



ACEA GROUP RESULTS 2021

ROME, 14 MARCH 2022

PERFORMANCE AND DELIVERY

SOLID, EFFECTIVE AND SUSTAINABLE STRATEGY

**SUSTAINABLE
DEVELOPMENT ACROSS
ALL AREAS OF BUSINESS**



**POSITIVE TREND FOR
ALL KEY PERFORMANCE
INDICATORS**

EBITDA

€1,256M +9%

INITIAL GUIDANCE : +6%/+8%
REVISED GUIDANCE: >+8%

NET PROFIT

€313M +10%

VALUE CREATION FOR
SHAREHOLDERS AND
TERRITORIES

CAPEX

€931M* +5%

SELECTIVE ACCELERATION
OF INVESTMENTS

NET DEBT

€3,977M +13%

GUIDANCE FOR 2021: €3.85/3.95BN

LEVERAGE

**NET DEBT/
EBITDA
3.17X**

**NET
DEBT/RAB
0.71X**

DPS

**0.85€
+6.3%**

GUIDANCE FOR 2022

EBITDA
+2%/+4%
VERSUS 2021

CAPEX
**BROADLY IN LINE
WITH 2021**

NET DEBT
€4.2 / 4.3BN

* Net of investments linked to assets to be deconsolidated (photovoltaic) and grant-funded investments

DELIVERY IN 2021

ACCELERATION OF ENERGY TRANSITION WITH LONG-TERM PROJECTS

July 2021

Agreement to **ACQUIRE 70% OF SERPLAST AND 60% OF MEG**, (companies operating in plastic recycling sector).
Closing for Meg: Oct 2021
Closing for Serplast: Jan 2022

September 2021

Agreement to **ACQUIRE 65% OF DECO** (a company that designs, builds and operates plants involved in treatment, disposal and recovery of solid urban waste).
Closing: Nov 2021

December 2021

Agreement with **EQUITIX** for the **SALE** of a majority interest in the Newco that will manage **PHOTOVOLTAIC ASSETS** (105 MW, including 46 MW qualifying for various feed-in tariffs and 59 MW represented by newly built plants)

ACEA wins auction, in consortium with Ascopiave and Iren, for purchase from A2A of **GAS DISTRIBUTION CONCESSIONS**

M&A

April 2021

Acea launches «E-MOBILITY» APP for charging services for **E-MOBILITY**

June 2021

Acea launches **LUCE 100% GREEN** and **GAS 0% CO2** offers

July 2021

Partnership between Acea Energia and Windtre to market **ELECTRICITY AND GAS OFFERING** through the telco's retail outlets in Veneto and Puglia

December 2021

PARTNERSHIP WITH SUEZ for the digitalisation of water metering systems

January 2022

Extension of **partnership with Windtre** to market electricity and gas offer nationwide.

February 2022

Agreement between **Acea Innovation and Federdistribuzione** for delivery of projects linked to the ecological transition

LAUNCH OF APP
- MAIN PARTNERSHIPS
- ENERGY OFFERS

RESULTS 2021

KEY FINANCIAL HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% CHANGE (A/B)
CONSOLIDATED REVENUE	3,972.0	3,378.9	+17.6%
EBITDA	1,256.1	1,155.5	+8.7%
EBIT	581.1	535.0	+8.6%
GROUP NET PROFIT	313.3	284.9	+10.0%
DIVIDEND PER SHARE	0.85	0.80	+6.3%
CAPEX	931*	886*	+5.1%

(€M)	31 Dec 2021 (A)	30 Sept 2021 (B)	31 Dec 2020 (C)	% CHANGE (A/B)	% CHANGE (A/C)
NET DEBT	3,977.2	3,998.3	3,528.0	-0.5%	+12.7%
NET DEBT (ESMA)	3,988.4		3,552.0		+12.3%

