated figures).

ACEA ENERGIA’S 2022 COMMERCIAL PROPOSALS FOR THE FREE MARKET: 100% ECO AND NEW SERVICES

In 2022 Acea Energia continued the **commercial offer** of 100% Eco electricity and gas and value-added products such as boilers and air conditioners.

Acea Energia’s **sustainable offers** include **100% Green Light** and **0% CO₂ Gas**, in line with the Acea Group’s objectives of environmental protection and commitment to the territory.

The electricity supplied has a “Guarantee of Origin” (G.O.) electronic certificate that **attests to the renewable origin of the sources used for its production**. The gas **offsets CO₂ emissions**, achieved through the purchase of certified carbon credits (VER – Verified Emission Reduction). The carbon credits purchased for 2022 contributed to funding climate change mitigation projects in Peru and India with tangible benefits for the local communities.

Finally, in compliance with the provisions of ARERA, in its product

catalogue Acea Energia has prepared the differentiated **PLACET** offers – Free Price at Equivalent Protected Conditions – for families (domestic use) or small businesses (non-domestic use). During the year, sales of so-called “VAS” (value-added services) were consolidated, such as **high energy efficiency boilers, air conditioners and other products**, to reduce consumption, with a view to sustainability. With the purchase or replacement of obsolete equipment with that offered by Acea Energia, **the customer can take advantage of the tax benefits** envisaged by current regulations. The offer proposed by Acea Energia consists, in addition to the physical asset, of services such as consulting, installation and assistance, aimed at ensuring a **“turnkey” solution**. Acea Energia **installed over 5,000 units of high efficiency products** in 2022.

⁹⁹ Like the 2021 figure, the figure for G.O. certified green energy sold in 2022 by Acea Energia and AEMA also includes the main Group companies’ internal consumption, which contributes approximately 350 GWh out of an estimated total of 2,536 GWh. The final calculation is expected in March 2022, and the consolidated data will be updated in the next reporting cycle.

In January 2022, Acea Energia launched the third edition of the loyalty programme **Acea con Te** with multiple new changes and a strong focus on sustainability:

- the section **sustainable awards in the catalogue and in the “Emozioni da Prima Fila” [Front Row Excitement] competitions was expanded;**
- **“Green Lovers” was launched**, an ongoing section in the reserved area dedicated to engagement and edutainment initiatives focused on sustainability;
- **engagement initiatives** were carried out, such as surveys on energy efficiency and reducing consumption;
- **a competition** was created with prizes up for grabs to **support households in their daily spending** (economic sustainability).

Thanks to the improvement in the health emergency, the in-person events of the **“Emozioni da Prima Fila” [Front Row Excitement]** competition resumed, with prizes such as e-bike tours, visits to the beehive, and trekking in Monte Terminillo. The partnership with Gambero Rosso also continued through a co-marketing agreement to convey a sustainable food and wine culture to those enrolled in the programme. Subscribers can take advantage of ad hoc events on the Gambero Rosso Academy training platform, plus win prizes and follow specific events in the wine, travel and food sectors, while enjoying dedicated discounts.

ACEA ENERGIA POINTS INCREASE ACROSS ITALY

Acea Energy confirmed its commitment to the optimisation of its physical network and, during the health emergency, in compliance with all the safety measures, opened new **“Acea Energia Points”**, in Rome and outside Rome using a Shop in Shop formula, i.e. setting them up in pre-existing multi-brand stores.

The Acea Energia Points, a point of reference for customers who want to activate an electricity and gas account on the free market,

ensures, thanks to digitalised procedures, **reduced waiting times, quality of service and an improved customer experience**. A total of **189 Acea Energia Points** were active as at 31 December 2022, distributed across Italy, in particular in the regions of Lazio, Campania, Calabria, Molise, Apulia, Veneto, Lombardy, Piedmont, Sicily and Sardinia.

Water companies have also stepped up **communication initiatives aimed at customers**. On World Water Day, the Acea Group confirmed its commitment by launching a national campaign to raise awareness about saving water, in which Acea Ato 2 took part. In line with previous years, **Acea Ato 2** also re-proposed the **communication campaign on the supplementary water bonus**, to inform eligible customers about the possibility to take advantage of this significant benefit at local level in their bill, which can be used in conjunction with the national social bonus, subject to an application to the Operational Technical Secretariat of OTA 2 Central Lazio (OTS). The communication campaign was carried out through press, digital and outdoor, especially in the province, where there is a higher concentration of direct users. During 2022, outdoor LED walls were used for the first time in the communication campaigns, placed at strategic points in Rome with a notable image return; this method was used, for example, close to the Auditorium on Via della Conciliazione, close to St Peter's Basilica, to promote the interactive web bill. Lastly, the water-saving campaign was also re-proposed in the summer months, to raise customer awareness on the responsible use of water, when LED advertising walls were used once again, for example at the Rome Marina in Ostia or along the main Roman consular streets, guaranteeing excellent return thanks to the high brightness that allows for visibility day and night.

Each year, **Acea Ato 5** proposes communication initiatives to make customers aware of specific issues, such as communicating meter readings and mitigating the risk of meters freezing, and informing them about the planned replacement of the meters. **The “Water Identity Card” initiative was also maintained in 2022**, allowing users to provide their residential address in order to have access to data and information on the quality of the water supplied, including an indication of the values of the main analytes that characterise the water in the area of interest.

AdF has defined an **integrated communication plan** with new “customised” touch points for the specific needs of customers. To pro-

mote the activation of web billing and bank or post office direct debits, the Company had already promoted the **loyalty bonus** in 2021, a one-off incentive intended to reward the most virtuous users who, through this choice, activated at least 12 months ago, contribute to paper savings and demonstrate trust in AdF. As at 31 December 2022, by virtue of this initiative, AdF has paid a total of **€ 230,270 to 46,054 users**. From June 2022, with **“AdF da te, un nuovo servizio per rimanere sempre informati”** [AdF at home, a new service to stay informed], the Company invited customers to provide their contact details, via online forms, in order to receive real-time updates via e-mail or SMS about possible water disruptions and important communications about the integrated water service. In December 2022, the **Singularizzare conviene** [Singularising is worth it] information campaign was launched, to promote the separation of users who use a single centralised meter in a shared apartment complex. The main benefits for customers who choose to “singularise” their water account are more awareness around water use, measurement and precise billing of consumption and incentives.

Each year, **Gori** informs customers and raises their awareness of the correct protection of meters and systems from frost and on the quality of water distributed, transmitting the communication initiatives on various channels and using videos and other media for the web and the press.

CONTACT CHANNELS AND PERFORMANCE

In all customer relations, Acea Group is committed to **guaranteeing the respect of privacy in the management of personal data**. In particular, Acea keeps updated safeguards on the issue of privacy to better respond to the evolution of the relevant legislation, in line with the European regulations (General Data Protection Regulation - **GDPR**)¹⁰⁰ on the protection of personal data (see in-depth analysis in *Corporate Identity, The Internal Control and Risk Management System*).

¹⁰⁰ Regulation EU 679/2016 (GDPR).

Acea makes available to customers **traditional contact channels** (call centre and branch) and **digital contact channels** that are more advanced every year. The health emergency, triggered in 2020 and continuing partly into 2022, has in fact made it **essential to spread the use of remote channels**, spurring companies to continually improve them. In 2022, therefore, all Group companies managing customer relations implemented initiatives aimed at improving remote contact channels and increasing the digitalisation of commercial processes. This strategy **led to the separation of dedicated apps for different services**, succeeding the single MyAcea app, to allow for the development of **more targeted and distinctive communication methods**.

Acea Energia launched the **new MyAcea Energia reserved area**, live since March 2022, **also available in the form of an app** for mobile devices (Android and iOS), which allows customers to **manage their electricity and gas accounts**, with a new user experience plus an **expanded range of actions available**. The **MySER App**, on the other hand, is dedicated to the **standard market service**.

As at 31 December 2022, over **196,000 users** were registered on the **MyAcea Energia App** and over **284,300** on the **MySER App**. The **web area** for the free market recorded more than **438,000 total unique log ins** during the year.

In 2022, Acea Energia also continued to develop new features on the portal for **"large customers"** to access information about supplies, payments, contracts, invoices and consumption data. In particular, features were released during the year for the bulk uploading of technical and commercial services and improvements to graphics and reporting.

In March 2022, the new app (for Android and iOS) was also launched for the **water service** (Acea Ato 2 and Acea Ato 5): **MyAcea Acqua**.

As at 31 December 2022, there were **362,918 users registered** in the online customer area pertaining to **Acea Ato 2**, an **increase of around 5%** (345,355 in 2021). This figure corresponds to 48% of the customers with active water supplies at the end of the year (754,569).

Through an external supplier, Acea Ato 2 manages **the chat service** to help customers browse the website and, after registration, use the services available in the customer area MyAcea.

During the year, the Company continued the initiatives already undertaken to promote the greater digitalisation of the customer experience:

- the development of the **digital branch**, the service that can be used, upon reservation, via computer equipped with a webcam or via smartphone. With a view to overcoming the *digital divide*, the Company has also made available, by appointment, access to **local branches**, known as **"Waidy Points"** (see the dedicated box below);
- an **integrated customer relationship management platform**, **Salesforce**, with an omnichannel perspective; the project also includes the development of a tool (Salesforce dunning) aimed at streamlining the solicitation process in the event of credit recovery;
- digitisation of two important commercial processes (transfer and takeover), to make them digitally usable with the possibility of finalising the contract by accepting a link received by email;
- the **transition to the new telephone platform**, CTI Genesys, and consequent transfer of the contact centre service. The tools accompanying the new platform, which speed up call management thanks to the integration, already usable, in Salesforce, will simplify contact centre operations and improve customer experience.

Acea Ato 5 continued to implement new technologies to develop more effective customer management systems and solutions and for the evolution of the contact channels (digital branch, sales toll-

free number, My Acea Acqua app, e-mail, web portal), increasing the offer of new digital services. The initiatives undertaken centre on the intention to bring the customer closer to smart technology services, so as to rely less and less on help from operators. In 2022, the company also carried out information campaigns, both in the press and via e-mail and SMS, to promote **the use of remote contact channels** (MyAcea Acqua app, website, toll-free number, dedicated numbers) and the new interactive bill. **Subscriptions to the relevant web area** increased reaching a total of **61,820 users, 9% more** than the 2021 figure (56,623 users), accounting for around 30% of total active contracts in the year. Furthermore, through an external supplier, Acea Ato 5 also manages **the chat service** to help customers use the services on the MyAcea customer area.

AdF sought to promote the use of the new MyFiora customer area, introduced in late February 2022 with an advertising campaign **Un nuovo modo di essere MyFiora** [A new way to be MyFiora], using traditional and digital media. The initiative contributed to an increase in the number of registered customers to **59,073, up 12%** on the 2021 figure (52,847 registered). Thanks to a completely revamped interface, the new customer area provides an excellent response to the needs of customers, with the possibility to manage water accounts completely autonomously, and offers a more intuitive navigation experience. In addition to the web section, **updated versions of the MyFiora app** were also released on the digital stores (for Android and iOS), with a new and more modern interface. With the aim of promoting the digital services, AdF also introduced, in July 2022 the **myfiora transfer bonus**, which rewards customers who choose to manage the transfer request using the self-service feature, by accessing the portal. The one-off bonus is paid in the first bill. As at 31 December 2022, **251** customers had chosen this method (equal to a total amount paid by the company of around € 8,500). Lastly, **social media** are the most used communication channels by customers for interacting with AdF. In 2022, the company invested in the growth and development of the **social community**, recording a **16% increase** compared to the previous year with **11,291 fans/followers** on Facebook (9,696 in 2021).

Gori continued to promote participation in digital services (My-Gori, web bill and interactive bill), recording an **increase of around 16%** in registered users in the **MyGori** reserved area and, as at 31 December 2022, totalling **186,180 users** (160,843 in 2021). In 2022, **Gesesa** undertook communication initiatives to promote the **MyGesesa** area, sending meter readings and awareness of the toll-free numbers. Registered users in the MyGesesa reserved area **increased by 13%** compared to the previous year, reaching 10,200 users as at 31 December 2022 (9,009 users in 2021).

On the **website www.acea.it** dedicated to the **free market** and on the **website www.servizioelettricoroma.it** dedicated to the **protected market of Acea Energia** there are **guides to reading the bill**. These guides are also available for customers of the **water service** found in the **Water section** of the Acea Group website www.gruppo.acea.it.

The bill for all the water companies in the Acea Group was renewed, in 2021, with a complete restyling, simplification and rationalisation of the content, an e-mail template for the delivery of the web bill, designed to convey to users the image of a company that is digitally ready and attentive to sustainability issues. The **interactive bill** was also introduced, which complemented the web bill in PDF format. The latter, available via PC, smartphone and tablet, is **designed as a navigable dashboard** available to the customer and shows the main information elements on the home page (water user data, billing period, actual billed consumption, amount to be paid, payment status), allowing for easy and immediate understanding of the dynamics of consumption and related expenditure.

As mentioned, all companies, in the water service as well as energy sales, **have encouraged the activation of the web bill** and digital payments by promoting the **increase of the significant related environmental benefits**¹⁰¹.

In particular, as at 31 December 2022, the number of **Acea Ato 2** users with digital billing was **385,353**, around **7% more** than in 2021 (358,707 users with web billing), with an **annual paper saving of 78.3 tonnes**.

At the end of 2022, there was a total of **87,631 AdF** users with active web billing, around 37% of the total users, with a **5% increase** compared to the previous year (83,277 users with web billing in 2021) and a paper saving of **10.9 tonnes per year**.

Subscriptions to the web bill service, for **Gori** users, reached **221,408** as at 31 December 2022, around **12% higher** than the previous year (197,790 users with web billing in 2021), with a saving of **6.5 tonnes of paper per year**.

At the end of 2022, **Acea Ato 5** recorded **53,869** users with active web billing, **13% more** than the figure for 2021 (47,623 users), with a saving of **5.7 tonnes of paper per year**.

As at 31 December 2022, **Gesesa** had **9,344** users with active web billing, around **14% more** than in 2021 (8,206 users), **with a saving of 1.5 tonnes of paper per year**.

Lastly, as at 31 December 2022, **Acea Energia** recorded **489,146** active supplies with web billing (specifically, 322,054 for the free market and 167,092 for the standard market service), with an **increase of around 24%** compared to the figure for 2021 (394,655 supplies with web billing), for a paper saving in the year of **80.7 tonnes**.

Overall, therefore, thanks to the **web billing service offered by Group companies and the customers who activated it**, **208.5 tonnes of paper were saved in the year**, **37% more than the 2021 figure** (152 tonnes of paper).

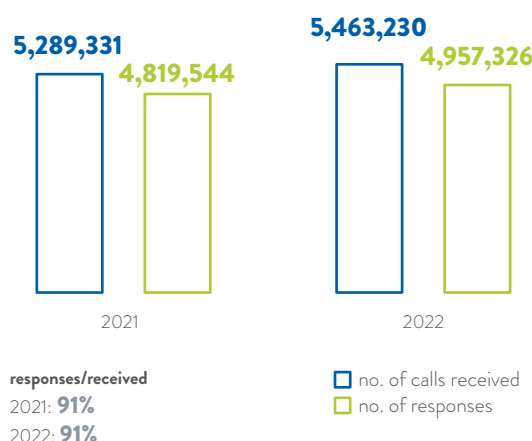
For Acea Ato 2 and Acea Ato 5, the **contact centre service** is managed by an external supplier, identified by each company through a tender¹⁰² (Acea Ato 5 awarded the contract for the service in June 2022). The service is carried out according to the One Call Solution (OCS) approach, in order to meet the needs expressed by customers through a single contact; the quality of the service is monitored and **the staff are trained and attend refreshers** on procedure and how to interact with the customer.

Acea Energia internally manages the **social media channel** (Facebook) for free market customers and the dedicated **chat channel**, while for the standard market service (Rome Electricity Service) the chat channel is managed by an external supplier; it also manages the toll-free numbers for the free market and the standard market service, outbound campaigns, *back office customer care* activities, the toll-free number for making appointments at the branch, the Peditus toll-free number and the Premium toll-free number. The **Peditus App**, which is available for all devices, allows **people with a hearing impairment** to contact the call centre – on a telephone line with a dedicated priority queue – by writing text messages in chat, which are read to the operator by a computerised voice, while the operator's answers are returned to users in written form.

In 2022, the **Group's toll-free numbers received** a total of **more than 5.4 million calls**, an **increase of 3.3%** compared to 2021 (approximately 5.3 million calls); the upward trend recorded in recent years is consistent with the greater use of remote contact channels.

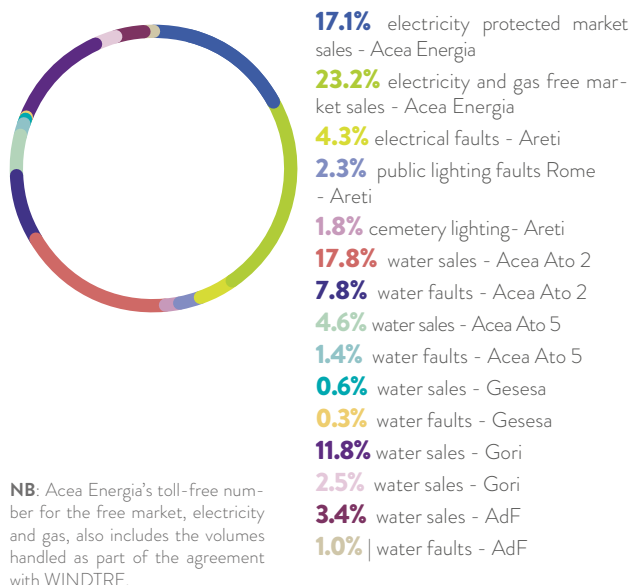
The **overall service level**, despite the increase in the number of calls received in the year under review, was 91%, in line with the performance recorded in 2021 (see Chart no. 29 and Tables nos.37 and 38 for the performance of individual companies, at the end of this section).

Chart no. 29 – Total telephone traffic for Acea's toll-free numbers (2021-2022)



NB: the 2021 figures have been slightly adjusted to consolidate Acquedotto del Fio-
ra's data; the 2021 and 2022 figures also include Acea Energia's commercial toll-free
number, activated following the agreement with WINDTRE.

Chart no. 30 – Percentage breakdown of inbound calls to Acea toll-free numbers (2022)



NB: Acea Energia's toll-free number for the free market, electricity and gas, also includes the volumes handled as part of the agreement with WINDTRE.

¹⁰¹ It is important to consider that the paper savings shown for each company are calculated on the basis of sheets/envelopes effectively saved, with variables, from company to company, that depend on the billing frequency and the type of communications sent to customers.

¹⁰² Acea Ato 5 awarded the service contract in June 2022 to the supplier that won the public tender held in 2021.

The opening of **physical branches** continues to be organised to ensure maximum safety for users and staff, with **customers allowed entry by appointment only**. This, together with the further development of remote channels, has continued to result in **much lower number of visitors than in pre-pandemic years** and, for some companies, another decrease in 2022.

The **branches at Acea's headquarters in Rome**, in Piazzale Ostiense, for the electricity, gas and water services managed by **Acea Energia** and **Acea Ato 2**, allowed **entry to a total of 47,232 customers** in 2022 (the figure for 2021 was 50,254 customers, that for 2020 was 88,723 customers and that for 2019, before the pandemic emergency, 204,542 customers), **with service levels close to 100%**. In compliance with health safety measures, branches allowed entry by appointment only.

If the total figures for **all companies in the scope** are considered, **126,918** customers were received at the branches (121,674 in 2021;

163,527 in 2020 and 555,496 in 2019); the slight increase on the figure for 2021 is due to higher numbers of visitors than in the previous year, recorded by Gori, AdF and Gesesa, and for the standard market service of Acea Energia. See Tables 37 and 38 for the performance over the last two years of the individual Companies.

In June 2022, the **digital service point was internalised by Acea Ato 2**, with an increase in the **quality of the service** provided and a **decrease in the volumes managed** – from an average of 1,200 monthly appointments at the start of the year to an average of 400 monthly appointments at the end of 2022 – thanks to the experience of the resources employed, the synergy between the different channels and the commitment to resolve the customer's request during first contact. Acea Ato 2 also activated new **Waidy Points** in 2022 (see box with details).

ACEA ATO 2 OPENS NEW WAIDY POINTS IN THE TERRITORY

Waidy Point, launched by Acea Ato 2 in May 2021, is an additional service and contact channel, which performs the same functions as the traditional physical branch but in a digital version, with the aim of combining innovation and proximity to customers. It is a mobile structure equipped with a monitor, internet, scanner and printer, which customers can use, **assisted by an on-site staff member**, to contact an operator via video call and carry out any commercial action. The service was designed, using innovative solutions, to reduce the "digital divide", with the aim of supporting customers with

less familiarity with computer tools or with no access to them. The Waidy Point solution also allows for a more widespread diffusion across the territory. In fact, the municipalities that request one and provide a digital facilitator can activate agreements with Acea Ato 2 for the opening of additional territorial hubs, in premises within the municipality itself, with hardware provided by the company.

As at 31 December 2022, there were **20 Waidy Points across the territory** (6 in 2021), of which 14 managed by Acea Ato 2 and 6 by municipalities.

Also for AdF, access to the two AdF Points in Grosseto and Siena was kept by appointment¹⁰³, which could be booked through the sales toll-free number, the website or at both locations. Customers were also able to use the **digital service point**, again by appointment; this contact method, which guarantees widespread coverage across the territory, is increasingly more appreciated and has recorded **an increase in contact of over 36%** compared to the previous year, managing to cover **19% of total contact** via branch. The customer clustering process has seen the definition of new professional figures dedicated to the management of specific customer segments (Member Municipalities, Businesses, Condominiums, "Industrial Waste"), which have confidential contact channels. Since 2022, a **channel with dedicated staff has also been reserved for top clients**, i.e. large customers with monthly billing. Lastly, close attention was paid during the year to users that recorded significant **anomalous consumption**, with prompt telephone contact, to allow customers to act as quickly as possible on any hidden leaks, reducing difficulties related to billing and to protect the water resource.

Lastly, **Gesesa** also has the digital service "**Prenotami**" [Book me], with which customers can choose the day and time to access the

branch by appointment.

The operating companies handle **written complaints, following the processing of cases using information systems: from reporting to resolution**.

For the **energy service**, the "replies to written complaints/enquiries" both by the sales Company and the distribution Company, are services included among the **levels of commercial quality** subject to regulation by the national Authority (see sub-paragraph *Quality levels regulated by ARERA in the electricity sector*). Likewise, for the **water service, the contractual quality levels**, specific and general, introduced by the Authority, also provide for management procedures and response times to enquiries, written complaints and requests for billing corrections (see sub-paragraph *Quality levels regulated by ARERA in the water sector*).

For the **public lighting service**, responses to **written complaints/requests** are handled directly by Areti. In 2022, a total of **3,409 complaints/enquiries** were received, a slight decrease on the figure for 2021 (3,704 complaints/enquiries); Areti **replied to 92%** of them by 31 December 2022.

¹⁰³ For the use of branches by appointment, the Authority has introduced an additional standard, linked to the maximum time of appointment at the branch. The maximum time for the agreed appointment at the branch is the time between the day on which the Operator receives the request for an appointment at one of its branches from the end user and the day on which the appointment is made available at that location.

Table no. 37 – Energy: toll-free number and branch performance (2021-2022) (*)

TOLL-FREE NUMBERS			
	u. m.	2021	2022
COMMERCIAL TOLL-FREE NUMBER (Acea Energia) - STANDARD MARKET SERVICE			
total calls received	no.	774,011	934,318
total answers	no.	740,472	875,662
service level (% of answers to calls received)	%	95.7%	93.7%
average waiting time	min. sec.	1'48"	2'32"
average conversation time	min. sec.	6'03"	5'43"
COMMERCIAL TOLL-FREE NUMBER (Acea Energia) - FREE MARKET (energy and gas) (**)			
total calls received	no.	1,042,053	1,269,188
total answers	no.	971,657	1,135,789
service level (% of answers to calls received)	%	93.2%	89.5%
average waiting time	min. sec.	1'22"	2'48"
average conversation time	min. sec.	7'13"	6'56"
FAULT TOLL-FREE NUMBER (Areti)			
total calls received	no.	214,186	236,028
total answers	no.	209,074	229,120
service level (% of answers to calls received)	%	97.6%	97.1%
average waiting time	min. sec.	1'46"	1'24"
average conversation time	min. sec.	3'37"	3'06"
PUBLIC LIGHTING - FAULT TOLL-FREE NUMBER (Areti)			
total calls received	no.	160,998	126,103
total answers	no.	156,758	121,189
service level (% of answers to calls received)	%	97.4%	96.1%
average waiting time	min. sec.	2'12"	1'16"
average conversation time	min. sec.	3'00"	2'57"
CEMETERY LIGHTING - COMMERCIAL TOLL-FREE NUMBER/FAULTS (Areti)			
total calls received	no.	121,817	98,081
total answers	no.	120,013	85,665
service level (% of answers to calls received)	%	98.5%	87.3%
average waiting time	min. sec.	8'03"	3'04"
average conversation time	min. sec.	4'34"	4'04"
BRANCHES			
ACEA ENERGIA - STANDARD MARKET SERVICE BRANCH			
tickets issued	no.	13,594	15,648
customers served	no.	13,562	15,547
service level (% customers served/tickets issued)	%	99.8%	99.4%
average waiting time	min. sec.	3'17"	5'58"
average service time (***)	min. sec.	7'07"	n/a
ACEA ENERGIA - FREE MARKET BRANCH (ENERGY, GAS AND OFFERS)			
tickets issued	no.	19,262	17,683
customers served	no.	19,234	17,645
service level (% customers served/tickets issued)	%	99.9%	99.8%
average waiting time	min. sec.	4'13"	4'00"
average service time (***)	min. sec.	8'49"	n/a

(*) The volumes of channels subject to sector regulation are consistent with the calculation methods envisaged for reporting to ARERA. For example, for the toll-free numbers of Acea Energia and Areti, the average waiting time is the time that elapses between answering, even if it is made through an automatic answering machine, and the beginning of the conversation with the operator or the end of the call if the caller hangs up before the beginning of the conversation with the operator.

(**) Includes data from the "WindTre Luce and Gas powered by Acea Energia" partnership service, active from 12 July 2021.

(***) For 2022, the average management time (TMG) of the branches is no longer present in the system since the current queue manager does not manage this method.

Table no. 38 – Water: toll-free number and branch performance (2021-2022) (*)

TOLL-FREE NUMBERS			
	u. m.	2021	2022
COMMERCIAL TOLL-FREE NUMBER (ACEA ATO 2 - city and province of Rome) (**)			
total calls received	no.	1,059,740	977,149
total answers	no.	952,917	888,961
service level (% of answers to calls received)	%	89.9%	91.0%
average waiting time before answer	min. sec.	2'17"	2'29"
average conversation time	min. sec.	4'30"	4'35"
FAULT TOLL-FREE NUMBER (ACEA ATO 2 - city and province of Rome) (***)			
total calls received	no.	427,973	428,607
total answers	no.	423,858	406,634
service level (% of answers to calls received)	%	99.0%	94.9%
average waiting time before answer	min. sec.	0'15"	0'12"
average conversation time	min. sec.	3'02"	2'57"
COMMERCIAL TOLL-FREE NUMBER (ACEA ATO 5 – Frosinone and province)			
total calls received	no.	293,023	252,139
total answers	no.	249,970	224,531
service level (% of answers to calls received)	%	85.3%	89.1%
average waiting time before answer	min. sec.	2'42"	2'49"
average conversation time	min. sec.	4'09"	4'48"
FAULT TOLL-FREE NUMBER (ACEA ATO 5 - city and province of Frosinone) (***)			
total calls received	no.	149,171	76,502
total answers	no.	120,255	73,267
service level (% of answers to calls received)	%	80.6%	95.8%
average waiting time before answer	min. sec.	0'53"	0'29"
average conversation time	min. sec.	3'55"	3'21"
COMMERCIAL TOLL-FREE NUMBER (GESESA - city and province of Benevento)			
total calls received	no.	38,475	35,246
total answers	no.	28,264	30,968
service level (% of answers to calls received)	%	73.5%	87.9%
average waiting time before answer	min. sec.	3'08"	2'59"
average conversation time	min. sec.	5'00"	4'57"
FAULT TOLL-FREE NUMBER (GESESA - city and province of Benevento)			
total calls received	no.	16,708	16,086
total answers	no.	14,007	14,168
service level (% of answers to calls received)	%	83.8%	88.1%
average waiting time before answer	min. sec.	1'12"	1'32"
average conversation time	min. sec.	2'27"	2'33"
COMMERCIAL TOLL-FREE NUMBER (GORI - Naples and Salerno provinces)			
total calls received	no.	588,292	648,444
total answers	no.	458,648	508,066
service level (% of answers to calls received)	%	78.0%	78.4%
average waiting time before answer	min. sec.	4'51"	4'53"
average conversation time	min. sec.	5'09"	5'05"

FAULT TOLL-FREE NUMBER (GORI - Naples and Salerno provinces)

total calls received	no.	131,595	134,442
total answers	no.	125,845	131,308
service level (% of answers to calls received)	%	95.6%	97.7%
average waiting time before answer	min. sec.	0'52"	0'48"
average conversation time	min. sec.	3'26"	3'27"

COMMERCIAL TOLL-FREE NUMBER (AdF - provinces of Grosseto and Siena) (**)**

total calls received	no.	213,496	188,750
total answers	no.	191,453	176,149
service level (% of answers to calls received)	%	89.7%	93.3%
average waiting time before answer	min. sec.	2'18"	1'53"
average conversation time	min. sec.	5'50"	6'31"

FAULT TOLL-FREE NUMBER (AdF - provinces of Grosseto and Siena) (**)**

total calls received	no.	57,793	55,659
total answers	no.	56,353	54,938
service level (% of answers to calls received)	%	97.5%	98.70%
average waiting time before answer	min. sec.	0'43"	0'33"
average conversation time	min. sec.	3'35"	3'47"

BRANCHES**ACEA ATO 2 (ROME - HEAD OFFICE BRANCH) (**)**

tickets issued	no.	17,398	13,901
customers served	no.	17,293	13,817
service level (% customers served/tickets issued)	%	99.4%	99.4%
average waiting time	min. sec.	1'00"	01:00"
average service time	min. sec.	18'55"	21:43

ACEA ATO 5 (2 BRANCHES CITY AND PROVINCE OF FROSINONE)

tickets issued	no.	14,896	13,872
customers served	no.	14,896	13,872
service level (% customers served/tickets issued)	%	100%	100%
average waiting time	min. sec.	1'15"	1'05"
average service time	min. sec.	16'12"	17'20"

GESESA (1 branch Benevento and province)

tickets issued	no.	5,563	9,939
customers served	no.	5,562	9,891
service level (% customers served/tickets issued)	%	100%	99.5%
average waiting time	min. sec.	0'42"	4'01"
average service time	min. sec.	14'42"	8'45"

GORI (6 branches in provinces of Naples and Salerno) (***)**

tickets issued	no.	44,602	47,637
customers served	no.	42,103	43,705
service level (% customers served/tickets issued) (****)	%	94.4%	91.7%
average waiting time	min. sec.	13'13"	7'07"
average service time	min. sec.	16'43"	16'43"

AdF (7 branches in provinces of Grosseto and Siena) (**)**

tickets issued	no.	6,385	8,238
customers served	no.	6,385	8,238
service level (% customers served/tickets issued)	%	100%	100%
average waiting time	min. sec.	2'00"	1'00"
average service time	min. sec.	15'00"	16'00"

(*) The volumes of channels subject to sector regulation are consistent with the calculation methods envisaged for reporting to ARERA. For example, for the fault toll-free number, 'total answers' means, in line with the Authority's guidelines, 'total answers within TMA' and 'service level' means the % of calls with TMA within the standard.

(**) the 2022 figures of Acea Ato 2 for both toll-free numbers and the branch are being consolidated and have not yet been communicated to the Authority.

(***) Calls handled by the automatic system or terminated by the customer during navigation within the interactive voice responder are also considered as answers. The figures of the 2022 fault toll-free number are still being consolidated.

(****) Certain 2021 figures have been adjusted for consolidation in line with what has been communicated to the Authority, while the 2022 figures are being consolidated and have not yet been communicated to the Authority.

(*****) The figures for 2022 are updated to November since at the time of drafting the document they were being consolidated and had not yet been communicated to the Authority.

COMMUNICATIONS, EVENTS AND SOLIDARITY



Special award at the
19th Press,
Outdoor & Promotion Key
Awards for the institutional
campaign: **Leaders in the
ecological transition with all
our energy**



**Acea
Green Cup**
2022, second edition:
awarding the **Group's
most sustainable
projects**



Acea Scuola
2022/2023 **Let's Protect
the Environment** in digital
format on the Acea
EcoVillage platform



Inaugurated the
first multimedia
totems in the Rieti
area as part of the
project **Tourist trails
to discover Italy's
waters – MIA (Acea
Immersive
Museum)**

COMMUNICATION

The **Communication Function** of the Parent Company directs and coordinates the **communication and information strategies and initiatives**, of Acea SpA and of the subsidiaries, defining the **development of the Group image**. The main tool for this activity is the **Annual Communication Plan**, which is defined and monitored as time progresses. The Function also oversees **information coverage by journalists**, managing **relations with the media** and drafting and disseminating non-price-sensitive press releases, the preparation of press reviews and the organisation of press conferences for the various business areas. It also coordinates **communication activities and internal dissemination** of documents, news and editorial content, **brand enhancement, management of corporate identity**, creation of **institutional, advertising and commercial campaigns**, organisation of **public or institutional events**, development and management of **environmental education and solidarity projects**, as well as special projects and external events aimed at **strengthening the bond between Acea and the territory**.

In-house expertise also covers the design and production of **photographic and video services**, management of the **Group's modern and historic documentary and photographic archives**, and the pro-

motion of Acea sites/plants for educational and cultural purposes.

The Communication Function also defines the **digital strategy and digital identity**, in line with the strategic guidelines decided by Top Management, the positioning of the Group in the digital ecosystem, through the design, development and management of the **institutional website** and the websites of the companies aligned with the corporate identity.

It is responsible for the operational management of **social media channels to disseminate and enhance, in addition to news and information about the Group, brand awareness, the Group's values and mission** and the initiatives it carries out during the year.

In 2022, the **Group's advertising communication** emphasised the key elements of the Communication Plan: **sustainability and environment, innovation, and territory**. These were the "pillars" of the major **institutional campaign** on the ecological transition launched in April in the main national and local newspapers, online and in print, intended to highlight Acea's role in this area, aligned with European and national strategy (see the dedicated box).

ACEA'S INSTITUTIONAL CAMPAIGN FOR THE ECOLOGICAL TRANSITION

The campaign carried out in 2022, called **Protagonisti della transizione ecologica con tutte le nostre energie** [Leaders in the ecological transition with all our energy], sought to increase brand awareness and underline the company's sense of commitment to the **ecological transition** at national level. The campaign therefore capitalised on Acea's positioning, based on the synergy and collaboration with the territories where it operates and on the constant drive towards the future and the innovation of the businesses managed, with a particular focus on aspects of sustainability.

