



# Financial Statements 2023

## **Acquirente Unico S.p.A.**

Fully paid-up share capital € 7,500,000

Sole shareholder pursuant to Art. 4 of Italian Lgs Decree 79/99 Gestore dei Servizi Energetici - GSE S.p.A.

Entity with direction and coordination powers: GSE S.p.A.

Registered offices - 00197 Rome – Via Guidubaldo Del Monte, 45

Rome Business Register, VAT and Tax ID no. 05877611003

Economic and Administrative Registry of Rome no. 932346

## Letter to the Shareholder

The energy sector over the last year has been affected by far reaching transformation: on the one hand, the persistent conflict in Ukraine continued to create uncertainties on markets, and on the other, new technologies and digitalisation were confirmed as key elements in the energy transition process. Two factors with opposing effects that required Acquirente Unico to consolidate its protection in respect of consumers and develop digital-based solutions.

AU services are in fact provided via digital infrastructure that makes it possible to quickly and effectively interact with market players, while promoting the development of new services. I am referring to the consolidation of the Integrated Information System and the Settlement Service platforms, which represent a virtuous innovation for the entire system, also generating a continual and positive technological influence on users. The Settlement Service, especially in 2023, was strengthened, and extended to include all users in the water and district heating sectors.

AU has also developed digital solutions for assigning customers to the gradual protection service, based on the development of an on-line platform to carry out tender procedures, in this way ensuring that they are carried out correctly and fairly among participants. The procedure for assigning non-vulnerable domestic customers involved extensive participation by operators and the final results have benefited customers.

To mitigate the effects of energy price increases on billing, also caused by the conflict in Ukraine, the Government introduced measures to support households experiencing difficulties, by expanding the base for social bonus beneficiaries. AU was able to promptly adapt the automation of processes, ensuring that the policies supporting citizens were effective, and responding to its corporate mission that has always had as an underlying principle the implementation of its institutional objectives.

The digitalisation process also involved AU's fundamental capital: its people. Activities focusing on digitalisation were strengthened, aiming to digitalise company processes, so as to guarantee greater efficiency, productivity and a better work-life balance. New training programmes were also introduced for resources, especially management, with the "Leadership-Lab" project, aimed at enhancing the capital of AU's organisational culture.

In confirmation of the reliability of the Company, in July the international rating agency Standard & Poor's annual review reconfirmed the company's credit rating as “BBB/A-2” with stable outlook, in line with the country rating assigned to Italy.

Over the last year, AU has laid the foundations to deal with the future challenges that will affect our sector, once protection has ended. In the near future, the Company will be involved in establishing the vulnerability service for electricity supplies and implementing institutional campaigns. The Company will continue to focus especially on consumers, providing new enabling tools in terms of digitalisation and also increasing awareness.

The Chairman

Luigi della Volpe

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## CORPORATE STRUCTURE

### Board of Directors (2023-2025)

Chairman	Luigi della Volpe
Chief Executive Officer	Prof. R. Giuseppe Moles
Directors	Marco Campanari
	Maria Chiara Fazio
	Rosaria Tappi

### Board of Statutory Auditors (2023-2025)

Chairman	Tullio Patassini
Statutory Auditors	Sara Scavone
	Ettore Perrotti
Alternate Statutory Auditors	Giancarlo Sestini
	Isabella Lancia



2023 Financial Statements

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# Report on Operations

## REGULATORY ELEMENTS AND AREAS OF REFERENCE

Acquirente Unico S.p.A. (hereafter also “Acquirente Unico” or “AU”), a company limited by shares wholly owned by Gestore dei Servizi Energetici - GSE S.p.A. (hereafter “GSE”), was established pursuant to Italian Legislative Decree 79 of 16 March 1999, in order to guarantee the supply of electricity to eligible customers.

From 1 July 2007, on completion of the liberalisation of the retail sale of electricity, pursuant to Italian law no. 125 of 3 August 2007, converted to law with amendments from Decree Law no. 73 of 18 June 2007 (hereinafter “Law no. 125/2007”), all end users of electricity, and in particular also civil or domestic users, have the right to freely choose their electricity supplier. In light of this innovation, Italian Law no. 125/07 introduced enhanced protection and safeguards into electricity sales services.

AU’s mission was subsequently extended to include additional activities and functions assigned to it through legislative provisions or sector regulations.

### Enhanced protection service

The enhanced protection service is provided by the enhanced protection provider, for consumers that are still beneficiaries, whereas the supply of electricity is done by Acquirente Unico, in order to ensure that the supply is provided under cost-effective, continuity, secure and efficient conditions. Acquirente Unico, in accordance with the directives of the Regulatory Authority for Energy, Networks and Environment, (hereafter, “Authority” or “ARERA”), transfers the electricity purchased on the wholesale market to the enhanced protection operators, ensuring the balance of its accounts, according to the provisions of Article 4, paragraph 6 of the aforementioned Legislative Decree 79/99.

A series of legislative amendments were introduced as from 2017 (firstly, the annual law for the market and competition no. 124 of 4 August 2017), which gradually superseded the enhanced protection service with the introduction of the gradual protection service, established by ARERA, to support the move of electricity to the open market once price protection had been removed (protected market). Currently:

- electricity sector: the enhanced protection service ended for micro-enterprises in April 2023 (already terminated for SMEs in 2021);

- electricity sector: the enhanced protection service will end for non-vulnerable domestic customers from July 2024;
- gas sector: price protection for non-vulnerable domestic customers (households and condominiums) was terminated as from 1 January 2024.

Vulnerable electricity customers on the other hand, continue to be served under set contractual and financial conditions, which are defined and updated by the Authorities.

Pursuant to the provisions of Decree-Law 181 of 9 December 2023 (so-called “Energy Decree-Law”) and based on Resolution 580/23, ARERA extended the date for AU to conduct the tenders to award the Gradual Protection Service (GPS) for non-vulnerable domestic electricity customers to 10 January 2024.

Subsequently, with Resolution 600/23, the Authority postponed the date for activating the GPS for non-vulnerable customers to 1 July 2024.

Furthermore, given the massive transfer of points from the enhanced protection service to the gradual protection service (hereinafter GPS) and given that new operators would need the correct contact details for end customers subsequent to the outcome of the tenders, with Resolution 576/23, ARERA proposed a verification system (centralised on the IIS) to align the personal and contact details available in the IIS Official Central Register, with regard to enhanced protection service end customers.

### **Safeguard Service - Electricity Sector**

To date, the Safeguard Service is intended for end users that only have medium, high and very high voltage connection delivery points, not entitled to enhanced protection in the event that they are without a seller on the open market or did not select one.

The Authority, in implementing the decree of the Italian Ministry for Economic Development of 23 November 2007, has assigned to AU the task of organizing and carrying out the contractual procedures for the selection of the companies that will provide the service, in accordance with the provisions of the Authority.

Resolution 454/2022/R/eel regulated the tender procedures for award of the safeguard service for the two-year period 2023-2024. Following the procedures carried out in the last quarter of 2022, Acquirente Unico identified the safeguard service operators for 2023 and 2024.

## **Last resort supply and default distribution service - Gas Sector**

Acquirente Unico is also responsible for launching the tender procedures to identify operators for natural gas supplies of last resort (so-called “fornitura di ultima istanza” - “FUI”). The FUI service provision is provided to selected customers (domestic customers - including condominiums with consumption of no more than 200,000 scm per year, utilities related to public service activities, other customers with consumption of no more than 50,000 scm per year), who are temporarily without a gas supplier.

ARERA also assigned Acquirente Unico the task of managing the tender procedures for the identification of the default natural gas distribution service, aimed at ensuring the balance of the distribution network, in relation to the offtakes of natural gas made directly by the end customer holder of the delivery point, without a supplier, to whom the prerequisites for the activation of the FUI service are not applicable.

MASE Decree no. 202 of 22 June 2023 approved the criteria and procedures for the supply of natural gas in the scope of the last resort service for the period relating to the 2023-2024 and 2024-2025 thermal years.

In September 2023, pursuant to resolution 378/2023/R/gas, Acquirente Unico published the outcomes of the tender procedure for the identification of providers of the last resort service and default distribution service for natural gas end users for the period 1 October 2023 to 30 September 2025.

## **Energy and Environment Consumer Help Desk**

Over recent years, Acquirente Unico has gained considerable experience on the protection of energy and environment consumer. The tasks strictly related to protecting the consumer include the continuation of the “Energy and Environment Consumer Help Desk” (hereinafter the Consumer Help Desk). This refers to a service introduced by ARERA and conducted on an avallment basis by Acquirente Unico pursuant to Art. 27, section 2 of Italian Law no. 99/09.

This management is governed through three-year Operating Projects approved by ARERA, together with the cost recognition and coverage methods. In this regard, by means of Resolution 694/2022/E/com, the Authority approved the 2023-2025 project proposal for the pooled activities carried out by Acquirente Unico S.p.A., relating to the system of safeguards for the empowerment and resolution of disputes of customers and end users of regulated sectors.

Based on the broadened responsibilities, the Consumer Help Desk has seen a gradual expansion of its business areas, providing information support and assistance to consumers in all sectors regulated by the Authority.

In particular, Help Desk activities performed on behalf of the Authority include:

- the Contact Centre represents a direct channel of communication with the consumer, ensuring a prompt response to requests for information via telephone and in writing regarding the procedures whereby the services regulated by the Authority can be accessed, consumer rights, social bonuses, the liberalization of the electricity and natural gas markets, the Special Procedures, the Settlement Service, as well as other alternative means for resolving disputes;
- the Associations Help Desk, provides consulting on Authority regulation issues to certified branches of consumer associations and trade associations;
- the management of Special Procedures, which allow the end customer to obtain information that can immediately resolve the more recurring specific problems between consumers and operators;
- the management of the Settlement Service, implementing Art. 44, section 4 of Italian Legislative Decree no. 93 of 2011, aimed at processing end customer disputes against operators in the electricity, gas, water, district heating and cooling sectors, prior to seeking recourse to the ordinary courts. Resolution 233/23 stipulated that as from 30 June 2023, it is mandatory to also attempt reconciliation for end users in the water and district heating sectors. Consequently, as from this date, all water and district heating sector operators will be obliged to participate in the procedures activated by end users with the Authority's Conciliation Service, prior to authorisation on the Conciliation Service's electronic platform. Any agreement signed will then become enforceable.

The Help Desk is also involved in the management of specific aspects relating to the disbursement of social bonuses, and also assists consumers should they fail to receive their bonus.

Specifically, it is responsible for informing the end customer of the possibility and method by which to obtain the bonus if they have a condominium gas supply, as well as managing the declaration forms that indirect gas customers are required to provide to the Help Desk in order to access the benefit in these cases. In this regard, with Resolution 717/2022/R/com dated 27 December, the Authority approved the proposed Gas Bonus for Indirect Customers Plan for the three-year period 2023 – 2025.

Lastly, Resolution 620/22 approved the adoption of regulations for pooled arrangements of GSE S.p.A. and its subsidiaries, including AU, for the period 1 January 2023-31 December 2025.

