



# **REPORT ON THE REMUNERATION POLICY AND ON THE REMUNERATION PAID**

2025

*In implementation of Art. 123-ter of Legislative Decree 58/1998 concerning transparency  
of the Remuneration of Directors of Listed Companies*

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## Letter by the Chairperson of the Appointments and Remuneration Committee

Dear Shareholders,

in my capacity as Chairman of the Appointments and Remuneration Committee, together with the Directors Angelo Piazza, Patrizia Rutigliano and Nathalie Tocci, I am pleased to present the Remuneration Policy of Acea S.p.A. Group for the year 2025, approved by the Board of Directors on 13 March 2025 and drafted pursuant to articles 123-ter of the TUF and 84-quater of the Issuers Regulation and in compliance with the principles of EU Directive 2017/828 - SRD II.

During 2024, Acea collaborated with leading proxy advisors for a deep dive into observations on the Report on the Remuneration Policy and on the Remuneration Paid. It analysed best practice on the reference market and its peers in order to identify any gaps.

The Remuneration Policy of the ACEA Group is an essential driver in support of the Group's Business Plan.

It is designed as a strategic element to attract and retain professionals with consolidated experience in complex organisational contexts, with the aim of improving company performance and promoting the creation of medium/long-term value, while promoting the principles of equity and sustainability. Goals are pursued through the implementation of a remuneration system that ensures consistency between the bonuses paid and the value created for the wider community, in response to requests from our stakeholders.

Real world examples of this interpretation include the adoption of transparent communication and the constant alignment with characteristic elements of market best practice.

For the current year, sustainability goals were once again integrated with the short and long-term incentive systems, in line with previous years. These goals promote an ongoing focus on the topics of the Agenda 2030 and are combined with economic and financial objectives in order to create sustainable value for all stakeholders.

The incentive systems are designed to recognise the results achieved in relation to the strategic objectives, at the same time reinforcing the social responsibility and promotion of sustainable conduct that characterise the entire Group. Furthermore, they promote people's compliance with the company values and their commitment.

With reference to the variable long-term incentive, we can confirm that the minimum and maximum bonus levels were rebalanced in line with the previous year, to ensure that the remuneration policy is competitive in relation to the reference market and to reward achievement of the company's challenging goals.

This report was drafted taking into account analyses of market demands, while strengthening the level of disclosure, with particular reference to the achievement of economic and financial objectives and sustainability of incentive systems.



We are mindful of the fact that the remuneration policy is not merely a matter of formal compliance and observance of law, which the Group fully adheres to, but that it constitutes a strategic direction for the Group in the creation of overall value.

On behalf of myself and the other Directors, I would like to thank you in advance for your support and observance of the policies defined for 2025.

*Massimiliano Capece Minutolo Del Sasso*

*Chairperson of the Appointments and Remuneration Committee*



## Introduction

This document describes the Remuneration Policy adopted by the Acea Group for 2025 (“**Remuneration Policy**”). This policy, based on the principles and recommendations contained in article 5 of the Corporate Governance Code for Listed Companies approved by the Corporate Governance Committee in January 2020 and in effect from 1 January 2021, defines the criteria and guidelines for the remuneration of the members of the Board of Directors, including the executive Directors and those invested with specific powers, and the Executives with Strategic Responsibilities<sup>1</sup>, and also the members of the Company’s Board of Statutory Auditors, within the timeframe of the current financial year.

The drafting of this remuneration report (“**Report on the remuneration policy and on the remuneration paid**”) takes into account both the regulatory provisions adopted by Consob on transparency and communication and the provisions of art. 123-ter of Italian Legislative Decree 58/98 (hereinafter also “**CLF**” - Consolidated Law on Finance).

This Remuneration Report is therefore divided into two separate Sections:

I. the first Section illustrates in detail:

- a) the Acea S.p.A. (“**Acea**”) policy on the remuneration of the Directors applicable for 2025, including the Executive directors and the Directors with specific duties, the Executives with Strategic Responsibilities and the Board of Statutory Auditors;
- b) the procedures used for the adoption and implementation of the policy.

II. the second Section, individually for the members of the Administration and Control Bodies and in aggregate terms for the Executives with strategic responsibilities:

- a) provides a description of each of the items comprising their remuneration, including the treatment provided in the event of resignation or termination of contract;
- b) accounts for the remuneration paid out during the 2024 financial year for any reason and in any form by the Company;
- b-bis) illustrates how the Company has considered the vote expressed the previous year regarding Section II of the report.

In compliance with the current regulatory framework (art. 123-ter of the CLF), amended at a primary level by Italian Legislative Decree 49/2019, containing the provisions required for the implementation of Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 (Shareholders’ Rights Directive II or “SHRD II”), amending Directive 2007/36/EC (Shareholders’ Rights Directive or “SHRD”), the “say on pay” system has been maintained to foster and promote the long-term commitment of

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<sup>1</sup>“Executives with Strategic Responsibilities” are the senior executives identified and proposed by the Appointments and Remuneration Committee to the Board of Directors who have powers and responsibilities in the planning, management and control of the activities of the Company and the Group.

On the basis of criteria and guidelines which take into account the position held within the organizational structure, autonomy and decision-making powers in the choices made, these Executives with Strategic Responsibilities have been identified taking into account, for each of them, their level of responsibility, role filled and associated remuneration level.

In view of the above, at the time of writing, the roles considered Executives with Strategic Responsibilities, in addition to the Chief Executive Officer/General Manager, are: 1) Chief Corporate Officer, 2) Chief Operating Officer, 3) Chief Legal Officer, and 4) Chief Executive Officer of Acea Ambiente.



shareholders. Furthermore, the content of this document applies to senior Group executives, the members of the Administration and Control bodies and other Executives with Strategic Responsibilities, in compliance with Annex 3A of the implementing regulation of the CLF adopted by Consob with Resolution no. 11971 of 14 May 1999 (so-called “Issuer Regulations”) and amended by Consob with Resolution no. 21623 of 11 December 2020.

The Acea Remuneration Report pursuant to art. 123-ter, paragraph 2 of the CLF was defined and approved by the Board of Directors, on the proposal of the Appointments and Remuneration Committee, at its meeting on 13 March 2025.

The First and Second Sections will be submitted to the Shareholders’ Meeting to be held on first call on 28 April 2025 and on second call on 29 April 2025.



## Executive summary

Through its remuneration policy, the Acea Group seeks to attract, motivate and retain individuals who, due to their technical and managerial skills and their differing profiles in terms of gender and experience, are key to the success of the company.

The remuneration policy reflects and supports the Group's strategy and values, with its commitment to creating long-term sustainable value for all stakeholders.

The following section provides an overview of the remuneration policy applicable in 2025. Figures concerning voting by the shareholders' meeting for the approval of the most recent Remuneration Reports and the CEO *pay ratio* are also included. Details are also provided of how the remuneration policy supports mitigation of the various risk factors.

## Brief overview

An overview of the 2025 remuneration policy is presented below.

Remuneration Policy 2025			
Component	Purposes and characteristics	Implementation conditions	Amounts
<b>Fixed Remuneration</b>	The fixed remuneration component is determined by the professional specialization and organizational role filled with relevant responsibilities, reflecting the technical, professional and management skills.	The conditions for its definition are based on checking the remuneration positioning through market benchmarks consistent with the characteristics of Acea and the roles assigned.	<b>CEO/GM:</b> € 775,000 per year, of which: <ul style="list-style-type: none"> <li>• € 480,000 - GAR;</li> <li>• € 250,000 - remuneration for position of CEO;</li> <li>• € 45,000 - remuneration for director</li> </ul> <b>Chairperson:</b> € 295,000 per year, of which: <ul style="list-style-type: none"> <li>• € 250,000 - remuneration for Chairperson;</li> <li>• € 45,000 - remuneration for director</li> </ul> <b>ESRs:</b> remuneration determined on the basis of the complexity and responsibilities of the role within the Group.
<b>Short-Term Variable Remuneration (MBO)</b>	The annual variable component recognizes and rewards the objectives assigned and results achieved in correlation to the annual budget objectives and is an important motivational aspect.	<b>KPI MBO 2025:</b> EBITDA (weight 30%); NFP (weight 25%); Net Profit (weight 25%); Composite Sustainability Objective (weight 20%).	The incentive, assigned to each beneficiary individually, is calculated as a percentage of the fixed component. <b>CEO/GM:</b> Target incentive level of 50% <b>Chairperson:</b> not provided for <b>ESRs:</b> Incentive level of up to 50% of the target.





<b>Medium/Long-Term Variable Remuneration (LTIP)</b>	<p>The Medium/Long-Term variable component ensures the alignment between the Management's interests and those of the shareholders and the retention of key figures. It is aimed at respecting the economic-financial and sustainability principles and the economic returns on shareholder investments, measuring the returns on the invested capital. The LTIP is divided into three three-year cycles, each starting from 2024, 2025 and 2026.</p>	<p>Payment of an amount in cash based on the achievement of set objectives at the end of the reference three-year period.</p> <p><b>KPI LTIP 2024-2026 – 2nd Cycle 2025-2027:</b> Cumulative EPS (weight 30%); Cumulative Regulated CAPEX (weight 25%); NFP/EBITDA (weight 25%); Composite Sustainability Objective (weight 20%).</p> <p><b>Characteristics:</b> Rolling monetary plan with three-year vesting period.</p>	<p>The incentive, assigned to each beneficiary individually, is calculated as a percentage of the fixed component.</p> <p><b>CEO/GM:</b> target incentive levels of 60%.</p> <p><b>ESRs:</b> incentive level of up to 60% of the target.</p>
<b>Non-monetary Benefits</b>	<p>They supplement the remuneration package in a total reward scheme through benefits primarily of a social security and welfare nature.</p>	<p>The conditions are defined in the national collective labour contracts and supplementary national agreements. The benefit plans do not include discretionary individual plans.</p>	<p><b>Chairperson:</b> company car, D&amp;O liability policy, health plans.</p> <p><b>CEO/GM and ESRs:</b> D&amp;O liability, welfare plans, insurance and health plans, company car, and accommodation and meal vouchers.</p>
<b>Severance</b>	<p>Remuneration in the event of termination of employment due to dismissal/revocation without just cause or non-reappointment to corporate office, aimed at protecting the interests of the Group and avoiding litigation.</p>	<p><b>For the CEO/GM:</b> In the event of withdrawal from the position of CEO before the natural expiry of the term of office, in the absence of just cause, and/or termination of employment by Acea, again in the absence of just cause, the payment to the CEO/GM of a total amount equal to 30 months' worth of gross salary is applicable, to be understood as replacing the provisions of collective bargaining in the event of dismissal and to be calculated on the basis of the remuneration due both as CEO and as GM, provided that both the employment relationship and the appointment to said office are terminated at the same time.</p> <p>In the event that, at the natural expiry of the term of office, the CEO is not reappointed, they will have the right to terminate the employment relationship, within 15 days of the appointment of the new CEO, receiving a gross amount equal to 30 months' worth of salary payments, calculated taking as a reference only the remuneration due for the executive position.</p> <p><b>For ESRs:</b> up to a maximum of 18 months' worth of fixed and variable remuneration as a supplementary bonus in addition to the pay-in-lieu-of-notice facility, in line with the Group Executive Exodus Management Policy.</p>	



## The medium to long-term outlook

Acea's mission is to consolidate its leading infrastructure position in the Water, Electricity and Environment regulated sectors, with increasingly more integration of ESG criteria into business decisions and a strengthened commitment to the development of its people.