STRONG PROFITABILITY AND OPTIMAL
CASH FLOW MANAGEMENT

AVERAGE GROUP WORKFORCE**

2021
7,025

2020
6,710

CHANGE
+315

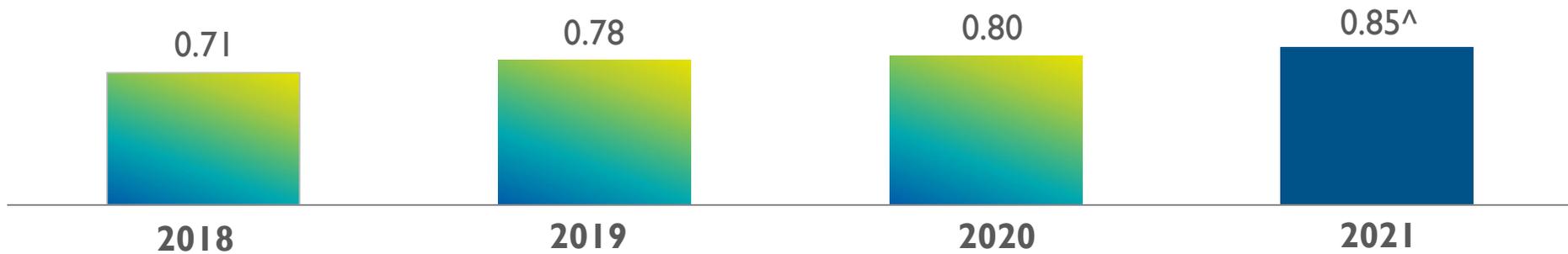
* Net of investments linked to assets to be deconsolidated (photovoltaic) and grant-funded investments

** Excluding employees in the Overseas segment, totalling 2,238 in 2021

SHAREHOLDER RETURNS

CONSISTENT VALUE CREATION

EVOLUTION OF DPS (€)



PAY OUT*

~58 %

DIVIDEND YIELD**

5.1%

[^] The Board of Directors will propose payment of the dividend to the Annual General Meeting of shareholders called for 27 April 2022, in first call, and 2 May 2022, in second call.

* Based on consolidated net profit after non-controlling interests

** Based on the share price at 11 March 2022.

KEY ESG HIGHLIGHTS

ACEA: A GENERATOR OF ESG VALUE IN THE AREAS IN WHICH WE OPERATE

SUSTAINABILITY: AT THE HEART OF OUR STRATEGIC DECISIONS AND OUR OPERATIONS

SUSTAINABILITY

WE HAVE BEGUN THE PROCESS OF IDENTIFYING SUSTAINABLE PROJECTS LINKED TO THE ECOLOGICAL TRANSITION. THESE WILL FORM THE BASIS FOR OUR NEXT BUSINESS PLAN

WATER

-8% Reduction of volume of water losses compared with 2020; Water loss in Rome is 28.6%

152 K tons of sludge produced (ATO2, ATO5, Gori, Gesesa, Adf) of which 67% recovered (44% in 2020)

ENERGY INFRASTRUCTURE

316 k Meters installed in 2021

201,000 lighting points managed in Rome, 92% using LED lamps

GENERATION

70% share of energy produced from renewables out of total of 1 TWh

EQUIVALENT TO:

220,000 tons of CO2 saved

Synergies and circular economy at Roma South treatment plant and Tor di Valle power station

ENVIRONMENT

407 k tons treated as WTE

356 GWh WTE electricity

COMMERCIAL & TRADING

100% green energy and gas "eco" offers

2,300 GWh of «green» energy sold on free market (+92%), 38% of the total

152 tons of paper saved thanks to digital billing

15,786 energy prosumers (+8%)

KEY ESG HIGHLIGHTS

ACEA: A GENERATOR OF ESG VALUE IN THE AREAS IN WHICH WE OPERATE

SOCIAL



➤ ACEA vaccination hub



➤ “social bonus” discounts to help support financially distressed customers with both their electricity/gas and water bills, with savings of €8.8m and €2.4m, respectively



➤ 80% of **qualified suppliers** have completed a self-assessment questionnaire on aspects relating to sustainability, further rollout of Ecovadis rating
➤ **15,444 inspections of work sites** conducted