### **Integrated Information System**

Italian Decree Law no. 105 of 8 July 2010, converted to Italian Law no. 129 of 13 August 2010, (hereinafter "Law no. 129/10"), established the Integrated Information System (IIS) within Acquirente Unico for the management of information flows related to the electricity and gas markets, based on a database of delivery points and end user identification data (so-called the Official Central Register - RCU).

The IIS functions were subsequently extended - by Italian Decree Law no. 1 of 24 January 2012, converted with amendments to Law no. 27 of 24 March 2012 - also to the management of information related to electricity and gas consumption by end users. In addition, Legislative Decree no. 102/2014 on energy efficiency gave the Authority the option to rely on, among other things, the IIS as part of the tasks conferred by the above-mentioned Decree regarding metering and billing of energy consumption.

Based on Resolution 29/23, as from 1 March 2023, the Authority extended the IIS quick switching procedure to all safeguard end customers that decide to transfer to the open market, making it possible for the start date of new contracts to run from any day of the month, instead of the first day of the month after the application as is the case with ordinary switching contracts.

In implementing Art. 1, paragraphs 80 to 82, Law no. 124 of 4 August 2017, the Regulation of 25 August 2022 was approved, by which the MITE (hereinafter MASE) establishes the Vendor List of entities authorised to sell electricity to end users and establishes the conditions, criteria, methods and requirements for the continued presence or exclusion of vendors from the aforementioned List. The MITE may rely on the support of AU and acquire information from the IIS in carrying out audits. Specifically, with Resolution of 25 July 2023 339/2023/R/eel, the IIS was involved in the process of checking that vendors made regular payments on their invoices to TERNA and Distributors, in order to retain their listing in the Vendor List. Once the checks stipulated by the aforementioned Resolution are carried out, the IIS is required to report any irregularities in these payments to MASE and the relevant operators, so that the vendor can be delisted from the Vendor List.

The identification of vulnerable customers in the electricity sector has been centralised pursuant to Resolution 383/23 under the IIS, with reference to customers that receive a social bonus for economic hardship, end customers older than 75 and customers that cannot be disconnected.

The IIS updates the vulnerability status on a monthly basis, making the information available to the identified customers' commercial counterparties, and also making the information available for consultation by the customers themselves.

In addition, with Resolution 336/2023/R/eel, the Authority introduced reforms to the current electric settlement and network loss rules so that these could be supplemented and updated on the basis of the legislative and regulatory changes subsequent to its adoption. The initial reform activities will focus on the load profiling rules and the role undertaken up to now by Acquirente Unico in this regard.

On the subject of origin certificates, pursuant to MASE Decree no. 224 of 14 July 2023, AU is obliged to provide the GSE with information on the electricity withdrawn, produced and self-consumed, for the purposes of issuing the relevant certification. Furthermore, with Resolution 496/23, which implemented the aforementioned Decree, the Authority required AU to work with GSE to check that every vendor company holds the necessary origin certificates.

## **Offer Portal**

Art. 1, paragraph 61 of Italian Law 124 of 2017 ("Annual Market and Competition Law") delegated the Authority with the task of creating and managing the portal by Acquirente Unico (as the IIS manager), i.e. the Offers Portal. The portal is an IT portal that collects and publishes current offers for the retail electricity and gas sales market on an open data basis particularly for domestic users, companies connected on low voltage and companies with annual consumption not exceeding 200,000 standard cubic meters.

## **Consumption Portal**

In its capacity as IIS Manager, AU has implemented and manages the Portal pursuant to Law no. 205 of 2017 (2018 Budget Law). Its function is to provide all electricity and gas consumers with the data relating to their supply, including historic consumption data and the main technical and contractual information (so-called the Consumption Portal).

## Retail monitoring

Retail monitoring activities focus on the reporting and monitoring of the electricity and gas retail markets. This Function, in addition to guaranteeing that ARERA receives the information and reports required by the Integrated Text on Retail Monitoring (with data partly extracted from the IIS, and partly collected from operators), now provides additional information for the performance of institutional activities by the Authority.

## Automatic bonus

Italian Law Decree 124/19, converted with amendments to Law no. 157 of 19 December 2019, envisaged the system for automatic recognition of the electricity, gas and water social bonus from 1 January 2021. This provision established that the method for obtaining the bonus is based on the exchange of information between INPS and the IIS.

With regard to the range of beneficiaries, based on Resolution 13/23 implementing the 2023 Budget Law, the Authority raised the maximum of the ISEE threshold for the whole of 2023 for benefit class d) relating to households with less than 4 children, from € 12,000 to € 15,000.

With Resolution 194/23 and in implementing Italian Decree-Law no. 34 of 30 March 2023, the Authority also defined the application procedures for recognising the 2023 electricity and gas social bonuses for economic hardship to households with at least 4 child dependants (so-called “large families”), introducing benefit class b), with an ISEE indicator set between € 20,000 and € 30,000.

Finally, during the last quarter of 2023, Decree-Law no. 131 of 29 September 2023, stipulated the return of the ordinary management of the electricity bonus, eliminating the supplementary bonus, whilst still providing domestic customers receiving the electricity social bonus, with an extra contribution that increased in relation to the number of members in the family unit based on the same types already envisaged for the social bonus. This extra contribution was also confirmed for the first quarter of 2024 by Law no. 213 of 30 December 2023 (2024 Budget Law). Lastly, with Resolution 622/23, the Authority introduced new responsibilities for the IIS to support the application of the bonus to specific cases, including consumer notifications to the Help Desk.



## Mailing service

Pursuant to Resolution 480/2021, with the awarding of the service to Poste S.p.A. and Postel S.p.A. (until November 2025), AU manages the mailing service for all notifications to the public regarding social bonuses as required by the Authority's regulations.

## Italian Central Stockholding Entity - OCSIT

In order to implement the EU Directive 2009/119/EC, which establishes the obligation for Member States to hold a minimum quantity of stocks of crude oil and/or petroleum products, the Italian government issued the Legislative Decree no. 249 of 31 December 2012, published in the Official Gazette no. 22 of 26 January 2013 and in force since 10 February 2013.

The measure, among other things, attributed to Acquirente Unico the functions and activities of Italian Central Stockholding Entity (OCSIT), providing in particular that OCSIT is to purchase, hold, sell, and transport "specific" stocks (finished products referred to in a list defined by the regulation) and can also organize and provide a service of storage and transport of emergency and commercial oil stocks.

As determined by the above-mentioned Legislative Decree, the costs and expenses incurred by the Company to carry out OCSIT activities are covered by the contribution determined by the Italian Ministry of the Environment and Energy Security (former Italian Ministry of Ecological Transition), jointly with the Ministry of Economy and Finance, and payable by the obligated parties, as identified annually by the Ministry, on the basis of quantities input for consumption in the previous year of energy products listed in Annex C, Point 3.1, paragraph 1 of Regulation (EC) No. 1099/2008.

OCSIT is subject to supervision by the Italian Ministry of Environment and Energy Safety (MASE), which determines the guidelines for the exercise of its functions.

In 2023, the start of the 2023/2024 stock year was 1 July 2023, ending on 30 June 2024.

## Gasoline Fund (OCSIT)

In 2018, the activities of OCSIT were further expanded with those relating to the so-called "Gasoline Fund", as a result of the provisions of art. 1, paragraph 106 of the Annual Market and Competition Law, on the basis of which from 1 January 2018 Cassa Conguaglio GPL [...] was abolished and the related functions and responsibilities as well as the related asset and liability legal relations fell within the scope of functions carried out by Acquirente Unico Spa through the

Italian Central Stockholding Entity [...]. From 1 January 2018, ownership of the Fund for rationalisation of the fuel distribution network pursuant to Article 6, Legislative Decree no. 32 of 11 February 1998 was also transferred to OCSIT, responsible for the expense of carrying out the activities transferred, so as to ensure economic, equity and financial independence for these activities from other tasks performed by OCSIT. The activities transferred pursuant to this paragraph were carried out on the basis of operational guidelines issued by the Ministry of Economic Development and will cease when the financial resources of the aforementioned Fund are used up. Starting from 1 January 2018, ownership of the GPL Fund and the Reserve Stocks Fund was also transferred to OCSIT.

After entry into force of the aforementioned law, the following funds, which were part of the now eliminated Cassa Conguaglio GPL (collectively referred to as the "Gasoline Fund"), were also transferred to Acquirente Unico:

- Fund for rationalisation of the fuel distribution network. This fund indemnifies managers of petrol stations following their closure. The fund was developed over the years through contributions made by the managers themselves;
- Reserve stocks fund. Fund to collect receivables deriving from the eliminated National Reserve Stocks Agency;
- GPL Fund. Cassa Conguaglio employee severance indemnity fund.

### **Methane Gas Cylinder Fund Services - SFBM**

Article 62-bis of Law no. 120 of 11 September 2020, converting with amendments Decree Law no. 76 of 16 July 2020 (Simplifications Decree), entrusted to Acquirente Unico (AU) activities relating to technical and administrative services for the use and circulation of methane gas cylinders for the automotive sector, pursuant to Law no. 640/1950.

The MITE Decree of 30 September 2021, pursuant to art. 62–bis, paragraph 4 mentioned above, ordered AU's takeover of the activities regarding methane gas cylinders for the automotive sector, through acquisition of Servizi Fondo Bombole Metano S.p.A. (SFBM). All charges incurred by AU both for the acquisition and for the preparatory and subsequent activities are covered by a specific contribution, which must guarantee the economic, equity and financial balance of AU as well as that of SFBM. The subsequent MITE implementation Decree no. 366 of 28 September 2022 set the guidelines for applying the new activities and set the 1 January 2023 as the start date, when Acquirente Unico would take over management of the Methane Cylinders Fund.

### **Industrial Sector Energy Transition Fund (FTE)**

The Industrial Sector Energy Transition Fund (FTE) was established with the Ministry of Economic Development by Article 27, paragraph 2, Italian Legislative Decree no. 30 of 13 March 2013, as replaced by Article 13, paragraph 2, of Law Decree no. 101 of 3 September 2019, converted with amendments to Law no. 128 of 2 November 2019.

The purpose of this Fund is to directly subsidise companies operating in sectors and sub-sectors exposed to a real risk of carbon leakage outside the European Union, due to the costs of indirect emissions transferred to electricity prices.

The MITE Decree of 12 November 2021 subsequently defined the criteria, conditions and procedures for use of the resources of this Fund, envisaging that its management was entrusted to Acquirente Unico on the basis of a specific agreement with the Ministry of Ecological Transition governing the transfer of resources to AU and AU's fulfilment of the administrative and management obligations regarding the receipt and investigation of benefit applications, the disbursement of aid and the necessary controls.

MASE Directorial Decree no. 40 of 10 August 2023 provided the deadlines for the submission of applications to access the Energy Transition Fund's benefits, with the aim of offsetting indirect emission costs incurred in 2022 by applicant companies.

## MACROECONOMIC FRAMEWORK

### International economy

During 2023, the global economy had to deal with a number of critical issues, from persistent inflation to more restrictive financial conditions and lower consumer confidence levels, whilst showing significant resilience, with global GDP increasing by 2.9%, just below (-0.4%) the figure for the previous year, according to OECD estimates<sup>1</sup>. In a context of negative shocks resulting from the effects of the war in Ukraine and the severe tightening in monetary policy globally, different GDP trends were recorded for advanced and emerging economies<sup>2</sup>.