The 2024-2028 Business Plan, which envisages a sharp rise in investments, strengthens the Group's role as infrastructure operator, a key player in the energy transition, decarbonisation and enhancement of the local region, from a circular economy perspective.

Specifically, Acea's Business Plan focuses on three key pillars:



### Green

- Focus on regulated infrastructure while strengthening positioning and expanding into adjacent segments.
- ESG across all business units.



### Diligent

- Centrality of people.
- Operational excellence with strong cost and investment discipline to support cash generation.
- Optimisation of financial structure and capital allocation.



### Growth

- Increase in Capex (including innovation).
- Growth in value for shareholders (RAB / Profit / Dividends).

In particular, the Group's medium- to long-term outlook will be influenced by the macroeconomic environment, ecological transition and investment needs in the Company's reference business sectors, with a particular focus on regulated water, electricity distribution and environmental business.

The three pillars described have been set out in the four macro-objectives shown below, forming a focal point for the company's Top Management – and all the Group's people in general – in order to achieve the strategic targets outlined by Acea in the new Business Plan.



Key projects to significantly increase investments in regulated businesses will be implemented, with due regard for economic sustainability criteria, the development of Human Resources and engagement with the territory in which ACEA operates.

The expected industrial growth will develop in parallel with the technological development of cities and infrastructures and a lower environmental impact in terms of decarbonisation, an increased circular economy, the resilience of the electricity distribution grid and energy efficiency.



The Acea remuneration policy is therefore a vital lever in support of the Group's Business Plan, conceived as a factor that helps to attract and retain skills with consolidated experience in complex organisational environments to improve the company's performance and create value in the medium and long term.

In particular, the remuneration policy defines incentive systems which are reflected in the Group's strategic objectives, as shown in the following figure:

**ACEA  
INDUSTRIAL PLAN  
2024-2028**



MBO PLAN	EBITDA	✓	✓		
	NFP	✓	✓		
	Net profit	✓			
	Reduction of Accident Frequency Index		✓		✓
	Optimisation of sewage and water treatment	✓	✓	✓	
	Increase in remote control of MV secondary cabins	✓	✓	✓	
	Increase in plastic sent for recovery	✓	✓	✓	
LTI PLAN	Cumulative EPS	✓			
	NFP/EBITDA	✓	✓		
	Cumulative regulated CAPEX	✓	✓		
	Gender diversity in the managerial bodies				✓
	Reduction in % of water leaks	✓	✓	✓	
	Reduction in sludge produced		✓	✓	
	Increase in resilience and upgrade to LV Network	✓	✓	✓	

## Sustainability and remuneration

Acea defines its sustainability model making reference to Agenda 2030 for sustainable development, adopted by the UN Assembly since 2015. This is a globally shared action plan to foster development potential and wellbeing of individuals in harmony with the environment and its resources, making it possible to guarantee shared, long-term progress.

In a market context in which there is an increasingly widespread connection between variable remuneration mechanisms and the achievement of social and environmental results, the Acea Group has confirmed its path of increasing the integration of sustainability into business activities, adopted over the years, also by strengthening of its own commitment.

This aim is also implemented through Group incentive plans, with the importance of sustainability aspects highlighted once again in 2025 – in both the short-term and long-term incentive plans – and adequately balanced with other economic and financial objectives.

The short-term variable incentive (MBO) scheme and the first cycle of the 2024-2026 Long-Term Incentive Plan have a composite sustainability objective, broken down into the following indicators:



2025 MBO Plan	2025-2027 Long-Term Incentive Plan
COMPOSITE SUSTAINABILITY OBJECTIVE	COMPOSITE SUSTAINABILITY OBJECTIVE
Reduction of Accident Frequency Index (excluding accidents during commutes)	Equal representation of genders in Acea managerial bodies
Optimisation of sewage and water treatment through measures aimed at strengthening and decommissioning/centralisation of plants	Reduction in % water leaks (on volumes issued) compared to the base-year value
Increase in remote control of MV secondary cabins	Reduction in production of sludge (t) compared to the base-year value
Increase in plastic sent for recovery (circular economy in the Environment segment)	Increase in resilience and upgrade to LV Network

The objectives set out in the 2024-2028 sustainability plan were developed in close alignment with the investments envisaged by the business plan. This integrated approach not only ensures that the sustainability initiatives respond to environmental and social requirements, but that they are also aligned with the long-term growth strategy. In this way, the creation of sustainable value is ensured for all stakeholders, while promoting the company's innovation and competitiveness.

## Remuneration and Working Conditions

For every organisation people represent a fundamental asset to remain competitive in a changing economic and social context. Acea listens to the needs of its people and develops a People Strategy, structured into initiatives. The Acea Group strongly believes in the development of human capital as a primary business driver. The company annually monitors employee working conditions in order to ensure the remuneration policy is consistent at all levels of the organisation. On this basis, the Company adopts these core HR initiatives:

- Every year, an Equality & Care Plan is prepared that identifies objectives and associated projects for diversity and inclusion and corporate welfare.
- In 2024 the "Equality Platform" project was confirmed, a "physical and virtual space" for disseminating the culture of Equity, Diversity & Inclusion (ED&I) and designed to generate ideas. During 2024 an event was held dedicated to all participants with the aim of increasing engagement, creating connections and suggesting ED&I project ideas. The project will continue in 2025.
- Acea SpA has also achieved UNI/PdR 125:2022 certification on gender equality. The certification is valid for three years, with annual monitoring. At the same time as the certification was maintained for Acea SpA, it was extended to the following companies: Acea Ato2, Areti, Acea Ambiente, Acea Energia, and Acea Infrastructure.
- For the well-being of its employees, Acea also developed an integrated corporate welfare system, based on listening to employees and their needs and structured around six fundamental pillars: health, corporate wellness, family care, income support services, complementary social security and solidarity. Numerous initiatives were implemented to implement the pillars of welfare, such as preventive health campaigns, psycho-physical well-being support and parenthood support services,

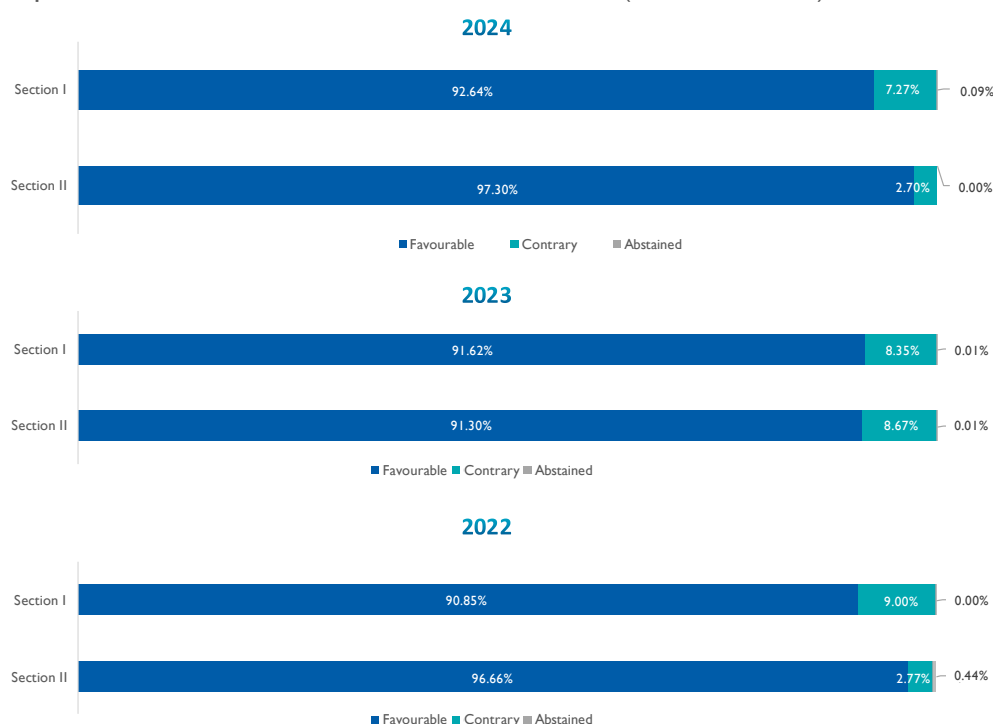


as well as income support services through the signing of various corporate agreements and participation in various solidarity initiatives.

- Furthermore, with the aim of developing further expertise and new mindsets amongst our People in 2024, following on from activities in previous years, training courses were provided both remotely and in the classroom in partnership with high-profile organisations (universities, business schools, research centres, professional firms, etc.) in management, governance and technical/digital areas.
- Finally, in 2024 the ACEA Group participated again in the Top Employer certification, which analyses the HR strategies of thousands of companies globally, and the company ranked in the top 151 Italian companies. The Top Employers certification rewards excellence in HR policies and strategies and is awarded to companies that meet the high standards of the HR Best Practices Survey. Acea has been a recipient for four consecutive years. Compared to last year, the Company has made additional improvements in the areas of Employer Branding, Diversity Equity & Inclusion, Talent Acquisition, Career and Well-being.

## Results of voting by the shareholders' meeting and engagement process

According to what is provided for in the laws in force at the moment of the vote (art. 123-ter, paragraph 6 of the CLF), the shareholders' meeting held on 12 April 2024, in view of the implementation of the SHRD II, held a binding vote on Section I of the 2024 Remuneration Report and a consultative vote on Section II. Below is a comparison of the votes cast in 2022, 2023 and 2024 (Sections I and II).



Voting in the last 3 years has shown a positive trend in growth of votes in favour. The trend is a testament to the importance placed by Acea on two key and fundamental aspects related to the Report on the remuneration policy and on the remuneration paid: i) yearly analysis of the outcome of shareholders' meeting votes, with a particular focus on minority shareholders and the rationale of "no" votes; ii) constant dialogue with stakeholders (shareholders, institutional investors, proxy advisors).