Through impactful and iconic communication, the institutional

campaign drew attention to the Group, describing all areas of activity. The textual part of the campaign, with the payoff "*Il futuro è il nostro ambiente*" [The future is our environment], aimed to convey the Group's commitment to and energy spent on creating progress in the ecological transition.

This was a very substantial communication effort, **on air in April and May**, with a total of over **50 appearances in the press** and over 10 million web impressions.

In July 2022, **the campaign was awarded the 19th Press, Outdoor & Promotion Key Award – Special Prize.**



The Group's commitment to **sustainability** and the **environment** was also underlined by a **water saving campaign by Acea Ato 2**, which was on air for three months in the summer across the entire province of Rome in the press, digital and outdoor with over 5,000 posters, and by an **energy saving campaign by Areti**, focused on the responsible use of air conditioners, on air in August 2022, with digital and outdoor formats in Rome.

Homage was paid to the "**territory**" by the campaign to spread awareness of the **water bonus by Acea Ato 2** (press and digital in April and May 2022), by the **digital campaign on the Acea Immersive Museum**, online between May and December, and the final campaign of the year **dedicated to the "Roma By Light" Christmas contest**, the photography competition pair with the Christmas light decorations set up by Acea.

To support the **activities of Acea Energia**, a communication cam-

paign was launched in April 2022 and continued until early 2023 to improve awareness of the company and the digital channels available to customers. The campaign, developed through targeted and crossing actions, with thousands of radio adverts, press releases and digital strategy, had a significant media response thanks to the involvement of two exceptional testimonials, Emanuela Fanelli and Frank Matano.

In 2022, the Group's commitment to **students** continued with **Acea School – ProteggiAmo l'ambiente** [Let's Protect the Environment], a training course that allowed young people to discover the best practices, projects and technologies implemented by the Group to manage the activities sustainably, learning about certain aspects such as alternative energy sources (see the dedicated box).

2022/2023 DIGITAL EDITION OF ACEA SCHOOL – *PROTEGGIAMO L'AMBIENTE* [LET'S PROTECT THE ENVIRONMENT]

For the third year in a row, Acea has offered the digital edition of the training course to raise young people's awareness of environmental sustainability. Before the health emergency, the course was carried out in person. This delivery method has been effective and in 2022, the Acea School – *Proteggiamo l'ambiente* [Let's Protect the Environment] event was held on **Acea EcoVillage, a digital platform** rich in multimedia content and presented by Biagio Venditti and Francesca La Cava, two young actors from the Netflix series "DI-4RIES". The actors were given the task of guiding students on their

discovery of the Acea EcoVillage: a colourful and interactive world of information, videos and quizzes centred around sustainability and protecting the planet. The **educational course** aimed to promote environmental training and raise young people's awareness of the innovative actions, projects and technologies implemented by the Acea Group to help preserve the natural environment for future generations. The educational event was offered to students in Rome and the Metropolitan City in November 2022, will be repeated in February 2023, then made available to everyone across Italy.

In June and July 2022, **Acea Innovation Day** was renewed, the event dedicated to the world of innovation and to new frontiers in sustainable development, this year offered as a **roadshow with three stops** – Terni, Naples and Rome – each of which covered specific topics: smart city, open innovation for the ecological transition, and digital transformation (see the dedicated box in the chapter *Institutions and Businesses*). The Acea Innovation Tour 2022 was live streamed by 5,000 people and, afterwards, Acea prepared and published a **dedicated report** on its institutional website.

In September 2022, with the collaboration of Marevivo and Monina Corporate Sailing, Acea organised the **second Acea Green Cup**, in

the area in front of the Port of Cala Galera, a day of sport reserved for Group employees, with the aim of strengthening the sense of team and sharing the projects carried out by the Group companies relevant for sustainability and environmental protection (see box with details).

Lastly, Acea launched the project ***Itinerari turistici alla scoperta delle acque d'Italia*** [Tourist trails to discover Italy's waters] - MIA (Acea Immersive Museum) created by the Communication Function of the Parent Company, by Acea Ato 2 and with scientific support from the Gecoagri Landitaly Cultural Association, inaugurating several interactive totems in Terni/Rieti (see the dedicated box).

ACEA GREEN CUP 2022

Over the years, the Acea Group has undertaken a virtuous and responsible journey through the creation of projects intended to promote industrial growth while staying mindful of protecting the territory and the environment. To boost awareness of such projects among employees and to underline their importance, for the second year in a row Acea organised Acea Green Cup, the intercompany initiative held on 18 September 2022 at the Marina of Cala Galera, in the province of Grosseto.

Sponsored by the Ministry for the Ecological Transition and carried out in collaboration with Monina Corporate Sailing, Marevivo and Safe, the event **received certification as a low environmental impact initiative from EcoEvents**, a partner company of Legambiente. The day involved different sports activities, including a beach volleyball tournament, a padel tournament and a sailing regatta between 14 teams of employees from the Acea Group companies, for a total of around **250 people involved**.

In addition to competing in the sports competition, **each participating team presented a project in an internal contest**, which re-

warded the best initiatives in terms of sustainability. The projects presented included: the creation of a website, *energieperilsarno.it*, to inform the territory about the reclamation and monitoring works of the Sarno hydrographic basin; the Renewable Energy Communities; the research and study *Volatolomics da espirato*, conducted by the Engineering area with Tor Vergata University and the association Sagen, aimed at the early diagnosis of certain kinds of tumours; the "UP2YOU" study to calculate savings of CO₂ emissions thanks to reduced use of plastic bottles; *Insieme a noi, con la vostra energia!* [Alongside us, with your energy!], a training programme based on new assessment methods and tools that make it possible to develop the potential and habits of candidates; Resilient Umbria, for the creation of a pipeline that will supply a new water treatment plant near the Petrignano Station. Prizes were awarded in the following categories: **ecological transition, social protection and development, innovation, and start-ups**, in addition to several special prizes such as the Marevivo Award, SAFE Award, and People's Prize.

ACEA LAUNCHES THE *ITINERARI TURISTICI ALLA SCOPERTA DELLE ACQUE D'ITALIA MIA* [TOURIST TRAILS TO DISCOVER ITALY'S WATERS ACEA IMMERSIVE MUSEUM] PROJECT

At a press conference on 22 March 2022, on **World Water Day**, Acea presented the project *Itinerari turistici alla scoperta delle acque d'Italia MIA* [Tourist trails to discover Italy's waters Acea Immersive Museum], carried out with scientific support from Gecoagri Landitaly, an Interuniversity Research Group and Cultural Association, which involved the inauguration of several **interactive totems** across the territory, through which users can connect to the Acea Immersive Museum. This **digital portal** is dedicated to the over 110 years of Acea Group history where visitors can take **3D virtual tours** to follow the routes of the water, from springs to aqueducts, to the

tap in homes, and discover the world of water in an innovative and interactive manner. Each totem has a QR code that allows users to navigate a virtual environment of text and photo galleries that explain the history and water resources of Rieti and the surrounding area: rivers, lakes, waterfalls, springs, canals, aqueducts, and baths. Thanks to immersive high-resolution aerial shots, the tourist water trail lets users fly over towns, the course of rivers, wide valleys, the Rieti valley, protected areas, and "land" in multiple points of interest, enriched with data sheets and material developed by the Gecoagri Landitaly Association.

The Communication Function manages Acea's attendance at important events each year. In 2022 the Group attended the **Green Med Symposium**, a "workshop for green ideas, training and dissemination" (see box for details). It also attended and supported the **Maker Faire in Rome – European Edition**; centred around technological innovation, the event is now a regular fixture in Acea's calendar and the chance to show its evolution in this area year after year. Over the three days of the 10th edition, held in Rome from 7 to 9 October 2022 at the Gazometro in Ostiense, Acea pre-

sented technological solutions that, applied to its infrastructure and industrial areas, support the development of the circular economy (see the dedicated box in the chapter *Institutions and Businesses*). In November, Acea also renewed its active presence at **Ecomondo**, confirming its "green" calling and presenting several particularly innovative and sustainable projects (see the dedicated box in *Relations with the Environment, Environmental Sustainability and the Main Challenges*).

ACEA AT THE GREEN MED SYMPOSIUM 2022

The Green Med Symposium 2022, held in Naples from 8 to 10 June, is organised by Ricicla.tv, an editorial organisation that sought to become an aggregator of businesses and institutions, to create synergy among the expertise required for recovery in Southern Italy. The objective is to propose the dissemination of quality scientific information by training and informing citizens, students and professionals about the possibilities offered by innovation and research in the field of technologies that serve the environment.

The event's main institutional partner was the Campania Region, with

involvement from the Ministry for the Ecological Transition, the Ministry for the South and Territorial Cohesion, the National Register of Environmental Operators, ISPRA and Ecomondo.

The Acea Group sought to participate by contributing its expertise in various areas and businesses. In particular, **Gori and Gesesa** presented several aspects of **sustainable water management**, **Acea Ambiente** analysed the waste transition, with particular **focus on "critical materials"** and **Acea Innovation** shared its experience of **e-mobility and circular communities** (energy & waste transition).

With the coordination of the Communication Function, Acea **opens its plants** to students and visitors with a technical/scientific interest, thanks to employees willing to be their guide at the sites. This opportunity, suspended during the health emergency, resumed again in 2022 as soon as it became possible, **welcoming 130 people** over 3 visits.

As mentioned, **communication on the digital channels**, web and social media, is handled by the **Digital and Corporate Media** Unit, in the context of the Communication Function, in line with the Group's digital strategy and digital identity and reflecting its **values, mission and industrial positioning**.

The corporate site (www.gruppo.acea.it) explains Acea's **background and how it operates**. The site is constantly updated and has a **clear organisation of information** with corporate content as well as the services and initiatives of Acea, and allows for a **fluid and intuitive navigation**, with distinctive graphics, consistent with the Group's brand identity, and a particular focus on **visual communication**. In 2022, the **new "features" homepage was introduced**, to highlight the topics and developments of greatest interest located further within the site, bringing the most relevant initiatives of the Group to the fore.

Acea's commitment to effective communication in terms of transparency and quality of the content present on its institutional site is also recognised through significant rankings in sector classifications.

For example, the company was ranked in the category of "5 star" companies in the most recent study, now available, conducted by Lundquist and Comprend (*Webranking Italy 2021-2022*).

During the year, the **Acea website** highlighted the **initiatives undertaken** to ensure the continuity of services and express closeness to the community, also in the face of the Covid-19 health emergency, through the constant updating of the page dedicated to this information, including the activities of the Acea Vaccine Hub.

Information was given about the **main events in 2022**, mentioned previously, organised by the Group or in which it took part, highlighting the events to which **Acea associates its brand**, through sponsorships (see the dedicated paragraph below), such as the **Rome Marathon** and the **Film Festival**. During the year the **"Events" section** underwent **restyling** and reorganisation to make its navigation more effective and to optimise its positioning in search engines. A search by category feature was introduced to the "Events" main page and, in the detailed pages, a timeline of previous editions was inserted, facilitating the immediate use of older content. Furthermore, in line with the most recent style trends in digital communication, the **"Stories" section** was renewed, which describes the Group's commitment to the territory, innovation and sustainability, characterising it with a design that breaks away from the rest of the site, to

make it **even more distinctive**. The work was also centred around the aspects of user experience and user interface, to make the navigation more simple and fluid.

As well as being dealt with in the “Stories” and the reference section “**Our Commitment**”, **sustainability** is highlighted on all pages of the website as a key element for the Group’s growth and value creation, with **references to dedicated initiatives and projects in each area**. In 2022, in particular, much visibility was given to topics of **social sustainability**, including **diversity, equity and inclusion**, by developing specific content.

Furthermore, the website highlighted the main **lighting of monuments or institutional sites** by Acea, in coordination with the Public Administration, on particular anniversaries, for example to **raise awareness among citizens** for the prevention of diseases such as breast cancer or other events with a high social impact.

Every year, on the occasion of the **Shareholders’ Meeting**, the Acea Group’s “Navigable Financial Statements” are published on the website, making the **Consolidated Financial Statements and Sustainability Report** available for viewing in interactive mode, with open data and multimedia content. The online reports present Acea’s results, values and projects and allow visitors to **grasp the multiple connections that link the two annual reports on one screen**. For the first time, in 2022, the navigable version of Acea Ato 2’s Sustainability Report was created.

The website also performs a **service function**, with the **timely publication of notices** about any water stoppages affecting the areas where the Company operates. For several years, it has provided data about **emissions**, monitored in real time, from the Group’s two **waste-to-energy** facilities and the **Tor di Valle power plant**, and the **main parameters of the quality of the water** supplied by companies that operate in the industry can be consulted online. In addition, the institutional website has given visibility to the **certifications and environmental declarations** that illustrate Acea Ambiente’s commitment.

In April 2022, following the company’s rebranding, **Areti’s website** (www.aret.it) underwent a restyling: it now features information content aimed at electricity distribution users, for example an area devoted to the plan to replace 2G meters, and it offers smooth navigation and an effective user experience as well as quick access, **further improved by recent interventions**, to the reserved area to manage utilities and services.

Acea Innovation’s mini-site (www.aceainnovation.it), hosted **within the Group’s website**, was created to introduce the company to a wide audience and as a **contact channel** for customers interested in the services offered: **sustainable mobility, widespread composting and energy upgrading**; during 2022 three dynamic forms were created for the acquisition of leads grouped by the three services offered, namely evolutionary techniques that improve user experience, facilitating initial contact with the company.

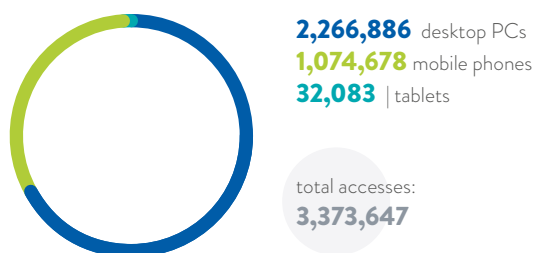
The Group’s website is active on the domain www.gruppo.acea.it. The 2022 figures for page views and access **cannot be compared with the 2021 figures** because, from last year, accesses and views on the MyAcea reserved area, now grouped by type of service (water and energy) and outside the Group domain, are no longer included in the analysis. In 2022, therefore, the corporate site recorded a total of around **6.1 million page views**, equal to around **3.4 million accesses**. The **desktop connection method** still prevails, accounting for around **67%** of accesses (2,266,886), followed by **mobile phone** for around **32%** (1,074,678 accesses) and **connection via tablet** remains low, at 32,083 accesses in the year, or around **1%**.

The **Acea Energia website** (www.acea.it) recorded **over 2 million accesses** in 2022. In the year in question, the most used device to access the site was **mobile phone** for the first time, surpassing **desktop** (52% via mobile and 45% via desktop); tablet access also increased slightly, to 3% (2% in 2021). The website, dedicated to the **sale of electricity and gas for the free market**, has a user-friendly navigation to help customers, in addition to sections devoted to “**guides**” and “**stories**”, where insights are provided on topics such as innovation in the energy sector, wind energy, e-mobility, energy saving, etc., which **account for around 27%** of total access to the site from Google.

On the website www.servizioelettricoroma.it, **dedicated to Acea Energia customers on the standard market service**, in 2022 **456,754 accesses** were recorded, with **desktop** accounting for 80.3% of the connection method, **mobile phone** 19% and **tablet** 0.7%.

Lastly, on **Areti’s website** (aret.it), over **715,000 page views** were recorded in 2022, equal to more than **175,000 accesses**; again in this case the connection method via **desktop** prevailed – around **60%** of accesses (105,896) – followed by **mobile telephone** – around **38%** of accesses (67,278) – and by **tablet** – for around 1% (2,195 accesses).

Chart no. 31 – Acea corporate website 2022: access methods



Acea continues to **strengthen its social media presence, increasing the number of followers** (see the dedicated box) thanks to an effective storytelling strategy and specific content for each channel, with the aim of highlighting the elements that characterise the Group’s commitment, in line with the communication tone of the institutional website. In 2022, **Areti’s LinkedIn page** and **Waidy Wow’s Instagram channel** were also created, and are managed in line with the respective strategies and brand propositions.

ACEA NUMBERS ON SOCIAL MEDIA – 2022

Acea **strengthened its presence on the main social channels during 2022**. Here are the key figures, all up on the previous ones:

The Acea Group's **Facebook** channel, which focuses on corporate content and supported cultural events, has reached a fanbase of 7,712 followers, an increase of 22.4% compared to 2021, and achieved **over 40,000 interactions** (and 7.1 million video views). Thanks to constant moderation, **user enquiries** received on the page are **directed to the dedicated support channels**.

The **Instagram** profile, with direct and informal communication aimed at talking about Acea's commitment to the area, counts 5,689 followers (+19% compared to 2021) and received 7,871 clicks.

The **Twitter** profile, which is one of the main touchpoints for interaction with **institutional stakeholders** and **updates on corporate content and Group results**, has 5,299 followers (+11% compared to 2021) who interact with Acea through comments and shares (22,356 interactions during the year);

The **LinkedIn** profile reached **75,089** followers (around 23% more than in 2021), with 217,295 interactions during the year. On this channel Acea reinforces its role as a multi-utility company in order to attract talented and skilled workers.

The **YouTube** profile, where Acea's videos are collected, has 1,280 subscribers (+18.5% compared to 2021).

The Group is also present on **Facebook** and **Instagram** with **Acea Energia**. Both channels were used for the promotion of electricity and gas offers and for the dissemination of commercial initiatives on the free market. Facebook and Instagram respectively reached 16,071 (+11.6% compared to 2021) and 1,826 followers (+62% compared to 2021) and both have become important touchpoints for **managing customer requests**, also by inviting customers to use online services available in the MyAcea customer area of the web-site www.acea.it.

Areti has been present on LinkedIn since February 2022 with a channel dedicated to highlighting the company's initiatives and conveys, in line with the brand proposition, its values and mission. The LinkedIn channel of **Areti** reached 2,320 followers.

Lastly, **Waidy Wow** has also been present on Instagram with its own channel since June 2022. Waidy Wow is a new tool, which in these initial months has laid the foundations for a solid online presence: a clear editorial format that balances socially active and light-hearted content, communicating it with a current and authoritative tone.

The **Media Relations and Internal Communication Unit** monitors **relations with national and local media**, in a spirit of mutual respect for roles and cooperation, with the aim of conveying the correct corporate image and position of the Group through the media.

Press releases and **press conferences** in 2022 disclosed **the economic results achieved, the initiatives carried out** by the Group and **information of public interest** relating to the provision of services. Media Relations, together with the Digital and Corporate Media Unit and in coordination with other competent Functions/Departments of the Holding Company, handles **the dissemination of press releases relating to major corporate events**, such as the Shareholders' Meeting and **the approval of the financial statement figures**. Through press articles, television, radio and web services and "**Tg Acea**" – published weekly on the intranet, the company's website and YouTube – the Unit has guaranteed media coverage of the main events and initiatives carried out by the Group, with a particular focus on the development of the content of **corporate communication**.

The constant interaction **with the operating companies** allows the Unit to **provide feedback on reports of inefficiencies** coming from the media, interacting with press editors to have the company's replies published.

Media Relation manages the national and local **press review** on a daily basis, making it **available through the company's Intranet**. This activity is complemented by the transmission of additional and timely information about the Group or relevant to the business managed, thanks to the regular **monitoring of press agencies** and the web (**web news**, social media and blogs).

Among the **communications** that **accompanied the initiatives of particular importance during 2022** are, by way of example:

- communication actions on **sustainability**, including communications on Acea's evaluation by Gaia Rating, on the improvement achieved in the Bloomberg Gender Equality Index, on the new *Sustainability Rating Linked* credit facility and on Acea's entry into the MIB ESG index; the communications on World Energy Saving Day, the event *M'illumino di Meno* [I will use less light], World Earth Day and World Water Day; the communi-

cation with ASviS on the opening of the Sustainable Development Festival, with special lighting of the Cestia Pyramid, and the communications on the Group's presence at the Ecomondo trade fair in Rimini;

- communications issued in the year regarding the **electric mobility sector and Acea Innovation's agreements for the ecological transition**. These include the initiatives with Federdistribuzione, with the ESA, with the Municipality of Scarlino, and with the Municipality of Castel Gandolfo. Plus communications on the launch of works for the Ecological Transition Plan and, for Ecomondo, the communication on Acea Innovation's **new services for electric mobility**: "iPads" and "Nose";
- communications regarding the **HR results achieved**, such as the positioning in the Top Employers ranking, the agreement signed with UnitelmaSapienza, the launch of the service aimed at employees for e-bike rental; the initiatives activated on International Day for the Elimination of Violence against Women; the result achieved in the Financial Times and Statista ranking for Diversity & Inclusion and the gender equality certification from RINA;
- communications linked to news and current affairs, with a particular focus in 2022 on the **health emergency and rising utility bills**. These include the communications regarding the Acea Vaccine Hub, also opened in March to Ukrainian refugees; the note regarding excess profits and the communication on the agreement between Acea Energia and SACE for instalment arrangements for utility bills;
- for **Acea Energia**, the communication on the launch of the new national campaign dedicated to **sustainability** and the communications on the extension of the commercial partnership **with Wind** across Italy;
- the initiatives regarding electricity distribution include the communication **on the agreement between Areti and RSE** for the decarbonisation of electricity infrastructure and communications on the creation of the **new high-voltage power line** in south Rome and on the start of consultations for the **RomeFlex project**;
- the water sector communication on the installation of a water kiosk at the MEF site and the presentation with NTT Data of

the **Waidy Management System**, with press release and dedicated interviews about the agencies; summer communications following media requests about the **drought emergency**, to reiterate the lack of critical situation in the territory of Rome, for which press releases, responses to newspapers and websites were given, as were interviews with press agencies;

- communications regarding the **photovoltaic plants** in Basilicata, with the inauguration of the Ferrandina plant, and in Sardinia with the authorisation for the Bolotana plant;
- actions connected to carrying out and promoting the **Acea Innovation Tour 2022**, with stops in Terni, Naples and Rome, and the communication in April regarding the launch of an **Acea digital antenna** in San Francisco;
- communications on the consolidation of Acea's position in the **waste recycling and treatment** industry, through the acquisitions of plants and companies during the year;
- communications relating to **Acea programmes aimed at young people**, such as the launch and completion of the school-to-work programme called *GenerAzione Connessa* and the launch of the new edition of Acea School on a digital platform;
- communication actions for the installation and inauguration of the **multimedia totems** as part of the project *"Itinerari turistici alla scoperta delle acque d'Italia"* [Tourist trails to discover Italy's waters], tied in with the Acea Immersive Museum;
- **corporate communications** about the closing of the transaction for the sale to Equitix of a majority stake in the *newco* acquiring the photovoltaic assets; on the signing of the agreements with Suez for the design and marketing of digital metering systems for the water service; on the closing of the acquisition of certain A2A connections as part of the gas distribution and lastly on the closure of the first stage of the business combination with ASM Terni.

The Media Relations and Internal Communication Unit also guaranteed – through press articles, television, radio and web services – media coverage of the **main events and initiatives in which Acea participated or which it held** in the field of value liberality and sponsorship.

EVENTS AND SOLIDARITY

The **economic value distributed to the community** (in terms of sponsorships, trade fairs, conferences, etc.) in 2022 is approximately

€ 6.3 million¹⁰⁴ (€ 8 million in 2021). Of this amount, some 800 thousand euros have been earmarked for sponsoring cultural, social and sporting events. Allocations by way of **donations** for major initiatives amounted to approximately **€ 1.8 million** (€ 2 million in 2021).

Acea offers its services, such as the **supply of electricity and water** or **switching on/off public lighting**, on the occasion of events and **special circumstances of a solidarity and symbolic nature**, such as, for example, **special lighting/switching off of the Colosseum**, in expression of solidarity with the Ukrainian population, as part of the campaign to raise awareness of the fight against the death penalty, on *Rare Disease Day*, on National Day against Eating Disorders, the *M'illumino di meno* [I will use less light] event, **of the Senate Palace**, such as for International Day for the Elimination of Violence against Women and World Multiple Sclerosis Day, **of the Lazio Region Palace**, on particular anniversaries, such as during Breast Cancer Awareness Month in October, World Patient Safety Day and World Autism Awareness Day, and **the special lighting of the Cesta Pyramid**, for the Festival of Sustainable Development. These services, referred to as **'technical sponsorships'**, had a **total economic value of around €274,000 in 2022**.

The company participates in the main events related to its business activities and supports, every year, **including with sponsorships**, initiatives considered of high cultural and social value for the **development of the areas it operates in** and **for the benefit of the community** (see also the summary boxes at the end of the section). The **Sponsorship and Value Liberality Function** **advises on and manages requests** from the entire region and from the Group's corporate structures, **to submit them for the assessment of the Committee for the Region**, a corporate body assigned the tasks of consultation and monitoring in relation to sponsorships and donations, in order to guarantee a sound and virtuous development of relations with the territories in which the Acea Group operates. The applications approved by the Committee for the Region are subject to Integrity Due Diligence, for an ethical and reputational assessment of the applicants, according to best practices.

In 2022, Acea continued to support several **hospitals**, allocating to them a portion of the funds allocated to sponsorships, in particular the Policlinico Agostino Gemelli and the Policlinico Umberto I, which upgraded and created several wards, and carried out other solidarity initiatives.

ACEA FOR THE COMMUNITY

In 2022, Acea **launched a project**, sponsored by the Municipality of Rome, **which involves the members of senior centres in the city and province of Rome**. The goal of the initiative is to create more awareness about energy use among this population group, both in terms of saving and safeguarding resources. It also intends to improve knowledge of the digital channels. Events are planned at senior centres during which staff from Acea Ato 2 and Acea Energia will raise the community's awareness of various topics: social bonus,

instalment arrangements for utility bills and lessons about scams, information about the water cycle and the energy supply chain, with a focus on the natural environment, and training on water and energy saving. A tablet will also be activated and delivered to the chairpersons of the senior centres selected, to communicate via video call with the branches of Acea Ato 2 and Acea Energia and to carry out online commercial practices, to report faults, disruptions, or to submit complaints or enquiries.

The Group also sought to contribute to **cultural events and events of social interest**, for the relaunch of the territory and the well-being of citizens. The main events held in 2022 included the **Van Gogh** exhibition open in Rome from October 2022 to March 2023 at Foro Bonaparte, which made some 60 works by the great Dutch painter and other artists in his circle exceptionally accessible. To promote the recovery of theatre, musical and cinema activities,

Acea once again joined the **Fondazione Teatro dell'Opera di Roma** as a private member and sponsored shows by that theatre and by Caracalla. It also sponsored the 2022 editions of the **Two Worlds Festival** in Spoleto, the **100 Cities in Music** initiative, the **Film Festival** at Rome's Auditorium Parco della Musica, and other similar local initiatives, such as the Etruria Eco Festival 2022 and the Tolfa Jazz Festival 2022.

¹⁰⁴ This item also includes expenses incurred for "trade fairs and conference" but not "technical" sponsorships.

Alongside entrepreneurial initiatives for young people and the **promotion of innovation**, Acea sponsored the second edition of the **Italian Smart Design 2022** competition and the catalogue that presented the projects.

Among the main sporting events of the year, Acea, as per usual, associated its brand with the two running events of great importance for the capital: the Rome Marathon – **Acea Run Rome The Marathon** – and the **Rome-Ostia Half Marathon**, which were held on 27 March and 17 October 2022 respectively, as well as the **2022 Rugby Six Nations**, held from 13 February to 12 March at Rome's Stadio

Olimpico. The Group has sponsored numerous other sports initiatives and some teams, such as Virtus Basket Siena, ASD Orvieto Basket and Rugby Perugia, and has supported, as every year, initiatives aimed at children such as **Volley Scuola - Acea Trophy** (see the dedicated box) and **Acea Camp**. Started in 2015 from an idea of Carlton Myers and thanks to the support of Acea, every summer, at the end of the school year, the latter event has offered, over time, the opportunity to thousands of children, aged between 6 and 16, **to practice individual and team sports**, at a sustainable cost for families and accepts, first of all, those in greater economic hardship.

THE VOLLEY SCUOLA TOURNAMENT – ACEA TROPHY 2022

With a focus on the promotion of the values conveyed by sports, every year Acea supports events that concern children, combining them with awareness of sustainability issues. In particular, the 2022 Volley Scuola Tournament, organised by FIPAV Lazio (Volleyball Association), **saw the involvement of around 120 secondary schools in the city and province of Rome**, with a potential catchment of around 100,000 students. The tournament has always been inspired by strong ethical values and has transformed, over time, into a workshop of ideas with an educational purpose, **adding an educational element to the sport**, through seminars on civic education, in-person or remote events with figures and experts from different sectors, and the creation of publications. The celebration of World Water Day and World Food Day, topics such as bullying, cyberbullying and the values of sport have become part of education guidance and also constituted an excellent catalyst for students during the pandemic.

In the 2022 edition of the Volley Scuola Tournament, Acea held **three seminars** for students: the first, entitled “*L'acqua è vita. L'impegno di Acea*” [Water is Life. Acea's Commitment], was held on 22 March on World Water Day, and also saw the presentation of

the Waidy Wow App; the second, held on 6 April, was dedicated to the topic “*Il laboratorio, la ricerca e l'innovazione per l'acqua e l'ambiente*” [Laboratory, Research and Innovation for Water and Environment]. On World Earth Day on 22 April, students were told about the “*Biomonitoraggio della qualità ambientale attraverso l'utilizzo delle api*” [Biomonitoring of Environmental Quality using Bees], a project studied by Acea for several years.

Lastly, following the seminars, the finals of the 2022 edition of the **Beach Volley Scuola – Acea Trophy** were held on 25 May at the “La Spiaggia” facility in Ostia. Throughout the month, the event marked a turning point – and recovery – for sports and education, and saw **750 teams** from the Lazio Institutes face off on the sand.

From 12 November to 12 December, the Waidy Wow team, in collaboration with Acea and Volley Scuola, promoted the **Waidy Wow sustainability mission**, a contest with the aim of **rewarding students and schools that make concrete commitments** to becoming examples of excellence in terms of sustainability, **reducing their environmental footprint** and promoting a culture of respect for the environment through virtuous behaviours and actions.

The following boxes describe some of the **main events supported by the Acea Group in 2022**, through sponsorships or donations.

ACEA FOR CULTURE, INNOVATION AND SUSTAINABILITY

sponsor of the “**Van Gogh**” exhibition at the Museo Foro Bonaparte in Rome from 8 October 2022 to 26 March 2023, dedicated to the famous Dutch painter (Arthemisia Arte e Cultura)

contribution as private partner and sponsor of the 2021/2022 theatre season of the **Rome Opera Theatre** (Rome Opera Theatre Foundation)

sponsor of the 42nd **Festival of Medieval Towns and Villages** dedicated to classical and lyrical music (Associazione Musicale Ernico Simbruina)

partner and sponsor of the 17th **Rome Film Festival**, held from 13 to 23 October 2022, which saw the organisation of showings, exhibitions, meetings and events, welcoming directors and international stars (Fondazione Cinema di Roma)

sponsor of **100 Cities in Music 2022** (XIII edition), dedicated to the promotion of live music through the organisation of performances at low prices or free admission in 14 municipalities in Lazio (European Music Cultural Association)

sponsor of the **2022 Two Worlds Festival**, the international music event held in Spoleto between 24 June and 10 July (Two Worlds Festival Foundation)

sponsor of various cultural initiatives and summer events outside of Rome, such as the **Tolfa Jazz Festival 2022** (ETRA cultural association), the **Etruria Eco Festival 2022** (Circolo del Cinema Luce a Cavallo), the **Civitavecchia Summer Festival 2022** (Associazione Culturale Stazione Musica), the theatre performances of **Reate Festival 2022** (Fondazione Vespasiano)

participation, through the payment of 3 scholarships, in the 14th Edition of the 2nd Level Master in “**Homeland Security – Systems and Tools for Security and Crisis Management**” (UCBM Academy – Biomedical Campus University)

sponsor of the **2022 Italian Smart Design national competition** for students and recent graduates of architecture and design, on the development of smart urban system sustainable designs, and the creation of the catalogue that presented the designs (Casa della Creatività SCRL)

sponsor of **Forum PA Smart City – Digital Agenda**, the most important national event dedicated to organisational and technological innovation processes in the Public Administration. Its 2022 edition focused on the implementation of investments and reforms of the NRRP (FPA SRL)

technical sponsorship of the initiative “**I will use less light (M’illumino di meno) 2022**”, with the switching off of the Senate Palace to raise awareness of energy saving

technical sponsorship for the **2022 Sustainable Development Festival**, involving the projection of the **UN SDG logo on the Pyramid of Cestius**

2022: ACEA FOR SOLIDARITY

solidarity contributions aimed at upgrading or equipping healthcare infrastructure for hospital centres in Rome, such as **Policlinico Agostino Gemelli** (Pulmonology Department) and **Policlinico Umberto I** (Cancer Centre).

contribution to the **2022 Fiaba Day** event (XX edition), organised in Rome on 4 October 2022, to promote discussion and awareness of issues relating to the removal of architectural, psychological and sensory barriers, to ensure equal opportunities, accessibility and usability for everyone (Fiaba Non-profit)

participation in **International Day for the Elimination of Violence against Women**, **World Autism Awareness Day**, **International HPV Awareness Day**, **National Day against Eating Disorders**, in awareness campaigns **against the death penalty**, in **Breast Cancer Awareness Month 2022**, in **Rare Disease Day** and many other anniversaries, with **technical sponsorships** such as special lighting for the Senate Palace, the Colosseum and the headquarters of the Lazio Region

contribution to “**Est...iamo ancora insieme 2022**”, a summer camp for socialising, inclusion and developing the independence of disabled young people. The event represents an opportunity for children and young people with disabilities to come together and socialise during the summer period

support for the Municipality of Santa Marinella for the **Help Ukraine** project to offer material, psychological and social inclusion aid to refugees fleeing the war

support for schools in the Municipalities of the Marche aimed at **restoring the social and emotional well-being of young students** in the regions affected by flooding in September 2022

2022: ACEA FOR SPORT AND YOUNG PEOPLE

sponsor of **Acea Run Rome The Marathon 2022**, the 42 km competitive road race, held in the capital on 27 March 2022, is the one with the most spectators (Infront Italy) and the most Italian and foreign athletes participating.

sponsor of the **Rome-Ostia Half Marathon 2022**, the most important running event over a distance of 21 km, held in Rome on 6 March 2022 (RCS Sport)

sponsor of the 7th edition of the “**Tournament for Peace**”, an event held in Umbria in May 2022 and dedicated to **Under 16s football clubs** from across the world (L.N.D. Servizi – Umbria Regional Committee)

sponsor of the 23rd **Rugby Six Nations 2022**, the annual rugby tournament between the national teams of France, Wales, England, Ireland, Italy and Scotland, held in March 2022 (FIR)

support for **sports activities and events** in the territories of operation outside of Rome: **basketball** (ASD Virtus Basket Siena; ADS Orvieto Basket, ASD Pink Basket Terni), **football** (Benevento Calcio), **running** (ASD Filippide - D. LF Chiusi Avis Castiglione del Lago, Amatori Podistica Terni, Athletic Terni), **rugby** (Rugby Perugia), **hockey** (ADS Follonica Hockey 1952), and **volleyball** (Pallavolo Follonica)

title sponsor of the 2022 edition of the **Volley Scuola Tournament – Acea Trophy**, dedicated to **secondary schools in the city and province of Rome** and organised by Fipav Lazio; at the 2022 event the sport was accompanied by an **educational element**, through seminars on civic education, and in-person or remote events with figures and experts from different sectors (Fipav Lazio)

sponsor of **Acea Camp 2022**, the event aimed at students, in June and July, with the aim of introducing and disseminating the practice of sports and raising awareness of social and environmental issues (Beside Management Srl)

sponsor of **Run For Autism 2022**, the 10 km competitive race and 5 km open to all, held in Rome on 3 April and promoted by Progetto Filippide, to raise awareness of autism and give hundreds of young people from all over Italy a special day (A.S.D. Sport and Society Association - Filippide Project Rome)

sponsor of the **2022 “I’m Separating Wastes Too” project for schools**, which combines sports activities with educational activities on circular economy issues (ASD Virtus Basket Aprilia)

SUPPLIERS



Around **€ 1.9 billion**
= total value of the **2022 Orders** for goods, services and works:
processed over **7,830 orders/contracts**
and **3,780 suppliers** involved



78% of qualified suppliers completed a self-assessment questionnaire on **sustainability-relevant aspects** during the year



399 suppliers (+129% compared to 2021) assessed according to the **EcoVadis model: the sustainability rating is a bonus criterion**



The Construction Site Safety Unit carried out **14,724 safety inspections** at construction sites: ratio of “serious” non-conformities to total non-conformities detected decreased in the three-year period

CONSOLIDATED EXTERNAL COSTS

In 2022, the Group's **consolidated external costs** totalled about **€ 3.56 billion** (+44.5% compared to 2021). The higher increase, for around € 900 million, is due to the procurement of electricity on the free market and on the gradual protection market.