Specifically, among the more advanced economies, the best performer was the United States, recording 2.4% growth, based especially on the strong expansion in household consumption during the third quarter and a particularly dynamic labour market, which was able to contain the slowdown in activity during the last part of the year.

The 0.6% increase in Eurozone GDP, was significantly reduced due to the weakness in the manufacturing and construction cycles (due to rigid financing conditions), the stagnation in fixed investments and modest growth in services. The GDP trend was practically at zero in all countries, except for Spain, which recorded growth of 2.4% due mainly to increased consumption. France recorded 0.9% growth, whereas GDP in Germany contracted slightly (-0.1%), as a result of reduced industrial production. In line with economic activities, international trade flows increased at a modest rate (0.6%). Specifically, the tightening of international monetary and financial conditions was one of the main reasons for the slowdown. In 2023, inflation in the Eurozone measured against the harmonised index of consumer prices recorded a year-on-year increase (2.9%)<sup>3</sup> in December, coming down significantly on the previous year, mainly due to the drop in the pricing of energy products.

The return on long-term government bonds recorded significant volatility during 2023. Whereas persistent base inflation and additional monetary tightening caused returns to increase in the first three quarters in the USA, United Kingdom and Eurozone, yields came down during the last quarter as a result of reduced inflationary pressures and consequent expectations of rates' cut by Central Banks.

<sup>1</sup>OECD, Economic Outlook, no. 114, November 2023

<sup>2</sup>OECD, Economic Outlook, Volume 2023 Issue 2, November 2023

<sup>3</sup> Eurostat, Euro Indicators, 17 January 2024

Due to improved growth prospects in the United States compared to the Eurozone, the single European currency depreciated against the dollar in the third quarter of 2023. This trend was inverted during the fourth quarter, with the dollar depreciating against all the main currencies, following the Federal Reserve's revised forecasts.

## Domestic economy

For 2023, Italy's GDP growth (adjusted for calendar effects and with seasonal factors removed) is forecast at 0.7%<sup>4</sup>. Economic activity saw an alternating trend during the year: after an especially positive first quarter thanks to increase household consumption and total investments, a slowdown was recorded in the second quarter due to reduced industrial production and construction activity. Slight growth was recorded in the second half of the year, mainly due to foreign trade and household consumption supported by the creation of jobs.

Similarly to GDP, in 2023, value added also followed an erratic trend, with sustained growth in construction during the first three quarters; there was a decrease in the construction sector during the last quarter of the year, with a concurrent increase in value added in the services segment, especially in IT and communication.

After a downward trend during the first half of the year, exports once again grew in the second half, driven specifically by pharmaceutical, mechanical and chemical products. Despite the contraction in global trade, exports also increased to markets outside the Eurozone during the second half of the year.

Imports contracted slightly, especially during the second half of the year, mainly due to the drop in goods coming from countries outside the Eurozone. The most significant decrease was seen in products for the mining and base metals industries, whereas imports of services only came down marginally.

Thanks to the reduction in commodity prices, the trade balance recorded a significant positive balance, reabsorbing the deficit from the previous year<sup>5</sup>. Once again in 2023, industrial production continued the negative performance, which had already been recorded from the second half of 2022, coming in at -3.1% year-on-year to November, largely due to the contraction in consumer and intermediate goods.

Employment data recorded a significant improvement across the board during 2023. The unemployment rate was 7.2%, with a year-on-year change of -0.8%. The employment rate

<sup>4</sup> ISTAT, preliminary GDP estimate, 30 January 2024

<sup>5</sup> MEF (Ministry of Economy and Finance) Update to the 2023 Economy and Finance Document, 27 September 2023

increased by 1.2% compared to the previous year, reaching 61.9%, with the inactivity rate (33.2%) falling by 0.7%.

The growth in employment in the 12 months is largely due to the increase in permanent employees (+2.7%). The data on youth employment recorded in December showed an improvement over the previous year: for young people between 15 and 24 years of age, the unemployment rate was 20.1% (-2.4% year on year)<sup>6</sup>.

In 2023, inflation in Italy recorded a change of 5.7%<sup>7</sup> (national index for the entire Community), decreasing considerable on the previous year (8.1%). This slowdown was attributable primarily to the pricing trend for electricity and related services. Prices in the food sector on the other hand, showed an increase in average growth (9.8%).

In 2023, financial market conditions were impacted by the inconsistent trend in economic activity and the different approaches to monetary policy. The differential between returns on 10-year Italian government securities and equivalent German securities went from 172 points at the end of July to 203 at the start of October (affected by the hike in official rates and expectations of a slowdown in economic activity), to then come down to 155 basis points at the end of the year, due to expectations of less restrictive monetary policies and the positive rating on Italian debt issued by the leading rating agencies.

Lastly, according to the reference framework of the Ministry of Economy and Finance, GDP growth of around 1.2% is forecast for 2024, 1.4% for 2025 and 1% for 2026<sup>8</sup>. Based on these forecasts, growth in economic activity would be driven specifically by the decreased tax wedge, thus contributing to supporting GDP growth based on the impetus provided to consumption.

<sup>6</sup> ISTAT, Employed and Unemployed, provisional data, 31 January 2024

<sup>7</sup> ISTAT, Consumer Prices, 16 January 2024

<sup>8</sup> MEF (Ministry of Economy and Finance) Update to the 2023 Economy and Finance Document, 27 September 2023

## ECONOMIC AND FINANCIAL PERFORMANCE

The income statement and balance sheet data for 2023 are shown in summary in the schedules set out in the following pages, obtained by reclassifying the statutory accounting statements prepared in accordance with the Italian Civil Code.

In addition to the reclassified schedules, detailed analytical data is presented concerning:

- operating costs other than electricity purchases, separately for the different macro-areas that comprise AU activities;
- the overall trend in operating costs;
- financial management results.

The main operating highlights are also summarized in an overall synthesis, as shown in the schedule below.

### Main operating highlights

For the purposes of offering a brief presentation of the global operating trend of Acquirente Unico in 2023, Table 1 shows the main economic and financial data.

**Table 1: Summary of the main operating data (€ thousands)**

	2023	2022	Changes	Changes %
Revenue from the sale of electricity	2,730,602	8,283,864	(5,553,262)	-67%
Profit for the year	80	76	4	5%
Investments in specific stocks (OCSIT) - year-end value	1,013,490	957,320	56,170	6%
Other Investments (tangible and intangible assets) - year-end value	9,353	9,808	(455)	-5%
Shareholders' equity	8,744	8,737	7	0%

Source: Internal processing, Acquirente Unico

## Reclassified Income Statement

**Table 2: Reclassified Income Statement 2023**

<i>€ thousands</i>	2023	2022	Changes
<b>REVENUE</b>			
Revenue from energy sales to enhanced protection operators	2,730,602	8,283,864	(5,553,262)
Other energy related revenue	29,549	931,632	(902,083)
Revenue covering costs - Energy and environment consumer help desk	20,970	18,336	2,634
Revenue covering costs - IIS management	25,008	23,029	1,979
Revenue covering costs - OCSIT and GF	51,728	48,338	3,390
Revenue covering costs - other activities	2,939	852	2,087
Other revenue and income	1,170	618	552
<b>a) Total operating revenue</b>	<b>2,861,966</b>	<b>9,306,669</b>	<b>(6,444,703)</b>
<b>COSTS</b>			
Energy purchases	2,521,957	8,743,847	(6,221,890)
Purchases of energy-related services	234,934	468,655	(233,721)
Total energy costs	2,756,891	9,212,502	(6,455,611)
Other purchases of consumables	48	49	(1)
Cost of labour	23,603	22,308	1,295
Provision of services	22,431	17,088	5,343
- Services by the parent company	1,001	1,057	(56)
- Other services (including accessory storage costs)	21,430	16,031	5,399
Use of third-party assets	50,879	47,039	3,840
- Fees for oil product storage services	49,414	45,600	3,814
- Other	1,465	1,439	26
Sundry costs	863	494	369
<b>b) Total costs (not including amortisation/depreciation)</b>	<b>2,854,715</b>	<b>9,299,480</b>	<b>(6,444,765)</b>
c) Gross operating margin (a-b)	7,251	7,189	62
d) Amortisation, depreciation and write-downs	7,507	6,826	681
<b>Total Operating Costs</b>	<b>2,862,222</b>	<b>9,306,306</b>	<b>(6,444,084)</b>
e) Operating income/(loss) (c-d)	(256)	363	(619)
Net Financial income/(expenses)	752	30	722
<b>Pre-tax profit</b>	<b>496</b>	<b>393</b>	<b>103</b>
<b>Income taxes</b>	<b>416</b>	<b>317</b>	<b>99</b>
- Current taxes	413	463	(50)
- Taxes relative to previous years	-	-	-
- Deferred Tax liabilities and assets	3	(146)	149
<b>Profit for the year</b>	<b>80</b>	<b>76</b>	<b>4</b>

Source: Internal processing, Acquirente Unico

### Revenue

Total operating revenue (Table 2), equal to **€ 2,861,966 thousand**, was generated in particular by energy sales to enhanced protection market operators (**€ 2,730,602 thousand**). Income from energy sales, in addition to covering costs of the supply of electricity and related services (dispatching, etc.), include the fee for energy area operating costs, in the adjusted amount quantified by adopting the rate of return on capital before taxes, according to the methods applied by ARERA (**€ 3,260 thousand**).



Total operating revenue also include other energy-related income (unbalancing fees, etc.), amounting to **€ 29,549 thousand**, revenue to cover the operating costs of pooled activities, those related to the IIS, OCSIT, the Gasoline Fund, other Activities (the TESI Fund and mailing service), and lastly, other revenue and income, which include reimbursements for personnel seconded to Servizi Fondo Bombole Metano S.p.A. for **€ 301 thousand**. Note that revenue relating to the Help Desk and the Integrated Information System, as well as for the Energy Area, includes the amount calculated by adopting the gross return on capital rate, in accordance with the methods applied by ARERA.

As a whole, operating revenue decreased by **€ 6,444,703 thousand** compared to the previous year. The reduction was due to revenue from selling electricity to enhanced protection service operators and other energy-related revenue (**-€ 6,455,345 thousand**) as a direct consequence of the decrease in the cost of electricity supply, since electricity purchase and sales activity management occurs within a balanced economic regulatory regime.

## Operating costs

**Total operating costs**, before amortisation, depreciation and write-downs, as seen in the reclassified Income Statement (Table 2), amounted to **€ 2,862,222 thousand**, of which **€ 2,756,891 thousand** for purchase and sale of electricity (including energy-related services) and **€ 105,331 thousand** for other costs, including **€ 49,414 thousand** for fees paid to third parties to lease storage deposits for OCSIT product stocks.

**Energy purchase costs** refer for **€ 2,521,957 thousand** to the purchases of electricity and **€ 234,934 thousand** to the acquisition of energy related services (dispatching and others). This item shows an overall decrease of **€ 6,455,611 thousand** compared to the previous year.

With reference to the trend for total costs to purchase electricity and related services, the decrease of **€ 6,455,611 thousand** seen in Tables 3 and 4, can be attributed to the combined effect of the decrease in the average unit purchase cost, including services (**- € 183.58/MWh**, corresponding to a **- 55.2 %** change over 2022), and the decrease in transactions of physical quantities (**- € 9,203,515 MWh**, **-33.2%** over the previous year).