Dialogue with stakeholders requires that Acea define a Remuneration Policy that implements and incorporates stakeholder indications and feedback, aligned with market best practice and with constant improvements to the disclosure provided in the Report on the remuneration policy and on the remuneration paid, while promoting transparent, clear and immediate communication of the Policy and its main features.

Specifically, during 2024 Acea conducted engagement activities with the main proxy advisors for a deep dive into the observations expressed by said advisors on the Report on the Remuneration Policy and on the Fees Paid in 2024. In addition to the engagement activities, Acea subsequently performed an analysis of market best practice, with three main goals: i) verify any gaps in terms of the information contained in the annual Report on Remuneration; ii) verify how information is presented; iii) verify the composition of the panel of peers used as a reference for the related analyses.

The fruitful engagement activities and analysis of market best practice found a series of elements that Acea has considered as areas for improvement in terms of disclosure clarity and transparency. The main changes introduced to the 2025 Report are shown below:

- improvement made to the disclosure in terms of how the Remuneration Policy contributes to the company's medium/long-term strategy through the addition of a summary statement providing a correlation between the macro-objectives of Acea's 2024-2028 Business Plan with the objectives underlying the short and long-term incentive plans;
- explanation of the criteria used to form the Peer Groups for the roles of: Chief Executive Officer and General Manager, Chairperson and Directors of the Board of Directors, and representation of the comparison companies identified;
- addition to the section on derogations to the Remuneration Policy through a longer explanation of the players involved in the procedure and of the policy elements from which it is possible to deviate.

## Correlation between remuneration, risk profile and company performance

The remuneration systems adopted in the interest of all of the stakeholders are in line with the long-term strategy, linked to the company objectives and structured so as to avoid incentives that may lead to conflicts of interest and the excessive undertaking of risks. The risk mitigation elements provided in the variable incentive systems are shown in the table below, which distinguishes between the short-term incentives and the long-term incentives:

Risk mitigation elements	Variable short-term remuneration	Variable long-term remuneration
Definition of objectives consistently with the Strategic Plan	✓	✓
Provision of a cap for the variable remuneration of the Chief Executive Officer	✓	✓
Differentiation between economic and financial and sustainability performance objectives	✓	✓
Definition of Group indicators and/or specific Industrial Area indicators	✓	✓
Existence of claw back mechanisms	✓	✓
Provision of minimum value thresholds for each objective (with linear interpolation) guaranteeing payment only if a specific performance level is achieved	✓	✓

Having said this, the Company's Remuneration Policy is based on an evaluation of a "moderate" risk profile; this evaluation derives especially from considering the sector to which the company belongs (regulated), in which the margins from free market activities constitute a non-preponderant part.

This means that the Company is exposed to limited market risks and, conversely, more exposed to regulatory risks. Taking into account the "moderate" risk profile, Acea has elected to not allocate highly volatile financial instruments, such as option rights or other similar instruments, for example. The long-term variable component is therefore constituted exclusively by a monetary type plan.





## SECTION I

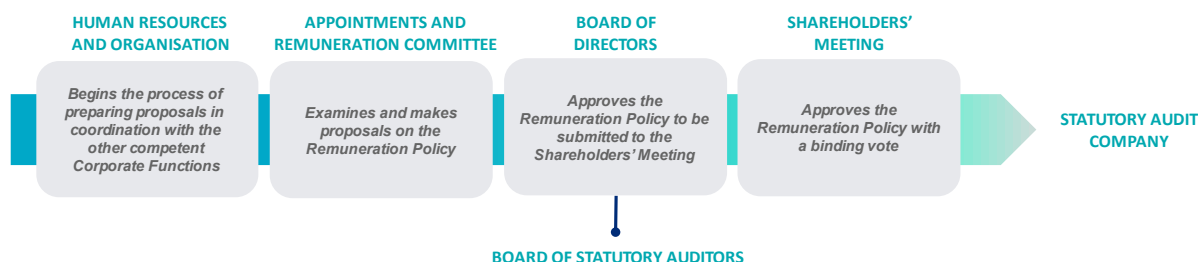




# I. Governance Model

## I.1. Subjects involved in defining and approving the Remuneration Policy

The Acea Group has prepared a governance process concerning the remuneration policy involving numerous actors among the Corporate Bodies and internal departments, as shown in the figure below:



The Appointments and Remuneration Committee and the Board of Directors of the Company play a central role in defining the Remuneration Policy.

The Human Resources and Organisation Function, in coordination with the other competent corporate Functions and involving the top management, establishes the process of developing the remuneration policies in a proactive, clear and transparent manner. The preliminary phase begins with the monitoring of the most widespread market practices, also through benchmarks prepared by leading operators in the sector, with the intention of aligning and/or keeping aligned its Remuneration Policy with the best practices.

The result of these activities enables the competent bodies to submit to the shareholders remuneration policies and guidelines increasingly appropriate for the professionalism, competence and commitment required.

On the basis of the documents produced by the Human Resources and Organisation Function, the Appointments and Remuneration Committee submits the Remuneration Report to the Board for approval.

The Committee provides information to the Board of Statutory Auditors, in order to enable the latter to check the consistency of the proposals on the subject of the directors' remuneration with the remuneration policy for the purpose of expressing the opinion pursuant to art. 2389 of the Italian Civil Code.

The intervention of the main corporate management bodies in the process for the approval of the Remuneration Policy ensures that it is based on clear and prudent rules which ensure that it is consistent, avoiding situations of conflict of interest and guaranteeing its transparency through suitable disclosure.

The following are the bodies and individuals involved in the approval process for remuneration policies.

### ***The Shareholders' Meeting***

- pursuant to art. 2389 of the Civil Code, may decide not to intervene in determining the remuneration of the executive directors and members of the committees, or may establish the maximum threshold, leaving the Board to decide on how to allocate it;
- decides for or against (binding resolution, pursuant to art. 123-ter, paragraph 3-ter of the CLF) the first Section of the Remuneration Report (paragraph 3 of the same article), concerning the company's



policy in terms of the remuneration of the members of the administration body, the control bodies and the executives with strategic responsibilities;

- decides for or against (non-binding resolution, pursuant to art. 123-ter, paragraph 6 of the CLF) the second Section of the Remuneration Report (paragraph 4 of the same article), concerning the remuneration paid during the business year in question to the members of the administration body, the control bodies and, in aggregate form, the executives with strategic responsibilities.

## ***The Board of Directors***

- The current Board of Directors was appointed by the Shareholders' Meeting on 18 April 2023 and will remain in office until the approval of the 2025 financial statements.
- The BOD, composed of 13 members, presides over the following areas of responsibility, consistently with the statutes:
  - determining the remuneration of the Chairperson, Chief Executive Officer and other Directors with specific duties, on proposal by the Appointments and Remuneration Committee, and also the remuneration due to the members of the Committees within the Board of Directors and the remuneration of the executives with strategic responsibilities;
  - unless the Shareholders' Meeting has already done so, determining the breakdown of the overall remuneration among the individual Board members;
  - unless the Shareholders' Meeting has already done so, electing the Chairperson, and also a Deputy Chairperson to replace the Chairperson in the event of absence or impediment, from among its members (art. 16 of the by-laws);
  - forming internal control and remuneration committees, appointing their members, appointing the General Manager, if required, and defining the number of executives;
  - appointing a Chief Executive Officer from among its members with delegated powers for everyday management and for any other deed they are responsible for within the limits of the law and the by-laws. The Board of Directors can also establish an Executive Committee and determine its powers. The delegated powers are conferred with the methods and for the purposes pursuant to art. 2381 of the Italian Civil Code;
  - defining the corporate governance system and structure of the Group, assessing the adequacy of the organizational, accounting and administrative set-up;
  - making the opportune assessments on the general management performance, periodically comparing the results achieved with those planned.

The composition of the Board of Directors at the time of writing of this document is shown below:

		<i>Risk Control Committee (*)</i>	<i>Appointments and Remuneration Committee (*)</i>	<i>Related Party Transactions Committee (*)</i>	<i>Ethics, Sustainability and Inclusion Committee (*)</i>	<i>Committee for the Region (*)</i>
<b>Barbara MARINALI</b>	<i>Chairperson</i>					
<b>Fabrizio PALERMO</b>	<i>Chief Executive Officer</i>					
<b>Antonella Rosa BIANCHESI</b>	<i>Member</i>			<i>Member</i>	<i>Member</i>	
<b>Alessandro CALTAGIRONE</b>	<i>Member</i>					
<b>Massimiliano CAPECE MINUTOLO DEL SASSO</b>	<i>Member</i>	<i>Member</i>	<i>Chairperson</i>	<i>Member</i>	<i>Member</i>	<i>Member</i>
<b>Antonino CUSIMANO</b>	<i>Member</i>	<i>Member</i>				
<b>Elisabetta MAGGINI</b>	<i>Member</i>	<i>Member</i>			<i>Chairperson</i>	
<b>Luisa MELARA</b>	<i>Member</i>			<i>Member</i>	<i>Member</i>	
<b>Angelo PIAZZA</b>	<i>Member</i>		<i>Member</i>	<i>Chairperson</i>		
<b>Alessandro PICARDI</b>	<i>Member</i>	<i>Chairperson</i>				<i>Member</i>
<b>Yves RANNOU</b>	<i>Member</i>					
<b>Patrizia RUTIGLIANO</b>	<i>Member</i>		<i>Member</i>		<i>Member</i>	<i>Chairperson</i>
<b>Nathalie TOCCI</b>	<i>Member</i>		<i>Member</i>			

(\*) All of the members of the Committees (CRC, ARC, RPTC, ESIC, TC) are independent except for Patrizia Rutigliano and Yves Rannou.

The Chairperson is a non-executive, independent director.

The Chief Executive Officer is the only executive director of the Company.

The non-executive Director Yves Rannou was appointed as director of the Acea Board of Directors on 12 April 2024 to replace the outgoing director, Francesca Menabuoni.

The Board of Directors is composed of nine (9) independent non-executive directors: Antonella Rosa Bianchessi, Alessandro Caltagirone, Massimiliano Capece Minutolo Del Sasso, Antonio Cusimano, Elisabetta Maggini, Luisa Melara, Angelo Piazza, Alessandro Picardi and Nathalie Tocci; and of two (2) non-executive and non-independent directors, Yves Rannou and Patrizia Rutigliano.

## The Chief Executive Officer

He or she informs the Appointments and Remuneration Committee on the adequacy, overall consistency and proper application of the remuneration policy for the directors and executives with strategic responsibilities.