Procurement of goods, services and works related to the Group Companies subject to reporting are managed centrally by the **Purchases and Logistics** Function of the Parent Company¹⁰⁵, with the exception of Gori, AdF, Gesesa and Deco, which independently manage their business. The **total value of the order** recorded in 2022, including the amounts of the aforesaid non-centrally managed companies¹⁰⁶, amounts to **around € 1.9 billion**, a slight decrease compared to 2021 (over € 2 billion). Regarding the centrally managed companies, the value of 2022 procurement was approximately € 1.5 billion, compared to over € 1.7 billion in 2021.

PROCUREMENT POLICIES

The Purchasing and Logistics Department of the Parent Company defines **policies and guidelines** and manages, as a service, the procurement of goods, services and works required by the Departments of the Holding Company and the main Group Companies. To perform its duties, it **values the technical skills of the buyers**, handles the **requests of “internal customers”** (Functions/

Companies in the Group) and develops a **transparent relationship with suppliers**.

In 2022, the Purchasing and Logistics Department also oversaw the flow of **materials, logistics and warehouses** of the Group, managing **the operations of the central depot and most of the territorial depots of Areti and Acea Ato 2**, at the service of the operational personnel dispatched to the territory. It also supplied materials for scheduled and urgent works, interacting with most of the companies contracted by the two largest operating companies. At the logistics centre of Santa Palomba, verification of water meters and activities at the low-voltage laboratory of Areti (Engineering and Testing Unit) were carried out. From November 2022, with a view to flow optimisation, all activities carried out by the logistics centre of Santa Palomba were taken over directly by the operating companies.

DEALINGS WITH SUPPLIERS AND PROCUREMENT MANAGEMENT

The Acea Code of Ethics, updated at the end of 2022, recalls the reference principles¹⁰⁷ that should guide **relations between Acea**, as a contracting authority, **and its suppliers** (contractors and sub-contractors), “on the basis of the principle of mutual benefit and cooperation that underlies such relations”:

¹⁰⁵ For the NFS scope, see *Disclosing sustainability: methodological note*. With reference to this scope, the water companies Gori, AdF and Gesesa, the environment companies Berg, Demap and Deco (the latter in the NFS scope from 2022) and the companies operating in PV (with the exception of Acea Solar) are not centrally managed.

¹⁰⁶ The data of the three companies operating in the water sector that manage procurement activities independently and of Deco are aggregated here with those managed centrally in order to represent overall relations with suppliers in the year under review. The figures for Berg and Demap and the photovoltaic companies (except Acea Solar) have not been included, as these companies recorded very low costs for materials and services totalling 1% of those incurred by the companies in the NFS scope.

¹⁰⁷ The *Acea Code of Ethics*, approved by the Board of Directors in its latest version updated in November 2022, dedicates specific space, and numerous other references in the text, to *Relations with Suppliers*. The Code is shared on the company's intranet and is available online at www.gruppo.acea.it, in the Governance section. Particular attention is paid to social safeguards in higher-risk contexts: “In supply contracts with suppliers from at-risk countries, defined as such by recognised organizations, contractual clauses have been introduced that involve compliance of the supplier with specific social obligations (e.g. measures that guarantee employees respect for their fundamental rights, the principles of equal treatment and non-discrimination, protection against child labour, the fight against forced labour, guaranteed minimum wage, limited work hours, etc.).”

- **equal opportunities** for each supplier;
- conduct based on **mutual loyalty, transparency and collaboration**;
- compliance with **rules and procedures**, including verification processes to identify potential **risks to reputation and/or corruption**;
- protection, by the supplier or sub-supplier, of the **human rights** of their employees (decent working conditions, protection of health and safety) and **safeguarding of the environment** (protection of ecosystems and biodiversity, rational use of natural resources, minimisation of waste, energy saving, etc.), respect for **privacy**, and guarantee of the **quality** of goods, services, and performance.

Suppliers issue a **declaration of acceptance and commitment to comply with the provisions contained in the Code of Ethics**, which constitutes an **element of the contractual relationship**. Any violation of the principles and criteria of conduct envisaged by the Code of Ethics, revealed by audits, will authorise Acea to take appropriate measures.

With a specific focus on topics of social importance along the supply chain, for many years now, Acea has shared a **Water Contracts Protocol** with the trade unions involved in the water contracts and contractors, which concerns aspects such as **employment protection** (fair application of the social clause on the subject of contract changes), combating irregular forms of work or work that does not comply with the applied national collective bargaining agreements, **health and safety at work** and **compliance with contractual regulations**.

Acea mainly uses tenders¹⁰⁸ to select suppliers, adopting criteria of transparency: in 2022, **60% of procurement, managed at a centralised level¹⁰⁹, was awarded through a tender procedure**.

For centrally-managed Group companies, the Purchases and Logistics Function has **published on the website¹¹⁰**, in the “Supplier” Area, **the documentation relating to purchases** regulated by the Public Procurement Code¹¹¹. **Operators who are interested in participating in tenders** can **freely access the portal of the Qualification Systems** and the portal for **participation in online calls for tenders**. The **web portal** is based on the same operational procedure as traditional tenders: it checks the adequacy of the supporting document, acknowledges possession of the eligibility requirements, discloses the bids and displays the ranking. The companies operating in the water segment, which manage their own procurement process, also carry out tenders electronically, while Deco does not use tenders, rather it follows a procedure that involves the qualification of suppliers, market surveys accompanied by several offers from qualified suppliers on the company’s vendor list and the issue of purchase orders.

The Administration, Finance and Control Function **monitors supplier payment times**: in 2022, for the companies in the scope¹¹², the **average payment delay was 34.4 days¹¹³** (a slight increase compared to the 27.3 days recorded in 2021); the same figure, weighted in light of the amounts, falls to 26 days¹¹⁴. This was the case for 34% of the value of payments made in the year (compared to 26% in 2021), while **the percentage of amounts paid on time was 66% (74% in 2021)**.

DISPUTES WITH SUPPLIERS IN 2022

The disputes¹¹⁵ between the company and its suppliers mainly concern non-payment of invoices and judgements on procurement matters.

With regard to **non-payment of invoices** for supplies of goods, services and works, there has been a decrease in the number of disputes that have arisen: **4** in 2022 (8 in 2021). These are injunctions concerning invoices that were not paid for formal reasons and are quickly resolved by settlement proceedings.

As for the civil litigation in the field of **procurement contracts**, mainly concerning the registration of reservations by contractors, contract terminations, considerations and damages, **8** cases were filed in **2022**, a decrease compared to the previous year (14 cases).

Moreover, **12 administrative disputes** began in 2022 (20 the previous year) concerning **tenders**.

As at 31 December 2022, the total number of **disputes pending with suppliers** (including disputes initiated in previous years) amounted to **102**, in line with the figure for 2021 (100 disputes).

At the end of the year, there were also **26 pending disputes started by employees of contractors**, who are **appealing against the latter and against the contracting authority** – as jointly and severally liable – for work credits accrued as an employee of the contractor during the duration of the contract. The figure is in line with the previous year.

108 Acea issues tender procedures for the procurement of works, goods and services in compliance with current legislation (Legislative Decree no. 50/2016), with reference to the ordinary and special water and energy sectors. In particular, for tenders in special areas involving amounts below the EU threshold, Acea applies Internal Regulations consistent with the principles of the EU Treaty for the protection of competition. Finally, for tenders that do not fall within the scope of application of the *Code on public contracts* (so-called “extraneous or private law”), selection procedures are used which comply with the principles of free competition, equal treatment, non-discrimination, transparency and proportionality.

109 Equal to 82% of the total volumes of the companies in the NFS scope, including those not managed centrally.

110 In compliance with the requirements of the National Anti-Corruption Authority (ANAC) and the so-called “Anti-Corruption Law” (Law 190/2012).

111 Legislative Decree no. 50 of 18 April 2016 and subsequent amendments and additions. *Public Contracts Code*.

112 The 2022 analysis produced by Administration, Finance and Control also included the companies Gori, AdF and Gesesa, which have provided data even though they are not managed at the centralised level. It was not possible to include Deco for this first year of entry in the NFS scope. The companies Berg, Demap and two photovoltaic companies were also left out of the analysis due to the low share of the costs incurred.

113 The calculation of the figure is a simple average of the difference between the due date of the invoice in the system and the date of actual payment.

114 The calculation of the figure is the result of the average of the difference between the expiry date of the bill in the system and the date of actual payment weighted according to the amount of the bills.

115 The figures for the 2022 dispute refer to all the Companies within the NFS scope (see *Disclosing Sustainability: Methodological Note*).

SUSTAINABILITY CRITERIA IN TENDERS

In 2022, for the Group Companies under analysis, **over 7,830 orders/contracts** were processed, for a total of **more than 3,780 suppliers** involved (please see the *Order Analysis* below).

Within the **centralised management** of tenders, which covers around 82% of the total value of procurement within the 2022 scope of consolidation, amounting to 3,115 orders/contracts managed and 1,664 suppliers involved, as a **requirement for participation**, for **100% of tenders for the award of works contracts** and for numerous contracts for the purchase of goods and services, Acea requires UNI EN ISO 9001 **quality management system** and the UNI EN ISO 45001:2018 **occupational health and safety certifications**. Furthermore, for the **149 product categories subject to tender** and relating to the purchase of goods, services or works, **evaluation criteria of the technical offer based on the following systems** are included during the tender process, when applicable: **UNI EN ISO 14001 – UNI CEI EN ISO 50001 – UNI ISO 37001 – FSC Chain of Custody**.

These requirements were added to potentially eligible calls for tenders, awarded on the basis of the most economically advantageous offer. **In 2022, 98% of the 112 potentially eligible contracts concluded¹¹⁶ were awarded on the basis of sustainability criteria**. Specifically, for some tenders for water, electrical and civil engineering works awarded with the method indicated, rewarding criteria were also included regarding the use of **ecological vehicles**, **additional training of workers in the area of safety**, and the possession of **certifications** (where not already participation requirements) in the following areas: **environment, health/safety, energy efficiency**, the **use of environmentally sustainable materials** and **anti-corruption**. Finally, the **technical specifications** for procurement by Group Companies include sustainability criteria concerning **materials**, such as recycling, re-usage and the reparability index.

Acea will include, where relevant, the normative references to the **Minimum Environmental Criteria (CAM)** adopted by Decree of the Ministry for the Environment, Land and Sea Binding parameters or bonuses in tender documents¹¹⁷. In particular, the reference to CAMS was applied in tenders related to the rental services for generators, ordinary and extraordinary maintenance contracts for lifting systems, the purchase of computers and printer cartridges, in addition to categories such as paper, office furnishings, public lighting – supply and design of LED lighting fixtures – work clothes, cleaning of buildings, maintenance of green areas and vehicles.

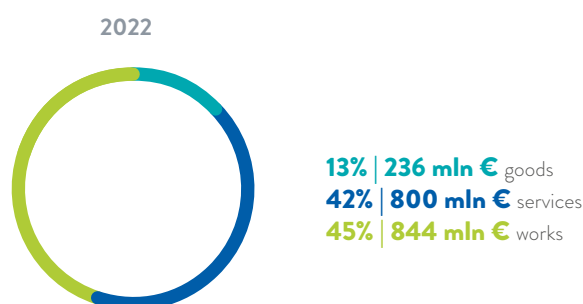
ANALYSIS OF PROCUREMENTS AND THE SUPPLY CHAIN

SCOPE

The information and data presented in the paragraph in an aggregated manner concern all companies included in the scope – please see *Disclosing Sustainability: Methodological note – including the companies Gesesa, Gori and AdF, operating in the water sector, and Deco, in the environment sector, which are not managed centrally, and excluding Berg and Demap and two FTV companies, which together account for 1% of the costs of materials and services of the companies in the consolidation area*.

The **2022 tenders** for the procurement of **goods**, the provision of **services** and the execution of **works**, had a **total economic value**, as initially mentioned, of around **€ 1.9 billion¹¹⁸** (compared to over € 2 billion in 2021); in terms of the percentage ratio with the figures from the previous year, the following three items decreased, almost entirely uniformly: “goods” (-10%), “works” (-9%) and “services” (-8%) (see Table no. 39).

Chart no. 32 – Value of ordered goods, services and works and percentage on total (2022)



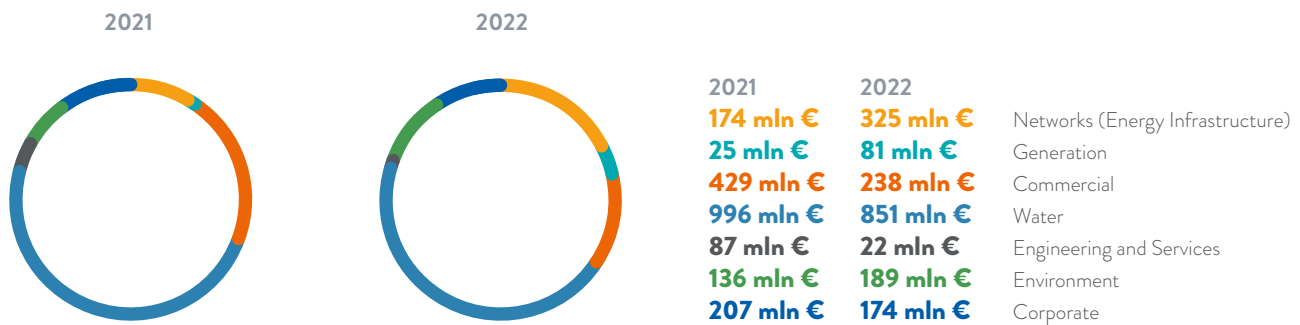
NOTE: Figures are rounded off to the nearest unit.

The distribution of the **value of procurement** for the **business macro-areas** – Network Operations (Energy Infrastructure), Generation, Commercial, Water Operations, Engineering Operations, Environment Operations (waste-to-energy and environmental services) and Corporate (Acea SpA) – shows, in particular, compared to 2021, a decrease in absolute values of procurements for the Engineering, Commercial and Water sectors, though the latter continues to account for the highest weighting of total procurements, and a significant increase for the Generation, Networks (in particular “works”) and Environment sectors (see Chart no. 33 and Table no. 39).

¹¹⁶ Consultancy activities are excluded from this calculation.

¹¹⁷ From www.mite.gov.it: “Minimum Environmental Criteria (CAM) are the environmental requirements defined for the various phases of the purchasing process, aimed at identifying the best design solution, product or service from an environmental point of view throughout the life cycle, taking into account market availability. [...] Their systematic and uniform application makes it possible to spread environmental technologies and environmentally preferable products”.

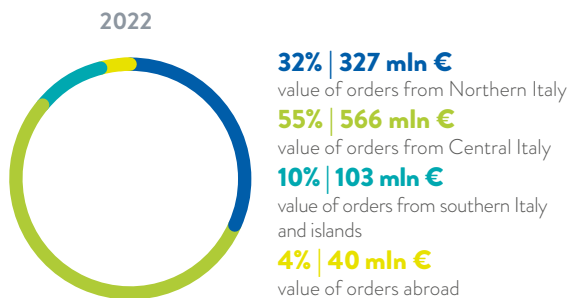
¹¹⁸ The amount of purchases managed at the centralised level refers to tenders awarded during the year, without any distinction between investments and operating cost, annual and multi-annual contracts. Purchases of commodities, regularisation orders and intercompany orders are excluded. The figures for the companies that are not centrally managed, for a total of € 343 million, do include all purchase types.

Chart no. 33 – Orders (goods, services, works) by business area (2021-2022)

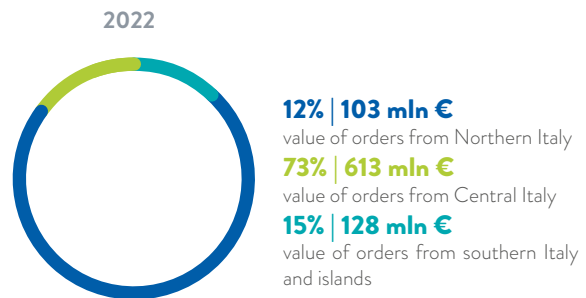
NOTE: Figures are rounded off to the nearest unit. **Networks** (Energy Infrastructure) includes the company Areti, **Generation** includes the companies Acea Produzione, Ecogena and Acea Solar. **Commercial** includes Acea Energia and Acea Innovation. **Water** includes the companies: Acea Ato 2, Acea Ato 5, Gori, Gesesa, AdF. **Engineering and Services** includes Acea Elabori. **Environment** includes: Acea Ambiente, Aquaser, Acque Industriali and Deco. Present in the **Corporate** segment is only Acea SpA.

As mentioned, the procurement needs of the Group's companies included in the scope in the year totalled **7,837 orders/contracts** and **involved 3,780 suppliers** (around 32%¹¹⁹ more than the 2,869 suppliers in 2021). **In terms of the geographic distribution of the suppliers**, in 2022, most suppliers (52%) were in central Italy, of which 26% in Lazio, followed by northern Italy (30%), southern Italy and the islands (16%) and only 2% were foreign. The **geographical distribution of the value of the procurements among the macro-regions**, in terms of percentage weight on the total amounts (€

1,036 million for goods and services and € 844 million for works), is more concentrated in central Italy, with 55% of the item "goods and services" and 73% of the item "works", followed by northern Italy, which absorbs 32% of the item "goods and services" and 12% of the item "works" and by southern Italy and Islands (with 10% of the item "goods and services" and 15% of the item "works"). During the year, **40% of the value of "goods and services"** and **60% of the value of "works"** were concentrated in **Lazio** (Graphs 34 and 35, and Table no. 40).

Chart no. 34 – Geographical distribution of the amounts for goods and services in Italy and abroad (2022)

NOTE: figures are rounded off to the nearest unit.

Chart no. 35 – Geographical distribution of the amounts of works in Italy (2022)

NOTE: figures are rounded off to the nearest unit. In 2022, for the companies in the scope, the value of foreign procurement was zero.

Table no. 39 – Procurement data (2021-2022)

	u. m.	2021	2022	Δ% 2022/2021
VALUE OF PROCUREMENT THROUGH TENDERS				
goods	million €	262	236	-10%
services	million €	866	800	-8%
works	million €	926	844	-9%
total	million €	2,054	1,880	-8%
GOODS, SERVICES AND WORKS AS A PERCENTAGE OF TOTAL ORDERS				
goods	%	13%	13%	0%
services	%	42%	42%	0%
works	%	45%	45%	0%

¹¹⁹ It should be noted, however, that Deco, which entered the scope of analysis in 2022, contributes to the total for the year with 599 suppliers; with the same scope, the difference compared to 2021 would have been 11%.

VALUE OF ORDERS BY BUSINESS AREA

Networks (Energy Infrastructure)	million €	174	325	87%
Generation	million €	25	81	224%
Commercial	million €	429	238	-44%
Water	million €	996	851	-15%
Engineering and services	million €	87	22	-75%
Environment	million €	136	189	39%
Corporate	million €	207	174	-16%

NUMBER OF PURCHASE ORDERS MANAGED

POs for goods, services and works	no.	6,482	7,837	21%
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NOTE: all the figures in the table are rounded off to the nearest unit.

Table no. 40 – Procurement nationwide (2021-2022)

	u. m.	2021	weight as % of total/year	2022	weight as % of total/year
NUMBER OF SUPPLIERS OF GOODS, SERVICES AND WORKS NATIONWIDE					
suppliers north Italy	no.	893	31%	1,136	30%
suppliers central Italy	no.	1,366	48%	1,956	52%
suppliers Lazio	no.	897	31%	969	26%
suppliers south Italy and islands	no.	556	19%	617	16%
foreign suppliers	no.	54	2%	71	2%
total suppliers	no.	2,869	100%	3,780	100%
GEOGRAPHICAL BREAKDOWN OF AMOUNTS FOR GOODS AND SERVICES					
value of orders from Northern Italy	million €	426	38%	327	32%
value of orders from Central Italy	million €	575	51%	566	55%
value of orders from Lazio	million €	426	38%	419	40%
value of orders from southern Italy and islands	million €	117	10%	103	10%
value of orders abroad	million €	10	1%	40	4%
total value of orders for goods and services	million €	1,128	100%	1,036	100%
GEOGRAPHICAL BREAKDOWN OF AMOUNTS FOR WORKS					
value of orders from Northern Italy	million €	118	13%	103	12%
value of orders from Central Italy	million €	701	76%	613	73%
value of orders from Lazio	million €	546	59%	505	60%
value of orders from southern Italy and islands	million €	107	11%	128	15%
value of orders abroad	million €	0	0%	0	0%
total ordered for works	million €	926	100%	844	100%

NOTE: all the figures in the table are rounded off to the nearest unit. The “northern Italy” geographical area includes Valle d’Aosta, Piedmont, Lombardy, Veneto, Trentino-Alto Adige, Friuli Venezia Giulia, Emilia-Romagna and Liguria; “central Italy” includes Tuscany, Umbria, Marche, Lazio, Abruzzo and Molise; “southern Italy and islands” includes Campania, Basilicata, Apulia, Calabria, Sicily and Sardinia. The geographical area “abroad” includes suppliers that are mainly European.

SUSTAINABILITY IN THE SELECTION AND ASSESSMENT OF SUPPLIERS: FROM QUALIFICATION TO ONGOING CONTRACTS

Various **systems for qualifying suppliers of works, goods and services** are active in Acea in observance of principles of competition and equal treatment.

The **Supplier Qualification Unit**:

- coordinates working groups to identify the **qualification requirements**;
- draws up the **Qualification Regulations**;
- establishes **Qualification systems** of European significance¹²⁰ and **Supplier Lists** for so-called “below threshold” or private contracts.

During 2022, the product tree shared between the Group companies whose procurement is managed centrally included **567 product groups** and the Unit in charge managed, as of 31.12.2022, **162 Supplier lists**.

To register with the Lists/qualification systems, companies must visit the Acea institutional website (www.gruppo.acea.it suppliers section) which is a **dedicated portal**; the requests are processed, including verification of the possession of the requirements and related communications to the supplier. During 2022, **a total of 1,554 applications for registration in the Qualification Systems/Lists were processed** (+66% compared to the 934 applications in 2021), amounting to **713 successful applications in total**. Specifically:

- **253** qualification applications processed for “works” Qualification systems”;
- **460** qualification applications processed for Qualification Systems/Suppliers’ Lists for “goods and services”.

The **qualification requirements** requested of suppliers to register on the Qualification System are “**standard**” – these include **requirements of a moral nature envisaged by the laws in force** in the sector – and “**specific**”, i.e. they refer to the product group or groups included in each Supplier List.

Among the specific requirements, in some cases **Acea requires its potential suppliers** to have **certain Authorisations and/or certifications**:

- **UNI EN ISO 9001 certification** (binding requirement for all the “works” product groups and for almost all the “goods and services” suppliers);
- **UNI EN ISO 14001 certification** (for inclusion in the lists of suppliers for special non-hazardous waste, cleaning services, armed surveillance service and concierge/reception);
- **Registration with the National Environmental Operators’ Register** or authorisation to manage a plant for the recovery/disposal of waste (for inclusion in suppliers’ lists for Waste Management Systems);
- **UNI EN ISO 45001 certification** (for inclusion in the suppliers’ list for the electro-mechanical maintenance of industrial plants and cleaning services);
- **UNI EN 15838:2010 certification** (for inclusion in the suppliers’ list for “Call Centre and Back Office”);
- **SA 8000 certification** (for inclusion in the suppliers’ list for “Cleaning services”);
- **UNI 10891 certification** (for inclusion in the suppliers’ list in the “Armed surveillance service and concierge/reception”).

For admission to the Qualification Systems of Community-wide significance, **companies wishing to qualify must declare their availability to undergo an audit at the administrative head office**, aimed at assessing the truthfulness and adequacy of the documentation provided, **and at the operating plants or product warehouses**, in order to assess the implementation and application of the active management systems.

The **assessment of suppliers** involves different types of controls that are implemented **depending on the List and the different statuses that the supplier acquires** with respect to Acea:

- **during the qualification phase**;
- **qualified**;
- **qualified with contract in progress**.

In order to be able to register on the suppliers’ list relating to the **Single Regulations for Goods and Services and Works** which, for 2022, concerned **116 out of 162 total Suppliers’ Lists** (“qualification phase”), suppliers must complete a **self-assessment questionnaire on the Quality, Environment, Safety, Energy and Social Responsibility (QASER) management systems** that are considered **important for sustainability** on the Vendor Management platform. In 2022, this questionnaire was completed by **288 suppliers** (201 for goods and services and 87 for works), representing 100% of the qualified suppliers on the supplier lists for the aforementioned Single Regulations and **78% of the total qualified suppliers in the year** (equal to 368)¹²¹.

Furthermore, in continuity with a practice that has been consolidated for several years, the **Purchasing and Logistics Function**, in synergy with the Sustainability Planning & Reporting Unit, sent a panel of **100 Group suppliers** an **in-depth questionnaire** to assess their commitment on **environmental issues**, with a particular focus on energy consumption. **47 companies** responded to the questionnaire **in full** and the results of the survey **are shown in the Relations with the environment section**, in the chapter on **The Use of Materials, Energy and Water** (Energy Consumption paragraph), to which reference is made.

Of the companies that manage their own procurement, it should be noted that **Deco**, which requires suppliers that intend to register in the company’s vendor list to complete a questionnaire, signed by their legal representative, centred around **topics of socio-environmental importance**, such as the adoption of a 231 Organisational Model, any presence of current legal proceedings for the offences envisaged by Italian Legislative Decree no. 231/01 or by environmental or occupational safety regulations as well as any possession of certifications on QASER management systems or EMAS registrations. Furthermore, Deco requires suppliers during registration to sign a **commitment to corporate social responsibility** on the aspects envisaged by international standard SA 8000, which allows for a **higher score to be achieved during qualification**. As at 31 December 2022, Deco had **541 letters of commitment** signed by the legal representatives of the suppliers on the vendor list, 87 of which from the 155 new suppliers registered in 2022. The company carries out an **analysis** to identify its “**key**” suppliers, namely those that, while performing their activities, could have a **greater influence on the corporate activities** and, in particular, impact the **quality** of the service, the **environment** and certain aspects of **health and safety at work**. In addition to their obligation to complete the aforesaid questionnaire before entering into a contractual relationship, all key suppliers are periodically assessed to confirm their qualification and may be subject to second-party audits.

¹²⁰ Pursuant to Article 134 of Legislative Decree no. 50/2016 as amended.

¹²¹ The number of qualified suppliers does not coincide with the 713 successfully processed applications for registration in qualification systems, as suppliers can register in more than one qualification system.

AdF also applies, where relevant, **preferential sustainability criteria** upon **registration on the Suppliers' List**, and for **qualification** in the product categories, for example by requiring operators who intend to qualify in the product category "**hazardous and non-hazardous special waste disposal services**" to certify that they have ISO 14001:2015 certification.

AdF continues its application of the **Circular Economy Protocol**, in order to **protect local suppliers and enhance the quality and socio-environmental sustainability of the supply chain**. The Protocol, specifically promoted by AdF and drawn up with the direct involvement of stakeholders (institutions, sector authorities, credit institutes, universities, trade unions, etc.), makes it possible to **reserve part of the procurement** of goods, services and works, that are not subject to the rules of the Procurement Code, **to local economic operators**, who can register in a **dedicated and specially created register** to qualify in the **product categories related to the circular economy. Social and environmental responsibility** is also taken into account when assessing qualification requests, and incentive criteria that are linked to further commitments are envisaged, such as, for example, hiring staff belonging to protected categories, good practices in terms of health and safety in the workplace, use of vehicles with low environmental impact, etc. (see the Circular Economy Regulation available in the "Suppliers Area" of the institutional website www.fiora.it). As at 31 December 2022, there were **more than 130 qualified suppliers within the scope of the Protocol**. Finally, in order to assess the effectiveness of the process, AdF constantly monitors the qualifications in the categories included in the Register, **periodically checking the results achieved and the quality of the actions taken** and sharing them with local stakeholders. The success of the initiative, launched in 2020, is based on mutual benefit and generates a virtuous cycle in terms of reliability and an increase in sustainability: on the one hand, local suppliers can be confident of long-term assignments, on the other they assume the commitment, in order to remain on the Register, of full compliance with the envisaged sustainability criteria.

Once qualified, the supplier may be subjected to a **second-party audit on Quality, Environment, Safety, Energy and Social Re-**

sponsibility (QASER) Management Systems in order to verify the **actual application** of active certified Management Systems and the management methods of **other areas relevant to sustainability**. In 2022 **audits** were conducted **on the Teams platform**, with remote sharing of documentation; 29 of the main **suppliers** were selected and **subjected to an audit**. These suppliers operated in the most critical sectors for "environment" and "safety" (waste management and works).

Each supplier **was sent feedback** indicating the degree of compliance per scheme and overall, as well as a report with recommendations for improvement. Overall, it was found that 100% of the audited suppliers are certified for Quality (ISO 9001), 97% for Environment (ISO 14001), 93% for Safety (ISO 45001), 52% for Social Responsibility (SA 8000), and 41% for Energy (ISO 50001). An overall average overall **average compliance, compared to the requirements of the audited schemes (QASER), of about 83%** (88% for Quality, 82% for Environment, 88% for Safety, 66% for Energy and 83% for Social Responsibility).

During the year, **Deco** also prepared an **Audit Plan** of its "key suppliers" and **investigated 2 companies** on aspects envisaged by the standard SA 8000 such as the use of child labour or forced or compulsory labour, discrimination, worker safety, compliance with national collective bargaining agreements and labour law, and freedom of association, which found no non-conformities. Should non-conformities be detected, based on their severity, a recovery plan is defined which allows the supplier to raise awareness and improve its performance, with the exception of particularly serious findings that could lead to the interruption of the contractual relationship.

The **Group Vendor Rating** system has been implemented in the single purchasing portal since 2021. The system monitors **various supplier performance indicators** (punctuality, quality, safety) and generates a "**vendor rating index**", which in 2022 was **calculated for 900 suppliers**; this was supplemented by a **sustainability rating**, according to the **EcoVadis model**, **calculated during the year on 339 suppliers** (see the info box and Chart no. 36).

VENDOR RATING AND ECOVADIS MODEL: CSR AS BONUS CRITERION IN TENDERS WITH MOST COMPETITIVE BID

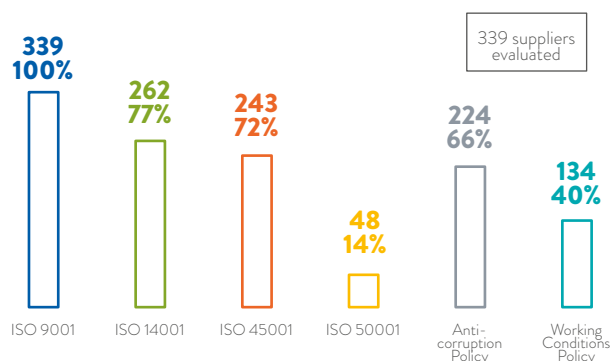
The Group Vendor Rating System is used to **analyse, assess and monitor supplier performance** using objective (non-discretionary) criteria and, where possible, automatic criteria. The **Vendor Rating index** is calculated using a weighted combination of detailed indicators that monitor the main aspects relative to the execution phases of the contract: **punctuality, quality and safety**. The model was defined for goods, services and works for the combined product supplier/group; as at 31 December 2022, the index was **calculated for 900 suppliers**, with the generation of scorecards that, for each product supplier/group of reference, show the summary indicator and the detailed indicators.

To **assess the sustainability performance of its partners**, Acea also adopted the **EcoVadis model**. EcoVadis is a global CSR (Corporate Social Responsibility) rating agency that uses international standards. The EcoVadis model calculates the **sustainability rating ac-**

cording to 21 CSR criteria related to the environment, work and human rights, ethics and sustainability in purchases, which was integrated into the vendor rating model. Accurate analyses are dedicated to the suppliers through: a **customised evaluation questionnaire**; data collection and analysis done by CSR experts; the **establishment of corrective plans and relative monitoring**, and the sharing of the evaluation with the EcoVadis network. In 2022, **339 suppliers were assessed** (+129% compared to the 148 in 2021) and 180 are still under assessment, with an **average score of 59.5/100** (against an Italian average of 50.4/100).

The **CSR evaluation** was included as a **bonus criteria in tenders with the most competitive bid**, offering different scores based on the rating obtained from the EcoVadis assessment, in order to reward the most virtuous companies in terms of environmental protection and Corporate Social Responsibility.

Chart no. 36 – management systems and policies of suppliers evaluated by Ecovadis (2022)



NB: suppliers may have several management systems/policies.

HEALTH AND SAFETY ALONG THE SUPPLY CHAIN: AWARENESS RAISING AND AUDITS

The Group is **extremely attentive to occupational safety**, which it also applies **across the supply chain**. In particular, Acea has tasked organisational structures, in the parent company and the operating companies, with activities aimed at **monitoring** and more effectively **controlling** how suppliers manage safety.