**Table 3: Costs for supplying energy (€ thousands)**

	2023	2022	Changes	Changes %
Costs for supplying energy	2,756,891	9,212,502	(-6,455,611)	-70%
<i>Energy purchases</i>	2,521,957	8,743,847	(-6,221,890)	-71%
<i>Purchases of energy-related services</i>	234,934	468,655	(-233,721)	-50%

**Table 4: Change in benchmark purchase costs**

	2023	2022	Changes	Changes %
Quantity in MWh	18,483,229	27,686,744	(-9,203,515)	-33.2%
Unit cost (Euro/MWh)	149.16	332.74	(-183.58)	-55.2%

**Source: Internal processing, Acquirente Unico**

**Operating costs other than energy purchases**, totalling **€ 105,331 thousand** in 2023, refer to management of the structure in the different areas in which AU operates, as well as the storage of OCSIT oil products.

The schedules shown below, appropriately processed and highlighted in Tables 5 and 6, respectively indicate:

- operating costs by macro-expense;
- a breakdown of operating costs based on a criterion of destination, that is specifically indicating the respective area of activity, in both cases comparing the 2023 figures with those of the previous year.

**Table 5: Operating costs (excluding energy costs) by macro-expense (€ thousands)**

	2023	2022	Changes	Changes %
Raw materials, supplies, consumables, and goods – excluding energy purchases	48	49	(1)	-2%
For services - excluding energy services	22,431	17,088	5,343	31%
For the use of third-party assets	50,879	47,039	3,840	8%
For personnel	23,603	22,308	1,295	6%
Amortisation/depreciation and write-downs	7,507	6,826	681	10%
Other operating expense - exclusive of contingent energy liabilities	863	494	369	75%
<b>Total</b>	<b>105,331</b>	<b>93,804</b>	<b>11,527</b>	<b>12%</b>

**Source: Internal processing, Acquirente Unico**

Total operating costs (**€ 105,331 thousand**) increased by **€ 11,527 thousand** compared to 2022. Items characterised by the most significant growth refer to: the costs for services, excluding energy-related services (**+€ 5,343 thousand**), mainly attributable to the increased maintenance and IT services expenses, the fully operational mailing service, the volumes of calls and mediation managed by the Help Desk for electricity and environmental consumers; costs for the use of third-party assets (**+€ 3,840 thousand**), fees paid for the lease of storage depots for oil products, in relation to ISTAT adjustments and the renewals of expiring storage contracts; personnel costs (**+€ 1,295 thousand**) due to the higher average number of staff in 2023, increased costs related to the renewal of the national collective bargaining agreement (CCNL) and normal salary increases.

The table below provides the breakdown of operating costs by area of activity.

**Table 6: Operating costs (excluding energy costs) by area of activity (€ thousands)**

	2023	2022	Changes	Changes %
Energy Area	3,957	3,044	913	30%
Help Desk and Settlement Service - Electricity sector	19,056	16,784	2,272	14%
Water Service Help Desk	2,002	1,682	320	19%
Integrated Information System - IIS	22,827	20,989	1,838	9%
IIS bonus	1,216	955	261	27%
Offer Portal	828	948	(120)	-13%
Italian Central Stockholding Entity - OCSIT	51,823	47,883	3,940	8%
Gasoline Fund	382	498	(116)	-23%
Other activities	3,240	1,021	2,219	217%
<b>Total</b>	<b>105,331</b>	<b>93,804</b>	<b>11,527</b>	<b>12%</b>

**Source: Internal processing, Acquirente Unico**

The trend by operating area shows that overall growth is due to OCSIT operating management (**+€ 3,940 thousand**), Help Desk services (**+€ 2,272 thousand**), Other Activities, more specifically the mailing service (**+€ 2,219 thousand**) and development of IIS activities (**+€ 1,838 thousand**). Note the following in relation to operating costs incurred by AU in 2023 for business areas that are part of the Company:

- the charges relating to the Energy Area are covered from the balancing fees accrued for the year;

- the costs of pooled activities (Energy and Environment Help Desk, including the water sector, and Offer Portal), the IIS Bonus and the Mailing Service are covered from payments made by the Energy and Environmental Services Fund (CSEA);
- the costs of the Integrated Information System are covered through a monthly fee charged to the enhanced protection electricity service operators, open electricity market operators and gas sector operators;
- the cost of OCSIT operations is covered from the contribution charged to the oil operators concerned;
- the costs for the Gasoline Fund are covered from the Fund for rationalisation of the fuel distribution network, transferred to the Company;
- the costs incurred for management of the TESI Fund are covered by reimbursement from MASE.

### Operating profit

The Gross Operating Margin (EBITDA) was positive, amounting to **€ 7,251 thousand**, compared with the amount of the previous year of **€ 7,189 thousand**.

Less depreciation, amortisation and write-downs (**€ 7,507 thousand**), Operating Loss of **-€ 256 thousand** was achieved, down compared to the previous year's figure. This result is more than offset by the financial management performance, to the extent of providing a pre-tax return on capital, as well as covering operating costs, albeit to a lesser extent.

### Net Financial income/(expenses)

Net Financial income/(expenses) and the reasons for its performance are shown in the table below.

**Table 7: Net Financial income/(expenses): comparison between 2023 and 2022**

<i>€ thousand</i>	<b>2023</b>	<b>2022</b>	<b>Changes</b>
Interest income on bank current accounts	2,766	147	2,619
Interest and penalties for late payment from operators	2,024	609	1,415
Other financial income	53,079	26,894	26,185
<b>Gross financial income</b>	<b>57,869</b>	<b>27,650</b>	<b>30,219</b>
Financial expense on medium-term loans	-	710	(710)
Financial expense on bond loan	14,531	14,515	16
Interest expense on short-term borrowings	42,585	12,398	30,187
Exchange rate gains and losses	1	(3)	4
<b>Gross financial expenses</b>	<b>57,117</b>	<b>27,620</b>	<b>29,497</b>
<b>Net Financial income/(expenses)</b>	<b>752</b>	<b>30</b>	<b>722</b>

Source: Internal processing, Acquirente Unico

In 2023, net financial income amounted to **€ 752 thousand**, up with respect to the **€ 30 thousand** recorded the previous year, mainly due to the late payment interest and penalties applied to Enhanced Protection operators.

Note that charges on loans granted to OCSIT, relating to the loan intended for supplies of oil product stocks and the bond loan, as well as interest expense on short-term debt, due to financial payables intended to cover the requirement originating from electricity purchases on the Day Ahead Market, have a contra-entry under the item Financial income.

Pursuant to article 2428, paragraph 3, letter 6 bis), Italian Civil Code, brief information is provided below regarding the use of financial instruments (liabilities).

The Company's strategy for the management of financial policies is monitored by the Board of Directors and implemented by the Director delegated in this regard, as part of his assigned powers.

In this regard, it is noted that the Company funded its own medium-term financial requirements with the issuing of a bond loan; these requirements related to investments in durable capitalised goods (notably, inventories of oil products).

In this context, the Company is exposed to liquidity risk, with reference to the availability of sufficient funds to meet the repayment on the financial liabilities undertaken within the set deadlines.

Risk is minimised thanks to adequate debt capacity, supported where necessary, by the possible release of the investments made with the issuing of the aforementioned bond loan, once authorisation is obtained from the relevant Entities.

If the realisable value of the stocks of oil products put up for sale is less than the book value, the negative difference would be fully covered by the contribution under Article 7, paragraphs 4 and 5 of Italian Legislative Decree no. 249/2012, in accordance with Article 1, paragraph 8 of MED (now MEMIT) Decree dated 31 January 2014 (so-called “Official Guideline”).

With regard to managing interest rates, the medium-term debt component at a fixed rate, represented by the above bond issue, is balanced by a variable-rate bank loan, undertaken for the same amount.

Finally, with regard to the coverage of short-term monetary requirements, mainly attributable to the time lag between the payments dates to purchase electricity on the Day Ahead Market, and corresponding collection date for the same energy items transacted, the management of the potential liquidity risk is managed appropriately using an organic mix of financial instruments, including banking transactions, Parent Company funding and the assignment of trade receivables.

### Pre-tax profit

Pre-tax profit is equal to **€ 496 thousand**, compared to **€ 393 thousand** in 2022. This is essentially the consequence of calculations performed on the basis of a profit rate before tax, as defined in the Resolution adopted by ARERA.

### Profit for the year

Profit for 2023 equalled **€ 80 thousand**, compared to **€ 76 thousand** in 2022.

## Reclassified Balance Sheet

The reclassified Balance Sheet at 31 December 2023, compared with the previous year is detailed in Table 8:

**Table 8: Summary of the financial position 2023**

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
<b>NET FIXED ASSETS</b>			
Intangible assets	5,492	5,581	(89)
Tangible assets	1,017,350	961,548	55,802
Financial assets	29,079	29,179	(100)
	<b>1,051,921</b>	<b>996,308</b>	<b>55,613</b>
<b>NET WORKING CAPITAL</b>			
Due from customers	522,274	1,140,397	(618,123)
Receivables due from subsidiaries	1,090	-	1,090
Due from parent company	236	246	(10)
Due from subsidiaries of parent companies	-	14	(14)
Due from Energy and Environmental Services Fund	7	509	(502)
Other activities	5,709	4,245	1,464
Due to suppliers	(65,512)	(76,288)	10,776
Due to parent company	(1,770)	(344)	(1,426)
Due to subsidiaries of parent companies	(87,351)	(186,770)	99,419
Due to Energy and Environmental Services Fund	(12)	(1,959)	1,947
Other liabilities	(172,016)	(28,304)	(143,712)
<b>Total</b>	<b>202,655</b>	<b>851,746</b>	<b>(649,091)</b>
<b>INVESTED CAPITAL</b>	<b>1,254,576</b>	<b>1,848,054</b>	<b>(593,478)</b>
<b>VARIOUS PROVISIONS</b>	<b>(10,125)</b>	<b>(11,105)</b>	<b>980</b>
<b>INVESTED CAPITAL NET OF PROVISIONS</b>	<b>1,244,451</b>	<b>1,836,949</b>	<b>(592,498)</b>
<b>COVERAGE</b>			
<b>SHAREHOLDERS' EQUITY</b>	<b>8,744</b>	<b>8,737</b>	<b>7</b>
Share capital	7,500	7,500	-
Legal reserve	1,164	1,161	3
Profit for the year	80	76	4
<b>NET FINANCIAL DEBT</b>			
Short-term net debt to banks and other financial institutions	486,930	420,081	66,849
Short-term debt to Energy and Environmental Services Fund	-	10,000	(10,000)
Due to parent company	250,000	400,000	(150,000)
Payables for bonds	498,777	498,246	531
Medium and long term payables to banks	-	499,885	(499,885)
<b>Total</b>	<b>1,235,707</b>	<b>1,828,212</b>	<b>(592,505)</b>
<b>TOTAL</b>	<b>1,244,451</b>	<b>1,836,949</b>	<b>(592,498)</b>

Source: Internal processing, Acquirente Unico

## Invested Capital

Net fixed assets (**€ 1,051,921 thousand** at 31 December 2023) showed an increase (**€ 55,613 thousand**) over the previous year, mainly due to OCSIT investments in oil stock.