## ***The Appointments and Remuneration Committee***

Briefly, the functions of the Committee are:

- proposing to and consulting with the Board of Directors and monitoring the application of the criteria and the decisions concerning the remuneration policy adopted by the Board of Directors itself;
- proposing and consulting as regards the remuneration of the Directors with specific duties and the Executives with Strategic Responsibilities.

On the basis of its internal regulation, the Committee comprises not less than three non-executive directors, the majority of them independent. The Chairperson of the Committee is one of the independent directors. At least one member of the Committee must have adequate knowledge and experience in financial matters or remuneration policies, to be assessed by the Board on appointment.

In relation to what is provided for in article 2389, paragraph 3 of the Italian Civil Code, and according to the Regulation, the Appointment and Remuneration Committee consults with and makes proposals to the Board of Directors.

The Committee gives its view on the remuneration policies and the appointment and retention of group staff presented by the Chief Executive Officer.

As regards its duties concerning appointment:

- it gives the Board its views on the dimensions and composition of the Board itself and makes recommendations as regards the management team and professionals whose presence is deemed necessary;
- it makes recommendations to the Board on the maximum number of positions to be held in administration or control bodies of other listed companies, financial companies, banks, insurance companies or, in any event, companies of significant dimensions that can be considered compatible with the effective performance of the duties of Director of the Company, taking into account the involvement of the Board members on the committees within the Board;
- it makes recommendations to the Board on any problems relating to the application of the ban on competition provided for in relation to the Directors by Art. 2390 of the Italian Civil Code, if the Shareholders' Meeting has generally and in advance authorised derogations to the ban due to needs of an organisational nature;
- it proposes to the Board candidates for the position of director if one or more directors step down during the course of the year (art. 2386, paragraph one of the Italian Civil Code), ensuring observance of the prescriptions of the law and the by-laws, and also those on the minimum number of independent directors and the quotas for the less represented gender;
- it gives its views to the Board if the plan for the succession of the executive directors is prepared.

As regards its duties concerning remuneration:

- it periodically assesses the adequacy, overall consistency and proper application of the remuneration policy for the directors and executives with strategic responsibilities, in this latter regard using the information provided by the general managers;
- it makes proposals or gives its views to the Board on the remuneration of the executives and the other directors with specific duties, and also on determining the performance targets correlated to the variable component of their remuneration;



- it monitors the application of the decisions of the Board itself, and in particular verifies the effective achievement of the performance targets on the basis of the data provided by the competent corporate departments;
- it submits the Remuneration Report for approval by the Board, in particular the Policy for the remuneration of the directors and executives with strategic responsibilities.

At least once a year, the Committee conducts a self-assessment of its size, composition, functioning and independence with regard to the duties provided for in its regulations.

The Committee expresses prior and non-binding views with regard to the individuals classed as having strategic responsibilities and those to be possibly attracted by the Long-Term Incentive Plan.

When expressing its prior and non-binding views, the Committee acquires preliminary information on the basis of the choice of the executives with strategic responsibilities and on the designation of the Directors and Statutory Auditors in significant companies.

The Committee meets periodically, with the frequency required for it to carry out its activities, usually on the dates provided in the annual calendar of meetings approved by the Committee itself.

The Appointment and Remuneration Committee met 13 times in 2024 and 3 times since the beginning of 2025.

The main activities of the Appointments and Remuneration Committee are shown below:

- Final accounting for short- and long-term variable incentive instruments;
- Proposal to the BoD of KPIs related to the variable component;
- Assignment of the LTIP three-year cycle for the year of reference;
- Assessment of the consistency and adequacy of the remuneration policy and examination of the Remuneration Report;
- Proposal to the BoD, for approval of the Remuneration Report, in particular the policy related to directors and ESRs;
- Analysis of market trends and feedback on Shareholders' Meeting vote;
- Analysis of the variable incentive plans and any revisions;
- Analysis of any remuneration benchmarks.

The Chairperson of the Board of Statutory Auditors, or an auditor designated by them, attends the meetings of the Committee. The other regular auditors, the Chief Executive Officer and the Chairperson of the Board of Directors may also attend, as may other members of the Board of Directors or structure of the company on invitation by the Chairperson of the Committee, in order to provide information and express their views on the items on the agenda.

The Head of the corporate department involved in the process of preparing and monitoring the remuneration and incentive policies and processes also usually attends these meetings.

No director may preside over the Committee meetings in which proposals are made to the Board concerning its remuneration.



If required, the Committee interacts with the other Committees within the Board for the timely exchange of information relevant to the performance of their respective duties and the coordination of activities in areas of joint responsibility, by exchanging flows of information or holding joint meetings.

In carrying out its duties, the Committee has the right to access the information and corporate departments and structures, on the basis of their responsibilities, required for carrying out its duties and also to use external consultants who are not in situations such as to compromise their decision-making independence, within the limits of the annual budget allocated by the Board of Directors and the matters for which it is responsible.

#### **Composition of the Appointments and Remuneration Committee**

Massimiliano CAPECE MINUTOLO DEL SASSO- <b>Chairperson</b>
Angelo PIAZZA – <b>Member</b>
Patrizia RUTIGLIANO – <b>Member</b>
Nathalie TOCCI – <b>Member</b>

## **Board of Statutory Auditors**

The Board of Statutory Auditors expresses the views required by the laws and regulations in force, with specific regard to the remuneration of the Directors with specific duties pursuant to art. 2389 of the Italian Civil Code, also verifying the general remuneration policy adopted by the Company.

## **Other subjects involved**

The auditing firm entrusted with the legal auditing of the financial statements, in compliance with the new reference framework for listed companies, annually verifies the preparation by the directors of section II of the report, through a formal check regarding the disclosure of information, without expressing its views in this regard or as regards its consistency with the financial statements or compliance with the laws in force.

Acea has defined its remuneration policy with the support of a leading consulting company in the field of Executive Compensation & Corporate Governance, Mercer Italia of the Marsh&McLennan Group.

## **Derogations to the remuneration policy**

As an exceptional and non-recurrent measure, pursuant to paragraph 3-bis of art. 123-ter of the CLF updated in 2019 and art. 84-quater of the Issuer Regulations updated in 2020, the Board of Directors of ACEA S.p.A. may derogate from the contents of this Report in accordance with the procedure envisaged for Related Party Transactions, based on a proposal by the Appointments and Remuneration Committee and subject to the favourable opinion of the Related Party Transactions Committee. The Appointments and Remuneration Committee – supported by the Human Resources and Organisation Function – will assess the possible impacts on the Remuneration Policy of extraordinary events, as described below, in order to submit for the approval of the Board of Directors any proposal to derogate from the Policy intended to guarantee the pursuit of the long-term interests and sustainability of the Group as a whole, namely to ensure its ability to compete on the market, in line with the philosophy and principles of said Policy expressly presented herein.



Example situations include, but are not limited to, substantial unforeseeable external shocks, changes to the organisational, management or administrative structure of the business such to impact the economic-financial results or the creation of value in the long term; unplanned extraordinary financial operations; changes to the members of the appointed bodies due to non-recurring events which require the renegotiation of the remuneration package in shorter time frames, in cases when other obligations may prevent the sustainability of activities in the medium and long term. Attraction and retention actions for positions held by executives with strategic responsibilities shall also be subject to exception, so that the company can take advantage of the professionalism and expertise that will maintain its competitiveness on the market.




The powers of derogation may consider changes to the various remuneration components, especially fixed, short-term variable (MBO) and long-term variable (LTIP) remuneration, and the recognition of extraordinary bonuses attributable to the completion of extraordinary financial operations (e.g. business restructuring, reorganisation, reconversion, acquisition or sale of companies or business units) of high strategic importance for the Group, not pre-defined in the Company's Business Plan and in any case not previously considered for the purposes of recognition of the short-term variable incentive, as well as the recognition of performance considered relevant and significantly positive for the Group that could make a tangible contribution to the creation of value for stakeholders.

## 2. The Remuneration Policy of the Acea Group

### 2.1. Purposes and guiding principles

The remuneration policy of the Acea Group is defined to ensure that the interests of the management team are in line with those of the shareholders, pursuing the priority objective of creating value sustainable in the medium and long-term by consolidating the link between individual and Group remuneration and performance. In addition, taking into account the recommendation pursuant to art. 5 of the Corporate Governance Code, it pursues the general purpose of attracting, retaining and motivating people with the competence and professionalism required by the role played in the Company. The Acea Group is also continuing to plan its incentive systems so that the results achieved with regard to the strategic objectives are effectively recognised, at the same time enhancing the value, social responsibility and sharing of sustainable conduct that characterises the Group as a whole, and adherence to the corporate values and personal commitment.

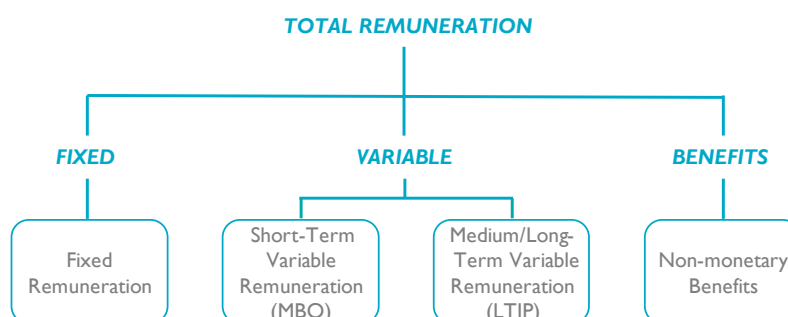
The following elements are always taken as reference for the definition of the remuneration policy:

 <b>Overseas market</b> For checking the consistency of the company's remuneration offer, from a dual viewpoint of retention and cost limitation	 <b>Internal consistency</b> Focus on internal consistency between the remuneration offer and the complexity of the position filled	 <b>Job leveling</b> Method of weighting positions with the objective of guaranteeing homogeneous and consistent remuneration comparison and analysis
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### 2.2. The components of remuneration

In general, the remuneration components are divided into:

1. fixed component: determined by the professional specialization and organizational role and related responsibilities;
2. variable component: based on performance<sup>2</sup> and linked to effective and durable results.
3. Benefit: they supplement the remuneration package in a total reward scheme primarily of a social security and welfare nature. The D&O liability policy is also provided.



<sup>2</sup> During finalisation of data, figures may be adjusted to take into account unexpected and unforeseeable external events at the time of assignment of objectives, which will in any case be submitted to the Appointments and Remuneration Committee in its investigative role with respect to the assessments and decisions to which the Board of Directors is called upon to make.