The **Site Safety Unit**¹²² in **Acea Elabori**, is the Group structure of reference, for the management of the **safety of works and services contracted out** by Group companies (mainly Acea Ato 2, Acea Ato 5, Areti and Acea Ambiente¹²³), **ensuring compliance with the highest standards** and with regulations¹²⁴. To this end:

- **Support and assistance to the Works Manager** and general Safety Coordination;
- **Coordination of safety in the design phase and during execution** at specific sites;
- **Safety inspections** for works and services that do not require coordination during execution;
- **Services ancillary** to safety inspection activities.

Site safety inspections are mainly related to the **main works** that are the subject of **maintenance contracts for networks and services in the water and electricity sectors**, but also concern minor contracts¹²⁵.

All supported by the use of computer systems, the activities are distinguished into works requiring **Safety Coordination during the execution phase** (Coordinators appointed as needed by the Works Director) or during the **design phase** and works with **random or on-demand safety inspections**.

For the interventions carried out during the year the following people were involved:

- **21 Safety coordinators** in the execution and design phase, assigned to specific worksites as needed;
- **18 Safety inspectors**, who assessed and verified the safety standard through random inspections;
- **4 Planners**, who followed the planning and dispatching of the safety inspections to the sites of the contractors;
- **10 Technical Support resources**, who managed the technical and professional audits of the companies engaged in the contracts.

In particular, in **2022**, the Site Safety Unit:

- carried out the activities in **support of the technical and professional audits of 1,045 companies** (45% of contractors and 55% of subcontractors and operated equipment rentals¹²⁶), about **29% more** than in 2021 (812 companies);
- activated **Safety Coordination in the Execution phase for 411 tasks** and carried out **Safety Coordination in the Design phase for 73 tasks**;
- carried out **14,724 on-site safety**¹²⁷ inspections.

During the **audit of the staff of contractor and subcontractor companies**, the Site Safety Unit **also ascertains that the Employer has provided basic health and safety training** and, where applicable, **specific training**.

The **occupational health and safety audits** conducted during the inspections in 2022 made it possible to detect a total of **1,686 non-conformities**¹²⁸ (of which 1,178 of minor importance, 380 of medium importance and 139 of major importance), confirming the trend detected in the last three-year period of a **clear prevalence of the weighting as a percentage of minor non-conformities (70% in 2022)** and the **constant decrease in the weighting as a percentage of major non-conformities (8% in 2022) of the total non-conformities found**¹²⁹.

122 In December 2022, the Site Safety Unit was renamed the Safety Unit.

123 For Acea Ambiente, Acea Elabori's Construction Site Safety Unit has mainly carried out Safety Coordination during execution (CSE) activities on a smaller number of sites.

124 Legislative Decree no. 81/08 "Consolidated Act on Safety", as amended.

125 Such as electrical or electromechanical maintenance work carried out on plants, meter changes, road repairs, video-inspections and sewerage pumping, etc.

126 Operated equipment rental is a contract that involves the rental of work equipment and the performance of a specialized operator, essential for the operation/use of the equipment itself.

127 The number includes visits for all types of contracts, both main ones and "minor ones".

128 For the main contracts, as envisaged in the contract documentation, the results of audits are recorded according to four categories: compliant or non-applicable, minor (generally corrected on the spot), medium and major infractions. The non-conformities are associated with corrective actions and penalties applied by the contracting company on the basis of the provisions of the tender documentation, and, serious infractions may lead to the suspension of works.

129 In 2020, over 14,904 inspections, 1,457 non-conformities were recorded (of which 962, or 66%, of minor importance; 337 of medium importance, and 158, or 11%, of major importance). In 2021, over 15,444 inspections, 1,023 non-conformities were recorded (of which 677, or 66%, of minor importance; 251 of medium importance, and 95, or 9%, of major importance).

THE SAFETY CHECK PROJECT: “PRIVACY” CHECKS PERFORMED

Acea Elabiori and the Technology & Solutions Function of the Parent Company, between 2020 and 2021, developed and carried out an initial pilot of the Safety Check project, which aims to **prevent potential risk situations by using IoT sensors to monitor remotely and in real time the safety conditions of staff in the work sites**.

During the pilot in 2021 – lasting 4 months and involving 5 operating technicians – the detection system, formed of sensors, tags, smart watches and an IoT infrastructure connected to a dashboard, received around 1,200 inputs from the field, most of which triggered deliberately (for example by removing the protective helmet) to test its efficacy.

In 2022, Acea Elabiori carried out research on personal data protection: with the involvement of the DPO (Data Protection Officer), the **Data Protection Impact Assessment (DPIA)** was **carried out**, using the method provided by the French Data Protection Authority (CNIL – *Commission nationale de l’informatique et des libertés*). This activity made it possible to **identify the impacts, risks, privacy responsibilities and the adequacy of the safeguards**. The next steps will involve the Technology & Solutions Function identifying and contracting a supplier and Acea Elabiori implementing measures in preparation for launching the activity.

The **Acea Elabiori Site Safety Unit** and all Group Companies that independently manage site audits¹³⁰, either in whole or in part, also contribute to **protecting the safety of contractors working on the construction sites**, by meeting the employers of the companies before the start of work and **informing them of the standards adopted**. In fact, **all contractors** are informed by the relevant Units in charge of managing the contract, the Works Management and the relevant Safety Coordinators for the Execution of the Works (the latter where provided for by current legislation), **through the DUVRI** (Single Risk Assessment Document, to be attached to the contract), **the SCP** (Safety and Coordination Plan) or **specific co-ordination meetings**.

As an example, **AdF**, which conducts its own inspections, took steps to carry out **coordination meetings with the contracting companies** on the correct procedures to be followed in terms of health and safety, and carried out **2 training/coaching courses** aimed at contractor staff, for a total of 40 hours of training on the correct use of systems for the recovery in emergencies for staff operating in the workplace, through the preparation of specific anchor lines for each type of plant.

Acea Elabiori, due to the construction activities that it carries out as a contractor, has adopted an **innovative control model** that provides for interaction between a specifically established role (the High Vigilance Monitoring Officer (REMAV)), the Delegated Executives, the Employer and the Safety Officers, with the support of a **dedicated app (Vigilanza 4.0)**, **developed in collaboration with La Sapienza University in Rome**. The REMAV performs monitoring for the verification of compliance with prevention and protection measures on site, using checklists that consider general behaviour, safe work instructions, and requirements of conformity of the work environments and sites. The outcomes of the inspections, which are tracked and sent via the app to the delegated executives and the employers, make it possible to **assess the overall safety level** and, where necessary, to identify **improvement prevention and protection measures for workers** and to intervene to ensure their implementation. In 2022, 10 high vigilance monitoring sessions were carried out, during which no critical issues were found.

In Acea, moreover, the **Training Camp** is still operational. The space, dedicated to the training and education of staff on **occupational health and safety** and **technical/specialist subjects**, is used for both internal training (see also chapter *Staff*) and to explain

certain working methods to **contractor staff**; training and coaching are related to specific activities such as, for example, **climbing/descending medium and low voltage power line poles, access to underground confined spaces**, and, above all, **securing the plants** during works, which represents **the activity with the greatest consequences on safety**.

Contractors **have been trained** to comply with the “Shared protocol for the regulation of measures for the prevention and containment of the spread of the COVID-19 virus in workplaces”¹³¹ which requires the adoption of **technical, organisational and procedural measures** (safety measures to prevent contagion), defined on the basis of a precautionary approach, for the management of health emergencies **both in the workplace and with regard to the procurement of goods and supplies**, extending also to the site owners and all subcontractors and sub-suppliers present; **an operational instruction** containing the Covid-19 Prevention Guidelines was provided to contractors.

The Companies that carried out site inspections during the year, **above and beyond the work of the Site Safety Unit**, took the **Parent Company’s guidelines** into consideration. In particular, **Acea Ato 2** increased the activities assigned to the Supervision and Inspection Unit, and **2,467 inspections** were conducted during the year (1,118 in 2021) **at contractors**, with no serious critical issues detected. **Acea Ato 5** also stepped up its audit activities and carried out **544 inspections** (270 in 2021) through its Internal Security Team (Risk & Compliance and Security Unit), to audit suppliers on occupational health and safety, environmental issues and quality of the work carried out. The findings of the inspection visits were shared with the companies concerned, to suitably raise their awareness of the issues detected by the inspection, including through specific meetings.

This also applies to non-centrally managed companies: Through its Technical Management Systems Unit, in 2022 **AdF increased the audits to verify safety conditions and compliance with the Covid-19 regulations**, performing **503 audits** (223 in 2021) and detecting 28 deviations concerning lack of documentation, but no cases of procedural problems and/or lack of PPE; **Gori conducted 2,953 on-site health and safety audits** and **Gesesa carried out 31 inspections** at contractors’ sites to check compliance with safety regulations and to identify and resolve anomalies.

¹³⁰ Note that the company Deco, included in the NFS scope since 2022, had no site activities in the year in question.

¹³¹ The Shared Protocol regulating measures to combat and contain the spread of the Covid-19 virus in workplaces was signed on 14 March 2020 by the trade unions and employers’ organisations in agreement with the Government. It was further supplemented on 24 April 2020 and updated with the Protocol of 6 April 2021, for the duration of the emergency.

To improve oversight of **health and safety along the value chain** and to make such topic a distinctive trait of the Group, the Investor Relations & Sustainability Department and the Occupational Safety Unit of the Parent Company, in synergy with the parent company Units and the operating companies handling relations with suppliers in various capacities, launched in 2020 and subsequently implemented a project entitled “**Sustainability and safety, a virtuous**

pair”. The project aims to **actively involve contractors** working with Acea, urging them to conduct **training sessions** and in particular, improve the process of **collecting and reporting accident data**. For this purpose, an event was organised in 2022 to **raise awareness** about safety in the workplace **among the Group’s main suppliers** (see info box).

HEALTH AND SAFETY IN THE WORKPLACE: AN EVENT AIMED AT SUPPLIERS

On 16 May 2022 **Acea organised an event** at its *La Fornace* conference centre with the aim of **increasing awareness among the employers and workers of the contractors about accident prevention**. Thanks to support from the RSPPs of the Group companies, it was possible to involve **250 contractors**.

The event, also available via livestream, was introduced by speeches by Group managers, who **illustrated the corporate strategy**, strongly **oriented towards sustainability**, with a particular focus on the topic of **workplace health and safety of staff of contractors**,

considered essential partners of the company.

Moreover, the event was attended by the Prevention and Protection Service Managers (RSPPs) of the Group companies, the Directors of Works and Services of Acea SpA and the Purchasing and Logistics Function.

The event recalled the aims of the project **Sustainability and Safety, a Virtuous Pair** and, in a precise manner, presented the **accident data collection survey** in order to help suppliers fill out the requested information.

In line with the previous two-year period, in **2022** the operating companies of the Group identified **411 suppliers of the main works and services active during the year** and asked them to complete the data collection survey on access occurring during the year on Acea contracts. The questionnaire **received a response from 225 contractors**, or 55% of the panel selected. An analysis of the survey data found that there were a total of 28 accidents in 2022 involving **contractor staff** employed on Acea contracts (around 400 people), divided in **24 occupational accidents** (of which 21 with minor injuries) and **4 non-occupational accidents** (all with minor injuries). Additionally, there were no fatal accidents during the year, nor were there any occupational diseases involving contractor staff. The **main causes of accidents** are due to **stumbling, bumping, slipping, cuts, crushing, and road accidents**. The **frequency index**¹³² of total accidents, measured by the survey, is **3.23** and the **severity index** is **0.14**.

With a view to continuous improvement, period analyses were conducted to define additional actions to be taken in order to standardise the process and successfully involve an increasing number of Group suppliers.

INVOLVEMENT OF SUPPLIERS ALSO IN OTHER SENSITIVE ISSUES

Some Group companies carry out activities for **engagement and awareness of suppliers** with respect to technological developments implemented in operating processes and Group guidelines, to ensure **constant alignment and adequate training of partners** working on behalf of the Company.

In 2022, **Areti** involved suppliers on the use of the *new licence portal* – **training 9 contractor operators** – and continued training on “*Hammer Meter Readers - Time Meters Received*”, involving **15 contractor operators**, for a **total of 20 hours of training**. The initiatives were held on the Teams platform, with **contributions from 5 internal teachers**.

Every year, **Deco** engages with 5 suppliers on aspects envisaged by the standard SA 8000, using a dedicated questionnaire, which also includes supplier **perception** of the management of those same aspects by Deco, with the aim of gradually raising their awareness of social responsibility aspects, associated in particular with the protection of workers’ rights.

Finally, every year, **Acea Energia** monitors the **quality of the sales service provided by the door-to-door and/or telemarketing agencies** in the “domestic” and “micro-business” segments of the de-regulated market, and in accordance with the Agency Mandate, **it trains those who work in the name and on the behalf of Acea so that they can convey adequate information to customers** (please also see the chapter on Customers). In particular, in **2022** Acea Energia carried out a **training programme** for a total of **401 hours**, of which 212 hours were delivered to **336 door-to-door sellers**, for a total of 34 days, and 189 hours delivered to **91 telemarketing agency workers** (front end, back office and supervisors).

¹³² The frequency index of accidents is calculated using the following formula: [(number of accidents/total hours worked in the period) x 1,000,000] with accident meaning a work-related incident that prevents the employee of the contractor from returning to work during the day on which the accident occurred and/or on the following day/work shift scheduled.

STAFF

ACEA'S EMPLOYEES



people with a permanent contract: **99%**



women on the Acea Board of Directors: **44.4%**



427 new hires in 2022:
44% are young people under 30 years old

In 2022, the company's **total staff**¹³³ numbered **6,763 people**.

Table no. 41 – Evolution of employees by macro-area (2020-2022)

business area	2020 (no. of employees)	2021 (*) (no. of employees)	2022 (*) (no. of employees)
Water	3,303	3,353	3,425
Networks (Energy Infrastructure)	1,280	1,264	1,287
Generation	87	89	97
Commercial	392	397	420
Environment	338	362	506
Engineering and Services	274	298	305
Corporate	700	703	723
total	6,374	6,466	6,763

(*) the 2021 amounts do not include the workforces of the companies Berg and Demap, for a total of 33 people, and those relating to 2022 do not include the workforce of the company Berg, of 19 people.

The **Water Operations** segment recorded the **highest numbers and accounts with 51% of the total**, in line with the number of Companies included and the percentage of business on the Group's operations. The **Energy Infrastructures** segment followed, which **represents 19% of the total figures**.

The information and data set out below in the chapter include¹³⁴ Demap and Deco, the latter within the scope of reporting since 2022.

COMPOSITION AND TURNOVER

The Acea SpA **Human Resources Management Department** handles the **administration of the personnel** employed by the subsidiaries according to defined procedures. To this end, the Department uses computer systems (SAP HCM, SAP SuccessFactors) oper-

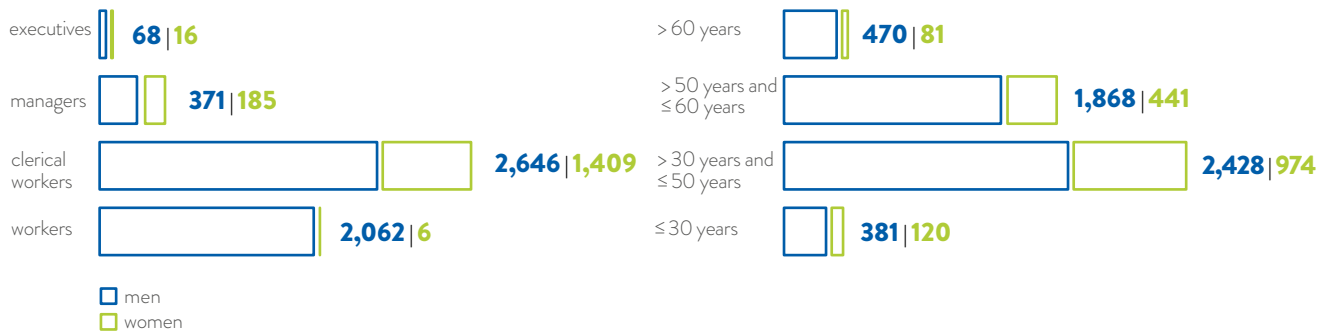
ating at the Group level for the management of employee records, salaries, merit plans, etc.

The staff composition confirms the **prevalence of men, accounting for 76% of the total staff**. This is caused by the fact that there are still more men than women with technical skills in Italy today. The **professional structure is stable** and is composed as follows: **60% are employees, 31% are workers, 8% are executives and 1% are managers**. **7.4% of the workforce less than 30 years old, 50.3% is between 30 and 50 years old and 42.3% of people are over 50 years old**.

With regard to the **level of education**, we confirm the **steady increase of university graduates, who have increased to 29% of the total** (27% in 2021) and the substantial **stability of diploma holders**, accounting for 48% of the total (for the above data, please see Chart no. 37 and Table no. 42).

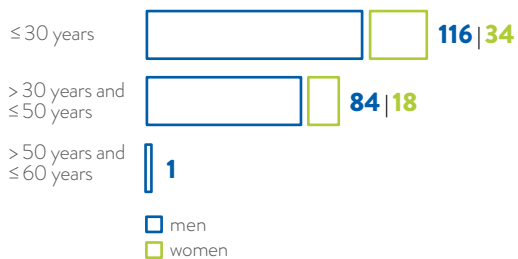
¹³³ The chapter illustrates the data relating to employees of the companies within the NFS scope (see Disclosing Sustainability: Methodological Note), i.e. staff who have an employment contract with them and whose duties are under their direct control, with the exception of the companies in the PV area which have no staff and Berg, which is not managed centrally and accounts for very little, as indicated in the text. The total workforce, for all the Companies within the consolidation, was 10,455 during the year (9,348 in 2021). For staff not employed by the companies but over which direct control is exercised, please refer to the paragraph Collaboration with Universities and Schools and the GRI Content Index: reporting principles, universal standards, specific standards and material disclosures.

¹³⁴ Berg, however, is excluded, as it was not possible to collect the information at the reporting date of the document. However, as these companies are small, the number of employees is not very significant and does not change the data illustrating the overall characteristics of the Group's workforce.

Chart no. 37 – Composition of the staff: gender, age and category (2022)

99% of the workforce are **employed** with a **permanent contract**, which has **increased slightly** compared to 2021 (+1%). The **length of the employment relationship** indicates the **stability of employ-**

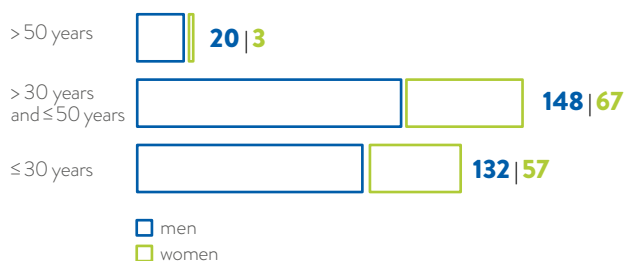
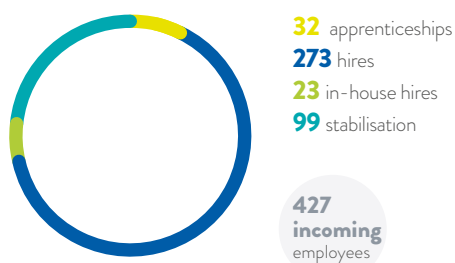
ment: 40% of the people who left during the year worked for the Group for **30 to 50 years** and **59% up to 30 years** (please see Chart no. 38 and Table nos. 42 and 44).

Chart no. 38 – Contract types and length of the employment relationship (2022)

427 people joined the company in 2022 (300 men and 127 women), **80% of whom on the basis of open-ended contracts** divided into: 273 recruitments from the external labour market, 99 became permanent employees (including 37 young people who did intern-

ships or apprenticeships in the company), 23 were hired internally and 32 were granted apprenticeships (see chart no. 39 and table no. 44).

44% of newly hired staff during the year were **aged 30** or under.

Chart no. 39 – Types of entries and age of the staff (2022)

There were 253 people who left the company in 2022 (201 men and 52 women): 90 subscriptions to the “isopension” (early retirement), 28 voluntary redundancy plans, with the agreed and incentivised termination of the employment contract, 23 retired,

90 resigned, 6 were dismissed, 6 left due to contract expired and 10 passed away (see Chart no. 40 and Tables 44 and 45). **64% of the outgoing staff** was **over 50 years of age**.

Chart no. 40 – Types of exits and age of the staff (2022)



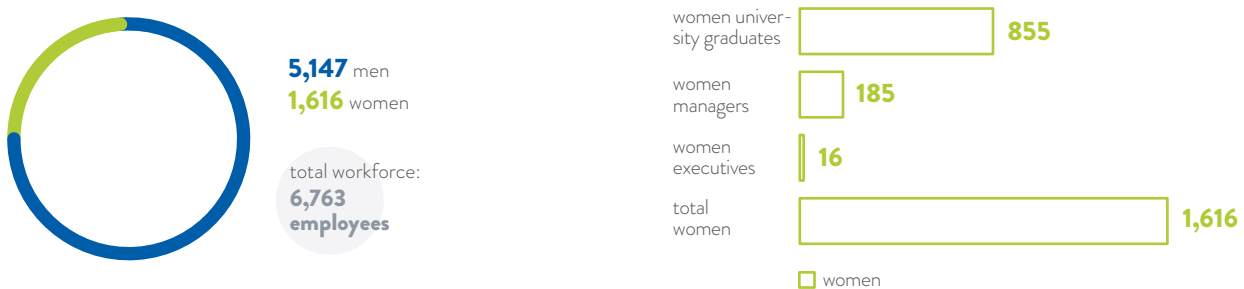
The **rate of turnover** was **10.1%** (9.7% for men and 11.1% for women), the **incoming rate** was **6.3%** (5.8% for men and 7.9% for women) and the **outgoing rate** was **3.7%** (3.9% for men and 3.2% for women) (see Table no. 43).

WOMEN IN ACEA

In 2022, Acea had **1,616** female workers (up 6% from 1,528 in 2021), representing **24% of the total workforce**.

The proportion of female executives as a percentage of total executives (16 out of 84) is equal to **19%**. **The percentage of women in managerial positions** is **33%** of the category (185 out of 556) (Chart no. 41, while **women accounted for 44%** (855 out of 1,928) of the **graduates** employed by the Group.

Chart no. 41 – The distribution of the staff from a gender perspective (2022)



A total of **68 women** participate in the **corporate governance** of the reporting companies (Boards of Directors and Boards of Statutory Auditors), representing **37.6% of the total members** (in 2021, women in the governance bodies totalled 53, equal to 37.1%).

In the **Parent Company**, women make up for **44.4% of the members sitting on the Board of Directors** (4 women out of 9 members) and **40% of the members of the Board of Auditors** (2 women out of 5 members, including 1 alternate), thus Acea has exceeded the

quotas imposed by legislation (Law 120/2011). We also report that every internal board committee includes one or more women, and that the Chair of the Control and Risks, Appointments and Remuneration, Ethics and Sustainability Committees is assigned to a female Director (see also *Corporate Identity*, section *Corporate governance in Acea*).

Chart no. 42 – Women in the corporate governance bodies (2020-2022)

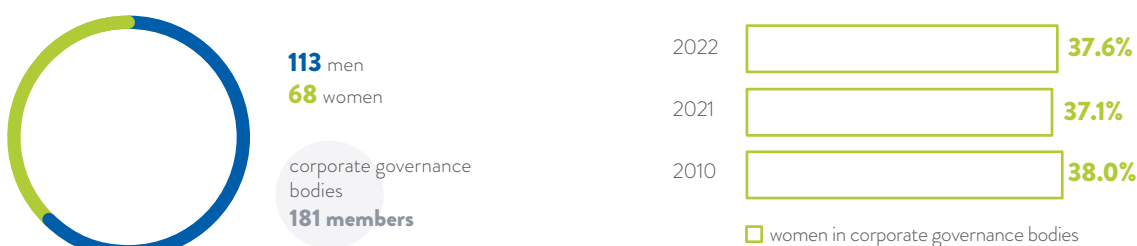


Table no. 42 – General data on personnel (2020-2022)

u.m.	2020			2021			2022		
	men	women	total	men	women	total	men	women	total
COMPOSITION OF THE STAFF									
number									
executives	73	17	90	67	15	82	68	16	84
managers	341	150	491	350	169	519	371	185	556
clerical workers	2,517	1,295	3,812	2,552	1,338	3,890	2,646	1,409	4,055
workers	1,975	6	1,981	1,969	6	1,975	2,062	6	2,068
total	4,906	1,468	6,374	4,938	1,528	6,466	5,147	1,616	6,763
WOMEN IN ACEA									
%									
women out of the total workforce			23			24			24
female executives out of total executives			19			18			19
female managers out of total managers			31			33			33
female graduates out of total graduates			43			44			44
EDUCATION LEVEL OF THE PERSONNEL									
number									
university graduates	904	696	1,600	976	765	1,741	1,073	855	1,928
high school graduates	2,541	643	3,184	2,546	637	3,183	2,626	640	3,266
other qualifications	1018	55	1,073	999	57	1,056	1,048	54	1,102
not defined	443	74	517	417	69	486	400	67	467
total	4,906	1,468	6,374	4,938	1,528	6,466	5,147	1,616	6,763
AVERAGE STAFF AGE									
years									
average company age	48	45	47	48	45	47	49	41	45
average age of executives	53	51	53	53	52	53	51	53	52
average age of managers	51	49	50	51	49	50	54	49	52
average age of clerical workers	47	44	46	47	44	46	30	40	35
average age of workers	47	49	47	47	50	47	48	45	46
AVERAGE SENIORITY OF THE STAFF									
years									
average corporate seniority	16	14	16	16	14	16	12	10	11
average seniority of executives	17	16	17	17	17	17	16	18	17
average seniority of managers	19	18	19	19	17	19	13	13	13
average seniority of clerical workers	17	14	16	17	14	16	9	8	9
average seniority of workers	14	18	14	14	19	14	9	13	11
TYPE OF EMPLOYMENT CONTRACT									
number									
staff with permanent contract	4,783	1,435	6,218	4,859	1,501	6,360	5,088	1,580	6,668
(of which) part-time staff	23	102	125	20	81	101	17	82	99
staff with fixed-term contract	69	19	88	40	11	51	19	19	38
staff under apprenticeship contracts	54	14	68	39	16	55	40	17	57
total	4,906	1,468	6,374	4,938	1,528	6,466	5,147	1,616	6,763

Table no. 43 – Movements of personnel (2020-2022)

u.m.	2020			2021			2022		
	men	women	total	men	women	total	men	women	total
INCOMING STAFF: CONTRACT TYPE									
number									
permanent	283	82	365	201	82	283	244	99	343
fixed-term	67	19	86	32	9	41	30	22	52
professional apprenticeship contracts	17	4	21	5	6	11	26	6	32
total	367	105	472	238	97	335	300	127	427
OUTGOING STAFF: REASONS									
isopension (early retirement)	-	-	-	-	-	-	73	17	90
layoffs	103	18	121	95	25	120	0	0	0
early retirement	35	5	40	41	2	43	28	0	28
retirement	10	0	10	10	0	10	20	3	23
terminations	8	0	8	8	0	8	6	0	6
other reasons (*)	47	9	56	65	16	81	74	32	106
total	203	32	235	219	43	262	201	52	253
TURNOVER RATES, INCOMING AND OUTGOING RATES PER AGE GROUP (**)									
%									
turnover rate	11.6	9.3	11.1	9.2	9.2	9.2	9.7	11.1	10.1
incoming rate	7.5	7.2	7.4	4.8	6.3	5.2	5.8	7.9	6.3
≤ 30 years	2.7	2.7	2.7	1.8	2.6	2	2.6	3.5	2.8
> 30 years and ≤ 50 years	3.8	4.1	3.9	2.5	3.6	2.8	2.9	4.1	3.2
> 50 years	1	0.4	0.8	0.4	0.1	0.4	0.4	0.2	0.3
outgoing rate	4.1	2.2	3.7	4.4	2.8	4	3.9	3.2	3.7
≤ 30 years	0.1	0.2	0.1	0.2	0.4	0.3	0.3	0.5	0.4
> 30 years and ≤ 50 years	0.4	0.4	0.4	0.5	0.5	0.5	0.9	1.4	1.0
> 50 years	3.6	1.6	3.2	3.7	1.9	3.3	2.7	1.4	2.4

(*) For 2022, the item includes: 10 deaths (not due to accidents at work), 90 resignations, and 6 contract expirations.

(**) The turnover rate is provided by the sum of hires and terminations of the year relative to the workforce at year end. The Companies to which the data refers are predominantly located in Lazio.

Table no. 44 – Age groups, employment contract length (2020-2022)

u.m.	2020			2021			2022		
	men	women	total	men	women	total	men	women	total
STAFF AGE GROUPS									
number									
≥ 25 years and ≤ 30 years	302	91	393	330	105	435	381	119	500
> 30 years and ≤ 50 years	2,384	900	3,284	2,368	929	3,297	2,428	975	3,403
> 50 years and ≤ 60 years	1,822	419	2,241	1,832	426	2,258	1,868	441	2,309
> 60 years	398	58	456	408	68	476	470	81	551
total	4,906	1,468	6,374	4,938	1,528	6,466	5,147	1,616	6,763
INCOMING STAFF: AGE GROUPS									
≤ 30 years	132	39	171	91	40	131	132	57	189
> 30 years and ≤ 50 years	188	60	248	125	55	180	148	67	215
> 50 years	47	6	53	22	2	24	20	3	23
total	367	105	472	238	97	335	300	127	427
OUTGOING STAFF: AGE GROUPS									
≤ 30 years	6	3	9	12	6	18	17	8	25
> 30 years and ≤ 50 years	18	6	24	25	8	33	44	22	66
> 50 years	179	23	202	182	29	211	140	22	162
total	203	32	235	219	43	262	201	52	253
DURATION OF THE EMPLOYMENT CONTRACT OF THE OUTGOING STAFF									
≤ 30 years	94	14	108	121	17	138	116	34	150
> 30 years and ≤ 50 years	109	18	127	98	26	124	84	18	102
> 50 years and ≤ 60 years	0	0	0	0	0	0	1	0	1
total	203	32	235	219	43	262	201	52	253

HOURS WORKED, SALARY AND PENSION FUNDS

HOURS WORKED IN ACEA

Acea works in compliance with labour legislation and in accordance with the **National Collective Bargaining Agreements of reference**, with a particular focus on cases relating to working hours and the duration of work, minimum guaranteed wages, age categories and restrictions on the use of legal child labour, proper management of disadvantaged categories.

Again for 2022, the Group has maintained **remote working** as the main working method, mainly for staff with administrative profiles.

Hours worked in the year, ordinary and overtime, excluding managers, amounted to **10,939,428 hours** of which **78% by male staff**

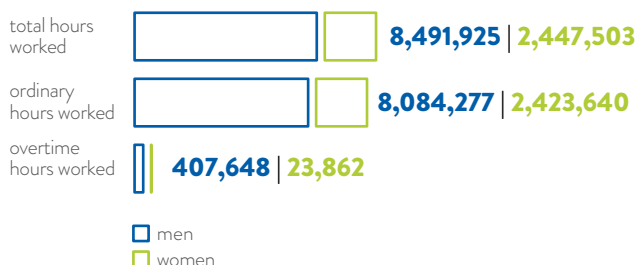
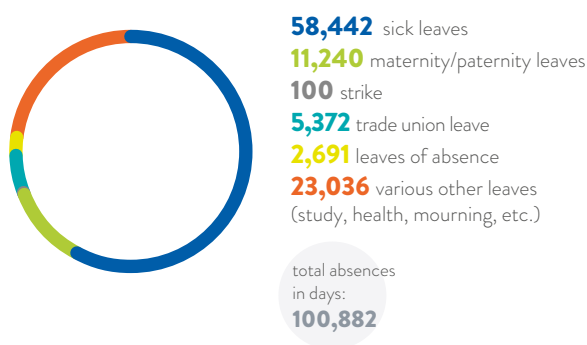
(8,491,925 hours), due to the higher proportion of men in the company's workforce (76% of the total).

Analysing the overtime hours, the influence of gender is even more evident: **94% of overtime is in fact attributable to men** and **only 6% to women** (please also see the sub-paragraph *Remuneration*).

Days of absence totalled 100,882, mainly due to **illness, various leave** (for reasons of study, health, etc.), **maternity/paternity leave**, and **trade union** reasons (see Chart no. 43 and Table no. 45).

The **absenteeism rate for the year was 3.6%** (3.7% for men and 3.1% for women), up from 2.7% in 2021.

Chart no. 43 – Hours worked by the staff and absences (2022)



In addition to leave, staff can access reduced working hours, in accordance with the terms defined by the company: in 2022, **part-time** staff amounted to around **1.5% of total staff**.

For **managers** and **stage-three workers**, **independent scheduling is permitted**, which allows the “personalized” management of work schedules, in compliance with contractual provisions.

For **employees with a “fixed schedule”**, arrival and departure **flexibility** is permitted, according to established slots, and a **total number of monthly hours of leave** can be used during the times established.

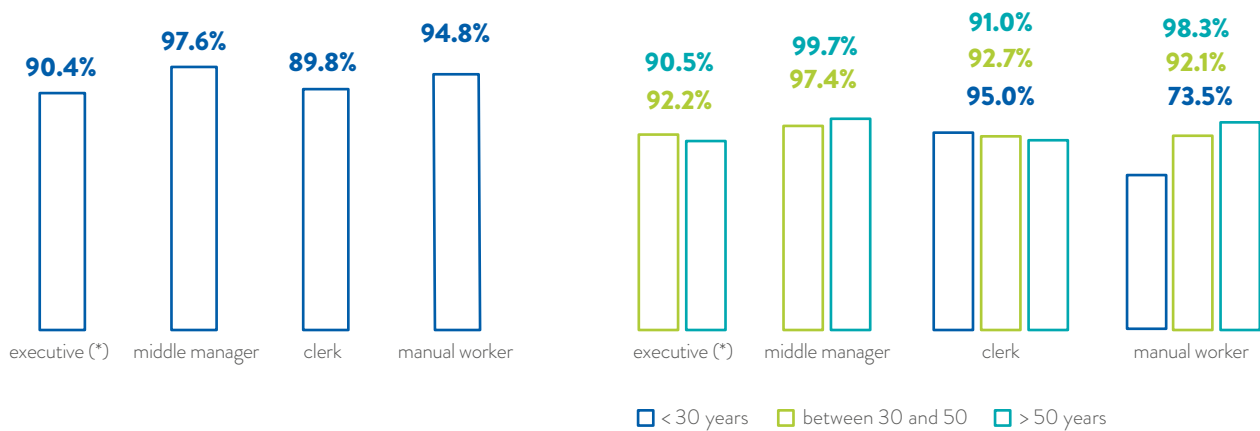
REMUNERATION

The **wages** that Acea pays its employees, excluding executives and top management, are determined by applying the **National Collective Bargaining Agreements (CCNL)** of reference, which ensure the minimum salary levels according to professional categories.