Net working capital of **€ 202,655 thousand**, is mainly composed of receivables due from customers (enhanced protection service operators and, to a much lesser extent, other counterparties) amounting to **€ 522,274 thousand**, payables due to suppliers for **€ 65,512 thousand** and due to subsidiaries of the parent company for **€ 87,351 thousand**. Note that the decrease in net working capital of **€ 649,091 thousand** is mainly linked to the decrease in receivables from enhanced protection service operators, mainly due to transition from the protected market to the open market, with resulting decrease in quantities transacted.

Invested Capital (including net fixed assets) amounts to **€ 1,254,576 thousand**, which net of various provisions falls to **€ 1,244,451 thousand**.

## Sources

Shareholders' Equity totals **€ 8,744 thousand**, including net profit for the year of **€ 80 thousand**. The difference between Invested Capital (net of provisions) and Shareholders' Equity is due to net debt, amounting to **€ 1,235,707 thousand** at the end of 2023, down compared to the previous year by **€ 592,505 thousand**.

The reduction in net financial debt essentially refers to lower financial exposure to short-term payables.



## ACTIVITY IN ENERGY MARKETS

### Total electricity demand

In 2023, according to Terna provisional data, electricity demand was 306.1 TWh, a lower value than the final consolidated figure for 2022 (315 TWh; -2.8%) and down compared to the 2021 figure (-5.3%).

### Electricity demand for the enhanced protection service

The demand for electricity for the enhanced protection service in 2023 was 18.48 TWh, with a 6% share of total demand, down sharply compared to the previous year (8.8% in 2022), due to the effect of switching to the open market and, above all, due to the operational start-up in 2023 of the gradual protection service for micro-enterprises.

### Consumption and oil price trends<sup>(9)</sup>

During 2023, international oil markets confirmed the trends that had emerged over the last three years, with increasing demand for oil for the post-pandemic recovery and supply that could not always keep up.

Demand for oil totalled 102 million b/d, + 2.4 million compared to the previous year. Growth was driven almost entirely by non-OECD countries, especially China, which contributed for almost three-quarters of the total, compared to the substantial stability recorded by OECD countries.

Analysing the trend of individual countries, it emerges that demand in the United States was just below the pre-Covid period (-1.9%), whereas in Europe the gap was more consistent (-6.3%), with volumes returning to 2014 levels. Demand over the last ten years has grown in total by 10 million b/d, which becomes over 25 million compared to 2000, namely just over twenty years ago, in relation to a world population that has increased by 2 billion people over the same period (from 6 to 8 billion), of which 1.7 billion are in non-OECD countries.

With regard to oil supplies, this stood at 101.8 million b/d in 2023, increasing by only 1.8 million b/d in relation to 2022. The slowdown was due to the choices made by OPEC Plus, to

<sup>9</sup> Source UNEM – Preliminary oil data 2023

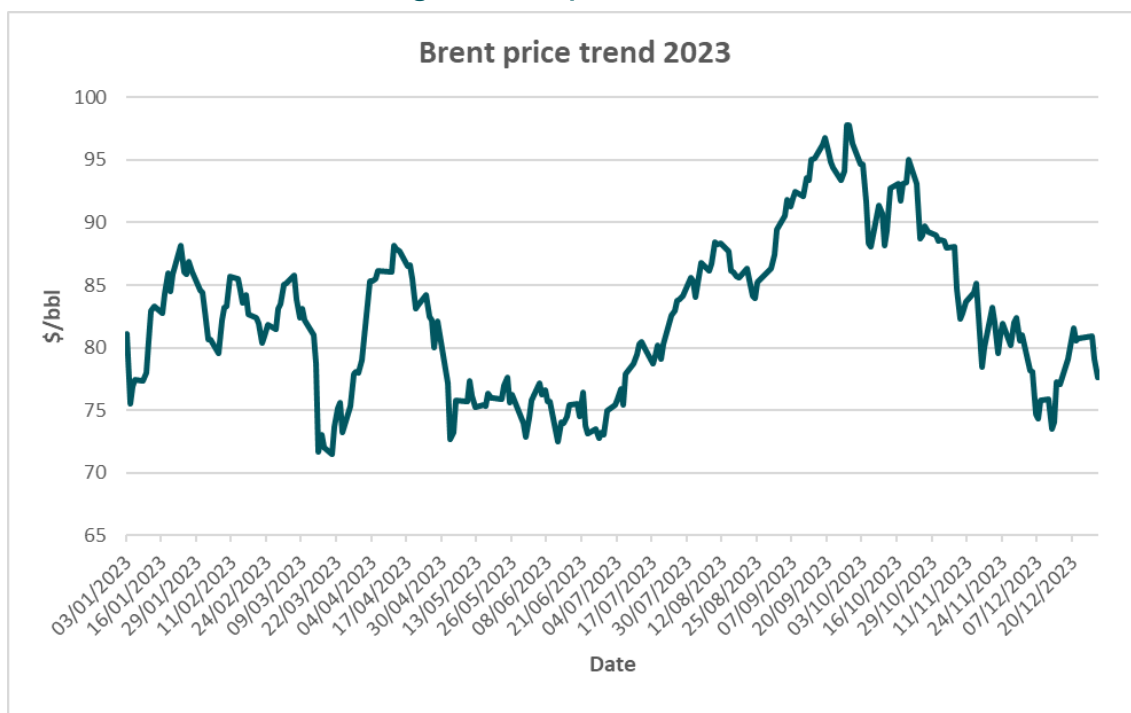
progressively reduce its production from the end of 2022 in an attempt to contain the fall in prices recorded from the second half of 2022 and continuing into 2023.

Since November 2022, taking into consideration the subsequent voluntary reductions by Russia (500,000 b/d) and Saudi Arabia (1 million b/d), OPEC Plus reduced its supply by around 5 million b/d, i.e. 5% of global supply, whereas non-OPEC Plus countries increased their production by 2.1 million b/d thanks to the United States that effectively became the world's leading producer, with volumes that were even higher than the combined production from Saudi Arabia and Russia, thus strengthening its presence on international markets from exports of crude and products for over 6 million b/d.

Recently, these reductions were supplemented by additional voluntary cuts announced on 30 November last year for a total of 2.2 million b/d. This nonetheless referred only to certain countries, and is currently limited to the first quarter of 2024.

With regard to both oil demand and supply prospects for 2024, the International Energy Agency (IEA) estimates an additional increase in demand of approximately 900,000 b/d, even though other institutes are estimating even higher growth of between 1.5 and 2.2 million b/d, for the modest drop for OECD countries, which is largely offset by non-OECD countries, which have surpassed the former since 2013. All of this despite economic growth rates that have been less sustained in relation to the past, both in China and Europe. Regarding oil supply estimates for 2024, additional growth is forecast, which should exceed 103 million b/d (+1.6 million b/d vs 2023, primarily due to production growth in non-OPEC countries) and push the market into a possible surplus position, with the extent thereof nonetheless linked to developments in the macro-economic and geopolitic contexts.

In this context, Brent prices (Figure 1) showed "stop-start" movement, with rapid inversions in performance due to the many uncertainties characterising the year, with the continued Russia-Ukraine conflict, and more recently, the outbreak of conflict in the Middle East.

**Figure 1: Brent price trend 2023****Source: Brent prices (Bloomberg)**

After an initial downward phase at the start of the year, with prices fluctuating between 75-80 dollars/barrel, a decidedly upward phase followed from the summer, which drove Brent pricing well over 95 dollars/barrel, in the wake of the announcements of new supply cuts by Saudi Arabia and Russia, as well as the problems affecting various production areas. There was a new correction as from November, with prices once again coming down to 74 dollars/barrel at the beginning of December, due to the weakening macro-economic context, which according to many analysts will persist into 2024. The announcement by OPEC Plus to further reduce supply had no effect, given that in the following week it was announced that crude oil had lost over 5 dollars/barrel.

Elements indicating a clear trend that global supply will rebalance very quickly compared to the past. In 2023, the Brent was listed on average around 83 dollars/barrel, down by over 16% compared to 2022 with record peaks over the last ten years.

With regard to forecasts for 2024, the current status of fundamentals would indicate that the current downward phase will persist, and according to certain analysts could result in an annual average price in the region of 75-85 dollars/barrel, without however excluding possible spikes.

Energy and oil investments amounted to around \$470 billion in 2023, in line with the previous three years, but at half of the value 10 years ago, when the development costs of new projects was much higher (at approximately 60% more). A volume considered by the International Energy Agency (IEA) as more than sufficient to meet oil demand in coming years, which again according to the IEA, should reach a peak of 106 million b/d in 2028, to then stabilise at around 97-100 million b/d over the next ten-year period. This then poses the problem of continuing to meet increasing demand for oil, whilst guaranteeing supply supported by adequate investments to offset the natural decline of current production.

At national level however, demand for Italian energy in 2023 was estimated at around 145 Mtep, down by over 3% (-4.6 Mtep) compared to the previous year and at around 9% in relation to 2019 (-13.5 Mtep, of which more than 70% was due to the lower gas consumption characterising the last two years). Oil, which is once again the first national energy source with a 37% weighting, showed a modest change (-0.8%), especially as a result of the critical issues in the petrochemical segment (-15%), which similarly to other European countries, is being affected by increased low-cost Chinese exports, partially offset by increases in fuels for road and air mobility. Another significant aspect refers to crude imports, which could no longer count on Russian imports in 2023, and were replaced by the increased contribution from other countries, including the United States, which for the first time in history, became Italy's third ranked supplier. In 2023, we imported a total of 82 types of crude from 28 different countries, continuing on the path of diversifying the areas of procurement undertaken some years ago. During the 1970s, we were importing 25 types of crude from just 15 countries, with the OPEC countries covering around 87% of the total, whereas today that has dropped to 50%.

Among the energy sources, natural gas fell by 8.5% to second place, with a weighting of 35% of the total, due to the milder temperatures in 2023, combined with less demand for thermo-electric and, in the industrial sector, due to the sharp rise in prices seen from the second half of 2021 and again in 2022. This resulted in the significant restructuring in manufacturing processes, to make them more efficient, especially with regard to "gas intensive" processes, where the effects will be structural. As far as PSV gas prices in 2023 are concerned, the annual average was at € 42.15/MWh, significantly lower than 2022 when it was at € 125.68/MWh (- 66.5%).

Renewables grew by around 9%, to recover most of the losses recorded during 2022, even though over 74% of this recovery was attributable to hydroelectric sources (+33%), which had experienced an extended dry period last year.

Coal came down by 33% however, despite contracting electricity demand, and the need to support the lack of gas for thermo-electric production falling away, given the restructuring in gas pricing.

## EUR/USD exchange rate trends

The EUR/USD exchange rate in 2023 was characterised by modest volatility, with an average of around € 1.08/\$, a minimum rate of € 1.04/\$ and maximum of € 1.12/\$. The trend in euro/dollar exchange listings in relation to 2022 moved upwards, with values at the start of 2023 at about € 1.06/\$, the highest value reached in July, with the lowest in October, to then close the year on a consistent upward trend to € 1.10/\$.