## 2.3. Peer Groups

The remuneration policies for the role of Chief Executive Officer and General Manager were developed taking as a reference two panels of select companies: one formed of 9 Italian companies and another formed of 16 European companies. The Peer Group of Italian companies was selected in light of criteria that take account of their comparability with Acea in terms of business (companies operating in the industries of multiutilities, regulated infrastructure, engineering – large contract management) and in terms of economic size (market capitalisation, revenue and number of employees). On the other hand, the Peer Group formed of European companies was identified in line with the guidelines provided by the main proxy advisors and it is also consistent with the focus placed by Acea's business strategy on overseas expansion.

For the remuneration benchmarking of the Chairperson, members of the Board of Directors and the Committees, a panel of 37 companies was identified, of which 27 belonging to the FTSE MIB index plus the top 10 FTSE MIB Mid Cap industrial companies. With reference to the Peer Group identified, for the Chairperson of the Board of Directors only companies that, like Acea, have a non-executive chairperson were selected.

See below for the list of the companies used for the various roles in question:

Peer Groups: <b>Chief Executive Officer</b> (2 Peer Groups– 25 Companies)		Peer Groups: <b>members of the BoD and Committees</b> (single Peer Group– 37 Companies)		Peer Groups: <b>Chairperson</b> (18 Companies)	
ITALIAN COMPANIES (9 Companies)	EUROPEAN COMPANIES (16 Companies)	FTSE MIB (27 Companies)	MID CAP (10 Companies)	FTSE MIB (16 Companies)	MID CAP (2 Companies)
A2A Fincantieri Hera Iren Italgas Saipem Maire Tecnimont Snam Terna	Acciona Audax Renovables Centrica EDP Elia Group Engie E.ON Gelsenwasser MUV Energie National Grid Orsted Redeia REN Rubis Telecom Plus Veolia	A2A Amplifon Brunello Cucinelli Campari Diasorin Enel Eni ERG Ferrari Hera Interpump Inwit Italgas Iveco Group	Leonardo Moncler Nexi Pirelli & C Prysmian Recordati Saipem Snam Stellantis STMicroelectronics Telecom Italia Tenaris Terna	Ariston Group Brembo Buzzi Danieli De Longhi Fincantieri Iren Maire Tecnimont Sesa We Build	Buzzi We Build
				Amplifon Campari Diasorin Enel Eni Inwit Italgas Nexi Pirelli & C Prysmian Recordati Saipem Snam STMicroelectronics Telecom Italia Terna	



### 3. The remuneration package of the administration and control bodies and the ESR

Below is a detailed description of the remuneration policy applicable to the Chairperson and members of the Board of Directors and Board of Auditors, the Chief Executive Officer and the Executives with Strategic Responsibilities.

#### 3.1. Chairperson

The remuneration package of the Chairperson only includes gross annual fixed remuneration.

The package is made up as follows:

- Annual gross fee as board member of € 45,000;
- Gross annual remuneration for the office of Chairperson of € 250,000.

The Chairperson receives a series of benefits including, for example, a company car, health insurance and the D&O liability policy.

In line with Recommendation no. 25 of the Corporate Governance Code, the Company continues to monitor the most widespread market practices in order that the members of the bodies can develop shareholder remuneration policies and orientations that increasingly take into account the professionalism, skills and commitment required.

#### 3.2. Members of the Board of Directors

The following is a summary of the current remuneration for the members of the Board of Directors and of the Committees within the Board:

<b>Board of Directors</b>	<b>Ethics, Sustainability and Inclusion Committee (ESIC)</b>
<ul style="list-style-type: none"> <li>Individual gross annual fee of <b>€ 45,000</b> net of annual reimbursement of documented expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Gross annual fee for the Chairperson of <b>€ 30,000</b>;</li> <li>Gross annual fee for each member of <b>€ 15,000</b>.</li> </ul>
<b>Risk and Control Committee (RCR)</b>	<b>Related Party Transactions Committee (RPTC)</b>
<ul style="list-style-type: none"> <li>Gross annual fee for the Chairperson of <b>€ 30,000</b>;</li> <li>Gross annual fee for each member of <b>€ 15,000</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Gross annual fee for the Coordinator of <b>€ 30,000</b>;</li> <li>Gross annual fee for each member of <b>€ 15,000</b>.</li> </ul>
<b>Appointment and Remuneration Committee (ARC)</b>	<b>Committee for the Territory (CT)</b>
<ul style="list-style-type: none"> <li>Gross annual fee for the Chairperson of <b>€ 30,000</b>;</li> <li>Gross annual fee for each member of <b>€ 15,000</b>.</li> </ul>	<ul style="list-style-type: none"> <li>Gross annual fee for the Coordinator of <b>€ 30,000</b>;</li> <li>Gross annual fee for each member of <b>€ 15,000</b>.</li> </ul>

In line with Recommendation no. 25 of the Corporate Governance Code, the Company continues to monitor the most widespread market practices in order that the members of the bodies can develop shareholder remuneration policies and orientations that increasingly take into account the professionalism, skills and commitment required.



It is also noted that in 2020, an Ethics Officer was established. This committee has the task of managing the whistleblowing system and monitoring observance of the values of transparency, legality, fairness and ethical integrity in relations with all stakeholders.

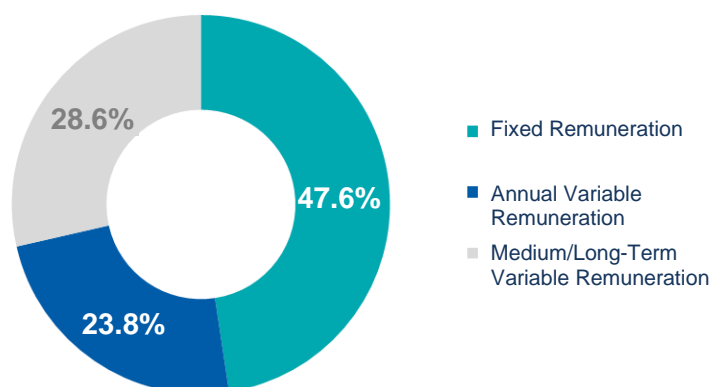
Confirming the importance of the Ethics Officer for the Acea Group, the members of the Board of Directors called upon to join the aforementioned committee will receive additional remuneration of € 12,500.

### 3.3. Chief Executive Officer and General Manager

The following paragraph describes the components of remuneration for the role of Chief Executive Officer and General Manager, currently held by Fabrizio Palermo.

#### **Pay Mix**

For the Chief Executive Officer and General Manager, the Pay Mix Target shown takes into consideration the remuneration package, net of director's remuneration, considering the achievement of the targets regarding the short-term variable remuneration and the target conditions of the new cycle of the 2024-2026 Long-Term Incentive Plan.



#### **3.3.1 Fixed Remuneration**

Based on the results of the analysis, the fixed remuneration of the CEO and of the GM was broken down as follows:

- Annual gross fee as board member of € 45,000;
- Remuneration as Chief Executive Officer of € 250,000 gross per year;
- Gross annual remuneration as Executive of € 480,000.

#### **3.3.2 Short-term variable remuneration**

The annual incentive plan encourages the achievement of the annual budget objectives defined with a view to medium and long-term sustainability.

Short-term variable target-based remuneration equal to 50% of the fixed remuneration (Gross Annual Remuneration as an executive and remuneration for the position of Chief Executive Officer).



The following is a summary of how the incentive system works. It consists of Group-wide economic-financial and sustainability targets, which are assigned on the basis of the annual budget. For 2025, the underlying objectives of the plan report their percentage weight:

#### 2025 MBO Plan

TYPE OF OBJECTIVE	OBJECTIVE	WEIGHT	PERFORMANCE	PAY-OUT
Economic/financial objective	EBIDTA	30%	MIN TARGET MAX	80% 100% 140%
Economic/financial objective	Net profit	25%	MIN TARGET MAX	80% 100% 140%
Economic/financial objective	Net Financial Position (NFP)	25%	MIN TARGET MAX	80% 100% 140%
Sustainability objective	Composite Sustainability Objective	20%	MIN TARGET MAX	80% 100% 140%

In line with the previous year, in 2025 the Group's objectives will include a composite sustainability indicator with a weighting in line with 2024, aimed at the main Business Areas of the Acea Group. Specifically, this objective has four indicators:

- People: Reduction in the accident frequency index involving employees (excluding accidents during commutes) – 5% weighting
- Water: Optimisation of sewage and water treatment through measures aimed at strengthening and decommissioning/centralisation of plants - 5% weighting
- Networks: Increase in remote control of MV secondary cabins - 5% weighting
- Environment: Increase in plastic sent for recovery (circular economy in the Environment segment) – 5% weighting.

How the system operates is represented by the definition of minimum, target and maximum value thresholds for each objective:

- there is no payout below the minimum threshold;
- achievement of the minimum threshold will give access to 80% of the payout for the indicator achieved;
- achievement of the target value will give access to 100% of the payout for the indicator achieved;
- achievement of the maximum threshold will give access to 140% of the payout for the indicator achieved.

As regards the review and payment of the payout, the plan involves some weighted calculations of the achievement of the individual objectives. Within each range interval, defined for each objective, the overall value will define the associated payout percentage, through a linear interpolation.

### 3.3.3 Medium and long-term variable remuneration (LTIP)

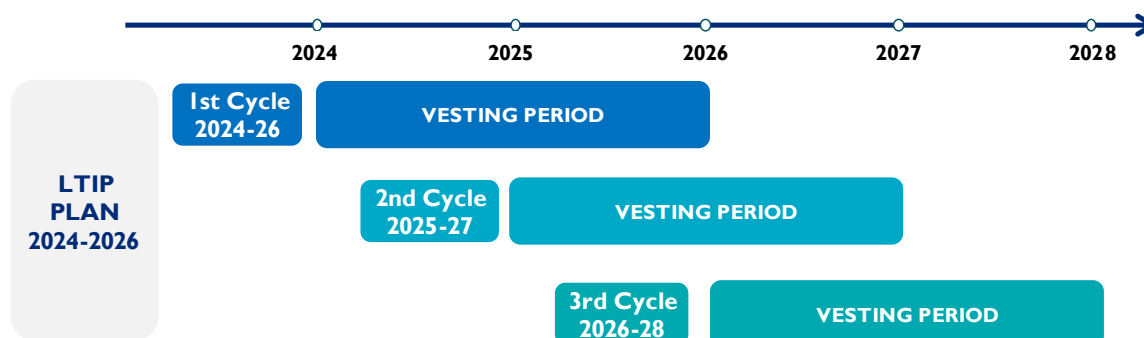
The main purposes of the long-term incentive plan include gaining the trust of the management team and giving them incentives to achieve the economic, financial and sustainability objectives of the Group in the interest of the shareholders, thus aligning their objectives.