➤ **Quality employment:** 84% of new hirings on permanent contracts; 39% aged under 30. 98% of employees are permanent
➤ **~170 thousand hours** of training provided
➤ **Certification «Top Employers Italia 2022»** (Jan 2022)



➤ **Diversity & Inclusion Plan**

GOVERNANCE

➤ **10%** of short and medium/long-term remuneration **linked to** quantitative **sustainability goals**

GREEN FINANCING & RATINGS

➤ **First Green bond** of €900m issued in January 2021

➤ **Sustainability ratings:**



CDP
confirmed «A-», leadership



Standard Ethics
upgrade to «EE», «positive» outlook



Boomberg GEI
improved to **80.67**

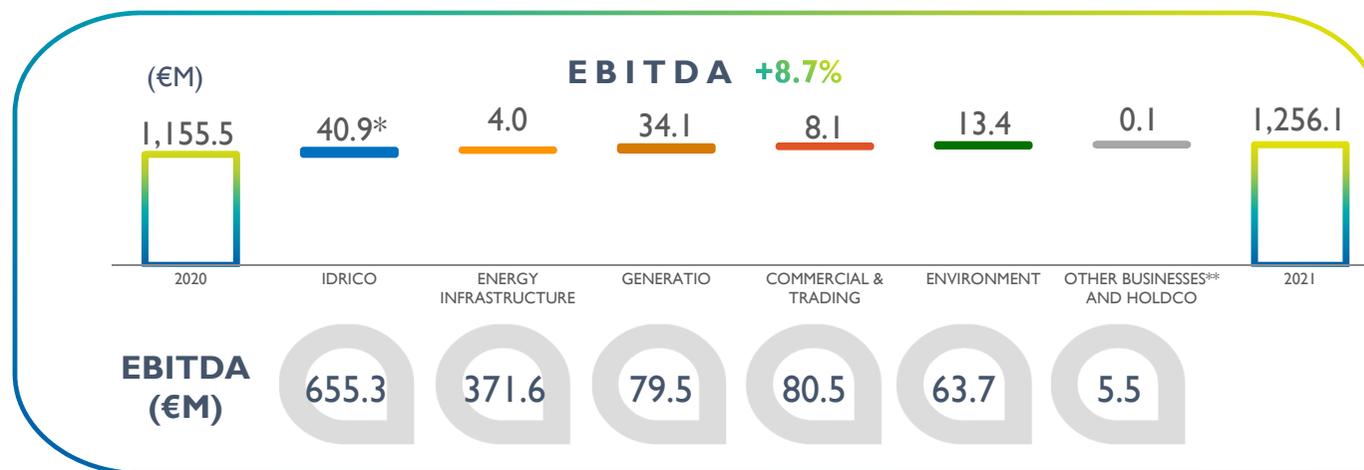
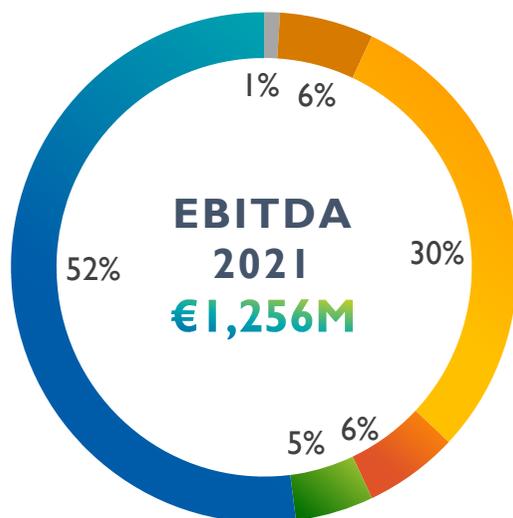


Gaia Ratings
improved to **82/100**

➤ **First TCFD report to be published** in May 2022

RESULTS 2021

EBITDA



- WATER
- ENVIRONMENT
- COMMERCIAL & TRADING
- ENERGY INFRASTRUCTURE
- GENERATION
- OTHER BUSINESSES** AND HOLDCO

CHANGE IN SCOPE OF CONSOLIDATION

EBITDA (€M)	Change
SII TERNI	+11.6
ADISTRIBUZIONE GAS ^	+3.1
FERROCART/CAVALLARI	+2.8
SIMAM	+3.0
MEG	+0.5
DECO/ECOLOGICA SANGRO	+1.1
PHOTOVOLTAIC	+2.8
ACEA AND LIMA NORTE CONSORTIUM	+1.0
TOTAL	+25.9