## Trends in the price of electricity <sup>10</sup>

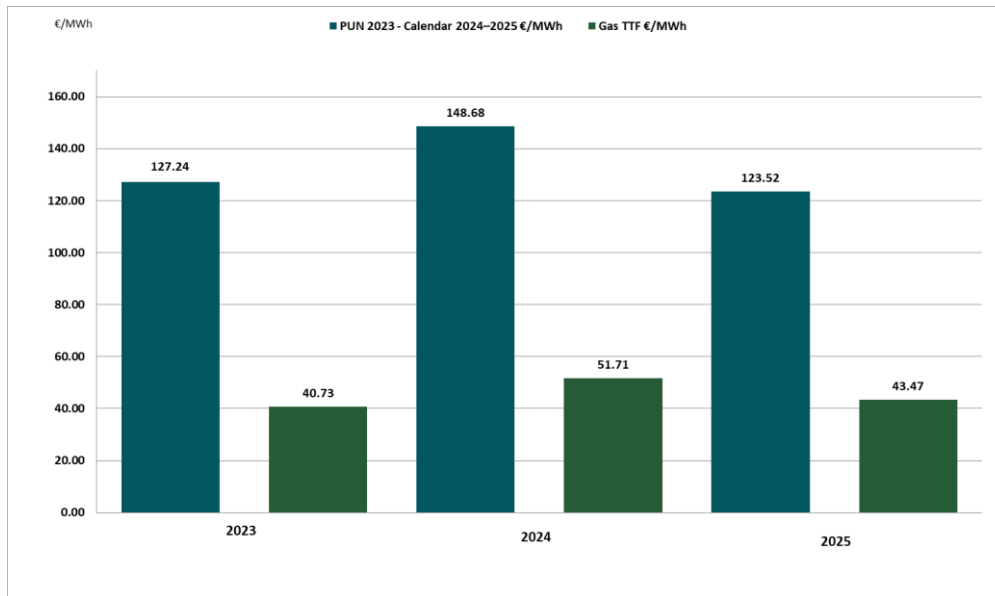
With regard to the day ahead spot market, the SNP for 2023 fell to € 127.24/MWh (€ -176.71/MWh) to settle at 2021 levels, cancelling out the record increases recorded the previous year, similarly to what was also observed on other primary European electricity markets. The SNP trend was driven by the marked fall in gas prices (PSV: € 43.05/MWh, € -82.33/MWh), which also essentially reverted to 2021 levels, but which were still higher than the values historically observed up until 2020. The trend for the two commodities also seems to be paired up on a monthly basis, showing a downward trend in the first half of the year, when from the maximum annual SNP in January (SNP: € 174.49/MWh, PSV: € 68.62/MWh), the SNP went to the minimum annual in June (SNP: € 105.34/MWh, PSV: € 34.05/MWh), with a subsequent increase until October, when the cost of PSV gas again exceeded € 40/MWh, also in relation to the outbreak of tensions in the Middle East and a new decrease in the last two months of the year. Also favouring the downward trend in Italian pricing was the reduction in purchases (278.0 TWh, -3.9% compared to 2022), increased sales of renewables, with a recovery in water volumes in relation to the very low levels in 2022, and net imports at the highest levels ever recorded. The SNP drop is notable across all hourly groups, with the peak price coming down to € 138.16/MWh, and an

<sup>10</sup> Source GME Newsletter January 2024

unprecedented peak/baseload ratio of 1.09. Regarding the extreme prices on the other hand, we note minimum hourly prices up to € 2.46/MWh on Sunday 5 November and maximums at € 295/MWh that were reached on Friday 13 January. Sales prices were more aligned in 2023 on a regional level, coming down to € 128/€ 129/MWh in the central-northern areas (-€ 180/-€ 179/MWh), due to the increased water available and higher imports, to € 125/€ 126/MWh in the central-southern areas and Sicily (-€ 172/-€ 169/MWh), and finally to € 123/MWh in Sardinia (-€ 164/MWh). There was a narrowing in the differential between North and South of around +€ 3/MWh average, significantly down on the record level recorded in 2022 (+€ 12/MWh average). Finally, with regard to the minimum and maximum values observed on the market, we note frequent hourly minimums up to € 0/MWh in Sardinia, combined with high wind availability and a decrease in transits with the Peninsula, and hourly maximum of € 400/MWh recorded in Sicily on Tuesday 25 July, corresponding to the transit saturation with the continent. On the MPEG, namely the spot daily products market, 299 trades were recorded on the “unit price differential” product (101 in 2022), of which 297 related to the baseload profile, for a total of 548 GWh (+399 GWh in 2022), and 2 relating to the peakload profile for a volume of 0.8 GWh. The average trading price of baseload daily products stands at € 1.25/MWh (+€ 0.97/MWh) and at € 1.4/MWh on the peakload. In addition, net Italian imports grew strongly in 2023, at 52.7 TWh (+8.8 TWh on 2022, a historic high), due to the significant increase in import flows (+7.1 TWh) and the drop in exports (-1.7 TWh). This trend is more intense on the northern border, especially with Switzerland, favoured by an increase in the NTC (+1.0 GWh average), and France, due to the foreign prices which often came in lower than the Northern reference (in around 83% of the times, +24 p.p.). Net imports from Austria (-0.5 TWh) were down however, in a context characterised by the closure of the interconnection with Italy from the middle of September until the end of October. A structural increase in the NTC was also noted along this border, announced by Terna (<https://www.terna.it>) and operational on the DAM from the middle of December. Regarding the southern border, growth in net imports were recorded from Montenegro and Greece (+1.3 TWh and +0.5 TWh respectively), against reduced interconnection capacity recorded for the former in the second half of September and for the second, from the last ten days of May until the start of July and for the entire month of November. Again relating to Greece, a “partial decoupling” was noted on Sunday 29 October due to technical problems with the Greek trading system in recording hour 25, and as from Wednesday 13 December, the entry into force of the new type of market relating to the transit with the southern Italian region. Another aspect to underline is the type of sources making up electricity sales in 2023. The absence of exceptional conditions

recorded in 2022, also impacted on the distribution for sources of national sales, where the overall reduction was absorbed by the thermal plants (14.4 GWh average, -3.4 GWh in 2022). This reduction involves both the gas plants, down to the minimums from 2016 (11.3 GWh, -2.5 GWh, of which -1.5 GWh in the North), even though with a monthly trend that saw the differences with 2022 came down progressively during the year, and coal plants (1.4 GWh, -1.0 GWh), where the decrease was concentrated as from April and included all areas, also in relation to the termination of the programme to maximise thermal plants supplied by sources other than gas pursuant to Art. 5-bis of Italian Decree-Law no. 14/2022, introduced to deal with the instability of the national natural gas system resulting from the war in Ukraine. Sales of renewable sources grew on the other hand (10.7 GWh, +1.2 GWh), supported especially by an overall recovery in water (4.8 GWh, +1.0 GWh, of which +0.8 GWh in the North), combined with the increase in wind (2.5 GWh, +0.2 GWh) and solar (2.8 GWh, +0.1 GWh). Due to these trends, the portion of national sales covered by renewable sources rose to 42.1% (+7.6 p.p.), just below the peak recorded in 2014. Regarding other markets managed by the GME, volumes traded on the Intraday Market (IM) reached historic highs, at 29.1 TWh. The trend appears supported by growth in the trades recorded on auction (22.3 TWh, +0.4 TWh), but especially on the XBID (6.8 TWh, +2.8 TWh), where over 3.5 million couplings were observed, which was more than double compared to 2022. The Forward Electricity Market (FEM), which had traded volumes for 134 GWh, the annual baseload product relating to 2024 closed the trading period in December at € 111.07/MWh. Finally, transactions on the OTC Registration System were down once again.

The volumes of electricity traded on the DAM, came down to 278.0 TWh (-3.9% on 2022), mainly reflecting the drop in over-the-counter trades recorded on the OTC Registration System and recorded on the DAM at their historic low (68.1 TWh, -13.0%). The power exchange component on the other hand, held up (209.9 TWh, -0.5%), favouring an increase in market liquidity to 75.5% (+2.6 p.p.), with this figure lower only than the historic peak in 2021.

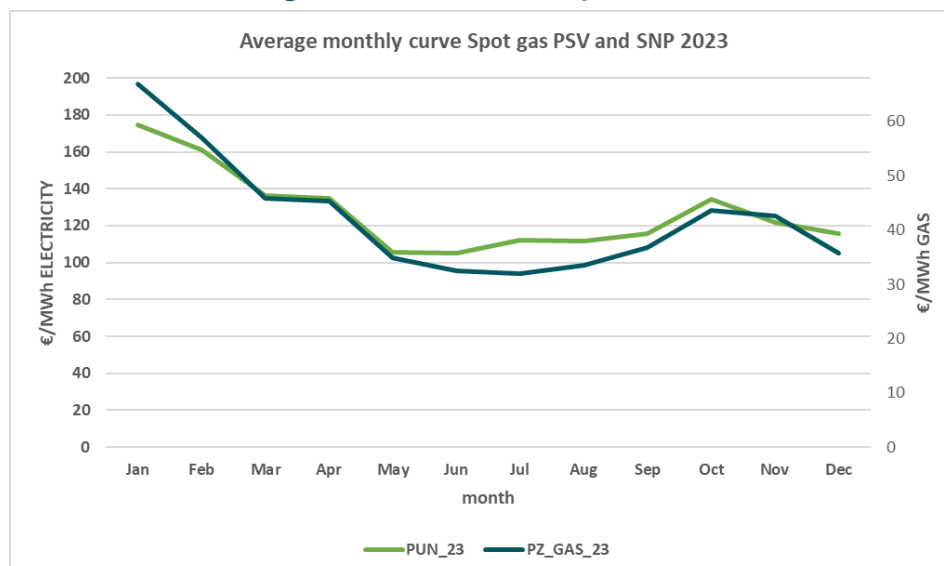
**Figure 2 SNP and TTF Gas Trends**

Source: TTF Gas prices (Bloomberg); SNP (Gestore dei Mercati Energetici – GME S.p.A.)

Similarly to 2022, the chart shows a clear correlation again in 2023 between gas prices and the SNP.

This is due to the composition of the national generation pool, where despite consistent growth in installed renewable power, the Marginal Price mechanism operating the DAM market, determines that in many hours, the marginal plant is almost always turbogas, and consequently the SNP reflects the marginal costs for this type of plant.

This phenomenon is more evident from the analysis of Figure 3, which for 2023 shows the average monthly SNP trend compared to the average monthly PSV gas spot prices.