The company also applies a **remuneration policy that includes merit-based principles**, in line with the Performance Management and Leadership Models adopted, with effects on the fixed and variable components of the remuneration, determining remuneration that is

above the minimum salaries set by the National Collective Bargaining Agreements (see also sub-paragraph *Incentive Systems and Staff Evaluation*).

The **percentage weight of gross average effective remuneration of women**, including fixed and variable components, **as compared to that of men** shows that for executives the pay gap is 9.6%, in favour of men; for middle managers, men's salaries are slightly higher than women's, the men receive 2.4% more remuneration than women; for clerks and manual workers, the pay gap is 10.2% and 5.2% respectively, again in favour of men, due to the fact that activities with higher additional remuneration (on-call, shifts, allowances, overtime, etc.) are mainly carried out by men who hold technical roles. Breaking down the data further **by age group**: the pay gap narrows slightly for female managers over 50 and more substantially for those aged between 30 and 50; female middle managers over 50 receive pay that is substantially aligned with those of men in the same age bracket; finally, the pay gap narrows, in particular, for female clerks under the age of 30, demonstrating that the remuneration for the new jobs required by the company are more uniform from a gender perspective (see Chart no. 44 and Table no. 45).

Chart no. 44 – Women's pay as a percentage of men's pay by qualification and age group (2022)


(*) The item does not include senior managers benefiting from the Long Term Incentive Plan (LTIP).

PENSION FUNDS AND DEFINED CONTRIBUTION PLANS

Supplementary pensions are a form of **voluntary contribution** aimed at generating income that is supplementary to the pension, the amounts paid by workers being invested in the financial market by specialized operators.

The pension funds of reference for Acea staff are, mainly: **Previdai**, reserved for executives, and **Pegaso** (managed jointly by Utilitalia and Trade Union Organisations) for non-management staff, to whom the National Collective Bargaining Agreements of the electrical and gas-water segments apply.

The **Pegaso Fund** adopted a Strategic Plan that illustrates the **organisation's management guidelines, including instruments for measuring ESG factors** (environmental, social and governance).

There were **4,157 Pegaso members among the Acea employees** in 2022, of which **78% men** and **22% women** (see Table no. 45). The company paid about € 8.7 million in severance pay to the fund and € 3.4 million in supplementary contributions; for some years it has been possible to pay part or all of the performance bonus into the fund, benefiting from an additional share paid by the company.

Table no. 45 – Hours worked, absences, remuneration and members of the supplemental pension fund (2020-2022)

u.m.	2020			2021			2022		
	men	women	total	men	women	total	men	women	total
HOURS WORKED BY THE STAFF									
hours									
regular	7,771,112	2,256,024	10,027,137	8,036,229	2,354,212	10,390,441	8,084,277	2,423,641	10,507,918
overtime	399,694	14,871	414,565	399,874	17,616	417,489	407,648	23,862	431,510
total hours worked	8,170,806	2,270,896	10,441,702	8,436,103	2,371,828	10,807,931	8,491,925	2,447,503	10,939,428
TYPE OF ABSENCES									
days									
sick leave	35,163	7,815	42,978	33,518	7,218	40,736	45,737	12,705	58,442
maternity/paternity	1,499	7,929	9,428	1,730	10,640	12,370	1,920	9,320	11,240
strike	0	0	0	1159	257	1416	83	17	100
trade union leave	3,756	377	4,133	3,996	399	4,395	4,934	437	5,372
leave of absence	2,015	734	2,749	1,617	813	2,430	2,123	569	2,691
miscellaneous leave (study, health, bereavement and general reasons)	18,402	5,378	23,780	16,157	4,750	20,907	17,192	5,844	23,036
total absences (not incl. holidays and accidents)	60,835	22,233	83,068	58,177	24,077	82,254	71,989	28,892	100,882

AVERAGE GROSS FEMALE PAY AS A PERCENTAGE OF MALE PAY BY QUALIFICATION (*)

%			
executives	98.2	89.7	90.4
managers	98.2	99.6	97.6
clerical workers	87.8	91.2	89.8
workers	94.6	92.5	94.8

AGE GROUPS AND GENDER OF THE EMPLOYEES ENROLLED IN THE PEGASO FUND

number									
≤ 25 years	32	0	32	56	3	59	68	5	73
> 25 years and ≤ 30 years	92	25	117	103	29	132	130	39	169
> 30 years and ≤ 35 years	143	70	213	155	76	231	216	109	325
> 35 years and ≤ 40 years	202	103	305	224	90	314	330	112	442
> 40 years and ≤ 45 years	261	89	350	258	99	357	403	152	555
> 45 years and ≤ 50 years	293	101	394	293	96	389	469	128	597
> 50 years and ≤ 55 years	466	144	610	454	154	608	612	179	791
> 55 years and ≤ 60 years	440	112	552	434	102	536	623	123	746
> 60 years	276	60	336	276	71	347	377	82	459
total	2,205	704	2,909	2,253	720	2,973	3,228	929	4,157

(*) 2020 data do not include AdF and Gori.

LABOUR-MANAGEMENT RELATIONS



67% of employees
are **union members**



signed the agreement
governing the implementing
methods of the

Isopension Plan



signed the **“New
Normal” Remote
Working Agreement**

Acea applies the **Single Contract for the electricity sector** and the **Single Contract for the gas-water sector**. **All the workers** are therefore **covered by national collective bargaining agreements**. In 2022, **unionisation** was around **67%** and **258** employees held **management or trade union representation positions**, of which: **19**, appointed following an agreement, were **Workers’ Representatives for Safety and the Environment (RLSAs)** and **7**, appointed following elections, were **Unitary Trade Union Representatives (RSUs)** for the company Acea Ato 5.

Within the Human Resources Function of the Parent Company, **the Industrial Relations Unit oversees the company’s policies regarding trade union relations**, ensuring consistency with the Group’s objectives. The discussions on the specific corporate requirements are conducted within the framework of national collec-

tive bargaining (CCNL) at the sector level, and between companies and internal employee representatives.

The **Labour-Management Relations Model** applied in Acea defines a **system of high-profile trade union relations** based on **bilateral agreements and participation**, combining **business objectives and social demands**.

The **Labour-Management Relations Protocol** structures the system of union participation and dialogue on **three levels** – Group, industrial segment and corporate – and provides for **several areas of comparison**: economic and financial performance, employment policies, selection, promotion, development and training of staff, occupational safety, corporate welfare, promotion of diversity and inclusion; industrial policy and investment plans; performance bonus, organisation of working hours, technical and specialized training and professional development.

Acea has a **consultation procedure for workers**, that can be applied directly or through their representatives. It covers issues such as **occupational safety, respect for the environment and sustainable development of production activities** and, in order to favour the **involvement of employees** in trade union relations activities, it has set up a dedicated **e-mail address**. There are also **Bilateral Commissions**, composed of company representatives and employees, who express their opinions on issues such as training, remote working, corporate welfare and occupational health and safety and participatory models, such as **Unitary Trade Unions (RSU)** and **Workers for Safety and the Environment (RLSA)**.

In 2022, the main agreements signed by Acea with the trade unions concerned **welfare, organisation of work, training, and sustainability**. In particular, in January, an agreement on **corporate welfare** was reached, which defined a **new management model for supplementary healthcare** aimed at improving health coverage offered to employees, in line with changes in contractual and tax regulations. As a result of this agreement, a new healthcare policy has been active since June 2022, for employees and their dependent family members, which also provides coverage for certain dental services. The measures of social importance carried out in the year include the **agreements** reached with the dual objective of **enhancing complementary insurance and rewarding the work of staff for the achievement of good company performance**, which, from 2022, provides employees who achieve positive results and in case the profitability indicator (EBITDA) outperforms, an **additional payment of € 200 to be allocated to the Pegaso contractual Complementary Social Security Fund**.

With reference to the **organisation of work**, the **“New Normal” Remote Working agreement** was reached, which guarantees employees access to remote working, on a voluntary basis, usually up to a maximum of 60% of the monthly working days and for a total period of 12 months.

Also of particular importance was **the agreement on the New Skills Fund**, which confirms, in line with the renewals of the national collective bargaining agreements applied, the central role of training in acquiring and refreshing the skills necessary for the transformation

of working methods and technologies. Pursuant to this agreement, the Group companies have envisaged that part of the working hours be dedicated to a **training project** that includes courses on the **digital and ecological transition**.

Lastly, in 2022, in line with the provisions of the Agreement dated 30 July 2020, also with the purpose of managing generational turnover, **the agreement that governs the implementing methods of the Isopension Plan** was signed for employees who, between 1 August 2023 and 30 November 2027, meet the requirement for retirement or early retirement.

As regards the **information notice to the employees regarding possible organisational changes or corporate reorganisations that effect employment relations**, Acea takes different positions depending on the situations explained below:

- 1. organisational changes:** in the event of establishment of new Units or changes in assignments or responsibilities, the Human Resources Department issues an Organisational Provision and sends a communication to the competent functions, which post it on the bulletin board and the company intranet. In the event of organisational changes that affect the staff, the trade union representatives are informed. If they concern a single employee (change in workplace, schedules, etc.), he receives communication by the Human Resources Unit of the person's Company;
- 2. Corporate reorganisations:** in the event of reorganisation, as a result of significant organisational and production changes, with effects on working conditions and employment, the methods of informing the employees and the Trade Union Representatives, are regulated by the CCNL applied in the Group and by the Labour-Management Relations Protocols;
- 3. corporate transformations** (such as alienations, mergers, acquisitions, transfers of company branches): in cases of corporate transformation, the notices to the employees are regulated by the legislation in force¹³⁵, which anticipates information obligations towards employees that allows them to verify the business reasons for the transactions, the correct methods of the process and the consequences on the employment relationship.

DISPUTES WITH EMPLOYEES AND TRADE UNIONS

The labour disputes mainly concern **dismissals, classification changes, differences in remuneration, indemnities not received, demotions, and employment relationships**.

In 2022 there were **24 new labour disputes** (23 in 2021). A total

of **86 labour disputes were pending** as at 31 December 2022 – including those initiated in previous years. There are no trade union disputes.

¹³⁵ Article 2112 of the Italian Civil Code and Article 47 of Law 428/90 as subsequently amended and supplemented.

OCCUPATIONAL HEALTH AND SAFETY



the **accident rates** were essentially stable: **FI 5.22** and **SI 0.23**



over **109,979** hours of training on occupational health and safety **provided to staff**



continued **training** to promote **healthy working environments**, to counter work-related stress

Acea is committed to a **widespread safety culture** both in Group Companies, through the direct involvement of employees, and along the supply chain (please see the *Suppliers* chapter).

Safety management is precisely structured at the organisational level. **All Group companies** for which the holding company considers certification important due to the size of the workforce and the type of activities carried out have implemented **Certified Management Systems**¹³⁶ (see also *Corporate Identity*, chapter *Corporate Governance and Management Systems*).

The Occupational Safety Unit of the parent company is in charge of the coordination and direction in this area, monitoring the Group companies on the application of legislation, guidelines and company policies.

Each company has **direct responsibility for the operational management of safety** and takes care of **training staff, monitoring accidents** and assessing the **risks to the workers**, preparing the **Risk Assessment Document (RAD)**. Following these activities, the **Occupational Safety Unit prepares a centralised annual accident report** for Group Companies.

The analysis method of the accidents follows the **Guidelines for the classification of accidents**, prepared by Utilitalia and in compliance with the **standard UNI 7249:2007**, with reference to the INAIL measurement criteria and the instructions of ESAW (European Statistics of Accidents at Work).

In accordance with the law, Acea **identifies the dangers present in the company's activities** which may cause injury or illness through inspections carried out jointly in the workplace by the **Head of the Prevention and Protection Service (RSPP)**, the Company Physician, the **Workers' Safety Representatives (RLS)** and the Unit Heads, who are involved from time to time. Then the company **assesses the risks** to workers' health and safety **in relation to the hazards detected** in the workplace, verifies the possibility of **eliminating them**, adopts **preventative and/or protection measures** to implement to keep the risks under control and draws up the **Risk Evaluation Document (RAD)**. In the case of accidents, an investigation is launched to determine the causes of the event and identify appropriate corrective actions to prevent it recurring.

With a view to **constantly improving the operational management of occupational safety**, Acea has developed **Group Safety Guidelines** and a **HSE (Health, Safety, Environmental) Dashboard** to measure and monitor performance data, also in relation to sector

benchmarks, and to implement improvement measures.

In 2022, following changes introduced by Decree Law no. 146/2022 which imposed the obligation to **appoint a Safety Officer**, Acea defined a specific criterion to identify this role within the organisation. It also **implemented the Fire Prevention Management System** and **updated the risk assessment of work-related stress**.

To **manage the pandemic** that continued partly in 2022, in accordance with regulatory provisions, Acea continued to share the prevention and protection initiatives against coronavirus with the Group **Workers' Safety Representatives (RLS)** and the Group **RSPP (Prevention and Protection Service Manager) Coordination Committee**.

Acea SpA is certified according to the **Biosafety Trust Certification** management system (see also *Corporate Identity* in chapter *Corporate Governance and Management Systems*) and, as required by the certification, has set up the **Committee for the prevention and management of Coronavirus and other infections**. This Committee is composed of the Competent Doctor and the main Acea Functions and its purpose is to coordinate infection prevention and management activities, monitor the epidemiological context, and take the necessary actions to counter the emergency. Areti, Acea Elaborasi and Acea Energia also achieved the same certification.

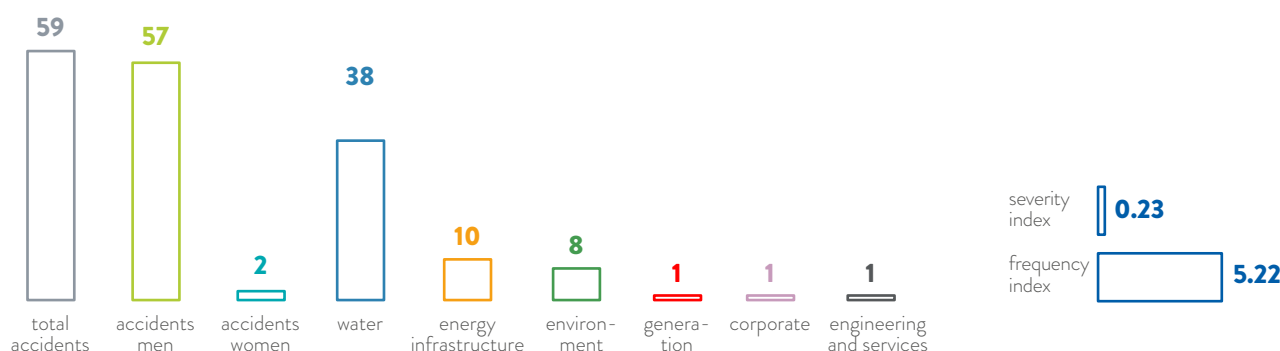
In addition, during the year Acea SpA and the other Group companies constantly updated their relevant risk assessment documents (RAD) in accordance with the provisions of the measures to combat the spread of the coronavirus.

In 2022 the **number of accidents increased slightly** compared to compared to last year: **59 accidents** (56 in 2021) **occurred in the course of work activity, none fatal**, and 17 of which in transit¹³⁷, namely while commuting from home-work (19 in 2021). The accident indices, calculated excluding accidents *during commutes*, are substantially stable: the **frequency index** is **5.22** and the **severity index** stands at **0.23** (see Chart no. 45 and Table no. 46). Accidents are subdivided into: **19 typically occupational** of which 1 serious (with initial prognosis greater than 40 days), **17 for work-related travel** and **23 of another type**. The **main causes of injury** were: tripping, bumping, slipping and crushing.

¹³⁶ Companies with seconded or no staff are therefore excluded.

¹³⁷ Accidents *during commutes* relate to travel from home to work and from work to home, using private or company vehicles, which take place outside of working hours, as established by the relevant Federutility note. They are not included in the calculation of accident indices used herein.

Chart no. 45 – Accidents and indices by gender and business area (2022)



NOTE: Male frequency index 5.04 and female frequency index 0.17; male severity index 0.22 and female severity index 0.01. The graph shows only those business areas that reported accidents during the year.

Analysing the **breakdown of accidents by gender** (net of accidents occurring during commutes) shows that **57 accidents involved male personnel**, of which 53 were blue collar workers and 4 white collar workers, and **2 accidents occurred to female staff** with an administrative profile.

The companies with the highest number of accidents, not including those occurring during commutes, are: Gori (15 accidents), Acea Ato 2 (13 accidents) and Areti (10 accidents), which naturally have **greater exposure to the risk of accidents** in relation to the type of activity performed.

As mentioned, Acea also implemented and maintained multiple prevention and protection measures in view of limiting the spread of coronavirus in 2022. Specifically:

- it **kept up-to-date** the **Circulars, internal Guidelines and Health Protocols** drawn up by the Competent Doctors and the **Protocol for the Management of Covid-19 cases in the company**;
- **revised the Risk Assessment Document**, with the new assessment of the biological risk related to the Sars-Cov-2 virus, and the **emergency plans**;
- implemented **prevention and protection measures**;
- offered employees the **possibility to get vaccinated against Covid-19 at the Acea Vaccine Hub**;
- planned **information and training courses for all employees and set up dedicated communication channels**.

In order to make the working environment safe, Acea has **reorganised the way people access company premises** and consolidated the procedures for the **management of common spaces**, planning attendance through the ServiceNow platform, **intensifying the cleaning, sanitation and sterilisation shifts in the workplace, installing thermoscanners for measuring body temperature** at entrances and **sanitizing films that reduce the bacterial load** were placed on lift buttons and food and drink dispensers, bathroom handles and on staircase handrails, and **multi-layered antibacterial mats for shoe soles** were placed at the entrances.

Operational staff, who continued to provide services in the field and in contact with the public, were given specific **personal protective equipment (PPE)** and provided **with information sessions** on their correct use.

Lastly, with a view to providing staff with health prevention tools, the company implemented a **flu vaccination campaign** aimed at employees and the **family members who live with them**.

Lastly, in 2022 the **Vaccine Hub** activated by Acea at one of its company sites in 2021 remained operational, with 15 vaccine lines and medical and nursing staff. **Between May 2021 and December 2022, the Hub administered a total of over 171,000 doses of the Covid-19 vaccine.**

The Occupational Safety Unit is also tasked with promoting healthy working environments and **mitigating work-related stress**. In 2022, the project to promote individual and professional well-being of employees continued with the delivery of the **I-Care Professional – Mirroring** course: the initiative involved **295 employees** of Acea SpA (162 women and 133 men) for a total of **4,040 hours** of training.

In 2022, a course was launched aimed at the prevention of joint and muscle disorders, which involved two pilot sessions of the course **Everyday – Ergonomics and Self-massage**, during which **33 people** (for a total of **825 hours** of training) were taught theoretical concepts and physical exercises by experts.

The Group companies train staff and supervisors regarding **occupational health and safety** in compliance with current legislation (please also see the sub-paragraph below *Staff Training and Development*).

Below are some initiatives carried out:

- **Acea SpA** organised the course **Gestione delle emergenze – Conoscenze e consapevolezza** [Emergency Management – Knowledge and Awareness], according to a broad approach that, in addition to fire and earthquakes, also covered biological emergencies (in line with the provisions of the Biosafety certification), environmental emergencies and terrorist attacks, promoting conduct in line with the new vision of emergencies. The course involved **1,406 employees**, delivering a total of **11,248 hours** of training to them, and also addressed the topic of **emergencies and disabilities**, with the explanation, in case of evacuation, of the most effective assistance techniques for people with a disability (motor, sensory, cognitive), including temporary disabilities. In general, the training courses organised by Acea SpA during the year paid **special attention to disabled people**, for example, by providing sign language interpreters, using simplified methods and structuring inclusive work groups;
- In line with the initiative launched in 2021, **Acea Ato 2** adopted a second means of reinforcing the **Camper della Sicurezza [Safety Camper] project** and of promoting the culture of safety

and protection of health in the region, with mobile initiatives at offices, sites and other workplaces. It also carried out training courses **on the use of defibrillators** installed at the offices in Fregene, CoBis, Gianicolo, Tivoli, Ostia, and Frascati and completed **two training courses on Accidents and Near Misses and Emergency Management**, which **involved 1,200 and 600 employees respectively**. Lastly, with reference to the management of the health emergency, Acea Ato 2 continued to monitor the evolution of the pandemic and to implement the envisaged prevention and protection measures;

- **Acea Ato 5** continued, through the activities of the internal Coronavirus Prevention Committee, the **information campaign aimed at staff on the evolution of the pandemic and on the expected correct behaviour**, through specific notices. In 2022, the **Reset 2.0 project** was completed, which involved **all operating staff in individual meetings** intended to verify the skills acquired and capacity achieved, to detect any gaps to be bridged with targeted training interventions as well as to share the main topics pertaining to occupational health and safety. The company launched the **Near Miss project** in collaboration with the RLS, to raise awareness among staff of the importance of recognising and reporting “near accidents”, and an **awareness campaign on the use of semi-automatic defibrillators (SAEDs)**, training **82 employees** for this purpose and **installing 6 devices** in the work places, sales branches and operating centres. Lastly, to guarantee continuous training and coaching, a **Training Centre** equipped with a **simulator for working in confined spaces** was built at the Operating Centre in Frosinone Monti Lepini. In 2022, Acea Ato 5 provided a total of **4,144 hours of education and training in the field of health and safety at work**, involving **305 workers**;
- **AdF** provided **safety education and training**, in particular, for operational staff who were trained in the use of new **recovery devices for interventions in confined environments**, required for cleaning and restoration of drinking water accumulations (25 people and 100 hours of training provided). Furthermore, during the year the **Zero Accident Project (ZAP)** was launched, intended to raise awareness among all staff (administrative, technical and operating) of adequate perception of risk and the opportunity of reporting “near misses”;
- **Acea Ambiente** held training courses on first aid, defibrillators, fire fighting, confined spaces, heavy machinery, and physical risks, and training for executives and officers;
- **Areti** continued staff training at its **Training Camp**, a **space dedicated to training on workplace health and safety** (safe ascent/descent on medium and low voltage power line poles; safe access to confined underground areas; the use of work/safety tools, training for emergencies in a dangerous environment, etc.), involving, in 2022, **279 people**, to whom a total of **3,776 hours of training** were delivered;
- **Areti** continued staff training at its **Training Camp**, a **space dedicated to training on workplace health and safety** (safe ascent/descent on medium and low voltage power line poles; safe access to confined underground areas; the use of work/safety tools, training for emergencies in a dangerous environment, etc.), involving, in 2022, **279 people**, to whom a total of **3,776 hours of training** were delivered. As part of the “**Sicurezza è Vita**” [Safety is Life] initiative, the company also organised two training days on work-related stress management aimed at Managers of Operating Units and Regional Team Leaders, and

Safety Days, monthly training days on safety in the work sites, which involved inspections by Unit Managers and management during the operational training;

- **Acea Energia** implemented the **Biosafety Trust Certification** System, continuing with the necessary checks and with the implementation and updating of the envisaged procedures, and carried out a training session dedicated to the **role of the Safety Officer** in light of legislative updates. The company **delivered a total of 1,030 hours of training** in the year on workplace safety, involving **116 employees**;
- **Acea Elabori** organised refresher courses on specific risks (chemical risk, biological risk, radiation protection, etc.), emergencies (ASA), first aid (APS), and training courses for Safety Officers;
- **Gesesa** conducted 15 training courses on occupational safety, and delivered a total of **1,240 hours of training**, involving **165 employees**. Furthermore, on World Day for Safety and Health at Work, it organised the **Star bene lavorando** [Well at Work] training course, aimed at the entire company population, divided into two modules, one dedicated to *Workstation Posture and Ergonomics*; *Combating Joint and Muscle Pain*, and the other to *Combating Smoking and Risks Related to Misuse of Alcohol while Driving and in the Workplace*.

109,979 total hours of training were provided to Group personnel in the field of occupational safety in 2022 (58,600 hours delivered in 2021).

Table no. 46 – Health and safety (2020-2022)

number	2020	2021	2022
ACCIDENT BREAKDOWN BY BUSINESS AREA			
Water	31	45	38
Energy Infrastructure	13	6	10
Generation	0	0	1
Energy (commercial and trading)	0	0	0
Environment	4	5	8
Engineering and Services	2	0	1
Corporate (Acea SpA)	1	0	1
total	51	56	59
fatal accidents	0	0	0
ACCIDENT INDICES			
total days of absence	2,044	2,195	2,582
Frequency Index (FI) (number of accidents per 1,000,000/working hours) (*) (**)	4.84	5.09	5.22
Severity Index (SI) (days of absence per 1,000/working hours) (*)	0.19	0.20	0.22

(*) the hours worked used to calculate the accident indices differ from the hours worked illustrated in the sub-section *Hours worked in Acea*; the two processes meet different operational requirements and specific calculation parameters are applied to each.

(**) accident means a work-related incident that prevents the employee from returning to service during the day on which the accident occurred and/or on the following day/ work shift scheduled.

NOTE: The Water Operations area includes 5 companies, the Energy Infrastructure area 1, the Generation area 3, the Energy area 3, the Environment area 6, the Engineering and Services area 1 and the Corporate area 1. The data in the table does not include accidents currently being assessed.

HEALTH MONITORING

Health monitoring, regulated by a **company procedure** that defines its **planning and management**, is carried out **in cooperation with external professionals** in compliance with current legislation (art. 41 of Legislative Decree no. 81/08).

Formally appointed **doctors conduct medical examinations prior to employment, in the event of a position change, periodically** according to health protocols, **at the worker's request and prior to resumption of work** following absence for health reasons lasting more than 60 continuous days.

Workers **exposed to specific risks** are included in a **targeted check-up programme**.

In collaboration with the employers and the relevant Protection and Prevention Service Managers (RSPPs), **the Competent Doctors define health protocols** according to the workers' exposure to the various risks.

At the headquarters, a **first aid office, available between 08.00 and 20.00**, provides staff and visitors with first aid in the event of illness.

In 2022, **4,126 examinations** were carried out on an equal number of employees of the Group companies for which the occupational medicine service is managed centrally by Acea SpA, for a total economic value of approximately € 400,000.

Health monitoring includes the **prevention of occupational diseases** that workers may contract due to **prolonged exposure to the risk factors** existing in the work environment. In the context of the work performed by the companies of the Group, for which Acea provides the health monitoring service, **there are no risk profiles likely to cause occupational diseases**. The competent doctor has the task of cooperating with the employer in order to define preventive measures and health protocols for the risk profiles associated with specific duties, and monitoring any damage to workers' health, issuing suitability assessments, and applying limitations and prescriptions, where necessary, in order to prevent possible occupational diseases. In 2022, in Acea, **there were no reports of suspected occupational diseases**.

HUMAN CAPITAL DEVELOPMENT AND COMMUNICATIONS



Upgraded the **recruiting network** with social channels



Adopted and disseminated the new **Leadership Model** for the success of the organisation



Launched the new **Development Centre** programme for the skills development of staff

Acea, thanks to the **digitalisation of business processes and the Teams digital workspace platform**, continued in 2022 to provide its people with **working methods and tools adequate for extensive use of remote working**, formalised in the "New Normal" Remote Working agreement (see paragraph *Industrial Relations*), with the aim of **preserving people's involvement in the Group's identity, developing skills** through remote training, and ensuring **organisational well-being** through targeted initiatives.

PERSONNEL SELECTION

The **selection** process is governed by a **Group procedure**, updated in 2022 with the introduction of selection criteria consistent with the **diversity & inclusion principles** adopted.

Acea further **strengthened its recruiting network**, by developing and integrating **new distribution channels for job adverts** to intercept profiles of interest, like *Indeed*, the top job search portal in Italy, and by using **social channels**, in particular *Instagram* and *TikTok*, where the first recruiting trial campaigns have been launched.

In 2022, a total of **256 searches for personnel** took place, which identified **464 people**, and concerned **individual profiles or multiple candidates for open positions in the Group companies**, involving around **43,000 candidates**.

The selection process can include **several stages depending on the specifics of the search**: CV screening, online challenges using gamification (technical quizzes and business games to assess numerical reasoning, verbal ability, visual-spatial skills, logic), video interviews, assessment of soft skills, motivation and skills through collective tests and individual interviews.

To monitor the effectiveness of the selection process, more use was made of the specific indicators, including for **diversity**, considered in the processing of reports and included in the dedicated dashboard.

During the year the **Green Engineering Talent Day** took place to search for young people trained in the energy transition, sustainability and innovation, to join Acea Energia and Acea Innovation.

Acea also participates in **professional orientation events** promoted by university bodies, to meet new graduates and soon-to-be graduates to include in their selection processes. In 2022, Acea met around 3,500 candidates, participating in: **Virtual JobMeeting Engineering, 42Roma Luiss, Luiss Career Day Roma, Math Career Day sede CNR, Sapienza Career Day, Inclusive Job Day, Digital Diversity Week, STEM Girl, and Virtual Job Meeting STEM Girl**.

GROUP CULTURE AND STAFF ENGAGEMENT

In 2022, Acea revised its **Leadership Model**, which promotes a flexible organisational culture and guides people's careers and the realisation of Group objectives, inspired by values such as **performance excellence, teamwork and resilience**.

The model is applied to all processes associated with people management: **selection**, intended to hire talent in line with the Group's values; the **performance management** process, which measures individual contribution to the achievement of the corporate goals in accordance with the values adopted; **training and development** as well as **compensation policies and salaries**, which, also considering the results of the performance management system, are intended to help people grow and to reward their efforts.

For the **dissemination of the new Model**, a communication campaign was carried out, aimed at the entire company population, and specific training and information sessions were organised (see sub-paragraph *Staff Training and Development*).

The main **employee engagement** and **change management** activities carried out in 2022 included:

- the initiative, dedicated to the Production & Energy Service area, to increase the **sense of team**, with the use of coaching techniques, the sharing of new work methods and a vision capable of guiding people towards the achievement of common and individual goals;
- the **Disegniamo il nostro Futuro [Let's Design Our Future] project**, dedicated to the Risk & Compliance Function of the holding company, intended to build a common mission through the use of team building and team coaching techniques.

In 2022, the **HR Special Projects** Unit also designed internal and external initiatives intended to **empower people**, through the active engagement of employees, to contribute to the **improvement of the company climate** and the **promotion of well-being, the dissemination of the values of sustainability and inclusion**.

The main projects were:

- Friday breakfasts**, meetings between the Chief Executive Officer and several Group employees, selected on the basis of gender, age, seniority in the company, educational qualification, position and professionalism, intended to share proposals and

feedback about specific areas of interest, promoting different perspectives;

- Ukraine emergency**, a project to **support the population affected by the war**, which had employees involved in **fundraising and collecting essential goods** to be sent to the Basilica di Santa Sofia (the Ukrainian church in Rome) and to the Community of Sant'Egidio. Deliveries were made to the Basilica di Santa Sofia thanks to the *Acea Solidarity Taxi*, in collaboration with the ACLI (Associations of Christian Italian Workers) in Rome and its volunteers (former Acea employees now retired). Furthermore, **cash donations** by employees were sent to the Community of Sant'Egidio, for the purchase of medicines to be sent to Ukrainian cities under siege and to welcome refugees to the region, and to the Community of Santa Sofia, for the creation of a space in Rome dedicated to child victims of the war;
- the second edition of **Acea Talks – Conversazioni diversamente sostenibili** [Differently Sustainable Conversations], produced with contributions from the internal and transversal work team and designed to **raise awareness among the Group's stakeholders**, through the creation and dissemination of **video interviews** held with **individuals from academia, culture, the arts, sport and the social sector**. The 2022 edition focused on topics of **diversity, equity and inclusion**, in relation to which the interviewees offered innovative interpretations and useful analyses to encourage reflection and raise awareness;
- Passaggio in Acea – Parole a ruota libera per conoscere i mestieri del nostro Gruppo** [Discussed by Acea – Informal chats about the trades of our Group], a project designed to promote greater knowledge of the various professional skills present in the company, encouraging employee engagement through interviews;
- awards for Acea Group employees with at least 40 years of seniority in the company**, a tribute to the commitment and professionalism shown by employees during their many years of service and, at the same time, an opportunity for intergenerational exchange between senior employees and new hires;
- Top Employers Italy**, the certification, obtained for the second year in a row, for positive HR management in terms of working conditions, career, training, professional growth and well-being;
- the Acea Group Equality Manifesto**, presented on World Day for Cultural Diversity for Dialogue and Development (see info box in the paragraph *Diversity, Inclusion and Welfare*).

STAFF TRAINING AND DEVELOPMENT



208,391 hours
of training delivered
in **traditional,**
experiential and
e-learning formats



Digitalisation:
over **2,000**
people trained in
2022



Generazione Connessa:
308 students involved
in courses on the **green**
revolution and the
ecological transition



Carried out the second
edition of the course
Sustainable Action for
Difference

The **development of professional skills** is essential for the evolution of the Group and the achievement of its industrial objectives. To facilitate this process, in 2022 the **Acea Academy Business School** was created, which ensures the acquisition of managerial, digital and

technical/specialist skills as well as compulsory refreshers on respect for legislative compliance. The Acea Business School is characterised by a **diversified and inclusive training approach**, with multiple formats: from classroom training to the use of digital learning and short

training videos, it helps to equip the Group with **innovative and strategic skills**, in response to emerging professional requirements, and to spread the knowledge of value-based, behavioural and leadership models consistent with the company's vision and mission.

A **Group procedure** defines **roles, responsibilities and tasks in the management of training processes** for the development of expertise, knowledge and professional skills necessary to act in company positions. The process is divided into the following macro-activities:

- **identification of the training needs**, consistent with business objectives, centrally managed by the Holding Company, and **the definition of the guidelines and the budget** which orientate the training interventions of the year, taking into account **the specific training needs of each Group Company**;
- **definition of the Operating Companies' Training Plan**, based on

the specific needs identified (for example, **operating-technical** and **Group** needs ("transversal" training);

- **administrative management and provision of training**, by the Parent Company's and the Operating Companies' Training Units.

Acea **funds training through its membership in interprofessional bodies for continuous training** - Fonservizi, Fondirigenti and For.Te. which the main Group companies belong to.

As in the previous year, the 2022 training courses were designed to be carried out mainly remotely, by means of "synchronous" training (live webinars) alternating with "asynchronous" training (recorded videos and e-learning courses).

As mentioned, following the adoption of the new **Leadership Model**, a dedicated training programme was developed, aimed at the entire company population (see the info box).

THE ACEA GROUP LEADERSHIP MODEL TRAINING COURSE

In order to create adequate dissemination of the new **Acea Leadership Model** and reach the **entire company population**, training on digital learning was carried out through the Pianetacea platform. To increase the effectiveness of the training, short videos were created in a diversified manner **for the different target audiences** (clerks, operators, etc.), so that each person could connect the values and behaviours illustrated to his/her daily work life. At the

same time, the **interactive** approach guaranteed a more proactive and engaging experience, which was essential to promote conduct aimed at achieving the strategic objectives.