GROWTH ON COMPARABLE PERIMETER
EBITDA
+6.5%

FINANCIAL HIGHLIGHTS 2021

HIGHLIGHTS



✓ ACEA wins auction, in consortium with Ascopiave and Iren, for purchase from A2A of gas distribution concessions. Concessions of interest to ACEA: 5 ATEM concessions, 2 in Abruzzo, 2 in Molise and 1 in Campania (December 2021).



EBITDA GROWTH
+7%

LINE-BY-LINE
CONSOLIDATION
OF SII TERNI
(November 2020)
+€11.6M

ADISTRIBUZIONE GAS*
(acquisition of Alto Sangro
Distribuzione Gas – August 2020)
+€3.1M

(€M)	2021 (A)	2020 (B)	% change (A/B)
EBITDA	655.3	614.4	+6.7%
ACEA ATO2	436.6	410.0	+6.5%
ACEA ATO5	33.7	26.7	+26.2%
Gori	79.0	78.7	+0.4%
Adf	62.8	60.5	+3.8%
SII Terni	13.8	2.2	n.s.
Equity-accounted water companies	16.7	27.6	-39.5%
Other consolidated water cos	5.7	4.9	+16.3%
Gas distribution	7.0	3.8	+84.2%
CAPEX**	499	455	+9.7%

EBITDA Main drivers

GROWTH AT
ACEA ATO2
Increased investment
Operational efficiency
+€26.6M

GROWTH AT
ACEA ATO5
Operational
efficiency
+€7.0M

GROWTH AT
Adf
Operational
efficiency
+€2.3M

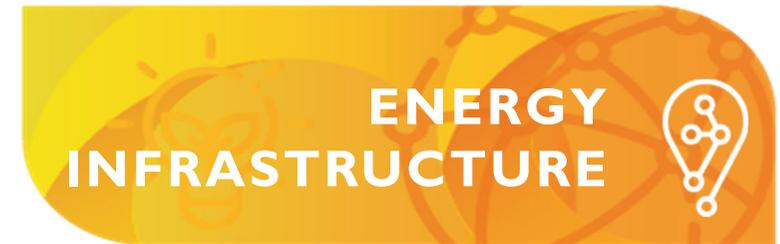
* Resulting from the merger of Pescara Distribuzione Gas with Alto Sangro Distribuzione Gas

** Net of grant-funded investment

FINANCIAL AND OPERATIONAL HIGHLIGHTS 2021

HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% change (A/B)	TOTAL ELECTRICITY DISTRIBUTED (GWh)	NUMBER OF PODs (‘000s)
EBITDA	371.6	367.6	+1.1%	9,096	1,644
- areti	374.6	369.6	+1.4%	9,172	1,647
- Public lighting	(3.0)	(2.0)	n/s		
CAPEX	275	286	-3.8%		



EBITDA GROWTH
+1%

EBITDA Main drivers

ELECTRICITY DISTRIBUTION ARETI

Partnership with Open Fiber
Resilience plan

+€5.0M

METERS INSTALLED IN 2021

~316 thousand 2G electricity meters

FINANCIAL AND OPERATIONAL HIGHLIGHTS 2021

HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% change (A/B)
EBITDA	79.5	45.4	+75.1%
CAPEX	23**	39	-41.0%

TOTAL
ELECTRICITY
PRODUCED
(GWh)



GENERATION

- ✓ Agreement with Equitix for sale of a majority interest in the Newco that will manage photovoltaic assets (total installed capacity of 105 MW, including 46 MW qualifying for various feed-in tariffs and 59 MW represented by newly built plants). (December 2021).