**Figure 3 SNP and PSV Gas Spot Trends**

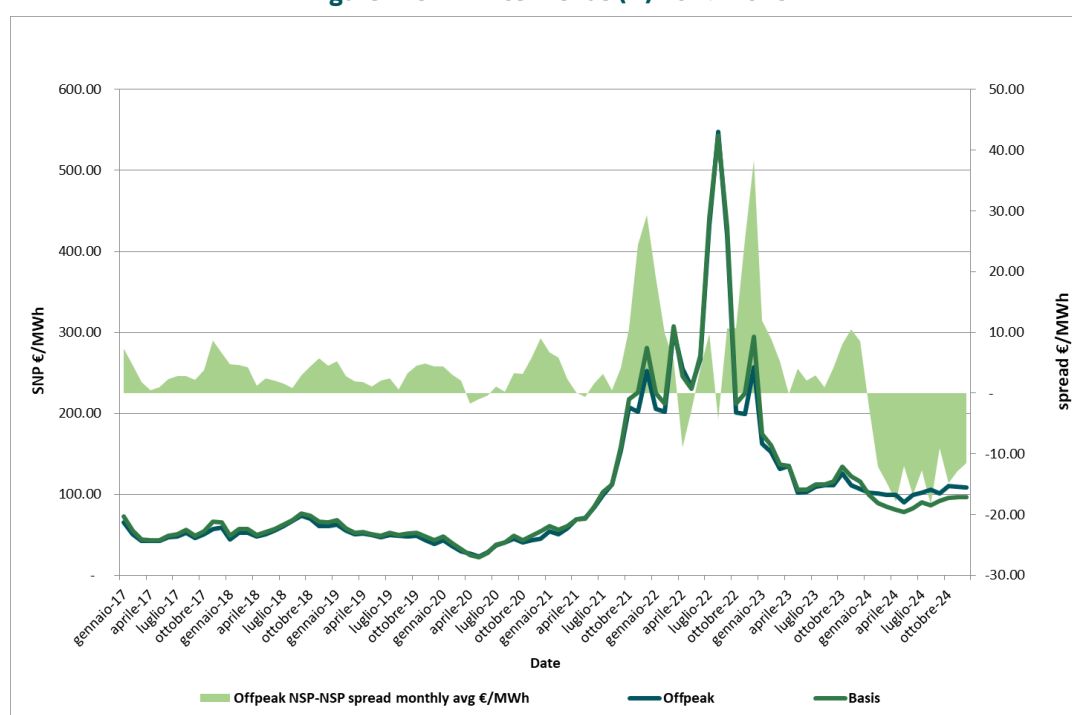
Source: Internal processing, Acquirente Unico



It is easy to see how the correlation between gas and electricity prices is also evident for 2023. The only difference compared to 2022 refers to the speed of the growth (or decline) between the different months for SNP and Gas. In fact, compared to 2022, in 2023 the SNP value decreased more slowly and grew quicker in relation to the corresponding gas prices.

Figure 4 shows the average monthly SNP (all hours of the month) and the Off-Peak SNP (from 8:00 pm to 8:00 am Monday to Friday and all hours Saturday and Sunday).

**Figure 4: SNP Price Trends (<sup>11</sup>) 2017-2023**



SNP data source: Gestore dei Mercati Energetici – GME S.p.A.

## Energy supply

Acquirente Unico guarantees the supply of electricity to customers of the Enhanced Protection Service.

Following approval of the Resolution 633/2016, reforming the conditions for the Enhanced Protection Service, Acquirente Unico obtains its supplies exclusively on the spot markets (DAM and MPEG), without signing any type of coverage contract.

<sup>11</sup>SNP: Single National Price, Article 42.2(c) of the Integrated Text on the Electricity Market, approved by Italian Ministerial Decree dated 19 December 2003, as amended

The table below provides a comparison between 2023 and 2022 of purchases for the Enhanced Protection Service.

**Table 9: Energy supply for the Enhanced Protection Service 2023 vs. 2022**

Type of supply	2023		2022		Change	
	GWh	%	GWh	%		
<b>a) Purchases on the Spot Electricity Market (SEM)</b>						
a.1) DAM	18,112.5	97.99%	27,797.0	100.40%	(9,685)	-34.84%
a.2) DPM	185.6	1.00%	-	-	185.6	
<b>Total purchases on Spot Markets (a.1+a.2)</b>	<b>18,298.1</b>	<b>99.00%</b>	<b>27,797.0</b>	<b>100.40%</b>	<b>(9,499)</b>	<b>-34.17%</b>
<b>b) Unbalances</b>	185.1	1.00%	(110.3)	-0.40%	295	-267.83%
<b>Total energy purchases (a+b)</b>	<b>18,483.2</b>	<b>100.00%</b>	<b>27,686.7</b>	<b>100.00%</b>	<b>(9,203)</b>	<b>-33.24%</b>

**Source: Internal processing, Acquirente Unico.**

A decrease in energy requirements was recorded in 2023 compared to the previous year, from 27.69 TWh to 18.48 TWh, approximately 33% less.

In 2023, electricity demand (18.48 TWh) was almost entirely satisfied through purchases from the power exchange (DAM), with only 185.6 GWh purchased on the Daily Products Market (DPM) platform.

More specifically, 18.11 TWh were purchased on the Day Products Market, at a unit cost of € 134/MWh, compared to the unit cost of € 310.3/MWh in 2022, while the DPM unit cost was € 128.2/MWh.

Lastly, the average annual cost of supplies, also considering unbalances, was € 134.9/MWh in 2023, compared to € 311.7/MWh in 2022, excluding costs relative to energy services.

## Unbalances

Under ARERA Resolution no. 111/06, in 2023, the time offsets between the final and binding programs to cover the energy needs of the Enhanced Protection Service amounted to 185.1 GWh, around 1% of total requirements.

## Costs of energy supply

Energy supply costs for 2023, including service costs and net of revenue other than what was transferred (unbalancing, etc.), totalled € 2,727,342 thousand, of which € 2,492,408 thousand

for the purchase of energy and the remaining € 234,934 thousand for dispatching and other service costs (Table 10).

**Table 10: Costs for supplying energy**

<i>€ thousand</i>	2023	2022	Changes
<b>Total cost of energy purchases net of other revenue</b>	<b>2,492,408</b>	<b>8,631,120</b>	<b>(6,138,712)</b>
Total dispatch cost	232,262	460,852	(228,589)
Total cost for other services	2,672	7,803	(5,131)
<b>Total cost for dispatch and other services</b>	<b>234,934</b>	<b>468,655</b>	<b>(233,721)</b>
<b>Total cost of energy net of other revenue</b>	<b>2,727,342</b>	<b>9,099,775</b>	<b>(6,372,432)</b>

Source: Internal processing, Acquirente Unico

## Electricity sales to companies operating in the enhanced protection service

At the end of 2023, the number of companies providing the enhanced protection service was down to 94, compared to the 99 in 2022, showing an acceleration in the ongoing process of consolidation between enhanced protection operators, also in view of the imminent termination of the service for all non-vulnerable domestic customers from 1 July 2024.

The quantities invoiced monthly by Acquirente Unico to the enhanced protection service operators are defined based on ARERA Resolution ARG/elt 107/09 (Integrated Settlement Text), as amended.

The invoicing and payment settlement methods are instead governed by ARERA resolution 208/2022/R/eel, as amended (Integrated Sales Text, TIV).

In 2023, following the settlement of balances by Terna with dispatching users, Acquirente Unico made balancing adjustments for all operators of the enhanced protection service for the energy sold in 2022, as well as for the late adjustments for the previous five years (2017–2021).

## Sale price

The sale price of electricity for operators of the enhanced protection service is determined by the criteria set by ARERA resolution no. 491/2020 and is equal to the sum of four components:

- the weighted average unit costs incurred by Acquirente Unico in the hours included in a given time slot (F1, F2, F3), for the respective amounts of electricity;
- the unit cost incurred by Acquirente Unico as a dispatching user for the enhanced protection service in the hours included in those time slots;

c) the unit price recognised to Acquirente Unico for electricity purchases and sales for the enhanced protection market;

d) the unit cost incurred by Acquirente Unico to cover financial charges generated by using financing channels to purchase electricity on the day ahead market destined for enhanced protection customers.

Table 11 shows the trend in the sale price in individual months of 2023, broken down by hourly bands.

**Table 11: Sale prices for 2023 (€/MWh)**

	Monthly Total 2023 (€/MWh)											
	January	February	March	April	May	June	July	August	September	October	November	December
F1	215.246	196.735	157.306	148.734	121.884	123.563	136.177	125.210	132.063	159.559	153.926	143.844
F2	203.363	196.019	171.590	168.529	133.750	135.256	146.900	146.351	143.839	164.713	142.494	130.931
F3	178.081	166.031	141.571	139.897	106.205	111.751	125.605	118.428	119.122	133.648	120.652	120.046
<b>Average</b>	<b>198.349</b>	<b>186.547</b>	<b>156.706</b>	<b>151.297</b>	<b>119.703</b>	<b>122.549</b>	<b>135.261</b>	<b>128.546</b>	<b>131.293</b>	<b>151.698</b>	<b>138.698</b>	<b>129.992</b>

Source: Internal processing, Acquirente Unico.

## Gradual Protection Service - Electricity

Implementing the Authority's directives, during 2023, Acquirente Unico carried out the tender procedures to assign the Gradual Protection Service for non-vulnerable domestic customers, for the period 1 July 2024–31 March 2027.

## Supplier of last resort and Default distribution service - Gas

Based on the guidelines provided by the Authority, in the month of September 2023, Acquirente Unico carried out the tendering procedures to identify suppliers of last resort and the natural gas default distribution service for the next thermal years (1 October 2023 – 30 September 2025). Enel Energia SpA and Hera Comm Srl emerged as the winners of the last resort supply service. Hera Comm Srl was the winner of the distribution default service.

## ACTIVITIES IN SUPPORT OF OPERATORS AND END USERS

### Energy and Environment Consumer Help Desk

The Energy and Environment Consumer Help Desk functions on the basis of three-year projects proposed by the Authority for Energy, Networks and the Environment (ARERA) and 2023 is the first year of activities envisaged in the “2023-2025 Operating Project”, approved with Resolution 694/2022/E/com of 20 December 2022.

The Help Desk continued to serve as the single contact point in 2023 for the effective management of disputes and requests for information from electricity and gas consumers and users of the integrated water service (Resolution 383/2016/E/com, TICO-Integrated Mediation Text and Resolution 55/2018/E/idr, amended by Resolution 142/2019/E/idr), as well as the *Telecalore* (district heating and district cooling) requests (Resolution 537/2020/E/tlr) and information requests received from users of waste services (Resolution 197/2018/R/rif).

Support to consumers was strengthened during the year in resolving disputes, with mandatory reconciliation for all customers in the water and district heating sectors as well as the electricity and gas sectors.

The **Mediation Service** operates through a Manager, a Technical Secretariat, a Technical Support team and a team of 62 *mediators* comprising Acquirente Unico employees and outside professionals selected through agreements with the Milan and Rome Chambers of Commerce to optimise the structure’s flexibility in terms of organisational requirements or to meet any spikes in requests.

The **Special Procedures** (also referred to as SMART Services) have made it possible to resolve specific problems (*social bonuses, CMOR cancellation, contracts not requested pursuant to Art. 8 and 9 of Resolution 153/12, lack of indemnity, double billing*), and responded to requests for information on specific issues (*CMOR amount and supplier, transfer supplier, switching date and supplier*).

In 2023, work also continued on managing the “Declaration forms” sent to the Help Desk by **Indirect Gas Bonus Customers**, referring to the DSUs submitted between 2021-2023. These refer to Customers benefiting from a *centralised supply of natural gas for domestic heating purposes*, and the procedure aims to identify the number of such parties entitled to the bonus who cannot

be traced in the systems managed by the IIS. The activity is managed online through the Customer Help Desk Portal, with the exception of Customers who confirm they have no access to the Internet, and allows verification that the necessary conditions are satisfied for eligibility for the Bonus from the IIS.