The training course and the related material were developed according to **standards for content accessibility**, with audio and subtitles in formats compatible with software for facilitated reading, with a view to a continuing focus on inclusivity.

With reference to **managerial training**, in 2022 training courses on Communication, Effectiveness, Leadership & Network took place.

In particular, the **Basi di Leadership** [Leadership Basics] course was held, dedicated to a target audience of talented young people for the development of leadership and managerial skills. It **involved 63 people** for a total of **1,169 hours of training** delivered. Thanks to the use of various technologies, the participants gained experience of **leadership skills development in complicated settings**, to encourage greater awareness of their own abilities.

Digitisation training continued during the year with accessible courses for the entire company population, for the dissemination of a new mindset and the growth of digital competencies and skills aimed at innovating company processes. To this end, the **Digital Selfie** survey was administered, which found **an overall increase in the Group's digital skills** (+13% compared to the previous measurement). **New training requirements were defined and met by targeted courses** including: **Digital Path**, which involves courses structured over three levels of study and intended for a select target audience, and **Vocational**, a

format structured into courses set across a single level and open to all Group employees. The courses on digital topics carried out in the year included: *Data Driven*, *Data Analytics*, *New Clients*, *Customer Journey*, *Service Design*, *Industry 4.0*, *IoT Solutions & IoT Lab*, *Digital Self Empowerment*, *Digital Leadership*, *Agile Mindset*, *Collaboration in the Digital Age*, *Augmented Reality*, *Digital Sustainability* and *Blockchain*. The training initiative involved a total of over **2,000 people**, for a total of **610 hours of training delivered**.

In order to develop the internal competencies of employees and place these at the Group companies' disposal, the **Formazione per formatori** [Training for Trainers] course continued, intended to inform the **90 employees involved**, identified on the basis of the type of expertise held, about the main training and classroom management techniques.

With the support of SAFE (centre of excellence for studies and training on topics related to energy and the environment), the **Transizione energetica e normativa ambientale** [Energy Transition and Environmental Legislation] training course was also carried out (see info box).

THE ENERGY TRANSITION AND ENVIRONMENTAL LEGISLATION TRAINING COURSE

Acea sought to offer a training course that could provide an overview of European and Italian **environmental legislation**, with direct testimonies from operators and institutions from the world of energy and the environment, and the **necessary expertise to understand the market and the organisational context** and transform the information acquired into **tangible and strategic actions**.

The course, entitled *Transizione energetica e normativa ambientale* [Energy Transition and Environmental Legislation], involved **94 employees** and was arranged into three modules that covered the European and

Italian legislative and strategic framework, the European New Green Deal, Italy's National Integrated Plan for Energy and Climate 2030, Italy's National Recovery and Resilience Plan (NRRP), Industry 4.0, the evolution of environmental legislation, the Consolidated Environmental Law, Italian Legislative Decree no. 152/06, the Environmental Impact Assessment and the Strategic Environmental Assessment (EIA and SEA), the Integrated and Single Environmental Authorisations (IEA and SEA), the Life Cycle Assessment (LCA) and the effective communication strategies as a strategic driver of development.

In 2022, training continued for the "Sustainability Ambassadors" in the various Functions and Group companies, carried out thanks to the **second edition** of the **Agire sostenibile per fare la differenza**

[Sustainable Action for Difference] course, organised alongside the Investor Relations & Sustainability Function of Acea SpA and with support from SCS Consulting (see the info box).

SECOND EDITION OF THE SUSTAINABLE ACTION FOR DIFFERENCE COURSE

In 2022, Acea planned and carried out the second edition of the *Agire sostenibile per fare la differenza* [Sustainable Action for Difference] course with the aim of continuing to grow and disseminate the **culture of sustainability within the Group**. In particular, the training course sought to:

- provide targeted skills and tools **to strengthen the Acea Group's Sustainability Community**;
- **develop projects with shared value** intended to integrate elements of sustainability into operating processes and promote the development of intercompany synergy and shared best practices;
- **monitor the effectiveness of the course and maintain a high**

level of participant engagement, through assessments, check-points to verify the progress of projects and discuss any critical issues, and the use of Teams to provide transversal talking points and updates of interest.

A total of **42 people** were involved in this training course/workshop, with **12 projects** activated on the following macro-areas: *Sustainable Processes, Tools for Sustainability, Sustainable Innovation, Culture, Purpose and Territory*, held **3 check-point meetings** and **36 one-to-one meetings** aimed at monitoring the progress of the projects. **9 short training videos** were also created and shared with participants about the main topics of sustainability.

To **support the implementation of the management system for the prevention of corruption** (UNI ISO 37001:2016) (see also *Corporate Identity*), a **dedicated training course** was carried out which involved **55 people** (of which 28 men and 27 women, divided into 9 executives, 41 middle managers and 5 clerks), identified following a risk assessment, to whom **a total of 99 hours of classroom training was delivered**. The e-learning version of the course was also designed during the year, which will be given to all Group employees in 2023.

The e-learning training delivered via the Pianetacea platform also continued, aimed **at the entire company population**, regarding legislation pursuant to Italian Legislative Decree no. 231/01, pertaining to the Administrative Responsibility of Entities and on the new Organisation, Management and Control Model implemented by Acea, on the Code of Ethics, on the whistleblowing procedure, on Italian Legislative Decree no. 262/05 pertaining to the Internal Control System for Financial Reporting and the QASE Integrated Management System, with the aim of completing the training of all staff and new hires. Short training videos on the Privacy Governance Model adopted by the Group were also provided.

The Group companies carried out independent remote training, for example:

- **Acea Produzione** focused its training on topics related to *permitting activities* in the photovoltaic sector;
- **Acea Ambiente** organised the “**AMBIENTiamoci**” **training course, aimed at new hires**, which explained the business supply chains and the main ongoing projects, highlighting networking, teamwork, shared goals and challenges, and the agile mindset;
- **Aquaser**, to improve its performance in the field and hone in on the “zero accidents” objective, provided transport staff with **courses on the use of specific equipment** (mobile centrifuge, sewerage pump, etc.) handled as part of their main work activities. The company renewed its commitment to road safety by scheduling events intended to illustrate the main operating procedures and by promoting communication and interaction;
- **Deco** organised a **training course for the development of leadership**, intended to improve resource management and adopt an effective style of communication. It also held **on-site training on the control and management of the motor of the system for energy recovery from landfill gas**, aimed at electrical maintenance technicians. Lastly, it involved staff who hold a category C licence in a course aimed at the correct application of driving, breaks and rest times, as well as on the correct use of analogue and digital tachographs to increase safety levels while driving;
- **Acea Elabiori** continued the **EPC Academy**, with accredited courses on **Foundations of Works Management, Site Environmental**

Management and other topics, carried out through widespread internal training on the **ARIS platform, MEV warehouse accounts payable cycle, Antitrust and Legislative Decree no. 231/2001**. It also continued the **technical/specialist training** associated with the laboratory area, the drone pilot, design, and hydraulic modelling;

- **Acea Energia** organised the **GDPR Privacy course** on the latest developments in data processing (*data protection compliance, security of computer and network systems, profiling analysis models, big data, worker privacy, etc.*) and the course on the **Lean Presentation Design** method. Lastly, in the context of **digital marketing**, it organised specialist training courses on **SEO** with the aim of exploring topics in terms of *Search & Advertising*;
- **Areti** carried out various training projects to align skills with the **integration of the MV/LV/PL Network**. The company delivered training modules on administrative responsibility (Legislative Decree no. 231/2001) and continued the training project **HV Grid – Primary Substations and Protections**. Lastly, in the context of the **Conosci Areti** [Do You Know Areti] training plan, it trained new hires using onboarding processes dedicated to different professional forms;
- **Acea Ato 2** organised the course **SAM – SAP Asset Manager** with the aim of training **762 resources** belonging to operations on the use of the new application for final calculations from the field. It created the **Waste Management Environment** course and **Welcome Aboard**, a project designed to welcome and support **87 new hires**.
- **Acea Ato 5** oversaw training on the **Quality, Environment, Safety and Energy Integrated Management System**, continued the **Salesforce course** on the use of the new CRM and implemented a course for maintenance technicians dedicated to the use of SAM, the new system for final calculations from the field that replaced SAP WFM. It carried out a **training course aimed at managers** to develop a *new mindset and new skillsets* to interact effectively with their team and external stakeholders, through proper management of stressful situations;
- **AdF** continued the **process to consolidate the agile culture** within the company, accompanied by the dissemination of the **reverse coaching culture**, introduced through experiential training aimed at senior managers, middle managers and high-potential junior managers. In the technical and operational context, AdF launched **specific training courses on digitalisation and innovation**, with particular reference to data analysis and interpretation and management systems;
- **Gori** organised the **Parole ostili** [Hostile Words] project, created after signing the “Manifesto for non-hostile communication”, aimed at employees with the objective of **countering all forms**

of violence, marginalisation and discrimination and to teach new language skills and the ability to listen. The training course was built using preferences expressed by employees through surveys. Two training courses were also launched on Industrial Relations and Internal Auditing.

The traditional and experiential training activities and those on the e-learning platform totalled 1,347 courses (886 in 2021). Traditional and experiential training was attended by 5,249 people, of which 21% women. Courses delivered digitally were attended by 3,264 people, of which 30% women.

In 2022, a total of 208,391 hours of traditional, experiential and e-learning training was provided, an increase compared to the 169,522 hours in 2021 (see Table no. 47).

In 2022, the total hours of training per capita¹³⁸ was 31 (26 in 2021). When analysing the data from a gender perspective, men recorded 31 hours of training per capita and women 29 hours. The breakdown by qualification is: 15 hours of training per capita for managers, 31 for executives, 30 for employees and 33 for other workers.

The overall costs incurred for the provision of the courses, net of scheduling for training and the preparation of the spaces allocated to it, were equal, in 2022, to € 2,607,445.

Table no. 47 – Training (2021-2022)

TRADITIONAL AND EXPERIENCE-BASED TRAINING COURSES

course type	courses (no.)		training (hours)	
	2021	2022	2021	2022
managerial	21	41	14,749	7,708
safety	250	629	58,164	107,612
governance model (*)	34	72	4,260	5,148
operating-technical	571	551	53,575	67,073
total	876	1,293	130,748	187,541

TRAINING COURSES PROVIDED THROUGH THE PIANETACEA E-LEARNING PLATFORM

whistleblowing	1	1	2,762	504
Sustainability and Agenda 2030	1	1	16,836	3,991
Leadership Model	0	1	0	1,429
technical training	0	25	0	3,401
Code of Ethics	1	1	590	966
antitrust law	1	4	8,643	3,942
GDPR – new European privacy regulation	0	7	0	81
administrative liability of entities (Legislative Decree no. 231/01)	1	6	590	2,796
safety	2	6	464	2,367
QASE management systems	1	1	358	677
Legislative Decree no. 262/05	1	1	475	696
total	10	54	38,774	20,850

BREAKDOWN OF TRAINING HOURS BY QUALIFICATION AND GENDER

title	2021			2022		
	men	women	total	men	women	total
executives	724	149	873	1,013	255	1,268
managers	13,062	6,277	19,339	11,317	5,994	17,311
clerical workers	63,614	32,609	96,223	80,061	40,725	120,786
workers	52,952	135	53,087	68,820	206	69,026
total	130,352	39,170	169,522	161,211	47,180	208,391

NOTE: Training hours do not include training provided to staff who left the company during the year.

(*) the governance training includes anti-corruption.

138 The indicator was calculated by comparing the number of hours attended with the total number of employees.

In order to develop people's skills and professionalism, the individual performance assessment system is in place. Performance is assessed periodically by line managers on the basis of the level of achievement of the objectives assigned to colleagues, in line with the Group's industrial and sustainability objectives, and with reference to the corporate values outlined in the Leadership Model.

In 2022, to better monitor and guide the succession processes for the benefit of a stable organisational model, the **new Development**

Centre programme was launched, involving over 200 people. It involves **the creation of individual projects for skills growth**, which contributes to personal success and the success of the organisation (see info box).

The activities related to people development are monitored on the *SuccessFactors* platform and with the help of an *internal dashboard* that can process reports.

INDIVIDUAL DEVELOPMENT PLANS

The individual development plans are defined on the basis of a detailed Catalogue, in light of the skills to be developed and with a view to innovation and continuous improvement, including tools and areas of intervention. The Catalogue contains **19 types of development measures and tools**, grouped into **9 types of training courses**, **7 types of focus team coaching** (on employee management, strategic thinking, decision-making, effective communication, peer relations

and change management, managing emotions), **individual coaching courses**, **mentoring** for both mentors and mentees, supported by specific training on methodology and process and, finally, **high-level training**.

In 2022, **215 assessments** were carried out and **development plans** were designed for **56 people in the Group**.

Professional development of staff through **promotions** in the year concerned **951 people** of which 243 were women, i.e. 26%.

COLLABORATION WITH UNIVERSITIES AND SCHOOLS

Acea develops **partnerships and cooperation with universities**, participates in studies and research, meetings between companies and students and stipulates agreements to promote *internships* and apprenticeships. Acea consolidated relations with the Tor Vergata, La Sapienza, LUISS Guido Carli, Studi Europei di Roma, Federico II di Napoli, Lumsa, Scuola Superiore Sant'Anna di Pisa, Università degli studi della Tuscia, Cassino universities and Polytechnic University of Milan via the **conclusion of agreements** aimed at encouraging the transition of graduates into the working world. In 2022, despite the ongoing difficulties associated with the pandemic, Acea **renewed the curricular agreements**, intended to promote exchange between new graduates and the working world, **for curricular and extra-curricular internships** with the Universities of Roma Tre, Tor Vergata, La Sapienza, LUISS Guido Carli, Uni Marconi, Bocconi, Università degli Studi Internazionali di Roma – UNINT and Università degli Studi di Cassino e del Lazio Meridionale – UNICAS. In 2022, **Deco activated a framework agreement with the Università Gabriele D'Annunzio di Chieti-Pescara**, thanks to which it was able to host interns.

Acea defined partnerships and agreements for the Maris Master, in "Reporting, Innovation and Sustainability" and for the EMBA Master, both held at Tor Vergata University.

It maintained **contacts and relations with the placement departments** of the Alma Mater Studiorum University of Bologna, the

Polytechnic University of Turin, the Aldo Moro University of Bari, the University of Camerino, the Parthenope University of Naples, the University of Pisa, those of Palermo, Catania and Messina, and the University of Naples Federico II.

In 2022, **AdF** signed agreements with the **University of Siena** for the development of new technologies based on artificial cells for the treatment of wastewater, and with the **University of Pisa** to develop high-level training and research activities on topics of cybersecurity, robotics, Internet of Things and data analysis, in both cases in collaboration with *Agile Academy*. Thanks to these interactions, in 2022 Acea established **41 training internships** and **36 curricular internships**. It hired **34 young graduates** and stabilized the positions of **37 young people** previously holding internship positions.

The Group also utilises the **professional skills** of its staff in university master's degrees and courses and for **technical projects**. In 2022, qualified **company staff** worked as teachers or provided corporate testimonies for **university master's degrees**, covering issues related to **energy**, the **environment**, **sustainability** and **innovation**. In particular, **Acea** collaborated with **SAFE**, a centre of excellence for studies and training on issues related to energy and the environment, and with the LUISS School of Technological Innovation.

Acea also concludes agreements **with high schools for school-to-work projects** and with local high schools and commercial schools in the country. **GenerAzione Connessa** [Connected Generation] (see dedicated box) was an important project implemented in 2022, in **collaboration** with schools and thanks to the contribution of Group companies.

THE GENERAZIONE CONNESSA PROJECT

The **GenerAzione Connessa** [Connected Generation] project involved around **308 students** from **15 high schools** (colleges and technical colleges) in Lazio, Umbria, Tuscany and Campania, with the aim of raising awareness among the younger generations of environmental sustainability, diversity and inclusion and encouraging them to develop innovative thinking, by nurturing virtuous exchange between school and the working world.

The format focused on the **green revolution and the ecological transition** and saw the creation of "**Acea Workshops**", during which stu-

dents, supported by facilitators from the ELIS team and the **Sustainability Ambassadors** of the Group companies, digitally developed innovative ideas and creative solutions.

The 2 winning project ideas were developed by:

- the team **Smart Under Water** with the project **MicRobot**, a device that identifies microplastics present in the water;
- the team **Smart Lux**, with the project **Illuminazione pubblica intelligente** [Smart Public Lighting] based on sensors.

INCENTIVE SYSTEMS AND STAFF EVALUATION

In 2022, a new Performance Management Model was applied to **the entire company population**, connected to the evolution of the Leadership Model and structured into two different kinds: one for **executives and middle managers**, the other for **clerks and manual workers**. Devised for the assessment of performance and skills, the model represents a driver for the achievement of the Group's growth objectives and guides policies for people development, enhancing the connection with compensation policies and salary reviews.

The **remuneration policy** adopted envisages short-term and long-term fixed and variable remuneration measures (MbO, LTIP).

Regarding long-term incentives, the **Long-Term Incentive Plan (LTIP)** is in place, reserved for **Executives with Strategies Responsibilities and other Executives holding key positions in the Group**. The Plan is divided into three cycles, **each lasting three years**, at the end of which a monetary bonus will be paid, if the objectives are achieved. This method is aimed at guaranteeing the continuity of the company's performance, steering the management towards results with a **medium and long-term outlook**. The **calculation system is subject to the degree of achievement of objectives**, as determined by the Board of Directors after consulting the Appointments and Remuneration Committee, **of an economic-financial nature** (NFP/EBITDA and NFP/NP), tied to the **profitability of the share** (EPS) **and associated with the Group's sustainable success**, through a composite sustainability indicator given a percentage weighting of 10%, which includes objectives in line with the Group's industrial and sustainability planning.

The **short-term incentive system** (annual), **Management by Objectives (MBO)**, is applied to **senior and middle management** and entitles them to receive a monetary bonus based on the achievement of objectives established for the year. The system is divided into **Group objectives** which are the same for all involved parties, **Area objectives** (applicable across the relevant Area) and **individual objectives**.

The **Group objectives** that are applied to 100% of the recipients of the MBO incentive scheme, are based on **four indicators (KPIs)**: three **of an economic-financial nature** (EBITDA, net profit, net financial position) and one **composite sustainability** indicator given a weighting of 10%. Managers can choose their **Area objectives** from among those included in the **Dedicated catalogue**, with a direct link to the company's strategy and operational management.

With the introduction of sustainability objectives in the incentive systems for the MbO population and for top management (LTIP), Acea has confirmed the **integration of sustainability** into business activities, strengthening the **link between remuneration mechanisms and the achievement of social and environmental objectives**.

Employees who are middle managers, clerical and manual workers – including those with part-time, fixed-term (including temporary) and apprenticeship contracts – **are eligible for the performance bonus every year**. This is a variable payment, linked to qualitative and quantitative results achieved in the realisation of business objectives, in line with the industrial and sustainability planning, which aims to have workers **participate in company processes and projects** to increase profitability and improve competitiveness, productivity, quality and efficiency. Furthermore, payment of an **additional amount** was made by the company in favour of those who allocate the performance bonus to **supplementary pension schemes**.

There are also **benefits** for employees, including those with part-time, fixed-term contracts and apprenticeship contracts, such as **meal vouchers**, a discounts on electricity tariffs (for staff hired before 9

July 1996), the subsidies provided through the Company Recreational Club (CRC) and a **supplementary health insurance policy**. Other forms of benefits are provided to staff to support their **well-being**. These include: contributions for medical expenses, health check-ups, contributions for the use of emotional and physical well-being services, work-life balance and related to family. Furthermore, specific benefits are offered to executives, such as the use of a company car and the reimbursement of fuel costs. **Two insurance policies** are available for all staff, which, in the event of death or accident, guarantee the beneficiaries the payment of monetary compensation.

INTERNAL COMMUNICATIONS

The Internal Media Relations and Communications Unit of the holding company **oversees communication to employees** and contributes to **promoting the Group's principles, values and strategic objectives** and developing a **shared company culture**.

In 2022, the digital platforms again continued to play a central role in communication between the company and people, in particular **My Intranet**, a digital environment dedicated to employees which, by facilitating the sharing of information, initiatives and events organised by the Group companies, strengthens people's engagement and sense of belonging to the Group.

During the year, the portal was upgraded with the **new Equality & Care section**, launched with an internal communication campaign and carried out with the aim of promoting inclusion, appreciation of diversity and the full expression of individuals in the Group. The section highlights the **Diversity, Equality & Inclusion Policy** adopted by Acea and the **UNI/PdR 125:2022 certification on Gender Equality** achieved in the year.

Another digital interaction channel between Acea and employees is the **Acea Ti Premia** [Acea Rewards You] portal, the innovative space for aggregation which makes it possible to share projects, events and company gadgets and **promote engagement**.

For the first time, in 2022, **Acea Ti Premia** hosted the second edition of the **Acea Green Cup 2022**, with a page dedicated to the contest's candidate projects, various multimedia content and a voting mechanism for the projects (see also info box in chapter Customers, paragraph Communication, Events and Solidarity).

In 2022, the internal communication initiatives remained in line with the pillars of strategic planning: **ecological transition, sustainability, diversity and inclusion, welfare, safety, engagement, solidarity, and innovation**.

The dedicated team, in collaboration with the **Human Resources Function**, provided support for **corporate welfare** initiatives, designed to promote the emotional and physical well-being of staff and their family members, including: **Acea Camp**, the summer camp dedicated to children of employees; **Orientiamoci**, the webinar aimed at employees and their children to help them make decisions about their professional future; **Out of Office**, the first street gym event organised by Acea, and **Sostegno Donna**, the support channel aimed at female workers in situations of hardship (see also the paragraph Diversity, Inclusion and Welfare).

In 2022, the **Connessi con Acea** [Connected with Acea] project also took place, designed by the Communication Function. Its three events (see also the paragraph Diversity, Inclusion and Welfare) were entirely translated simultaneously into sign language:

- **Female Empowerment, In Conversation with Giulia Baccarin**, held on **International Women's Day**;
- **Diverso da chi?** [Different from who?] a webinar organised on **World Day for Cultural Diversity for Dialogue and Develop-**

ment, which hosted the Director of the Fondazione Giangiacomo Feltrinelli and covered topics of diversity and inclusion in work and private life;

- **Generazioni a confronto** [Comparing Generations], a webinar activated as part of the **Corporate Family Responsibility** programme, attended by the National President of the Forum of Family Associations to explore the importance of **generational exchange**.

To **promote the culture of well-being**, the Internal Communication team, in collaboration with the Human Resources Function, supported the **Preveni con Acea** [Prevent with Acea] communication campaign, intended to raise employee awareness about health, prevention and healthy lifestyles. In 2022, the **Acea Solidarity Mondays** were promoted, the initiative that involves employees in supporting char-

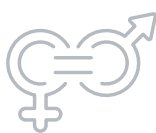
itable activities (AISM, Antea, UNHCR, Alfa Odv, La lega del filo d'oro, Un...Due...Tre Alessio), and a **collection was organised for food and essential items** in favour of families in most need, in collaboration with the Welfare Unit and the ACLI at Acea, delivered thanks to the **Solidarity Taxi** (see also the paragraph *Diversity, Inclusion and Welfare*). In continuity with previous years, Christmas gift-giving took place in collaboration with **Banco Alimentare**, with the purchase of **6,475 gifts** for Acea Group employees, and a portion was donated to the Community of Sant'Egidio, for the organisation, **in collaboration with Acea's Company Recreational Club (CRC)**, of a Christmas lunch for people in financial hardship.

Lastly, during the **Christmas celebrations**, in collaboration with the Events Management Unit, the Chief Executive Officer spoke to staff at the headquarters.

DIVERSITY, INCLUSION AND WELFARE



Adopted the **Equality Diversity & Inclusion Policy** and established a dedicated internal committee



Acea further improves its score in the **Bloomberg Gender Equality Index: 81.58/100**



Acea SpA is the **first Italian multiutility** to achieve certification for **gender equality** (UNI/PdR 125:2022)



The **Solidarity Taxi** initiative continues for the **delivery of food and essential goods to families in most need**

Inclusion, protection of diversity (gender, age, disability, religion, race, etc.), **combating sexual harassment and bullying are issues monitored at the governance level**. Indeed, Acea has a *Code of Ethics*, updated at the end of 2022 (see *Corporate Identity*) and an active **Ethics and Sustainability Committee**, which, among other things, has the **responsibility of assisting the Board of Directors in matters of diversity**, with the task of promoting the culture of valuing diversity and combating all forms of discrimination.

Acea is one the signatories of the "**Utilitalia Pact – Diversity makes the Difference**", drafted by the Commission for the Management and Promotion of Utilitalia's Diversity, and has adopted a Group procedure on the "**Protection, inclusion, promotion of the diversity and well-being of workers**" and signed the **CEO Guide to Human Rights** by the World Business Council for Sustainable Development (WBCSD).

The company promotes the application of principles of inclusion and appreciation of diversity in all HR management processes (se-

lection, training, development, corporate welfare, etc.), including via dedicated procedures.

To this end, in 2022, the **Equality & Care Annual Plan** was adopted at Group level, which includes **D&I and corporate welfare objectives and projects**, shared with the Ethics and Sustainability Committee, and showcased on the corporate intranet in a dedicated section (see the sub-paragraph *Internal Communication*).

With specific reference to D&I, the Plan **is essential for defining a programme of activities aimed both at Group employees**, with specific initiatives, **as well as external stakeholders**, with projects that generate a positive impact for customers, communities and institutions. Each objective is structured into specific actions which are monitored using quantitative and qualitative indicators.

With the aim of implementing the initiatives defined in the Plan, Acea has adopted an **Equality, Diversity & Inclusion Policy**, which formalises the Group's commitment to D&I, has appointed an **Equality, Diversity & Inclusion Manager**, and has established the **Equality, Diversity & Inclusion Committee** (see info box).

ESTABLISHED THE EQUALITY, DIVERSITY & INCLUSION COMMITTEE

In 2022, Acea established the **Equality, Diversity & Inclusion Committee**, a technical and consulting body formed of the Chief Executive Officer and several Group managers. The committee strives to guide a corporate culture based on **promotion of diversi-**

ty and fair treatment of people, defining the actions necessary to create an inclusive and diverse environment, with the support and coordination of the **Equality, Diversity & Inclusion Manager**.

In December, Acea SpA was the first listed Italian multiutility to achieve **certification on gender equality** (UNI/PdR 125:2022) and the figure responsible for the gender equality management system was appointed to manage said system.

To disseminate the culture of inclusion and value of diversity, in 2022 Acea informed and raised awareness among employees with initiatives open to the entire company population, including:

- the **Acea Group Equality Manifesto**, created thanks to contribution from employees and presented on World Day for Cultural Diversity for Dialogue and Development;
- the webinar **Female Empowerment – In Conversation with Giulia Baccarin**, on 8 March, during which discussions were held on how technology and artificial intelligence could help us understand the phenomena and promote **appreciation of diversity**, as well as the importance of supporting the entrepreneurial spirit of young talent in STEM, with a focus on women;
- the webinar **Diverso da chi? La diversità e l'inclusione del Gruppo Acea** [Different from who? Diversity and Inclusion of the Acea Group], held on World Day for Cultural Diversity for Dialogue and Development, intended to explore the value of equality and inclusion in personal and professional settings;
- the webinar **Generazioni a confronto: come gestire e crescere dal confronto generazionale in casa ed in azienda** [Comparing Generations: How to Manage and Grow from Generational Exchange at Home and at Work], which offered useful insights, solutions and strategies to find opportunities for growth from intergenerational exchange and successfully assist younger generations in a complicated and continuously changing context;
- the opening of a **direct communication channel dedicated to Diversity & Inclusion** to make space for the voices of each individual, to disseminate initiatives and information and collect requests and proposals on these issues.

During the year, Acea obtained various recognitions that **attest to its commitment to diversity, inclusivity and female empowerment**. In particular, the company:

- was included by the Financial Times and Statista in the **special ranking of Europe's Diversity Leaders 2023** (using 2022 figures), which selects 850 European companies that demonstrate leadership in terms of diversity and inclusion;
- was included among the 2,000 businesses assessed in the study **Italy's Best Employers for Women 2023** (using 2022 figures), conducted by the Istituto Tedesco Qualità e Finanza, which, on the basis of online references, awarded the 360 best employers for women in Italy.

Lastly, Acea was also assessed as part of the **Bloomberg Gender Equality Index (GEI)** in 2022, for the third year in a row. This index measures gender equality in terms of five areas: *female leadership and talent pipeline, wage parity and equality between the sexes, inclusive culture, sexual harassment policies and promotion activities aimed at women*. The assessment was **81.58** (on a scale of 0-100), **an improvement on the previous assessment (80.67) and above the averages for the sector (73.75) and the sample analysed (72.94)** (see also chapter *Shareholders and Investors*).

In the context of corporate welfare, Acea adopts reconciliation measures to support parenthood, strengthened thanks to the Diversity and Inclusion Protocol mentioned above, such as **extended parental leave** for family reasons for working mothers or working fathers, **extended paternity leave**, with the addition of two extra days of paid leave, on top of those required by law, to be taken within two months of the birth, adoption or fostering of a child; the **hourly permits for the**

enrolment of children at nursery school, kindergarten and the first day of primary school.

Furthermore, **an extension is envisaged to the number of days of remote working**, according to the current provisions of the law, for **pregnant working mothers with children up to the age of 3** and **working fathers with children up to the age of 3**, in the absence of another parent or with another working parent who does not have access to remote working, and for staff who are family caregivers. With a view to reducing the gender gap in terms of opportunities for growth, Acea took part in the **"Riparto" open notice**, issued by the Department for Family Policy – Presidency of the Council of Ministers, which promotes female empowerment.

Again in 2022, the company participated in the **Sistema Scuola Impresa [Business School System]** project, coordinated by the Elis consortium, helping to create the **"Inspirational Talks Role Model"** initiative: a programme for the promotion of **STEM (Science, Technology, Engineering and Mathematics) training programmes among female middle and secondary school students**. The project, in continuity with 2021, involved **15 female Acea Group professionals** who, as role models, recounted their experiences of professional success in male-dominated sectors and sent a message of encouragement to the younger generation about the possibility of realising their professional aspirations.

Acea actively promotes corporate well-being, starting with the **needs of its staff**, which are determined over time through surveys. The **Group Welfare Plan** was enhanced in 2022, identifying six fundamental pillars relating to: **health, work-life balance, emotional and physical well-being, supplementary pensions, economic assistance, and family**.

The income support measures include the option to **convert the performance bonus into welfare services (flexible benefits)** through the **My Welfare platform**, enriched with **personal and family services** (family services, travel, transport, health and health insurance, supplementary pensions, sport and leisure, etc.), as well as the implementation of the category of *fringe benefits*, according to the provisions of current legislation. Furthermore, employees can use the **Corporate Benefits exclusive platform**, which contains a wide range of products offered at a discount.

Acea **has reused part of the tax relief**, enjoyed thanks to the Welfare Plan, **for the benefit of all employees** through the payment of an **additional amount** for those who allocate their performance bonus to **supplementary pension schemes** (see also the paragraph *Industrial Relations*) and by offering **preventive health services and check-ups**, carrying out campaigns to promote **primary and secondary prevention and healthy lifestyles** as well as making an economic contribution to the **provision of services for the emotional and physical well-being of employees and their families**.

To promote the initiatives of the Welfare Plan, in 2022 a significant **communication campaign** was carried out with **information videos** about the measures implemented by the company in favour of employees, the administration of a **survey** to map emerging requirements as well as the organisation of multiple **information events**.

During the year, Acea:

- organised the prevention campaign **Previeni con Acea** [Prevent with Acea] as part of which it activated the **Bimbi Sicuri** [Safe Children] course aimed at employees and dedicated to **paediatric prevention** in emergencies and organised, in collaboration with Susan G. Komen Italy, **four days dedicated to cancer prevention** for employees, during which **520 breast, dermatological and**

endocrinological screenings were carried out free of charge;

- participated, with a team formed of 100 colleagues, in the **Race for the Cure**, the largest event dedicated to women who are facing or have faced breast cancer;
- on International Day for the Elimination of Violence against Women, deployed the **Sostegno Donna [Support for Women] channel of assistance** to those who need to talk to selected professionals, also offering the possibility of undertaking specific counselling, psychological, psychotherapeutic, pedagogical and parenting support courses;
- developed **Mi prendo cura di te** [I take care of you], a caregiver service, totally free of charge, aimed at providing personalised advice from a professional able to support people in the management of educational and/or social care needs (support services for the elderly and people with disabilities, for children, specialised services with the availability of psychologists, nurses, physiotherapists, etc.);
- strengthened the **wellness programme in collaboration with Fitprime**, intended to promote physical well-being and fuel and encourage the adoption of a healthy lifestyle with sports, diet personalised by a nutritionist and street gym events, which took place during the year in the streets of the historic centre;
- introduced a **bike sharing service** intended to facilitate sustainability mobility for work-related travel;
- **actions in support of parents** to encourage a better balance between work and childcare, such as the **summer camp** for boys and girls aged 6 to 14, which aims to promote the values of sport among the younger generations, the **course on career guidance**, aimed at parents and children aged 16 to 19, to promote better awareness of their soft skills, and an **information campaign about the company's crèche** (see the paragraph *Community Life at Acea*);
- deployed a **permanent advice channel** aimed at working mothers and fathers, through which the company interacts with them and collects information about their needs with a view to reducing the gender gap;
- activated an **agreement with the "Unitelma Sapienza" online university**, providing discounts for employees and their family members for bachelor's and 1st and 2nd level master's degrees;
- participated, alongside the Innovation Unit of Acea SpA and the association "La Carica delle 101", in the launch of the **3Ws call 4 start-ups – Women, Welfare and Work-Life Balance**, aimed at scouting innovative corporate welfare services (see also chapter *Institutions and the Company*).

Finally, the solidarity and food support project **Solidarity Taxi** continued in 2022. It was promoted in the Rome area in collaboration with the **ACLI of Rome** with the aim of providing **concrete help to the families in most need** and those most affected by the pandemic. The project involved the **donations of parcels containing food and medicine by employees**, and **former employees contributed by driving** a van, loaned free of charge by Acea, to deliver the solidarity parcels in the municipality of Rome.

Acea has **employees belonging to protected categories** (disabled people, orphans, etc.) who, in compliance with the law¹³⁹, are guaranteed support services, assistance and technical support tools to facilitate the performance of the tasks entrusted to them. In 2022, **200 employees** (117 men and 83 women) belonged to protected categories.

In the year under review, there were no cases of discrimination against Group employees.

COMMUNITY LIFE AT ACEA

Some structures perform work of a social nature, directly involving employees: the Company Recreational Club (CRC), the Gold Medal Association and the Association of Christian Italian Workers (ACIW). **4,448 members** were enrolled in the Company Recreational Club in 2022.