EBITDA GROWTH
+75%

EBITDA Main drivers

PRICE AND VOLUME EFFECTS
Effect of energy market prices and increased volumes of hydroelectric production

+€30.2M

PHOTOVOLTAIC

+€5.3M
(€2.8M due to change in scope)

NEW PHOTOVOLTAIC PLANTS AT 31 DECEMBER 2021

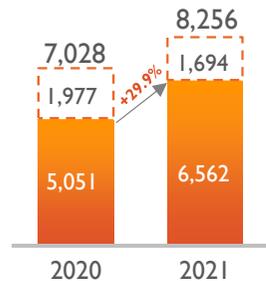
Total capacity now 73 MWp.
(Acea Sun Capital 59 MWp, Acea Produzione 3 MWp, Acea Solar II MWp)

FINANCIAL AND OPERATIONAL HIGHLIGHTS 2021

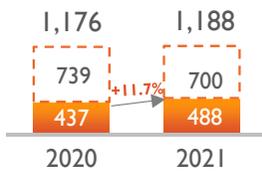
HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% change (A/B)
EBITDA	80.5	72.4	+11.2%
CAPEX	49	44	+11.4%

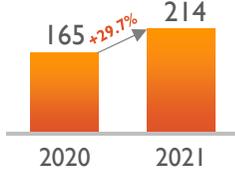
TOTAL ENERGY SOLD
(GWH)



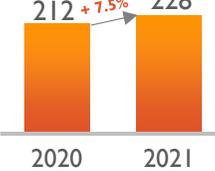
NUMBER OF
ELECTRICITY
CUSTOMERS ('000s)



TOTAL GAS SOLD
(Mmc3)



NUMBER OF GAS
CUSTOMERS ('000s)



● FREE MARKET ○ ENHANCED PROTECTION MARKET



EBITDA GROWTH
+11%

EBITDA
Main drivers

IMPROVED MARGIN
ON FREE MARKET

Increases in volume of
electricity sold and number
of customers
+€17.6M

IMPROVED MARGIN
ON GAS SALES

+€6.2M

REDUCED MARGIN ON
ENHANCED PROTECTION MKT

-€2.8M

FINANCIAL AND OPERATIONAL HIGHLIGHTS 2021

HIGHLIGHTS

(€M)	2021 (A)	2020 (B)	% change (A/B)
EBITDA	63.7	50.3	+26.6%
CAPEX	36	24	+50.0%

TREATMENT AND DISPOSAL
(KTONNES)



NET ELECTRICITY SOLD (GWh)



- ✓ Agreement to acquire 70% of Serplast and 60% of Meg, companies operating in the plastic recycling sector – volumes handled ~70k tonnes per year (July 2021). Closing for Meg October 2021, closing for Serplast January 2022.
- ✓ Agreement to acquire 65% of Deco, a company that designs, builds and operates plants involved in treatment, disposal and recovery of solid urban waste – volumes handled ~270k tonnes per year (September 2021). Closing November 2021.



EBITDA GROWTH
+27%

EBITDA Main drivers

INCREASED EBITDA FOR WTE PLANTS

Higher waste disposal tariffs
and higher prices for
electricity produced
+€14.0M

CHANGE IN SCOPE OF CONSOLIDATION

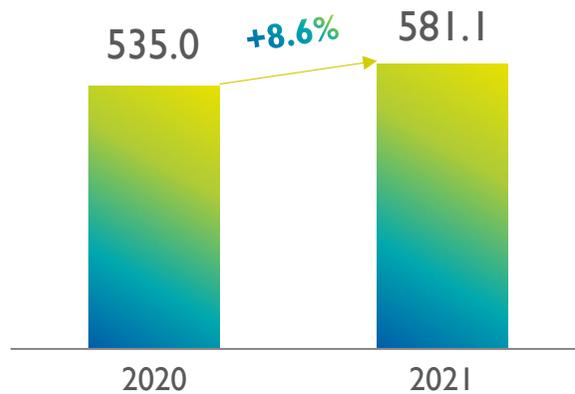
Acquisition of Ferrocarril/Cavallari
(April 2020) +€2.8M
Acquisition of Meg
(October 2021) +€0.5M
Acquisition of Deco
(November 2021) +€1.1M