In 2024, the Appointments and Remuneration Committee defined the architecture of the 2024-2026 Long-Term Incentive Plan, in line with market best practice.

The 2024-2026 Long-Term Incentive Plan is a rolling plan based on three three-year cycles, with the payment of a cash *bonus* at the end of the three-year period in question based on the achievement of predefined objectives.

### LTIP PLAN 2024-2026 TIMELINE



In 2025, in accordance with the architecture of the defined plan, the second cycle of the 2024-2026 Long-Term Incentive Plan will be assigned, related to the three-year performance period 2025-2027, which envisages the same features as the 1st cycle in terms of the underlying objectives of the incentive plan, relative weighting and associated incentive curves.

The objectives of the 2024-2026 Long-Term Incentive Plan related to the 2nd cycle of performance 2025-2027 are shown below:

### 2024-2026 LTI PLAN – 2nd CYCLE 2025-2027

TYPE OF OBJECTIVE	OBJECTIVE	WEIGHT	PERFORMANCE	PAY-OUT
Economic/financial objective	Cumulative EPS	30%	MIN TARGET MAX	40% 60% 120%
Economic/financial objective	NFP/EBITDA	25%	MIN TARGET MAX	40% 60% 120%
Economic/financial objective	Cumulative regulated CAPEX	25%	MIN TARGET MAX	40% 60% 120%
Sustainability objective	Composite Sustainability Objective	20%	MIN TARGET MAX	40% 60% 120%



The basis of the system is represented by minimum, target and maximum thresholds for each objective. The following is a detailed description of how performance is measured in relation to the overall achievement of the objectives:

- there is no payout below the minimum threshold;
- the overall achievement of the objectives at minimum value will give access to 40% of the fixed component;
- the overall achievement of the objectives at target value will give access to 60% of the fixed component;
- the overall achievement of the objectives at maximum value will give access to 120% of the fixed component;

Also for the second cycle of the Plan a composite sustainability indicator will be used with a significantly greater weighting than previous years. Specifically, this objective has four indicators:

- People: Equal representation of genders in Acea managerial bodies - 5% weighting
- Water: Reduction in % water leaks (on volumes issued) compared to the base-year value - 5% weighting
- Water/Environment: Reduction in production of sludge compared to the base-year value - 5% weighting
- Networks: Increase in resilience and upgrade to LV Network – 5% weighting.

As regards the review and payment of the payout, the plan involves some weighted calculations of the achievement of the individual objectives. Within each range interval, defined for each objective, the overall value will define the associated payout percentage, through a linear interpolation.

### **3.3.4 Non-monetary benefits**

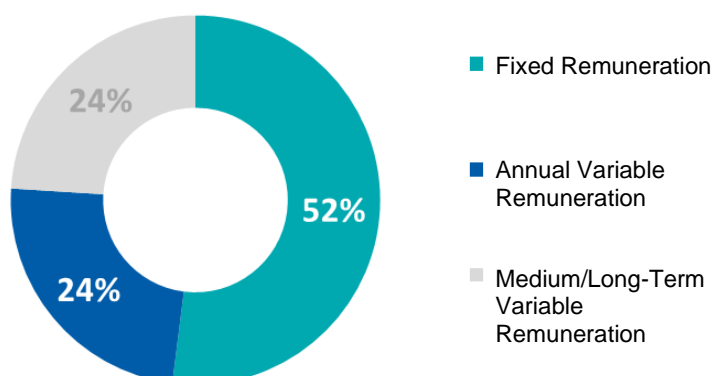
The remuneration package is completed by a series of benefits of a non-monetary nature constituting an integral part thereof. They mainly consist of social security and welfare plans, insurance and medical plans, company cars and accommodation and meal vouchers.

## **3.4. Executives with Strategic Responsibilities**

Considering the changes to the organisational structure approved by the Board of Directors on 17 December 2024 and, following the exit of an Executive with Strategic Responsibilities, three new executives with strategic responsibilities were appointed. Four Acea Executives with Strategic Responsibilities, in addition to the Chief Executive Officer and General Manager, were appointed: 1) Chief Corporate Officer, 2) Chief Operating Officer, 3) Chief Legal Officer, and 4) Chief Executive Officer of Acea Ambiente.



The following is the pay mix of the ESR:



The pay mix defined for Executives with Strategic Responsibilities considering the maximum target percentages is based on the achievement of the Group targets set in the annual variable incentive system (MBO) and the target conditions provided for in the second cycle of the medium/long-term variable incentive system (2024-2026 Long-Term Incentive Plan).

The remuneration package of Executives with Strategic Responsibilities consists of the elements reported in the following sections.

### 3.4.1 Fixed Remuneration

The amount of the fixed remuneration is defined on the basis of the role and responsibilities involved.

### 3.4.2 Short-term variable remuneration (MBO)

The amount of the annual variable remuneration (MBO) is defined as regulated by the Variable Incentive Plan in force, the “*Variable annual short-term incentive plan (MBO)*”. The incentive is assessed on the basis of the position held, up to a maximum target of 50% of gross annual remuneration.

The MBO profiles for Executives with Strategic Responsibilities list the same objectives as those of the Chief Executive Officer.

### 3.4.3 Medium and long-term variable remuneration (LTIP)

The 2024-2026 Long-Term Incentive Plan features three separate three-year cycles, with a bonus issued for each cycle, subject to the achievement of medium/long-term objectives.

The plan provides for an incentive for Executives with Strategic Responsibilities up to a maximum target level of 60% of the individual beneficiary's GAR. In relation to this target, the achievement of the minimum and maximum thresholds of the performance objectives entails a pay-out of 50% and 110% of the fixed remuneration amount, respectively.

The objectives set out for the Chief Executive Officer and General Manager are the same for all recipients.

### 3.4.4 Non-monetary benefits

The remuneration package is completed by a series of benefits of a non-monetary nature constituting an integral part thereof. They mainly consist of social security and welfare plans, insurance and medical plans, company cars and accommodation and meal vouchers.



### 3.5. Board of Statutory Auditors

The Board of Auditors is composed of three standing auditors and two alternates. It was appointed by the Shareholders' Meeting on 27 April 2022 and will be in office until the shareholders' meeting for the approval of the 2024 financial statements. An adequate differentiation between the fee paid to the Chairperson with respect to that of the other members is also provided for. The details of the remuneration are presented in the table below:

#### Board of Statutory Auditors

- Gross annual fee for the Chairperson of **€ 150,000**;
- Gross annual fee for each member of **€ 100,000**.

The Shareholders' Meeting called to approve the financial statements as at 31 December 2024, at the same time as the appointment of the members of the Board of Statutory Auditors for the new mandate, must define the Fees for the newly appointed Body.

## 4. Severance and clawback clause

### 4.1. Resignation, dismissal and termination of contract

With reference to the policies prepared in the event of termination of employment, the following is provided for the Chief Executive Officer and General Manager (CEO/GM).

1. In the event of withdrawal from the position of CEO before the natural expiry of the term of office, in the absence of just cause, and/or termination of employment by Acea, again in the absence of just cause, the payment to the CEO/GM of a total amount identified, in the context of the Executive Exodus Management Policy (see below), as 30 months' worth of salary payments, calculated on the basis of the remuneration due both as CEO and as GM, provided that both the employment relationship and the appointment to said office are terminated at the same time, in addition to any severance amounts due by law or under the collective labour contract (severance pay or accruals).  
The sum equivalent to any indemnity in lieu of notice provided for in the collective labour contract shall be deducted from the total amount as determined above and shall be paid in accordance with applicable legislation.
2. In the event that, at the natural expiry of the term of office, the CEO is not reappointed, they will have the right to terminate the employment relationship, within 15 days of the appointment of the new CEO, receiving a gross amount equal to 30 months' worth of salary payments, calculated taking as a reference only the remuneration due for the executive position, in addition to any severance amounts due by law or under the collective labour contract (severance pay or accruals).

The remuneration referred to in points 1 and 2 is in lieu of the provisions of collective bargaining in the event of withdrawal.

For the sake of clarity, it should be noted that if either of the following two scenarios occurs:

- Acea, with just cause, terminates the employment relationship and/or revokes the position of CEO;
- the CEO/GM resigns from his employment and/or corporate office;

only severance pay that may be due by law or based on the collective labour contract (severance pay or accruals) will be paid.





\*\*\*

For Executives with Strategic Responsibilities, up to a maximum of 18 months' worth of fixed and variable remuneration is paid as a supplementary bonus in addition to the pay-in-lieu-of-notice facility, in line with the Group Executive Exodus Management Policy. As for Executives with Strategic Responsibilities, only one party has an existing individual severance agreement, which, in the event of dismissal excluding just cause, provides for the payment of a gross sum equal to 24 months of remuneration in addition to any severance amounts due by law or under the collective labour contract (severance pay or accruals).

The aforementioned Executive Exodus Management Policy, was approved by the BOD on 21 December 2011 by Resolution no. 33/2011 and operational since then and based on the clauses included in the applicable national collective labour agreement, shall apply.

Acea has no non-competition clauses in force with regard to its Executives as of the date of this report. It is possible that specific clauses in this regard may be included in the future, with reference to other subjects mentioned in this paragraph.

## 4.2. Clawback clauses

In line with an increasingly stringent Corporate Governance Code as regards transparency, and from a viewpoint of an increasingly responsible remuneration policy, Acea, which was one of the first businesses in Italy to acknowledge the advice of the European regulatory bodies in this regard, has not only maintained the clawback clause, but has expanded it to cover the managerial roles with the greatest impact on the Group's business activities.

This choice guarantees the right to request the restitution of the variable remuneration components—both short-term and medium/long-term—should these components have been paid on the basis of conduct of a malicious nature and/or due to serious misconduct, such as the intentional alteration of the figures used in achieving the objectives or obtaining these figures through conduct contrary to the corporate or legal regulations.