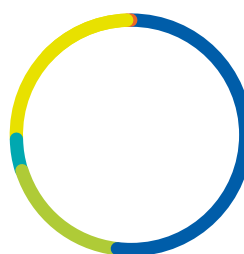
The **CRC** was responsible for **managing the company's crèche**, open to children of employees and children of residents of Municipality I, and accommodating 34 children in the first half of 2022 and 35 in the second half.

The Club **offers cultural, sport, tourism, economic, and commercial initiatives and personal services**, and its aim is to enhance the free time of its members, without losing sight of aspects of social interest. An important solidarity tool among employees is the **Emergency Fund**: an initiative **in support of the relatives of deceased**, in-service or retired employees. All employees can join by signing a form, which they must send to the Human Resources Function or to the CRC, in which they authorise the deduction from the payroll of a small contribution that is allocated to the Fund.

The Company Recreational Club enters into **agreements** for employees and their families with institutions that offer health services, dental services, legal advice, etc. and active commercial agreements, sports ticket sales, theatre and music events, which can be viewed on a dedicated portal with constantly updated contents and accessible on the Intranet (www.cra-acea.it). It is also responsible for informing employees, by sending newsletters.

The Association of Christian Italian Workers (ACLI) at Acea **promotes social initiatives, solidarity and support**. Examples of that support are the presence of the Chaplain from whom employees can seek guidance, and the organisation of meetings for families, also with the intention of creating a **support network** for employees. The association is also involved in **providing services** such as **mortgage and loan advice, school assistance** for children of employees attending lower and upper-secondary schools, and various other initiatives benefiting employees, such as the organisation of language courses and cultural and sports activities. The **ACLI** once more supported **initiatives of social value in the local area** in 2022 (Banco Alimentare, Caritas, etc.).

Chart no. 46 – Members that have used CRC services (2022)



2,022 members utilized tourism services
1,145 members interested in insurance instalments
26 members interested in purchase instalments
936 members utilized the so-called "dono della Befana" bonus benefits
20 members utilized scholarships

SHAREHOLDERS AND INVESTORS

Through the **Investor Relations & Sustainability Function** and in cooperation with the competent corporate structures, as a listed issuer, Acea **provides the financial community** with a flow of continuous, timely and **useful information for a correct assessment of the Group's current and prospective situation**, with adequate emphasis on **ESG elements** (*Environmental, Social and Governance*) that are increasingly integrated with financial aspects. The information is conveyed through current and potential **direct relationships** with analysts and investors, and through **specific communications** (price-sensitive press releases, company presentations) that are made available on the institutional website (www.gruppo.acea.it), respecting the principles of **propriety, clarity and equal access**. Additionally, working with the competent structures, the **Corporate Affairs Function** is responsible for the management of information flows with the **Supervisory Authorities** (Consob and Borsa Italiana) and the corporate obligations required by law for listed companies.

ECONOMIC FLOW TO SHAREHOLDERS AND INVESTORS

For shareholders, at the Shareholders' Meeting, the Board of Directors proposed the distribution of a dividend of € 0.85 per share,

in line with 2021, equivalent to € 180.6 million, which correspond to a payout of 65% on net income, after allocations to third parties.

In 2022, **Acea** suffered a decrease of **31.1%** on the stock exchange, a trend substantially in line with the performance of Italian local utilities. The closing price at 30 December 2022 (final trading day of the year) was € 12.92, corresponding to a market capitalisation of € 2,752 million.

The maximum value of € 18.84 was reached on 3 January, while the minimum value of € 10.70 was reached on 12 October. During 2022, the **daily average volumes** traded were above 131,000 shares (compared to 120,000 in 2021).

Table no. 48 – Performance of stock exchange indexes and Acea shares (2022)

	change % 31.12.2022 (compared to 31.12/2021)
Acea	-31.1%
FTSE Italia All Share	-14.1%
FTSE MIB	-13.3%
FTSE Italia Mid Cap	-21.0%
MIB ESG	-14.4%

ACEA IN THE MIB ESG AND IN THE SE MID ITALIAN INDEX

In 2022, Acea was included in two **sustainability indices** of reference for companies listed on the Italian stock exchange: MIB ESG and SE Mid Italian Index.

MIB ESG includes 40 companies, selected from the basket of the 60 companies with higher liquidity, on the basis of the best social sustainability, environmental and governance performances assessed by Moody's ESG Solution as well as exclusion from controversial sectors

(e.g. tobacco and arms) or disputes concerning lack of compliance with the principles of the United Nations Global Compact.

SE Mid Italian Index includes 20 medium-sized companies, selected on the basis of capitalisation and free float values, on a benchmark of 30 stocks, and their weighting in the index derives from the score assigned to them by Standard Ethics Rating (SER), requested or not.

€ **111.7 million** are allocated to **financing** stakeholders (€ 97.4 million in 2021). The average overall all-in cost of the Acea Group's debt on 31/12/2022 was 1.44%.

Regarding the **composition of medium/long-term debt** consolidated as at 31 December 2022, approximately 82% of the total amount derived from transactions on the capital market (corporate bonds). Regarding the banking sector, the Group mainly deals with entities

whose mission is to **finance strategic infrastructure**, such as the European Investment Bank (EIB, around 10% of the consolidated debt) and the Cassa Depositi e Prestiti (CDP, around 3% of the consolidated debt). These Institutions ensure loans, to entities with creditworthiness such as Acea, with a maturity of more than 10 years, in line with the duration of the concessions (water and electricity) owned by Companies of the Group called to make the relevant investments.

THE FIRST SUSTAINABILITY RATING-LINKED LOAN BY ACEA

In August 2022 Acea signed an initial **revolving "Sustainability Rating Linked" credit line** of € 200 million with a duration of 3 years with **Cassa Depositi e Prestiti**, connected to two sustainability rating targets. The pricing of the new credit line is linked to the level assigned to Acea by the ratings of **Standard Ethics** and the **Integrated Governance Index** of ETicaNews and their related performance. As for the current situation, in case of improvement in the two ratings in a given period in 18 months and until the end of the three years, the applicable spread would shrink; in case of improve-

ment of just one rating and confirmation of the other, the reduction of the spread would be lower; if, however, the opinion worsens, the spread would increase.

During the year, Standard Ethics confirmed the Group's corporate rating at **"EE" (investment grade)** and increased Acea's outlook from **"stable"** to **"positive"**, while ETicaNews assigned Acea the Integrated Governance Index (IGI) rating of 60.45 (scale 0-100), following which the company was ranked 16th out of the 86 total candidates, entering the category **"ESG Identity Leader"**.

AGENCY RATINGS

Table no. 49 – 2022 rating

Agency	Long-term rating	Outlook
Moody's	Baa2	negative
Fitch	BBB+	stable

Following the rating assigned to Italian sovereign debt, **Moody's** changed Acea's outlook from "stable" to "negative", at the same time confirming the long-term issuer rating and the senior unsecured rating at "Baa2", the Baseline Credit Assessment at "Baa2", and the "(P)Baa2" level assigned to the EMTN programme. Acea's ratings remain a notch above those of the Italian government, by virtue of the quality of the diversified business portfolio and the Group's strategic focus on regulated activities.

Fitch entirely confirmed its rating previously assigned to Acea of "BBB+" and a "stable" outlook. The rating reflects Acea's strategic focus in regulated activities, along with prudent management of energy hedges and the solid level of available liquidity.

FINANCIAL DISCLOSURE

In compliance with the *Policy for the Management of Relations with Institutional Investors, Shareholders and Bondholders (Engagement Policy)*, Acea had around 400 interactions during the year with institutional investors, analysts and bondholders, through participation in events also held digitally: "one-on-one" meetings and wider presentations, investor conferences, roadshows and reverse roadshows. Furthermore, conference calls and webcasts were held during the approval of the annual and interim results and numerous contact was made with analysts/investors including through email exchanges. In 2022 **over 110 studies/notes on the Acea stock** were published. Five **business banks** analyse Acea shares with a high level of continuity: four brokers gave the Acea share a "positive" rating and one a "neutral" rating at 31 December 2022.

ESG ANALYSTS EVALUATE ACEA

In the current macroeconomic context – characterised by global recession, inflationary pressures, increased interest rates, and the conflict in Ukraine – sustainable funds are showing resilience in line with "traditional" ones.

The increasing attention **ESG investors** place on Acea is confirmed by their growing participation in the company's equity. Based on an analysis carried out in November 2022, these Shareholders **represent 6.4% of Acea's share capital** (5.5% in the previous year) **and about 51% of the total number of institutional investors** (compared to 40% in 2021). They consist mostly of European funds, followed by investors from North America.

Acea's position in assessments by analysts, ratings and benchmarks is shown below.



Acea was included in the "Management" category with **level B** by **CDP (formerly the Carbon Disclosure Project)**, a slight decrease on the level previously assigned (**A-**) because, despite scores higher than the sector average in nearly every area of analysis, the lack of definition of **Group science-based climate targets**

impacted negatively on the rating.

CDP is the international organisation of reference, supported by over 680 institutional investors, with over 130 trillion in assets under management, which promotes attention on the global management of the risks and impacts of climate change, inviting companies to provide structured and precise information on the subject. Each year the CDP publishes a ranking of its assessments for each organisation. In 2022, over 18,700 businesses, of which 5,800 in Europe, disclosed their information through the CDP questionnaire.



Acea saw its **sustainability solicited rating** confirmed by the independent agency **Standard Ethics (SE)**, with a rating of **EE** (investment grade, F/EEE scale), as well as its positive outlook and long-term expected rating (EE+). In 2022, Acea entered the **SE Mid Italian Index** formed of 20 companies listed on the Italian Stock Exchange selected from a list of 30 companies, whose composition is based on capitalisation and free float values and in consideration of the industrial sector and the rating assigned. **Acea has been included** among the 15 largest EU-listed multiutilities of the **SE European Multi-Utilities Index** since 2020. This index strives to provide an overview of the level of sustainability progressively achieved by companies operating in the field of essential public services.



Acea **further improved its performance** in the assessment of the French ESG agency **GAIA Rating (EthiFinance Group)**, achieving a score of **62/100** (38/100 in the previous year, recalculated using the new methodology in force from 2022), ranking 9 points higher than the sector average. The agency assesses companies in 4 areas of analysis: environment, social, governance, and stakeholder relations. In particular, Acea achieved the following scores in 2022: *Governance* 70, *Social* 81, *Environment* 83, *External Stakeholders* 80, all above the average score for companies in the sector. The assessment process is based both on public evidence provided by the companies and on direct comparison with them; at both stages the agency carries out checks on the reliability and robustness of the data.

Acea's presence in the **Bloomberg Gender Equality Index** has been confirmed for the third consecutive year, with a **further improvement in the score received**, which is 81.58 for 2022. This index includes 485 companies, from 45 countries, which best value **gender equality** in their disclosure and corporate practices (for more details see the paragraph *Diversity, Inclusion and Welfare* in the chapter *Staff*).

During the year Acea also received ESG ratings from other major players: **Sustainalytics**, which assigned the company a medium level of risk (just above the threshold with a score of 20.1), demonstrating its optimal oversight of management; **MSCI ESG Rating** which, by assessing the proactive management of the ESG risks to which Acea is exposed, confirmed the "A" rating (scale from AAA (leader) to CCC). During the year there were also interactions with **Corporate Knights** for the agency's ESG assessment initiatives, and with **ISS ESG** which confirmed the rating already issued (C+).

INSTITUTIONS AND THE COMPANY



Acea receives the **SMAU 2022** Innovation Award



third edition of **Acea Innovation Day** a tour of “People, Territories and Experiences through the Ecological and Digital Transition”



Foundation of **Acea Innovation Antenna**: the first international collaboration programme for scouting start-ups and innovative solutions active in Silicon Valley



Collaboration continues with **House of Emerging Technologies** in Rome: **smart city of the future**

Acea interacts with institutional actors and stakeholders of reference according to a participatory logic in order to generate shared value for the benefit of all stakeholders, primarily the community and the regions it operates in.

RELATIONS WITH INSTITUTIONS

Relations with the institutions are focused on the economic dimension (taxes and fees) and the social dimension (relations with local institutions, sector authorities, consumer associations and other civil representatives etc.), in line with current legislation and the Group's Code of Ethics, updated in 2022.

The economic value distributed in the year to **public authorities** in the form of taxes was **€ 186.8 million** (approximately € 150.7 million in 2021). The tax rate for the year is equal to 37.6% (it was 30% in 2021).

The **Tax Management Unit** in the Parent Company's Administration, Finance and Control Department, develops **tax policy** at Group level, monitors legislative changes, ensures periodic compliance and provides assistance and advice to the Acea SpA structures and the Group companies for the application of tax regulations. The Unit also prepares, where appropriate, specific information on the subject for the Control and Risk Committee. Acea interacts with the Authorities appointed in a collaborative and transparent manner and annually reports on updates to the main legal tax disputes in the *Consolidated Financial Statement*, to which reference should be made. In compliance with the relevant legislation, Acea

produces a Country by Country Report¹⁴⁰, which lists the information on taxes paid in each jurisdiction in which the Company operates. **According to the latest Country By Country Report** filed by Acea in 2022 with the Italian Revenue Agency **covering 2021 data, 97% of the total amount** is paid in Italy¹⁴¹ while the remaining 3% is paid in the Dominican Republic, Honduras and Peru, where the Company operates in the water sector to improve the service, with reference to certain technical and management aspects (see the chapter *Water companies data sheets and overseas activities*). Overseas activities refer to locally managed businesses **and are not connected to delocalisations carried out to draw fiscal benefits from favourable jurisdictions**. In fact, Acea has not defined a tax strategy and does not intend to establish any aggressive tax planning to gain a competitively advantageous position.

Acea regularly pays contributions and registration fees owed to public and private bodies, such as chambers of commerce, independent administrative authorities, industry associations and representative bodies. In 2022, the total amount of this item was approximately € 3.25 million (€ 2.91 million in 2021).

Partnerships with **public institutions** are aimed at carrying out **initiatives with positive effects in the local region and the public's quality of life** (see the chapters *Customers and the community*, *Personnel* and *Relations with the environment*).

The new edition of the Group's **Code of Ethics**, approved in late 2022, devotes a section to **Relations with Institutions, Public Administration, Political Parties, Trade Unions and Associations**, establishing that: “Acea actively and fully cooperates with independent Authorities, establishes relationships with the Public Administration in compliance with the reference regulatory provisions, as well as with the

¹⁴⁰ The obligation arises for the Parent Company due to its control of Acea International, the vehicle company through which shares in the overseas companies are held. The data produced in the Country by Country Report are merged into the audited *Consolidated Financial Statements*.

¹⁴¹ The low amount of revenue, and consequently the taxes paid, in relation to the Group's activities in foreign countries has led to the overseas companies being reported as non-material from an economic/financial point of view; in addition, the potential evolution of the sector and other strategic and representative criteria regarding the Group's development and main impacts, have resulted in them not being included within the scope of the *Consolidated Non-Financial Statement*. The main data and information referring to these companies are however included in the *Sustainability Report* (see the chapter *Water companies data sheets and overseas activities*). Although the issue of GRI 207 – Tax was not included among the material issues identified with the involvement of stakeholders and therefore does not appear in the *GRI Content Index*, it is nevertheless mentioned here as testament to transparency and good accounting practice.

internal procedures, so as not to compromise its reputation and integrity, always operating with **fairness, equity, transparency and traceability**, avoiding **collusive and corruptive** attitudes and actions of improper influence. Acea **does not contribute in any way to the financing of parties and trade unions or other organisations related to them**, or of their representatives and candidates. Acea does not make contributions to organisations with which a conflict of interest may arise, such as trade unions, environmental or consumer protection associations».

In 2022, Acea did not contribute in any way to the financing of parties or other political organisations, trade unions, including with legal form as an association or foundation instrumental to them, nor of their representatives and candidates.

The supervision of relations with institutional entities is defined by **an organisational model** that attributes **competences and responsibilities** to the corporate structures of reference. In particular, the **Institutional Relations Function** protects corporate interests and

represents the Group's positions in dialogue with Industry associations, Research centres, Standard-setting bodies and local, national and international public and private institutions and bodies. The **Legal Affairs Function** supports the Group Companies for **legal aspects** related to the activities, the **Corporate Affairs Function** handles communications with the Supervisory Authorities Borsa [Italian stock exchange] and Consob [National Commission for Companies and the Stock Exchange] and the **Regulatory Function**, in coordination with the relevant divisions established within the Group Companies, handles relations with the **regulatory bodies** in the relevant sectors, also to minimize exposure to regulatory risk.

The **Group's operating companies**, jointly with the Parent Company, manage the **"technical and specialist" aspects** of the managed services – water and electricity supply, public lighting and the environmental sector – **including through interaction** with administrative, regulatory and control bodies.

INTERVENTIONS BY SECTOR AUTHORITIES WITH RESPECT TO ACEA: REVIEWS, BONUSES AND PENALTIES

Regulatory Authority For Energy, Networks and Environment (ARERA)

In the regulated sectors, the Regulatory Authority for Energy, Networks and Environment (ARERA) has established bonus and penalty mechanisms to encourage the improvement of the performance of service operators.

In the distribution of electricity, the regulatory experiment on service continuity for LV users, approved by the Authority, envisages a final balance at the end of the first four-year period 2020-2023, therefore **Areti** paid no penalty in 2022.

However, during the year Areti paid around € 9,000 to the **Cassa per i Servizi Energetici e Ambientali** (CSEA) for exceeding the standards set for MV users and around € 615,000 to MV and LV end customers for prolonged and extended outages. By January 2023, the company will receive around € 8.5 million as a bonus for interventions aimed at increasing the resilience of the distribution service in relation to 2021.

In the water sector, with resolution 183/2022/R/idr, ARERA defined the **first application of the incentive mechanism for the regulation of the technical quality of the integrated water system** (RQTI) for the years 2018-2019, which provides for bonuses and penalties, on the basis of which: Acea Ato 2 received a bonus of € 23,644,920; Acea Ato 5 a penalty of € 168,817 and a bonus of € 731,691; Gori € 208,184 penalty and € 1,846,066 bonus; AdF € 79,746 penalty and € 271,277 bonus, for a total of € 456,747 in penalties and € 26,493,953 in bonuses.

Furthermore, the water companies in 2022 accrued **automatic compensation** to customers (Acea Ato 2 for around € 220,000, Acea Ato 5 for € 11,000, AdF for € 16,000, Gori for € 127,000, and Gesesa for € 26,000), relating to contractual quality performance.

Antitrust Authority (AGCM)

On 13 December 2022, the Authority informed **Acea Energia** of the start of an investigation proceeding, adopting at the same time, a precautionary proceeding against the company, through which it disputed a possible violation of art. 3 of the **Aiuti-bis Decree**.

The company appealed against the legitimacy of the precautionary proceeding before the Lazio Regional Administrative Court. On 30 December 2022, the AGCM, following the order adopted by the **Council of State** on 22 December 2022 in relation to another market operator, and taking into account the changes made to art. 3 of the Aiuti-bis Decree by the so-called "Milleproroghe" [Thousand Delays] Decree, amended the precautionary proceeding previously adopted in relation to Acea Energia, suspending only the effectiveness of unilateral change and/or renewal/update/variation communications of the economic conditions of tender for permanent contracts with no clear, effective and predetermined or predetermined expiry. In consideration of the proceeding, the company proposed additional justifications for the appeal as part of the case already pending with the Lazio Regional Administrative Court, with the aim of obtaining its annulment.

Judicial Authorities

On 5 July 2022 the Court of Frosinone, receiving the request filed by the Public Prosecutor's Office, ordered against **Acea Ato 5** the preventive seizure of the Imhoff treatment plant named La Valle Centro Strada, located in the Municipality of Fontechiari. The decree was issued following the exceeding of limit values for wastewater discharged by the treatment plant and due to the absence of the required authorisation for the discharge of wastewater into the soil. This initiative is part of the criminal proceeding filed under no. 670/2022 R.G.N.R. involving two managers of the Company. On 8 November 2022 the Public Prosecutor's Office issued the decree for seizure of the plant following the communication of decommissioning by Acea Ato 5 of the Imhoff tank subject to seizure. With reference to **Demap**, following a fire that occurred in December 2021, an order was issued to seize the burnt waste and the related warehouse owned by it. To date, the criminal proceeding is against persons unknown in relation to the offences set out by art. 256, Legislative Decree no. 152/2006 (unauthorised waste management activities) and art. 449 of the Penal Code (negligent crime).

EMERGENCY MANAGEMENT PLANS

In synergy with public institutions, private entities and research bodies, Acea carries out **environmental and social initiatives and projects aimed at protecting common heritage**; these projects are referred to and illustrated herein (see, for example, *Relations with the Environment* or the chapter *Customers*).

Acea is active in the **prevention and management of critical events**, and in the **event of an emergency** it provides support to the **authorities responsible for public health, civil protection and public safety**.

In particular, the Group companies ensure the **highest levels of safety and continuity in the provision of managed services**, in collaboration with public institutions.

To this end, they have established **procedures and tools** that, in critical events (unavailability of central systems, breakdowns, adverse weather conditions, peak demand and network stress, etc.), are able to **restore operating conditions of networks, plants and systems in a timely manner** (see also the chapter on *Protection of assets and management of internal risks* in the section on *The company as a stakeholder*).

Each operating company has **Plans for managing emergencies and intervention procedures** and, through the **control centres, constantly monitors the status of networks and equipment** – water and sewage, electricity and public lighting – in partnership with the **Municipal and National Civil Protection and local authorities**.

Whenever an event affects the managed services (damage to plants and/or networks, water/energy crisis, etc.), the companies of the Group notify the competent bodies to facilitate the coordination of interventions.

Acea SpA has a **procedure for managing health and environmental emergencies** with an impact on the population, for which it **defines the level of risk** (low, medium and high) and provides for the organisation of intervention teams. The company also holds Biosafety Trust certification for actions to prevent and control viral infections, including coronavirus.

The **emergency management Plan of Areti**, which manages the distribution of electricity, **deals with widespread breakdowns and unavailability of the grid**. It defines the different **states of activation** (ordinary, alert, alarm and emergency), according to the operational and environmental conditions, the procedures for the activation (and subsequent reset) of the same states, the **units involved** and the respective roles, and the **resource materials** necessary for maintaining or restoring equipment. It also provides for the appointment of a **Head of Emergency Management** and an employee dedicated to the **management of safety**, in specific cases. The **detailed Operating Plans** indicate methods for quickly managing the types of disruption (such as flooding, fires, disruptions to the remote-control network, etc.) and procedures to be followed, for example, **for restarting the electrical system in the event of a blackout** of the National Transmission Grid (NTG) or **re-establishing power for strategic users** (such as parliament, the government, the State of Vatican City, etc.), **the materials, equipment and resources to be involved** depending on the case. The master plan and detailed operating plans are **updated on a yearly basis** and periodically improved on the basis of analyses of real cases. The effectiveness of procedures and the functionality of equipment are tested by means of drills. In addition, with a view to improving processes, the Company created a platform for the real-time **acquisition and monitoring of weather events**, in order to prevent potential risks from changes to the operating conditions of the electric grid.

Plans for the management of emergencies of the **water companies** define conditions that compromise the **continuity and quality of the integrated water service**, **classify the emergency levels**, describe the **preventive and remedial measures** for the types of unforeseen events (damage to the networks, pollution, water crisis and emergencies related to the sewerage and treatment service) and provide for the division of tasks among the areas involved (technical area and communications). These are shared with local institutions (such as Governmental Territorial Offices, Local Health Authorities, Area Management Agencies). In particular, the **Acea Ato 2 Plan** is updated in line with the Water Safety Plan guidelines and takes **25 critical scenarios** into consideration, specifying the consequences, manoeuvres to be carried out on infrastructure, and the mitigation actions required for each of them. The **Emergency Standing Committee** is also operational, which meets periodically, proposes training activities, and establishes interventions in serious emergencies.

AdF collaborated with **the Tuscan Water Authority** on the updating of the **Emergency Operating Plan for the drinking water crisis (EOP)**, aimed at monitoring and preventing water emergencies through the periodic reporting of critical issues found within the region, and providing support for operational decisions when an emergency arises. In the context of the critical issues outlines in the Plan, AdF has in place a **Water Crisis Emergency Management Operating Procedure** which, establishes the sequence of activities to be carried out, detailing all of the entities involved, measures to be taken, documents/databases to be consulted/updated/produced, and correspondence to be sent, for every expected level of severity. For an organised and prompt approach to the emergencies that could occur on backbone pipelines and plants, **AdF** has prepared specific **Disaster Recovery** operating manuals, which act as guidelines in the event of damage and contain precise instructions on the manoeuvres to be carried out. For breakdowns on the main backbones that serve the majority of the region, the manuals indicate the time frames, the instrument references, offsetting measures to alleviate the disruption and the operations for reopening the flow, also allowing non-expert staff to manage the main steps in an emergency.

The **companies of the Group that manage waste treatment plants** ensure the execution of a detailed **routine maintenance plan to reduce plant downtime caused by faults or unexpected events** and minimize unplanned non-routine maintenance work. Each site is also equipped with **Emergency Plans** that take into account the **scenarios identified for endogenous and exogenous emergencies**. These Plans examine aspects related to the **safety of workers**, ensuring their safety with specific behavioural and evacuation procedures, checked on a yearly basis, and aspects related to the **protection of the environment**, identifying the interventions aimed at limiting contamination of environmental media (air, water and soil). Permits by virtue of which the plants are managed also include communication requirements and methods for **non-routine or emergency events to the competent bodies**, in order to guarantee the **maximum dissemination of information** and, where appropriate, the coordination of the intervention.

In 2022, Acea Elabro further revised the Emergency Plans of the Grottarossa and EUR2 Centres, previously updated in 2021 **with the inclusion of the measures to counter the spread of Covid-19**, and implemented the management system for the prevention and control of infections by **Biosafety Trust Certification (RINA)**.

Finally, it should be noted that during the year, a **specific training course** was dedicated to “emergency management” and aimed at employees of the Group companies (see paragraph *Occupational health and safety*).

PROJECTS FOR THE INNOVATIVE AND SUSTAINABLE DEVELOPMENT OF THE AREA

In the **water segment**, Acea has adopted the **Smart Water Company model** which is characterised by responsible and sustainable management of water resources, thanks to the increasing **digitalisation of the network**.

During the year, some water companies, in agreement with local administrators, started or continued a programme of **installation of Water Kiosks** in the areas managed (see the chapter *Customers*, paragraph *Quality Delivered in the Water Segment*).

Furthermore, **AdF** created and inaugurated the **Museum of Water** in the Municipality of Castiglione d'Orcia (SI), a space intended to **enhance the connection between community and water resources**, and to raise awareness among citizens of environmental issues. AdF also activated a course dedicated to Renewable Energy Communities, with the objective of promoting the territory's energy transition, including through several conferences and public events, for example with the Union of Municipalities of the Val di Merse (SI) and with the Municipality of Abbadia San Salvatore (SI).

In 2022, in collaboration with the Campania Region and the Campania Water Authority, **Gori** continued with its plan to remove pollution from the hydrographic basin of the Sarno river, thanks to the **Energie per il Sarno** [Energy for the Sarno] project. In particular, **energieperilsarno.it** was launched during the year to engage with citizens. The website describes, in real time, the progress of the investment programme. Furthermore, in synergy with those same institutions, **Gori** launched the **Azioni per l'acqua** [Actions for Water] project, financed with NRRP funds and intended to protect the water resource and reduce leaks in the distribution networks.

The Acea Group collaborates with ENEA, the Istituto Superiore di Sanità (ISS), the CNR and other organisations of scientific importance, with the objective of developing **innovative solutions to industrial processes**, in particular on the sustainable management of the **waste cycle** and the **water resource** and on the **recovery of materials** of value from residues of the combustion of waste.

Lastly, in 2022, **Acea Ambiente** signed a memorandum of understanding with the Metropolitan City of Turin to verify the feasibility of **reusing recycled polymers to create road surfaces**, in line with the principles of circular economy and environmental sustainability.

In order to promote the innovative and sustainable development of the sectors of reference, the Group activates **collaborations and partnerships with complementary companies** or organisations operating in **sectors similar to the businesses it manages** and with **innovative players**. In 2022, Acea was a partner in the "**Re-SHApCeA**" call, promoted alongside EY, to identify innovative ideas in three areas: *A new model for smart cities; infrastructure, buildings and networks, and a new workplace and workforce model*. The call saw the involvement of 10 Acea

mentors, who supported the start-ups in the presentation of their ideas, and led to the selection of 5 interesting start-ups.

Furthermore, Acea launched the "**Green Hydrogen Tech Accelerator**" initiative during the year, in collaboration with Open Innovation and Deloitte Officine Innovazione, to **create a technological accelerator**, aimed at Italian and international start-ups, and to **identify innovative solutions for hydrogen-based technologies**: from production and transportation, to storage and energy consumption. In this area, **more than 260 start-ups were assessed** and 5 were selected for in-depth technological meetings. Lastly, in collaboration with Open Innovation and ELIS, scouting events were launched for **new technological solutions** to be applied to **waste-to-energy, treatment and bio-refineries**.

Participation continued in the project **Casa delle Tecnologie Emergenti [House of Emerging Technologies] in Rome**, sponsored by the Department of Economic Development, Tourism and Employment, for the development of the *smart city of the future*. With reference to this initiative, in 2022, the following were launched: a **call for the selection of start-ups with innovative design solutions, related to emerging technologies or 5G networks**, to be developed in the sector of mobility or tourism, and the **public notice for the selection of micro-businesses, small and medium enterprises to be admitted to the technological transfer**.

During the year, Acea Elaborasi entered into **new agreements with businesses active in the sectors of the circular economy, advanced plant and emissions abatement**, including those with: **NATURE 4.0**, a project on the technological development and validation of environmental sensors; **Smart Urban Cities and Smart Comp**, which also involved the installation of a sensor calibration laboratory in Grottarossa; **SRA and FKV**, for the development of new analytical solutions in the field of measurements of volatile substances exhaled when breathing and for the determination of the content of "organic fluoride" in various environmental media, and **FLIMSlab**, for the development of a sensor platform used to determine microplastics in water.

Acea Innovation and Agile Academy (another Group company) signed a **memorandum of understanding with the Consortium for the Protection of Morellino di Scansano**, for the development of Renewable Energy Communities, the realisation of interventions in the field of electric mobility and economic/social studies and research on new technologies, environmental sustainability and the circular economy.

AdF took part, as a partner, in the network that presented the European project **LIFE Turbines** for the decarbonisation of urban water networks.

Finally, with the aim of bringing together the protagonists of innovation to study new models of urban development, Acea organised the **third edition of Innovation Day** (see info box).

ACEA INNOVATION DAY 2022: A TOUR OF "PEOPLE, TERRITORIES AND EXPERIENCES THROUGH THE ECOLOGICAL AND DIGITAL TRANSITION"

The Acea Innovation Day, an event now in its third edition, expresses the Acea Group's desire and need to combine tradition with the challenges of the future, focusing on two fundamental topics: sustainability and innovation.

The 2022 edition of Acea Innovation Day was centred around "*Persone, territori, esperienze. Per raccontare la transizione ecologica e digitale*" [People, Territories and Experiences. Narrating the Ecological

and Digital Transition]. The initiative, which made space for exchange between several protagonists in the institutional and industrial sectors involved in Italy's digital and ecological transformation, **took place over three stops** in regions where the Group operates – Umbria, Campania and Lazio – each focused on a specific topic. The first stop, in Terni, Umbria, explored the topic of the **Smart City**, highlighting Acea's aim to support the digital transformation of cities, delivering

better services and developing technological solutions that catapult them into the future. Not by chance, Terni is a city where Acea has created and implemented innovative solutions related to sustainable mobility and has a lively ecosystem of young people and start-ups aimed at building a green and sustainable future. The event also involved awards, in the virtual setting of the metaverse, for 3 start-ups that participated in the **Re-SHApCeA** call.

The second stop was in Naples, Campania within the *Green Med Symposium* exhibition and focused on the challenges of **Open Innovation** in the technological and digital transition, also involving the region's local Group companies, including Gori and Gesesa, which described their experiences of innovation. In particular, the event presented the model for innovation of the Campania Region and Acea and launched an *open call by Acea and OTAs*, to respond to the challenges of the ecological transition. The latest upgrade to the *Waidy Wow application* was also introduced, carried out with the

start-up UP2YOU, and focused on decarbonisation.

The final stop in Rome explored the topic of a digital transformation capable of accompanying the evolution of our cities and country, as a prerequisite of an ecological transition, also analysing the European Programme and Framework 2022, which looks at the centrality of investments in start-up innovation and in particular women-led start-ups. During the event the *Digital Innovation Antenna* was presented, inaugurated by Acea at the *Mind the Bridge Innovation Center* in San Francisco, and the *3Ws Call 4 Start-ups – Women, Welfare and Work/Life Balance* was launched, organised alongside the Welfare Unit of Acea SpA and the association La Carica delle 101, intended to innovate the corporate welfare services (see also box Awards in the field of innovation and chapter Staff).

The media partner of the initiative was *Il Messaggero*, with 5,000 users connected via live stream and 200,000 views on online and offline media.

Collaborations with Universities and Research institutes are carried out within the framework of **conventions and agreements**.

To assess **changes in the availability of water resources in the short and long term**, in 2022 **Acea Ato 2** continued its collaboration with **the CNR Institute for Water Research** for the development of tools and instruments for forecasting the flow rates available for drinking water purposes in relation to short-term scenarios (less than 1 year), and the collaboration with **the University of Catania** for the prediction of the probability of satisfying the available water flows in the event of climate change in **medium and long-term scenarios** (30, 50 years). Furthermore, in terms of initiatives to protect and safeguard sources of supplies, it entered into a research agreement with **La Sapienza University of Rome's CERI Geological Risk Prevention and Control Research Centre**, for the study of geological hazards, with the implementation of monitoring systems and the relative reporting for managerial purposes, at the Peschiera and La Capore Springs plants, some of the main supply sources managed. In 2022, **AdF**, alongside **Agile Academy**, signed a **Collaboration Agreement** with the **Department of Biological, Geological and Environmental Sciences (BIGEA) at the University of Bologna** aimed at carrying out studies, research and trials in the context of forecasting the availability of water resources, planning their use and managing the integrated water cycle. The company is also an **industrial partner of the research doctorate "Smart Artificial Cells for Remediation of Environmental Pollutants"** coordinated by the Department of Biotechnology, Chemistry and Pharmacy at the University of Siena, aimed at the development of a new technology for the **treatment of emerging pollutants**, such as pharmaceuticals, drugs, pesticides, and plant protection products, etc. (see also the box *Research and innovation in the water area*).

During the year, in collaboration with IRSA-CNR, **Acea Elabori** launched the **BIOREF** project for the **development of biobased products obtained from organic, safe and low-impact waste**.