REDUCED EBITDA AT DEMAP

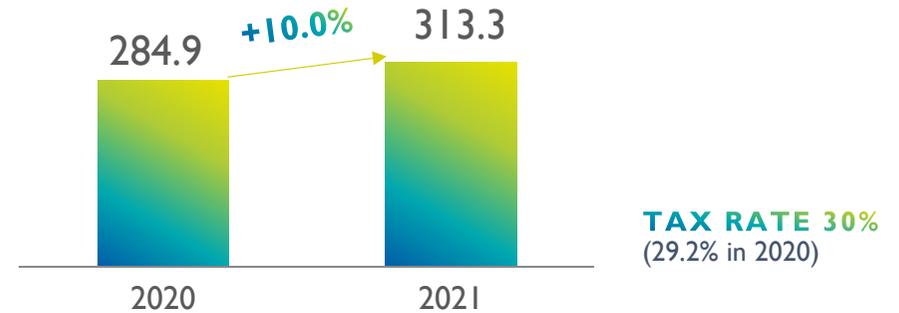
Lower volumes handled, partly due to an
incident
- €2.8M

EBIT AND NET PROFIT 2021

EBIT (€M)



NET PROFIT (€M)



(€M)	2021	2020	% CHANGE
DEPRECIATION	546.6	498.3	+9.7%
IMPAIRMENTS	86.2	79.4	+8.6%
PROVISIONS	42.1	42.8	-1.6%
TOTAL	675.0	620.5	+8.8%

DEPRECIATION

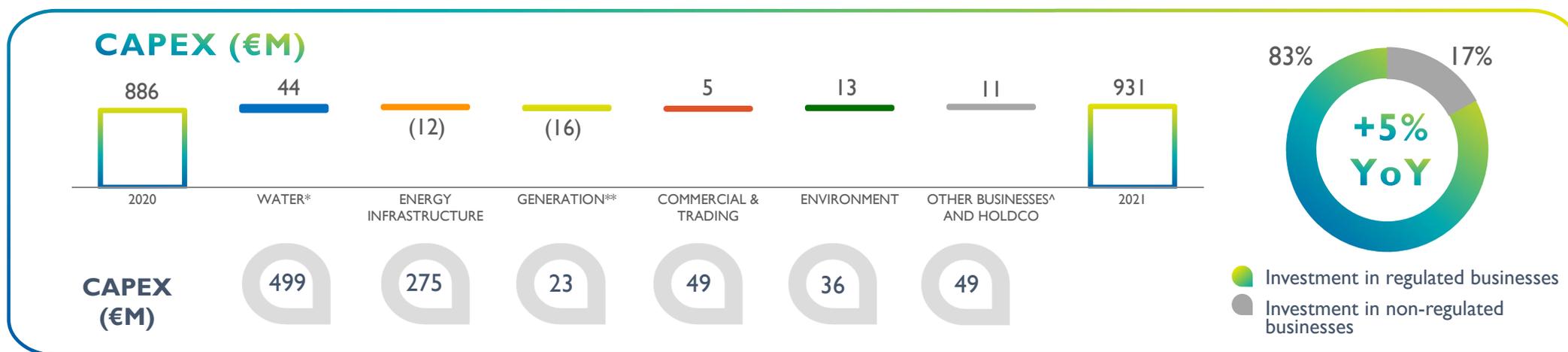
Increased investment across all areas of business and changes in scope of consolidation.

IMPAIRMENTS

Increase in impairments due to growth in turnover as a result of rising commodity prices.