## SECTION II



## Introduction

Section II is composed of three separate parts:

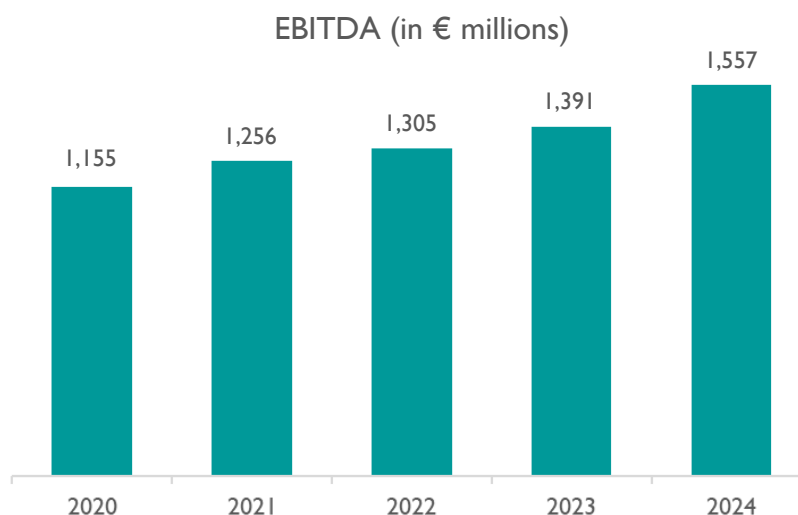
1. The first part of Section II presents the implementing framework of the Remuneration Policy as presented to the 2024 Shareholders' Meeting, the company's results, with a particular focus on the achievement of the objectives established in the plans, and the balance between the various components that comprise the remuneration package paid to the Chief Executive Officer and the Executives with Strategic Responsibilities.
2. The second part describes the items comprising the remuneration of the members of the Board of Directors (Chairperson, Chief Executive Officers, non-executive members and members of the Committees within the Board), the Board of Statutory Auditors and the Executives with Strategic Responsibilities, giving proof of their compliance with the remuneration policy approved by the Shareholders' Meeting.
3. The third part analyses the remuneration paid out in 2024, in compliance with the tables contained in the Issuer Regulations (Appendix 3A - Table 7-bis), for the members of the administration and control bodies, in individual terms, and for the Executives with Strategic Responsibilities, in aggregate terms.

These components of remuneration (fixed and variable components and non-monetary benefits) have been paid according to a criterion of competence, in relation to the effective period spent in the role and consistently with the reference Remuneration Policy. Furthermore, they are in line with the Remuneration Policy last approved by the Shareholders' Meeting on 12 April 2024 and the resolutions of the Board of Directors during the business year in question.

## Executive summary – Section II

### ***Results, context and application of the 2024 Remuneration Policy***

It is noted that EBITDA increased 11.9% in 2024, and 34.8% compared to the 2020 figure.





## Figures for comparison and CEO pay ratio

In line with the previous year, market best practices and the Issuer Regulations, the following table contains the alternative CEO pay ratio, calculated as the relationship between remuneration issued during each financial year to the Chief Executive Officer and General Manager and the average fixed remuneration of Acea Group<sup>3</sup> employees.

The following figure compares the change in remuneration paid to the Chief Executive Officer and General Manager and the change in gross average annual remuneration to employees over a five-year period (2020-2024).

Position	2024	2023	2022	2021	2020
Chief Executive Officer and General Manager	1,276,690	1,251,096	1,083,485	775,938	2,240,529
<b>ACEA employees</b>					
Number of employees	5,246	5,214	5,168	4,988	4,907
Annual gross average remuneration (€)	45,962	43,579	42,272	41,404	40,735
Average GAR increase	5.5%	3.1%	2.1%	1.6%	1.7%
<b>CEO pay ratio</b>	<b>28x</b>	<b>29x</b>	<b>26x</b>	<b>19x</b>	<b>55x</b>

## 2024 Results

### Short-Term Incentive Plan

The following table indicates the level of achievement of each objective:

KPIs	WEIGHT AS %	Target	Overall	% Achieved
<b>EBITDA</b>	<b>30%</b>	1,459	1,557	140%
<b>NFP</b>	<b>25%</b>	5,094	4,954	140%
<b>NET PROFIT post minorities</b>	<b>25%</b>	311	332	140%
<b>COMPOSITE SUSTAINABILITY OBJECTIVE<sup>(4)</sup></b>	<b>20%</b>			
<b>PEOPLE:</b> Reduction of Accident Frequency Index	<b>5%</b>	5.44	5.31	130.6%
<b>WATER:</b> Optimisation of sewage and water treatment through measures aimed at strengthening and decommissioning/centralisation of plants	<b>5%</b>	3	4	140%
<b>NETWORKS:</b> Increase in remote control of MV secondary cabins	<b>5%</b>	71%	76.70%	140%
<b>ENVIRONMENT:</b> Increase in MWh produced from biogas (environmental area renewable source)	<b>5%</b>	+6%	5.76%	98.4%

On proposal by the Appointments and Remuneration Committee, the Board of Directors thus verified that the Group objectives had been achieved by 137.45%.

<sup>3</sup> The following companies are included within the scope of the Group: ACEA SPA, ARETI SPA, ACEA ACQUA SPA, ACEA ATO2 SPA, ACEA ATO5 SPA, ACEA MOLISE SRL, GE.SE.SA. SPA, ACEA INFRASTRUCTURE SPA, ACEA AMBIENTE SRL, ORVIETO AMBIENTE SRL, AQUASER S.R.L., ACEA PRODUZIONE SPA, ECOGENA SRL, ACEA ENERGIA SPA, and ACEA INNOVATION S.R.L.

<sup>4</sup> The figure related to the Environment objective has been adjusted to manage an external event that could not have been foreseen by the Company's management team.





## Long-Term Incentive Plan

The table below indicates the level of achievement of each objective in the second cycle of the 2022-2024 Long-Term Incentive Plan, as verified by the Board of Directors by recommendation of the Appointments and Remuneration Committee:

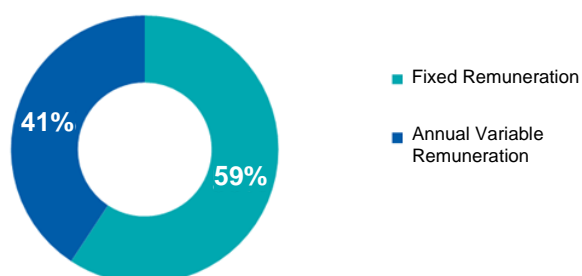
KPIs	Weight as %	Target	Overall	Achievement % of fixed
<b>(Cumulative) EPS</b>	<b>40%</b>	4.89	<b>4.25</b>	<b>0%</b>
<b>NFP/EBITDA</b>	<b>25%</b>	3.0	<b>3.2</b>	<b>0%</b>
<b>NFP/NP (Pre Minorities)</b>	<b>25%</b>	10.1	<b>13.27</b>	<b>0%</b>
<b>SUSTAINABILITY</b>	<b>10%</b>			
Cumulated percentage change to IRI = (post-intervention value/pre-intervention value)	2%	-70%	-70.0%	40.0%
% reduction in volume of water lost compared to the base -year value (2019)	2%	32%	27.0%	30.0%
% reduction in production of dewatered/dried sludge compared to the base-year value (2019)	2%	45.7%	36.2%	0%
Reduction of CO2 emission intensity index at Acea Produzione (gCO2/kWh produced, and reduction as a percentage compared to the 2019 figure: 89 gCO2/kWh)	2%	55	91.00	0%
Reduction in injury -related indices (Acea Group severity index on average 2022-24 ≤ 2021) (using the same scope as the 2021 NFS)	2%	-7.5%	20%	0%

On proposal by the Appointments and Remuneration Committee, the Board of Directors thus verified that the total payout was 1.40%. This percentage, calculated on the basis of individual objectives using linear interpolation between the minimum (30%), target (40%) and maximum (50%) values, refers to the pay-out in relation to the fixed component of remuneration.

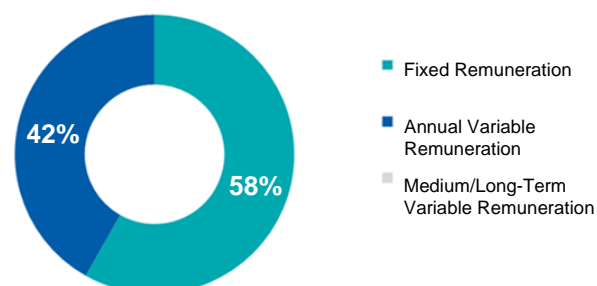
## Balancing of remuneration package

The components effectively paid to the Chief Executive Officer and the Executives with Strategic Responsibilities in percentages, are shown below.

### ACTUAL PAY MIX - CEO



### ACTUAL PAY MIX - ESRs





## **I. Description of the remuneration paid to the Directors and ESRs**

### **I.1. Chairperson**

Barbara Marinali served as Chairperson during 2024. For this period, the Chairperson has a remuneration package divided as follows:

- a gross fee in the capacity of Chairperson of the Board of Directors of € 250,000, defined by the Board of Directors;
- a gross fee of € 45,000 as a member of the Board of Directors.
- a taxable portion of non-monetary benefits equal to € 4,806.

### **I.2. Chief Executive Officer and General Manager: Fixed remuneration, short- and medium-term variable remuneration (LTIP)**

Below are details of the remuneration received by the Chief Executive Officer/General Manager in 2024:

#### ***1.2.1 Fixed Remuneration***

The Chief Executive Officer/General Manager receive remuneration of € 775,000.

#### ***1.2.2 Short-term variable remuneration***

The achievement of the Group's MBO system objectives enabled the Chief Executive Officer to benefit from a total bonus of € 501,693.

#### ***1.2.3 Non-monetary benefits***

In 2024, the Chief Executive Officer received a taxable portion of non-monetary benefits equal to € 18,996.

### **I.3. Directors**

The members of the Board of Directors received the remuneration established by the Shareholders' Meeting for the position of director, with regard to the period in which they acted in such capacity, as did the members of the Committees within the Board of Directors and other bodies/committees.

For completeness, the details of the relevant remunerations are given in Table I below.

### **I.4. Board of Statutory Auditors**

In 2024, the Chairperson of the Board of Statutory Auditors of Acea received gross remuneration amounting to € 150,000, as shown in Table I.

The members of the Board received gross remuneration amounting to € 100,000 for acting in the capacity of Statutory Auditors with regard to the period in which they acted in such capacity for Acea.

To complete disclosure, the details for remuneration received from Acea and other subsidiaries and associates are provided in table I below.



## **I.5. Executives with Strategic Responsibilities**

Below are details of the remuneration received by the Executives with Strategic Responsibilities in 2024:

### ***I.5.1 Fixed Remuneration***

The Executives with Strategic Responsibilities received, at the aggregate level, a gross annual fixed fee of € 750,024

### ***I.5.2 Short-term variable remuneration***

On the basis of the final calculation of the objectives of the Group MBO system, the annual bonus for 2024 is € 526,910.

### ***I.5.3 Long-term variable remuneration***

In relation to the final calculation of the objectives of the 2nd cycle 2022-2024 of the Long-Term Incentive Plan and in the context of the agreements reached, the bonus was not paid.