Areti entered into a **collaboration contract with RSE – Research on the Energy System** for the evolution of electricity infrastructure, in line with the decarbonisation targets set by Agenda 2030, studying, in particular, the interactions of electric vehicle charging systems, on public land as well as private property, with the electricity distribution grid. The agreement is part of the *Mission Innovation* initiative, which sees Italy, in particular Areti and RSE, in support of the Ministry for the Environment and Energy Security, involved in the *Green Powered Future Mission*, a project aimed at promoting and financing the development of smart grids. The company **continued its collaboration with the Department of Astronautical, Electrical**

and Energy Engineering (DIAEE) of the University of Rome La Sapienza to conduct studies and research in the relevant areas. Lastly, **Areti became a partner of the Linux Foundation for Energy (LFE)**, an *open source foundation* focused on the energy systems sector, which exploits the best solutions to scale, modernise and digitally transform the energy systems sector. Thanks to its collaboration with the Foundation, **Areti launched the implementation of the Advanced Distribution Management System (ADMS) for the management of the electricity distribution grid**, using as a reference the architecture designed for the *Service-based Open-source Grid automation platform for Network Operation of the future (SOGNO)* that LFE is developing.

Lastly, **Deco** launched a collaboration with the **Department of Engineering and Geology at the Università Gabriele D'Annunzio di Chieti** for the **monitoring of inclinometer measurements and stability studies on land and river banks**.

The virtuous relationship with the local region is also expressed through the **collaboration between Group companies and the educational world of the new generation** (see Customers, section on Communication, events and solidarity, and Personnel, section on Development of human resources and communication).

In 2022, **Acea Ato 2** offered its support to the Liceo Orazio in Rome, organising training events on water management, and renewed the *Difendiamo l'acqua* [Let's Defend Water] initiative, with events aimed at primary and lower secondary schools in the municipalities of Galliciano nel Lazio, Guidonia Montecelio, Castel Gandolfo, Lariano, and Nemi.

AdF organised **environmental education activities**, with visits to springs and events at schools, and distributed over 2,500 bottles to students.

Deco carried out the **educational project *Un goal per il futuro. Fai vincere la sostenibilità*** [One goal for the future. Victory for sustainability], aimed at primary and lower secondary schools in the Abruzzo Region, to promote the knowledge and dissemination of the culture of sustainability. The young people were asked to write a report on their choice of at least one of 17 Sustainable Development Goals. The papers were evaluated by Deco's *Sustainability Team*, which selected and awarded the three best reports.

Gesesa continued the **"Plastic Free" project aimed at local institutes and universities** and donated water bottles and dispensers to reduce the use of plastic.

COMPARISON WITH THE REFERENCE CONTEXT

In addition to the collaborations with universities and the aforementioned partnerships, Acea participates in **research centres**,

standard-setting bodies and industry associations, playing strategic roles, participating in projects of interest and contributing to studies related to the businesses in which it operates.

THE MAIN 2022 MEMBERSHIPS OF RESEARCH CENTRES, STANDARD-SETTING BODIES AND INDUSTRY ASSOCIATIONS

During the course of the year the Group renewed and activated numerous memberships of organisations of interest, including:

- AGICI – Finanza d'Impresa;
- AICAS Associazione Italiana Consiglieri, Amministratori e Sindaci;
- AIDI Associazione Italiana Illuminazione;
- Analysis;
- Andaf;
- ANFOV;
- ASCAL;
- Aspen Institute Italia;
- Assochange;
- Associazione Amici della Luiss Guido Carli;
- Associazione Civita;
- Associazione Geotecnica Italiana;
- Associazione Idrotecnica Italiana (Italian Hydro-technical Association – AIH);
- Associazione Infrastrutture Sostenibili (Association of Sustainable Infrastructure – AIS);
- Associazione Italiana Internal Auditors;
- Associazione Italiana Esperti Infrastrutture Critiche (Italian Critical Infrastructure Experts Association – AIIC);
- Associazione Elettrotecnica ed Elettronica Italiana (Italian Electro-technical and Electronic Association – AEI);
- Associazione nazionale fornitori di elettronica (National Electronics Suppliers Association – Assodel);
- Assogas;
- Assonime;
- ASTRID;
- CEDEC Bruxelles (European Federation of Local Energy Companies);
- CEEP Bruxelles (European Centre of Employers and Enterprises providing Public services);
- Centro Studi Americani (Centre for American Studies);
- CDP Worldwide;
- CISAMBIENTE;
- CISPEL Confservizi Toscana;
- CLUB Ambrosetti;
- Comitato Elettrotecnico Italiano (Italian Electro-Technical Committee – CEI);
- Confindustria Chieti-Pescara;
- Confindustria Umbria;
- Conseil de cooperation economique;
- CONSEL Consorzio Elis per le Formazione;
- CSR Manager Network Italia;
- Distretto Tecnologico Nazionale sull'Energia (Di.T.N.E.);
- EDSO Bruxelles (European Distribution System Operators' Association for Smart Grids);
- Elettricità Futura ("Future Electricity" formerly Assoelettrica-AssoRinnovabili);
- Energy and Strategy Group – Politecnico di Milano (Polytechnic of Milan) (ES-MIP);
- EU Bridge Harmonized Electricity Market Role Model;
- EU-DSO (European Distribution System Operators' Association);
- EURELECTRIC Bruxelles (Union of the Electricity Industry);
- FAI Fondo per l'Ambiente Italiano (Fund for the Italian Environment);
- FERPI;
- FIRE (Federazione Italiana per l'uso Razionale dell'Energia) (Italian Federation for the Rational Use of Energy);
- FISE Assoambiente;
- Fondazione Global Compact Network Italia (Global Compact Network Italy Foundation);
- Fondazione Roma Europa;
- Fondazione Utilitatis (Study and Research Centre for Water, Energy and the Environment);
- Gruppo Galgano;
- IATT (Italian Association for Trenchless Technology);
- ICESP Piattaforma Italiana Economia Circolare coordinata da ENEA;
- I-Com (Istituto per la Competitività – Institute for Competitiveness);
- IGI (Istituto Grandi Infrastrutture);
- InnovUp;
- ISES Italia (International Solar Energy Society – Italian Section);
- Laboratorio dei Servizi Pubblici Locali di REF-Ricerche (Local Public Services Laboratory of REF-Ricerche);
- Linux Foundation for Energy;
- Motus E;
- NORMAN NETWORK;
- Italian Phosphorus Platform coordinated by AENEA and MATTM;
- Proxigas;
- Servizi Professionali Integrati;
- Task Force Demand Side Flexibility;
- Task Force TSO-DSO on Distributed Flexibility;
- Task Force TSO-DSO on Smart Grid Indicators;
- Technopole;
- UNI (Italian Standards Body);
- Unindustria Lazio;
- UPA Utenti Pubblicità Associati;
- Utilitalia (Federazione delle imprese ambientali, energetiche ed idriche) (Federation of Environmental, Energy and Water Companies);
- UNICHIM;
- World Energy Council (WEC).

Acea participates in occasions for dialogue with the business world and the scientific community on **issues of national and international importance** and **offers its own specialist contribution on the occasion of conferences, forums and workshops** on topics linked to its managed companies, also presenting publications and works of technical-scientific relevance.

In 2022 **Areti** published in the international journal *The European Physical Journal - Special Topics: Complex Urban Systems*, the article **Analytical fault impact-model for the electrical grid**, which presented the analytical mathematical model designed and developed by the company to calculate the impact of faults on the electrical grid.

During the year, the Group participated in events including: **Ecomondo**, the biggest trade fair for the *green and circular economy* in the Euro-Mediterranean region; the **FORUM PA**, a national event on innovation designed to create collaboration between central and local administrations and companies active in the territories around the objectives of Italy's National Recovery and Resilience Plan (NRRP); **SMAU Milano 2022**, the **exhibition for CSR and social innovation**, and **Maker Faire Rome**,

the European event for innovation (see info box).

Furthermore, Acea took part in important events on innovation, such as **Gli Stati Generali delle Città Intelligenti** [The General States of Smart Cities] organised by Blum for the *City Vision* event in Padua; the **Utility Day** at the Forum D'Assago; the **Scaleup Summit of Mind the Bridge** in San Francisco and the **conference of the Start-up Intelligence Observatory** by PoliMi, **Imprese e startup nella transizione: innovazione digitale per un futuro sostenibile** [Businesses and start-ups in the transition: digital innovation for a sustainable future].

Gesesa and **Gori** attended the **Green Med Symposium**, an event dedicated to the *green economy* and the ecological and digital transition (see the box *Acea Innovation Day 2022: a tour of "People, Territories and Experiences through the Ecological and Digital Transition"*).

Gori took part in the **Giffoni Film Festival**, speaking during the masterclass dedicated to water sustainability and answering questions from the young participants, and in the **Climate Smart Utilities Recognition Programme** in Copenhagen, during which it explained its vision, strategies and programmes for managing climate change.

ACEA AT MAKER FAIRE ROME 2022

Acea participated, for the eighth consecutive year, in **Maker Faire Rome – The European Edition**, Europe's largest innovation event. This edition was held both digitally and in person.

From 7 to 9 October, **Acea was present at the Gazometro Ostiense with a dedicated stand** where it presented solutions in support of developing the circular economy to the community of makers and startups from all over Italy and to visitors:

- **Acea Smart Comp**, the mini-plant for nearby composting;
- the **MIDA project**, developed in collaboration with the Italian start-up Wesii, to monitor photovoltaic plants (see also the box – *Research and Innovation at Acea SpA*);
- the **autonomous mobile robot by Pixies** capable of independently navigating large *indoor and outdoor spaces*, avoiding obstacles while collecting litter.

On **sustainability** issues, Acea participates in **networks of experts, working groups, studies and sector research** organised by the academic world, civil society, institutions and business entities. Indeed, the company is active as an associate in the **Global Compact Network Italy Foundation**, the representative body of the United Nations Global Compact in Italy, the **Sustainability Makers - the Professional Network** (formerly the **CSR Manager Network**), the national association that brings together the main Italian companies active in corporate social responsibility.

Acea's participation in **Utilitalia**, the federation that brings together the *multi-utilities* of water, environment, energy and gas, is also expressed through its participation in **technical panels and topical working groups**. In 2022, Acea took part in initiatives organised by the federation on antitrust, data breaches, EU regulations on sustainable finance, and the Taxonomy.

The company also participates in benchmark analyses on sustainability in Italian *Utilities*, like those carried out by the **Utilitatis** research centre and **Top Utility**.

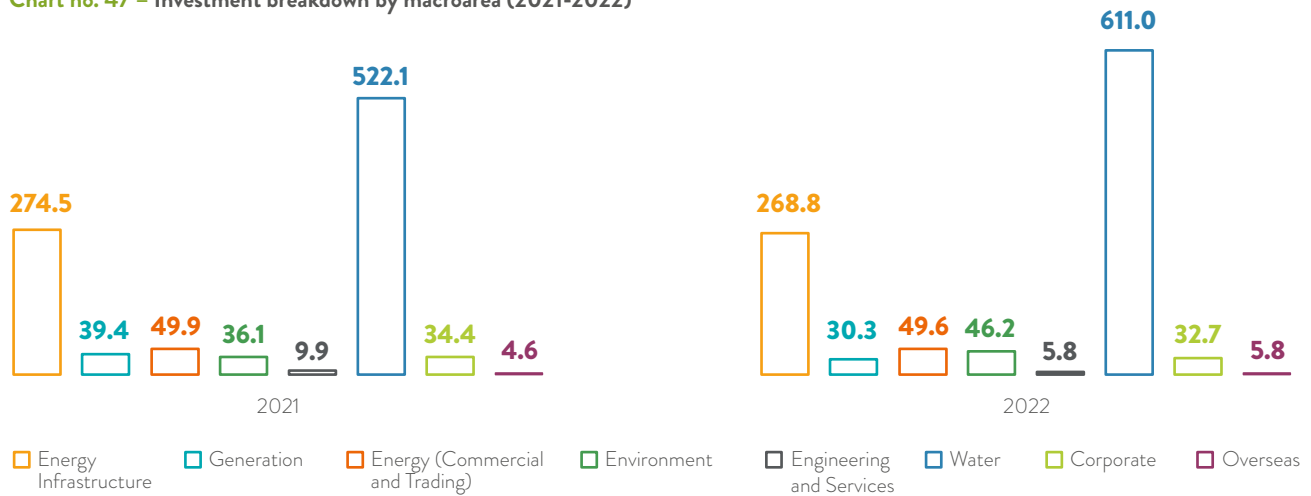
THE COMPANY AS A STAKEHOLDER

THE MANAGEMENT OF COMPANY ASSETS

Acea protects and enhances its tangible and intangible assets, pursuing a sustainable financial position and **governing the internal needs**, linked to the operating management and the **growth prospects**, consistently with the aims expressed in the business mission and the strategic plan.

In 2022 **investments** totalled **€ 1,050 million, up 8.2%** (€ 970 million in 2021). These were distributed by business segment as follows: € 46.2 million for the **Environment** area, in particular for work on plants and for the change in the scope; € 49.6 million for the **Commercial and Trading** area, in line with the previous year, for the activities related to the acquisition of customers, the implementation of the new CRM and improvements to the Contact Centres; € 611 million for the **Water** area, with increases due to the investments of Acea Ato 2, Gori, AdF, and SII; € 5.8 million for the **Engineering** area, mainly related to Acea Elaborasi; € 268.8 million for the **Energy Infrastructure** area, for work on MV/LV networks, substations, measurement and remote control instruments and projects to re-engineer information systems; € 30.3 million for the **Generation** area, both for work on hydroelectric plants and Acea Produzione's district heating network and for upgrading and maintenance of photovoltaic, including investments for the construction of photovoltaic plants on agricultural and industrial land. Finally, the **Parent Company** and **Overseas** with investments for about € 32.7 million and € 5.8 million, respectively.

Chart no. 47 – Investment breakdown by macroarea (2021-2022)



Depreciation, amortisation, provisions and write-downs amounted to approximately **€ 739 million** (+9.5% compared to 2021). The increase in amortisation and depreciation mainly relates to investments in the period and the ongoing entry into operation of assets with particular reference to the water companies. Impairment of receivables, although up compared to the previous year (+€ 27.1 million), maintained essentially the same impact compared to 2021 in terms of total Group revenue (2.20%).

THE COMMITMENT TO RESEARCH AND INNOVATION

Scientific and technological innovation at the service of business processes is one of the **pillars of the Group's strategic planning**, an area in which **it invested over € 3 million** in 2022.

At Acea, **innovation** is a **cross-sectional** strategic lever that is **open** to the external ecosystem; through its innovative approach, the Group aims to **explore new businesses** and create **new development models**. The **innovation line** is managed by the **Technology & Solutions Function** of Acea SpA, which has the task of developing and implementing infrastructures, systems, products and services in the technological, innovative and digital field, directing and coordinating the preparatory activities for the generation of products and services in the market segments of interest, and by **Acea Innovation** which facilitates the Group's design and innovation initiatives, generating products and services for the business (B2B) and institutional (B2G) markets, particularly in the area of electric mobility. The **innovation model** adopted by Acea identifies internal needs and areas of interest and implemented typical Open Innovation processes, with the **collective generation of ideas and the involvement of internal and external stakeholders** starting from the conception process, moving on to trialling, to the implementation of the projects.

According to this logic, the **promotion of the Group's culture of innovation and the development of internal entrepreneurship** are fundamental.

For a systematic approach to innovation, in 2022:

- the **new corporate entrepreneurship programme** named **Acea Innovation Gym** was developed, aimed at young people under 35 who joined the company less than two years ago, which covered topics of artificial intelligence and robotics;
- dissemination programmes for the culture of innovation** were organised, as were **idea generation workshops**, to creatively address business and innovation needs, like the **Learn & Inspire** project, an advanced learning course on topics related to the world of innovation – *Smart Human Organisation, Psychology of Storytelling, Digital Innovation, Body Language & Pitching Skills, Building your Product Roadmap, and ESG* – promoted by the Human Resources Function and by the Innovation Unit of Acea SpA;
- 4 open calls** were launched on **smart cities, new sources of sustainable energy, critical infrastructure and work/life balance**, and participation in **The Big Hack** was promoted, an international hackathon to develop prototypes for hardware and software projects;
- alongside players from academia and the technology sector, **co-innovation projects** were organised, including the **Working Groups for the Ecological Transition**;
- the **Digital Innovation Antenna** was launched, the international collaboration, previously mentioned, aimed at optimising the scouting of start-ups and innovative solutions present in the Silicon Valley ecosystem;
- the Group's internal **Innovation Community** continued to be active, for which the **InnovAction – L'innovazione è semplice!** [Innovation is Simple!] programme was created, aimed at exploring innovative ideas and new technologies, through monthly webcasts and podcasts that use the edutainment method;
- the third edition of the **Innovation Day** was organised (see info box).

The Innovation Model also involves the use of **market analysis, continuous scouting and development of** national and international **partnerships, with players in the innovation ecosystem active in sectors of strategic interest to the Group**. This allows the Group to activate privileged channels of access to ideas, business and technological opportunities, academic research and provides new talents to innovate business, processes and corporate products.

To this end, in 2022 Acea participated in the following programmes:

- Mind the Bridge Scaleup Summits**, which promotes a sustainable and global business ecosystem thanks to programmes and activities intended to encourage exchange between scaleups and international companies;

- **Elis Open Italy**, the aim of which is to promote dialogue and collaboration between large companies, Italian start-ups, enablers of innovation and young talent. Open Italy has created a space where various stakeholders can meet and work together to incentivise the introduction and development of innovative solutions within the Italian economy;
- **the Osservatorio Digital Innovation [Digital Innovation Observatory] of the Polytechnic University of Milan**, a point of reference for digital innovation in Italy, in which Acea participates mainly through the **Startup Intelligence Observatory**, a community of discussion and open innovation at the apex of innovation. In 2022, Acea took part in the **Space Economy Observatory** to explore the opportunities of space technology, and in the **Quantum Computing Observatory**, centred around cutting-edge technologies in the fields of *quantum and high-performance computing* (HPC);
- **Zero Accelerator**, the startup accelerator born from the col-

laboration between the National Network CDP Venture Capital SGR - Fondo Nazionale Innovazione, Eni, L'Innovation Group and ELIS to support the best startups and innovative SMEs that develop projects and solutions in the *greentech/cleantech* field aimed at minimising carbon impact, facilitating the reduction of emissions, optimising the waste cycle by speeding up energy transition processes and promoting the circular economy;

Furthermore, in 2022 the **collaborations with Talent Garden** on *digital transformation and corporate innovation* projects continued, as did those with **InnovUp (formerly Italia Startup)**, the no-profit association that represents the ecosystem of Italian start-ups, expanded to all private and public entities, to promote the creation of a new national business fabric.

In recognition of its achievements in innovation, **in 2022 Acea again received the prestigious Innovazione SMAU award** (see info box).

AWARDS IN THE FIELD OF INNOVATION

In 2022, **Acea won the SMAU 2022 Innovation Award**, with the project **3Ws – Women, Welfare and Work/Life Balance – Startups for a better life**, an initiative carried out in collaboration with the **Welfare Unit of Acea SpA and La Carica delle 101**, an association of female professionals who provide *pro-bono mentorship* to new busi-

nesses. It involved an open call dedicated to start-ups with a high percentage of women committed to the development of solutions to improve work/life balance and define corporate welfare services (also see the chapter *Staff*).

With reference to the Group's industrial processes and infrastructure, the following boxes illustrate, by way of example, the main **research and innovation projects** carried out in 2022 by Acea SpA's Technology and Solutions Function, Acea Innovation, Acea Elabari and the industrial segments of the Group. We also recall what has

already been illustrated in the paragraph *Relations with institutions*, and in particular Projects for the innovative and sustainable development of the territory, Customers and the community and the section *Relations with the environment*.

RESEARCH AND INNOVATION AT ACEA SPA

In 2022, the **Innovation unit of Acea SpA's Technology & Solutions Function** with the involvement of all the company's entities and external start-ups, **launched and/or realised numerous experiments and initiatives for the innovation and digitalisation of services**, including:

- the **MeGA project**, led by Acea SpA and Areti in collaboration with M2D Technologies, made it possible to create a platform that could analyse medium and low voltage SCADA protocols (the computer system for the supervision and management of an electrical power station) and extract indicators on the functioning of new automation solutions;
- **VR Training**, an initiative developed with Areti and the start-up Start Smart involving the use of virtual reality to prepare colleagues to work in hostile environments like confined spaces;
- **MIDA**, a project developed in collaboration with the start-up Wesii to monitor photovoltaic plants, with an ultra-technological model of self-flying drones equipped with a thermal camera,

which can fly over plants at a height of 25 metres, monitoring the integrity of the panels in real time and optimising maintenance interventions and costs;

- **Machine Learning – Elabari**, the activation of a *machine learning* infrastructure that enhances all of Acea Elabari's logs and data, making it possible to carry out forecasts and predictive analyses in the cloud to improve the planning of dispatching and the performance of analyses and work sites;
- **Up2You (Waidy – Water)**, a solution developed with the innovative start-up Up2You, which makes it possible to very precisely calculate the sustainability benefits associated with using the Waidy app;
- **AI for Contact Centres (Acea Energia)**, a platform based on artificial intelligence that allows for an improvement in Acea Energia's outbound lists, with a consequent improvement in the conversion rate.

RESEARCH AND INNOVATION IN THE COMMERCIAL AREA

In 2022, the company **Acea Innovation** continued the development of **electric mobility** functions. It upgraded the **Charging Point Operator** platform, in interoperability with e-Mobility Service Providers, with two new interoperability options with Be-Charge and Hubject and launched Acea Energia's **EMSP platform** (Electric Mobility Service Provider), in which new functions were made available, including FLAT tariffs and profiling for Business clients. The company also developed and launched a **private network model** to create B2B private networks in which integrated electric charging stations are installed with a dedicated portal that allows customers to monitor the charging sessions carried out, and implemented a new system for managing energy communities. As part of its activities in the sale of electricity and gas commodities and non-commodity services, **Acea Energia has launched and/or completed the following innovative projects:**

- the **E2CRM digital transformation programme** which involved adopting the Salesforce CRM platform, enabling all processes to be implemented digitally, with a consequent reduction in contacts through traditional channels and paper-based flows, and new functions to be developed on the portal reserved for customers in the Large & Business segment;
- **the change to the digital channels** with the creation of projects to revisit and increase the features of *certain digital touchpoints*, including **revising the website**, the design of a **new sales funnel**, the launch of the **new app** with features intended to reduce telephone contact, a renewed **routing model** for the management of the telephone channel and the launch of two **agile rooms** to improve processes from a client-centric perspective (*close the loop, predictive call management, etc.*), and the monitoring of the KPIs of the individual processes.



RESEARCH AND INNOVATION IN THE NETWORKS (ENERGY INFRASTRUCTURE) AREA

In 2022, **Areti implemented several innovative projects** as part of its electricity distribution activities, including:

- the **PlatOne project**, financed by the European programme Horizon 2020, intended to develop and test technological solutions and new market schemes capable of **enabling the flexibility of the utilities connected to the distribution network**, with the aim of promoting transparent and inclusive participation of end customers in the electrical flexibility market. The project involves public and private organisations operating in Italy, Greece, Belgium, and Germany, under the coordination of RWTH Aachen University in Germany and **Areti coordinates the Italian trial implemented in the Rome area**. The pilot is based on a multi-platform architecture which, using blockchain technology, simulates a local flexibility market, enabling the users connected to the distribution network to provide services to the local and global electricity system. **Acea Energia** is an **aggregator** of the project, gathering availability of end customers and offering them to the market, before then distributing the revenues with those customers;
- the **European project BeFlexible**, launched in September 2022 with the involvement of other organisations, including Enel Group, Terna and RSE, is intended to **test the use of flexibility services** as well as the synergy between the electricity system and other sectors **for the stability and security of the grid**. The project aims to define and standardise a **catalogue of flexibility services**, shared with the stakeholders involved in the project (grid operators, dispatching users, aggregators, prosumers, technology providers) and to trial, through the use of technological solutions developed in other European projects, a common market model for the supply of such services, promoting the involvement of end customers and synergy across sectors (gas, water, heat, mobility, etc.). Areti participates in the initiative by enhancing the architecture developed in the PlatOne project;
- the **Flow project**, financed by the Directorate-General for Energy of the European Commission, intended to identify technological solutions and coordination methods with all actors involved which allow for a **management of electric mobility with respect for grid security and quality of service**. The project, launched in July 2022, involves various organisations, coordinated by Spain's IREC, including Enel Group, Terna, Engineering SpA and RSE. Again in this case, Areti participates in the project by enhancing the architecture developed as part of the PlatOne project;
- the **RomeFlex pilot project**, financed by ARERA and aimed at **creating a flexibility market for the electricity grid across the Rome area**, expanding the trial already in place with the PlatOne project. In December, Areti launched a **public consultation** to allow stakeholders to make comments about the regulations required for application of the trial;
- the **POLEDRIC project**, for the construction, in Rome, of a type of **intelligent public lighting pole**, able to improve the service, through sensors and advanced technologies, and enable **additional environmental, security and communication services**, from a **smart city** perspective (environmental sensors, traffic and parking monitoring sensors, video surveillance and video analysis, etc.);
- The **G.I.M.M.I.** project (Massive and Targeted Infrastructure Inspection Management), to **reduce undiscovered faults on overhead lines** and asset monitoring, through periodic analysis of satellite images and targeted drone inspections;
- the **BVLOS** experiment which involved the inspection of an overhead line conducted using a remotely piloted drone, with 4G connectivity and completely autonomous flight;
- the **AUTONOMOUS** project, to **reduce the incidence of faults in the primary substation**, by means of preventive inspections either autonomously or remotely guided by a UGV (*Unmanned Ground Vehicle*) drone. In 2022, the testing of the solution was completed with the setting up of a recharging box in which the drone, at the end of the mission, can recover and recharge itself, and the data collection and management platform was created, which is necessary for the integration of the new solution in the current inspection processes;
- the **Automa per selezione guasto in TLC** [Automated Fault Selection in TLC] experiment, aimed at supporting and automating human operations by means of **Robotic Process Automation techniques for remote fault selection on the network**. In early 2022, the demonstrator implementation experiment was completed, which made it possible to perform fault selection on a portion of a real network, using *logic developed in matlab* which, thanks to innovative *Robotic Process Automation techniques*, interacted with the SCADA system. The demonstrator project made it possible to verify the validity of the approach and to define the integration solution when fully operational;
- the project **Automation of Low Voltage Lines**, aimed at enabling remote control and automating the reclosure of low voltage lines from the secondary substation on disconnection for excess power; Mass installations of the solution began in 2022;
- the **Bilateral LTE Automation** project, which involves the implementation of a **field automation solution to select the fault line** and uses the **4G network to make the switches along the line communicate**. In 2022, the mass installations of the solution and the evolution of *central device management platform* were launched for the remote management of *peripheral Industrial IoT devices* that support other remote and service monitoring solutions in secondary substations;
- the transition to an operating environment of the **pilot project** for the application of **Internet of Things – IoT technologies to secondary substations**, with the aim of collecting and analysing measurements of **environmental parameters** and **electrical quantities** from the low-voltage network, to improve **plant maintenance** and **energy loss control**. In 2022, the engineering of the solution in the field was completed with the installation of the technology in 50 secondary substations, and an IoT Monitoring platform was implemented;
- the **IA-TEXT-MEANING** trial, which enabled the creation of a platform that could analyse, interpret semantically and classify the text notes related to field interventions made by WFM operators.

RESEARCH AND INNOVATION IN THE WATER AREA

With the aim of improving its operational performance, **in collaboration with Acea Elabari, Acea Ato 2 implemented research activities and technological-digital innovation on:**

- the **satellite radar technique Intasar Monitoring** required to **monitor the stability of elevated structures on the ground** (e.g. tanks) with specially designed reflectors to improve accuracy and resolution;
- **monitoring of emerging organic micropollutants (EOM) and endocrine disruptors in the wastewater of medium- to large-sized plants**, selected according to process scheme and territorial location; in 2022 monitoring activities continued at the CoBIS and Roma Sud plants and those of the Tiber River relating to environmental risk assessment and analysis;
- **the combined use of the two disinfectants, sodium hypochlorite and chlorine dioxide**, in different proportions at the **Grottarossa drinking water plant**, with the aim of finding an effective composition of the mixture of the two disinfectants that prevents the proliferation of algae in the clariflocculators and minimises the use of chemicals while continuing to guarantee full microbiological compliance of the outgoing water;
- the trial, at the **Grottarossa drinking water plant**, on the use of **coadjuvant polyelectrolytes of PAC** in the clariflocculation process with the aim of improving the performance of the plant under serious operating conditions following heavy rainfall;
- the creation of a **model to estimate the load capacity of the filter material** at the **Pescarella drinking water plant**, based on the chemical composition of the incoming water and the flow rates processed by each filter, for the purpose of prolonging the lifetime of the filter material and creating uniform wear and tear of the filters;
- the monitoring of the trichloroethylene and tetrachloroethylene parameters and the **study of the abatement capacity of the filter media (GAC)** at the **Laurentino drinking water plant**, for the purpose of upgrading its performance and optimising resources thanks to the reduction of the supply/regeneration cycles of adsorbent material and disposal of spent material, guaranteeing the compliance of the water distributed;

In terms of drinking water processing and purification, the following activities were carried out:

- the adoption of an **automatic coagulant dosage** system on the basis of the turbidity recorded at input and the optimisation of such dosage according to a **feedback logic**, on the basis of the turbidity detected at output of the clariflocculation treatment, for the purpose of upgrading the efficacy of the process while reducing product consumption;
- the optimisation of the disinfection treatment through the **reduction of the dosage of sodium hypochlorite** and **product quality control** with the aim of intercepting non-compliant discharges and reducing the level of chlorates in the water distributed to protect the health of consumers;
- the **extension of backwashing times** with water of the sand filters to improve the filtration process with a reduction in the levels of dissolved aluminium present at output of treatment;
- the creation of an **innovative trial treatment plant for water intended for human consumption capable of removing arsenic**.
- the **characterisation of the floating residue from the desanding/de-oiling process of urban wastewater** and assessment of the

best **treatment technologies**;

- conclusion of the full-scale **experimentation of Taron technology** at the Santa Fumia wastewater treatment plant, which uses a dynamic rotating disc filtration system that combines secondary sedimentation and tertiary filtration in a single step, optimising the wastewater treatment process;
- **conclusion of the study on lysis technologies for optimising biogas/biomethane production** from anaerobic digestion plants at some purification plants.

With regard to innovation applied to the management of water distribution networks new generation techniques - satellite, noise recorder and fibre optics - were tested for hidden leak detection (Noise Logger and Satellite Radar Interferometry):

- the **calculation on an experimental basis of GHG (greenhouse gases) of the purification sector**, including in collaboration with the Politecnico delle Marche.

In addition, with reference to **forecasting the availability of water resources**, **Acea Ato 2 has implemented a machine-learning algorithm based on the random forest technique** to identify **meteorological proxies (temperature and/or precipitation)** or management proxies (volumes drawn) correlated to the variability of the state of preservation of the resource, with reference to the different collection sources (springs, well fields, etc.)

In 2022, with external support, **Acea Ato 5** conducted a **pump audit to analyse the efficiency of the pumping systems of one of the main well fields managed** (site in Posta Fibreno) and implemented a corrective measure to significantly reduce the plant's energy consumption.

AdF has carried out:

- a **Proof of Concept (PoC) pilot to test a Smart Chatbot**, based on *artificial intelligence and conversational AI agent technology* to improve navigation experience on the website;
- mass remote reading of meters across the territory through *drive-by and walk-by reading*, covering over 50% of the installed base of meters, and developing further implementations of the **NEXTex** platform, using predictive analysis tools on the information collected via the meters;
- the completion of a PoC aimed at **defining a platform for managing and integrating data from smart meters**, both *drive-by* and *nBIOT*, and *no-meter* sensors, with the aim of creating a **data hub**, performing **advanced management of events and alarms** and **feeding analytics systems**;

Within the framework of internal projects implemented in *agile mode*, it has **developed two dashboards** integrated with SCADA systems and analytics tools, for monitoring **water requirements**, **planning water production**, creating **consumption forecast scenarios** using predictive algorithms, and for **monitoring the electricity budget** and the energy performance of the main plants.

Lastly, in the context of the development of the **Water Safety Plans (WSP)**, **AdF** systematised the implementation methodology by developing a **PostgreSQL database** dedicated to storage of the data, the calculation and logging of risks and measures identified to contain priority risks, and, in collaboration with the company SIMAM, conducted an experiment at the Sant'Angelo plant in the municipality of Senigallia aimed at the production of **biomethane with zero CO₂ emissions** from EER waste (sludge produced from the treatment of urban wastewater) with **ASAC patented technology**.

RESEARCH AND INNOVATION IN ENGINEERING AND SERVICES

In 2022, in collaboration with the Technology & Solutions Function of Acea SpA and the start-up BeamDigital, **Acea Elabori continued experimentation on the Safety Check project**, for the remote monitoring of the safety conditions of the personnel working at the sites, carrying out analyses on personal data protection.

Implementation continued of the **Master Reclamation project**, a data retrieval system able to retrieve customer master data, using machine learning and artificial intelligence, and automate internal data quality processes.

With reference to the **innovation of business processes**, it should be noted that **Acea Elabori has BIM (Building Information Modelling) certification for engineering design**, which employs intelligent digital models throughout a project's entire life cycle and works on seven dimensions, visualising not only progress and costs, but also the **sustainability of the project** and encouraging the implementation of choices oriented towards a positive impact on the environment. Acea Elabori carried out numerous other projects for the Group

companies. In particular, in 2022, in collaboration with the SAGEN association and Tor Vergata University, **"VOLATOLOMICS"** was launched, a **social innovation project** intended to define a method for assessing the **volatile fraction of the metabolome** through breath analysis, implemented using an advanced examination technology developed by Acea Elabori. The purpose of the initiative is to validate, using research on a sample of the population, a non-invasive and low-cost **diagnostic screening technique** that can also be used for genome analyses. The project won a sustainability award for protection and social development in an internal contest, as part of the Acea Green Cup 2022.

Focusing once more on the social aspect, Acea Elabori launched a collaboration with the Department of Translational and Precision Medicine at La Sapienza University in Rome, for the **development of advanced analysis and diagnostic methods** to evaluate the weight of exposure to persistent organic pollutants (POPs) in the progression of **metabolic-associated fatty liver disease (MAFLD)**.

RESEARCH AND INNOVATION IN THE ENVIRONMENT AREA

In 2022, the following research and innovation activities carried out by the Environment business are worth mentioning:

- completion of the design activity for the **recovery of sodium bicarbonate and calcium chloride dihydrate in combination with the treatment of fly ash** for the reduction of hazardous characteristics of the matrix and of the recovery;
- execution of the first phase of the on-site pilot project for the **treatment of bottom ash** for the recovery of the inert fraction present;
- obtaining the **experimental authorisation** for the **plasmix treat-**

ment pilot plant, which is part of a wider project for the sustainable recovery of mixed plastics (plasmix) and their transformation, through the GASIFORMING™ process, into pure marketable methanol. The project implements circularity **recovering material from waste** destined for landfill or waste-to-energy, vertically integrating the plastics chain, and producing methanol from a renewable source.

- execution of the first phase of testing related to the characterisation in terms of concentration of pollutants in the areas.