CAPEX 2021

SIGNIFICANT INVESTMENTS IN INFRASTRUCTURE UPGRADE



WATER

- REPAIR AND EXPANSION OF WATER AND SEWER PIPES
- EXTRAORDINARY MAINTENANCE OF PLANTS AND NETWORKS
- WORK ON TREATMENT PLANTS
- CHANGE IN SCOPE OF CONSOLIDATION (SII TERNI €8.3M ADISTRIBUZIONE GAS €2.5M)



ENERGY INFRASTRUCTURE

- UPGRADE OF THE GRID
- "RESILIENCE" PLAN WITH WORK ON SECONDARY SUBSTATIONS AND THE MV AND LV NETWORK
- INSTALLATION OF 2G METERS



GENERATION

- EXTRAORDINARY MAINTENANCE OF PRODUCTION PLANTS
- CONSTRUCTION OF PHOTOVOLTAIC PLANTS



COMMERCIAL & TRADING

- CUSTOMER ACQUISITION
- E-MOBILITY PROJECTS



ENVIRONMENT

- WORK ON ORVIETO LANDFILL
- WORK ON SAN VITTORE PLANT
- REVAMPING OF APRILIA COMPOSTING PLANT
- CHANGE IN SCOPE OF CONSOLIDATION (FERROCART/CAVALLARI, MEG AND DECO €2.0M)
- BERG: CONSTRUCTION OF A CONCENTRATOR



OTHER

- OVERSEAS: INCREASED INVESTMENT AT THE ACEA LIMA NORTE AND ACEA LIMA SUR CONSORTIA
- ENGINEERING AND SERVICES: CONSOLIDATION OF SIMAM
- HOLDCO: IT PROJECTS

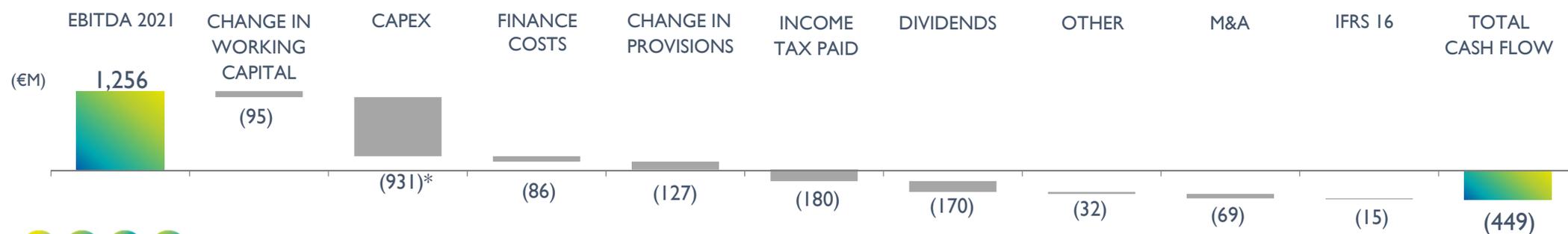
CASH FLOW 2021

CASH FLOW (€M)	2021	2020
EBITDA	1,256	1,155
CHANGE IN WORKING CAPITAL	(95)	(38)
CAPEX	(931)*	(886)*
FREE CASH FLOW	230	231
FINANCE INCOME/(COSTS)	(86)	(88)
CHANGE IN PROVISIONS	(127)	(112)
INCOME TAX PAID	(180)	(123)
DIVIDENDS	(170)	(166)
OTHER	(32)	(47)
M&A	(69)	(154)
IFRS 16	(15)	(7)
TOTAL CASH FLOW	(449)	(465)

INCREASE IN WORKING CAPITAL ABSORPTION (€57M) PRIMARILY DUE TO EXOGENOUS FACTORS WITH EFFECTS THAT ARE IN SOME CASES TEMPORARY

The increase in the energy prices has led to:

- a reduction in system costs collected by areti reflecting Government measures designed to contain the impact of rising energy prices on consumers
- increase in turnover at Acea Energia, resulting in a temporary increase in its working capital requirement



RESULTS 2021

SOLID FINANCIAL STRUCTURE

GREEN BOND

21 JANUARY 2021

Placement of first GREEN BOND worth €900m successfully issued in two tranches:

- first €300m tranche, 0% rate, maturing 28 September 2025 (first corporate issue in Italy with negative yield);
- second €600m tranche, 0.25% rate, maturing 28 July 2030