### ***I.5.4 Non-monetary benefits***

The total value of the package of non-monetary benefits (according to a criterion of taxability) assigned in 2024 to the Executives with Strategic Responsibilities is € 45,317 at the aggregate level.

## **Exceptions approved in 2024**

No exceptions were applied in 2024.

## **Clawback**

No Clawback clauses were applied in 2024.



**Table I: Remuneration paid to the members of the administration and control bodies, general managers and other Executives with Strategic Responsibilities**

Name and Surname	Position	Term in position	End of term	Fixed remuneration	Remuneration for membership of Committees	Variable non-equity		Non-monetary Benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnities for resignation or termination of contract
<b>Barbara Marinali</b>	Chairperson	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 295.000				€ 4.806		€ 299.806		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 295.000				€ 4.806		€ 299.806		
<b>Fabrizio Palermo</b>	CEO	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 775.000		€ 501.693		€ 18.996		€ 1.295.689		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 775.000		€ 501.693		€ 18.996		€ 1.295.689		
<b>Antonella Rosa Bianchessi</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 30.000					€ 75.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 30.000					€ 75.000		
<b>Angelo Piazza</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 45.000					€ 90.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 45.000					€ 90.000		
<b>Massimiliano Capece Minutolo Del Sasso</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 90.000					€ 135.000		
(II) Remuneration from subsidiaries and associates				€ 32.400						€ 32.400		
(III) Total				€ 77.400	€ 90.000					€ 167.400		
<b>Alessandro Caltagirone</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000						€ 45.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000						€ 45.000		
<b>Luisa Melara</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 30.000					€ 75.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 30.000					€ 75.000		
<b>Francesca Menabuoni</b>	Director	01/01/2024 30/04/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 12.837	€ 4.279					€ 17.115		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 12.837	€ 4.279					€ 17.115		
<b>Antonino Cusimano</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 15.000					€ 60.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 15.000					€ 60.000		
<b>Elisabetta Maggini</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 53.974					€ 98.974		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 53.974					€ 98.974		
<b>Alessandro Picardi</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 53.974					€ 98.974		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 53.974					€ 98.974		
<b>Yves Rannou</b>	Director	12/04/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 32.308						€ 32.308		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 32.308						€ 32.308		
<b>Vincenza Patrizia Rutigliano</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 71.779					€ 116.779		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 71.779					€ 116.779		
<b>Nathalie Tocci</b>	Director	01/01/2024 31/12/2024	Approval of the 2025 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 45.000	€ 15.000					€ 60.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 45.000	€ 15.000					€ 60.000		





Name and Surname	Position	Term in position	End of term	Fixed remuneration	Remuneration for membership of Committees	Variable non-equity		Non-monetary Benefits	Other remuneration	Total	Fair value of equity remuneration	Indemnities for resignation or termination of contract
						Bonuses and other incentives	Share of the profits					
<b>Maurizio Lauri</b>	Chairperson Board of Auditors	01/01/2024 31/12/2024	Approval 2024 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 150.000						€ 150.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 150.000						€ 150.000		
<b>Claudia Capuano</b>	Auditor	01/01/2024 31/12/2024	Approval 2024 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 100.000						€ 100.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 100.000						€ 100.000		
<b>Leonardo Quagliata</b>	Auditor	01/01/2024 31/12/2024	Approval 2024 Financial Statements									
(I) Remuneration in the company preparing the financial statements				€ 100.000						€ 100.000		
(II) Remuneration from subsidiaries and associates												
(III) Total				€ 100.000						€ 100.000		
<b>No. 2</b>	Executives with Strategic Responsibilities	01/01/2024 31/12/2024	Continuing contract									
(I) Remuneration in the company preparing the financial statements				€ 750.024		€ 526.910		€ 45.317		€ 1.322.251		
(II) Remuneration from subsidiaries and associates												
(III) Total						€ 526.910		€ 45.317		€ 1.322.251		

## NOTES:

**Barbara Marinali:** (I) Amount including the gross annual fee for the position of Chairperson and for that of member of the BoD

**Fabrizio Palermo:** (I) Amount including the gross annual fee for the position of Chief Executive Officer and member of the BoD

**Antonella Rosa Bianchessi:** Total gross annual remuneration as member of the BoD and remuneration as member of the ESIC and RPTC

**Angelo Piazza:** Total gross annual remuneration as member of the BoD and remuneration as member of the ARC and as Chairperson of the RPTC

**Massimiliano Capece Minutolo Del Sasso:** (I) Total amount of gross annual remuneration as member of the BoD (II) Total amount of gross annual remuneration as Director of ENERGIA S.p.A. and remuneration as Chairperson of the ARC and member of CRC, ESIC, TC and RPTC

**Alessandro Caltagirone:** Total amount of gross annual remuneration as member of the BoD

**Luisa Melara:** Total gross annual remuneration as member of the BoD and remuneration as member of the ESIC and RPTC

**Francesca Menabuoni:** Total pro-rated gross annual remuneration as member of the BoD and member of the CRC

**Antonino Cusimano:** Total gross annual remuneration as member of the BoD and remuneration as member of the CRC

**Elisabetta Maggini:** Total gross annual remuneration as member of the BoD and remuneration as member of the CRC and RPTC and Chairperson of the ESIC

**Alessandro Picardi:** Total gross annual remuneration as member of the BoD and remuneration as member of the TC and Chairperson of the CRC.

**Vincenza Patrizia Rutigliano:** Total gross annual remuneration as member of the BoD and remuneration as member of the ARC and ESIC and as Chairperson of the TC

**Yves Rannou:** Total pro-rated gross annual remuneration as member of the BoD

**Nathalie Tocci:** Total gross annual remuneration as member of the BoD and remuneration as member of the ARC

**Maurizio Lauri:** Total annual remuneration for the position of Chairperson of the Board of Statutory Auditors

**Claudia Capuano:** Total amount of gross annual remuneration for the position of Statutory Auditor

**Leonardo Quagliata:** Total amount of gross annual remuneration for the position of Statutory Auditor

**ESRs:** Total amount of fixed remuneration inclusive of the Indemnity as Financial Reporting Manager granted to an ESR



**Table 3B: Monetary incentive plans for the members of the Board of Directors, general managers and other Executives with Strategic Responsibilities**

Surname and name	Position	Plan	Bonus for the year			Bonuses for previous years			Other bonuses
Fabrizio Palermo	CEO - GM		( A )	( B )	( C )	( A )	( B )	( C )	
			Payable / Paid	Deferred	Deferment period	No longer payable	Payable/ Paid	Still Deferred	
Remuneration in the company preparing the financial statements		MBO	€ 501.693	-	-	-	-	-	-
		Short-term annual incentive plan							
		LTIP	-	-	-	-	-	-	
		Medium-long-term triennial incentive plan							
		-	€ 501.693	-	-	-	-	-	-
Remuneration from subsidiaries and associates		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Total			€ 501.693	-	-	-	-	-	-

Surname and name	Position	Plan	Bonus for the year			Bonuses for previous years			Other bonuses
2 in total	ESR		( A )	( B )	( C )	( A )	( B )	( C )	
			Payable / Paid	Deferred	Deferment period	No longer payable	Payable/ Paid	Still Deferred	
Remuneration in the company preparing the financial statements		MBO	€ 526.910	-	-	-	-	-	-
		Short-term annual incentive plan							
		LTIP		-	-	-	-	-	-
		Medium-long-term triennial incentive plan							
		-	€ 526.910	-	-	-	-	-	-
Remuneration from subsidiaries and associates		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Total			€ 526.910	-	-	-	-	-	-

**NOTES:**

**ESRs:** In the context of the agreements reached and in relation to the final calculation of the objectives of the 2nd cycle 2022-2024 of the Long-Term Incentive Plan, the bonus was not paid.



***Scheme No. 7-ter: Overview of the information on the holdings of the members of the Board of Directors and Board of Statutory Auditors, general managers and Executives with Strategic Responsibilities***

***Table 1: Holdings of the members of the Board of Directors and Board of Statutory Auditors and general managers***

Surname and Name	Position	Investee Company	Number of Shares Owned at 31/12/2023	Number of Shares Purchased	Number of Shares Sold	Number of Shares Owned at 31/12/2024
<i>Capece Minutolo Del Sasso Massimiliano</i>	Director	Cogeim Srl	12.758	0	0	12.758

***Table 2: Holdings of the other Executives with Strategic Responsibilities***

Number of Executives with Strategic Responsibilities	Investee Company	Number of Shares Owned at 31/12/2023	Number of Shares Purchased	Number of Shares Sold	Number of Shares Owned at 31/12/2024
None	-	-	-	-	-



## GLOSSARY

**ACEA GROUP:** indicates the grouping of Companies within the scope of consolidation of Acea S.p.A.;

**CAPEX** – Capital Expenditure: is a measure indicating the amount of cash flow that a business uses to acquire, maintain or implement its operational fixed assets.

**EBITDA** – Earnings Before Interest, Taxes, Depreciation and Amortization: is an indicator of profitability indicating the earnings of Acea from everyday management. Its use as an indicator in the Plan provides a good estimation of the operating cash flow generated by Acea, which is an essential value for estimating the Group value and quantifying the entity of the financial resources created and available;

**EPS** – Earnings per share: a measurement of net profit expressed in monetary terms in reference to each individual share. It is one of the most widely used financial market indicators to compare business performance and the potential of the equity investment. The EPS indicates the profitability of individual shares, regardless of whether this profitability consists of dividends or is withheld within the business to finance its development.

**GAR:** indicates the gross annual fixed remuneration component for those who are dependent employees of one of the Companies in the Group;

**LINEAR INTERPOLATION:** indicates a mathematical method for finding approximately a value between two known values;

**LTIP** – Long-Term Incentive Plan: indicates the medium and long-term variable remuneration component. The plan currently implemented in Acea has a three-year duration;

**MBO** – Management By Objectives: indicates the variable annual remuneration component awarded for the achievement of predefined annual objectives;

**NFP** – Net Financial Position: Expresses the amount of debt that is not immediately hedged. It is calculated as the difference between total corporate payables (regardless of maturity date) and liquid assets (cash and cash equivalents, positive current accounts, negotiable securities and financial receivables);

**NFP/EBITDA:** one of the indicators used to evaluate the ability of a business to meet its debt obligations. It indicates a company's capabilities to repay its debts through operational management;

**NP** – Net Profit: an indicator of operating performance, calculated as revenues minus operating costs net of amortisation, write-downs and impairments, net financial income (expenses) and taxes.

**TARGET BONUS:** indicates the amount of the incentive at the time target objectives are achieved;

**TARGET:** indicates the level of achievement of the objective that allow to obtain 100% of the defined pay-out;