(€M)	31 Dec 2021 (A)	31 Dec 2020 (B)	Change (A-B)
Net debt	3,977.2	3,528.0	449.2
Net debt (ESMA)	3,988.4	3,552.0	436.4
Medium/long-term	4,792.0	4,154.3	637.7
Short-term	(803.6)	(602.3)	(201.3)

STRUCTURE OF DEBT

(MATURITY AND INTEREST RATES AT 31 DECEMBER 2021)

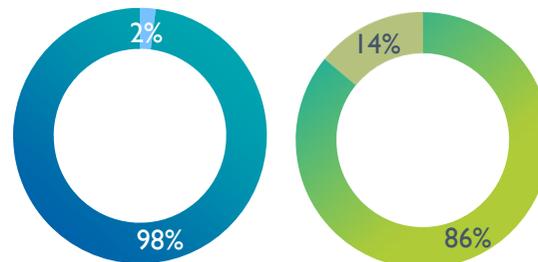
- DEBT FALLING DUE AFTER 2022
- DEBT FALLING DUE BY END OF 2022
- FLOATING RATE
- FIXED RATE



FIXED
RATE

AVERAGE
COST

AVERAGE
MATURITY



RATING

FitchRatings

BBB+
STABLE
OUTLOOK

MOODY'S

Baa2
STABLE
OUTLOOK



Q&A SESSION

ACEA GROUP RESULTS 2021

ROME, 14 MARCH 2022





DISCLAIMER

THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS THAT REFLECT THE COMPANY'S MANAGEMENT'S CURRENT VIEWS WITH RESPECT TO FUTURE EVENTS AND FINANCIAL AND OPERATIONAL PERFORMANCE OF THE COMPANY AND ITS SUBSIDIARIES.

THESE FORWARD-LOOKING STATEMENTS ARE BASED ON ACEA S.P.A.'S CURRENT EXPECTATIONS AND PROJECTIONS ABOUT FUTURE EVENTS. BECAUSE THESE FORWARD-LOOKING STATEMENTS ARE SUBJECT TO RISKS AND UNCERTAINTIES, ACTUAL FUTURE RESULTS OR PERFORMANCE MAY MATERIALLY DIFFER FROM THOSE EXPRESSED THEREIN OR IMPLIED THEREBY DUE TO ANY NUMBER OF DIFFERENT FACTORS, MANY OF WHICH ARE BEYOND THE ABILITY OF ACEA S.P.A. TO CONTROL OR ESTIMATE PRECISELY, INCLUDING CHANGES IN THE REGULATORY FRAMEWORK, FUTURE MARKET DEVELOPMENTS, FLUCTUATIONS IN THE PRICE AND AVAILABILITY OF FUEL AND OTHER RISKS.

YOU ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON THE FORWARD-LOOKING STATEMENTS CONTAINED HEREIN, WHICH ARE MADE ONLY AS OF THE DATE OF THIS PRESENTATION. ACEA S.P.A. DOES NOT UNDERTAKE ANY OBLIGATION TO PUBLICLY RELEASE ANY UPDATES OR REVISIONS TO ANY FORWARD-LOOKING STATEMENTS TO REFLECT EVENTS OR CIRCUMSTANCES AFTER THE DATE OF THIS PRESENTATION.

THIS PRESENTATION DOES NOT CONSTITUTE A RECOMMENDATION REGARDING THE SECURITIES OF THE COMPANY. THIS PRESENTATION DOES NOT CONTAIN AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITIES ISSUED BY ACEA S.P.A. OR ANY OF ITS SUBSIDIARIES.

PURSUANT TO ART. 154-BIS, PAR. 2, OF THE LEGISLATIVE DECREE N. 58 OF FEBRUARY 24, 1998, THE EXECUTIVE IN CHARGE OF PREPARING THE CORPORATE ACCOUNTING DOCUMENTS AT ACEA, FABIO PARIS - CFO OF THE COMPANY - DECLARES THAT THE ACCOUNTING INFORMATION CONTAINED HEREIN CORRESPOND TO DOCUMENT RESULTS, BOOKS AND ACCOUNTING RECORDS.