The **Toll-free number 800.166.654** continued to provide information services to customers in the energy sectors and to users in the environmental sectors regarding the social bonus, to indirect gas bonus customers, and on tools for resolving disputes with providers, on consumer regulations and rights, on cases opened and still in progress with the Help Desk, on the Offers Portal/Consumers Portal, on accredited Procurement Groups, the Gradual Protection Service, and as from September 2023, on the Service for Vulnerable Customers.

The Help Desk also managed requests for information, applications and reports of users of the waste sector, including separated, urban and similar waste.

All services are assessed on the basis of a *set of service level agreements (SLAs) agreed with the Authority*, aimed at assessing case management times, the quality of actions taken by the Help Desk, accessibility to the toll-free number system, the average wait time and service level.

The Help Desk submits *quarterly and annual reports to the Authority*, providing details of the activities performed and the results achieved, and identifying proposals intended to strengthen consumer protection and ensure the utmost transparency, publishing these results quarterly on [www.sportelloperilconsumatore.it](http://www.sportelloperilconsumatore.it), also accessible via the Authority's website.

The website provides all the information needed to understand Help Desk services and outcomes and access to the *Customer Help Desk Portal* (Portal), to fully manage one's requests online, from sending the request to adding documentation, checking on pertinent documents and determining the case status.

In 2023, access to the **Customer Help Desk** on-line services was further enhanced with the activation of the level 2 Electronic ID Card (EIC), which combines with the SPID and level 3 EIC. Level 2 EIC does not require a smart card reader or specific technologies to gain access to the system (as for example the NFC required for access with level 3), needing only prior registration on the Ministry of the Interior website and the use of the APPCIE ID.

All the Help Desk services are available via PC, mobile phone and tablet, while the Mediation Service can also be reached through the dedicated app.

## Contact Centre

In 2023, through the toll-free number and in writing, the Contact Centre provided information on opportunities and consumer rights in the electricity, gas, environmental (integrated water services, *telecalore* -district heating and district cooling- and waste) markets, on tools for resolving disputes with their suppliers, procedures for obtaining social bonuses (electricity, gas and water) and the bonus for indirect gas customers, on the Electricity Offer Portal and Gas Offer Portal, accredited Procurement Groups, and the status of cases in progress with the Help Desk, as well as the Gradual Protection Service, and from September 2023, on the Service for Vulnerable Customers.

The Contact Centre operates through a team of AU staff and a team managed by the co-sourcer awarded the service, able to guarantee the flexibility of the structure necessary to respond to any spikes in calls.

During the period, the *toll-free number 800.166.654* handled around **1,546,809** calls during operating hours (Monday-Friday, 8:00 am to 6:00 pm, excluding holidays), and **37,450** written requests for information (**+23%** compared to 2022). Requests for information relating to the procedure and to the communication addressed to *Indirect Customers* on eligibility for the Gas Bonus for centralised heating use represented **6%** of total calls to the toll-free number and **37%** of the total written requests, requiring the handling of volumes characterised by strong peaks that even exceeded **9,700** daily calls.

Even with the sharp increase in volumes and peak call times, the Toll Free Number achieved the following *service levels*:

- **90%** service level (operator responses/calls) vs. the 85% established in the TIQV;
- **98%** service accessibility (telephone lines availability) vs 95% set by the TIQV;
- **152** seconds average wait time to speak to an operator (including messages from the automatic answering system) vs. 180 seconds established in the TIQV;
- **95%** of consumers were satisfied with the service received, based on the evaluation given by around **53%** of consumers contacting the Toll Free Number.

## Special Procedures and Notifications

Requests for SMART Services (Special information and settlement procedures) and Notifications from consumers are identified, registered and classified by the *Special Procedures Unit* which, after creating a digital file, analyses requests and, based on the subject, verifies the data required on

the Integrated Information System (IIS), or sends the appropriate information requests to the operators concerned until the issue is fully resolved or reports the case to ARERA for issues falling under its responsibility.

The **Unit** operates with:

- a *Technical Secretariat*, for registration, creation of files and sorting of incoming documents, which also provides support to operators/managers with regard to the authorisation procedure for the Operators/Managers Portal and assists with resolving any technical/operating problems;
- a *team of experts* specialised in dealing with various issues in the sector.

In 2023, **728,330 documents** were managed (+53% compared to 2022), ensuring their registration and routing to the competent resources on the same day as entry in the Help Desk Protocol. **124,304 new requests** were analysed and managed for the activation of SMART services and Notifications (+1% compared to 2022), **188,569** Indirect Gas Bonus Customer declaration forms (+94% compared to 2022) and **74,066 responses** from Customers/users and operators/managers.

Customers/users who requested support expressed a *positive assessment of the service received* in **96%** of cases.

The Unit also sent **notifications and reports** to ARERA on the actions of energy providers against whom a significant number of claims of unfair trading practices were received.

## Mediation Service

*Mediation* is the main tool available to energy, gas, water and district heating services' customers to resolve second level disputes relating to issues governed by the Authority, as well as a necessary condition for accessing ordinary court proceedings. The Service has become *mandatory* for all users in the water and district heating sectors as from 30 June 2023 (Resolution 233/2023/E/com).

The mediation procedures are managed entirely online, free of charge to the end customer/user, in the presence of a specifically trained mediator for the electricity and environmental sectors, in compliance with European regulations on energy and alternative dispute resolution (ADR).

The submission of mediation requests, as well as case-related meetings and management, is performed by accessing the Service web platform, combined with virtual rooms in which the parties meet in the presence of a mediator, who works to reach an agreement between



customers/users and operators/managers, recognises and handles single sign-on digital signatures for the minutes which are enforceable documents.

The Mediation Service operates through a Manager, a Technical Secretariat and a team composed at present of 62 mediators comprising Acquirente Unico employees and external professionals selected through agreements with the Rome Chamber of Commerce and the Milan Arbitration Chamber in order to guarantee necessary flexibility to the structure in terms of organisational requirements or to meet any spikes in requests.

In the period under review, the Service received **32,677** requests (**+34%** compared to 2022), with the involvement of more than 438 vendors and distributors in the energy sector, 151 operators in the water sector and 5 *telecalore* operators.

**81%** of conciliation requests were accepted and led to an agreement between the parties after an average of about **53** days with a minimum of **6** days.

**95%** of mediation participants were satisfied with the service received and result achieved.

During the period, the Mediation Service also provided training sessions on ARERA service operations as part of the “Legal Clinics” Project promoted by the Law Departments of LUISS University in Rome and Roma TRE.

## Monitoring and Services

The structure carries out performance monitoring and reporting on the Help Desk’s performance, prepares periodic reports for ARERA and AU, and identifies qualitative service levels for processes.

It also defines and updates operating procedures and tools following regulatory changes in the sectors managed, as well as training to update the skills of AU and external personnel who support the various services. Its activities include actions targeting the improvement of relations with external parties (Authorities, Consumer Associations, operators/managers, etc.).

## Integrated Information System

### Retail market operators and users

There were a number of operators working on the retail market in 2023 for both the electric and gas sectors included approximately 760 electricity operators (including distribution companies,

dispatch users, enhanced protection service operators, vendors, Terna and Cassa per i Servizi Energetici e Ambientali), around 990 gas operators (including distribution operators, transport operators, distribution users, sales companies and balancing users); also of note are the approximately 660 water operators (Managers of the integrated water service).

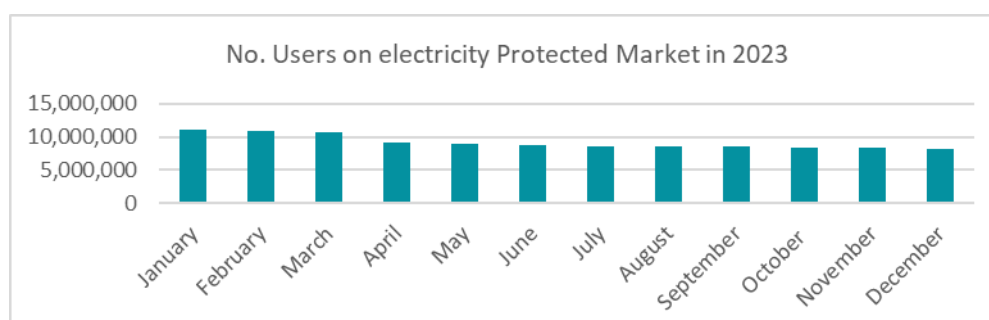
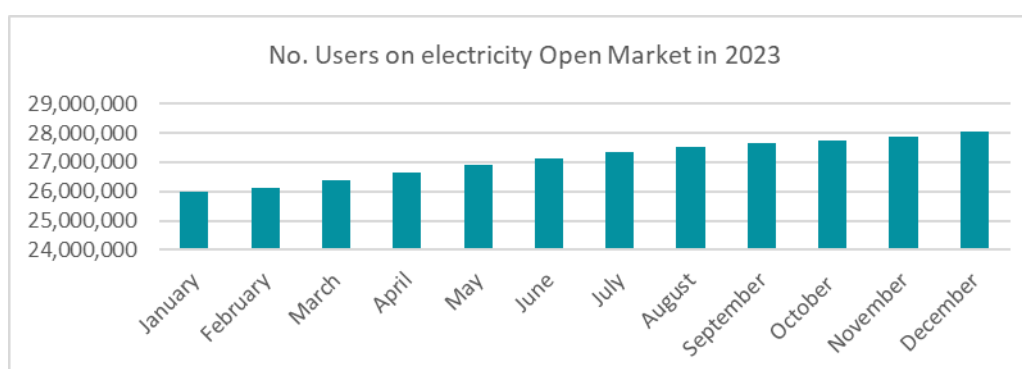
With reference to the number of active contracts:

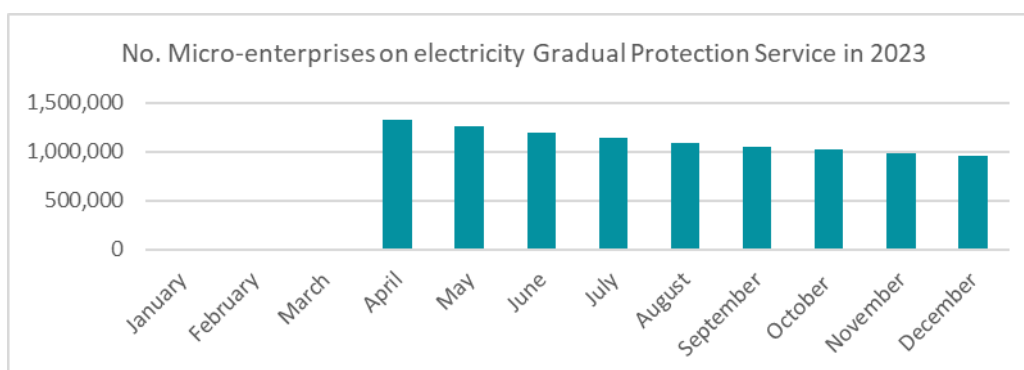
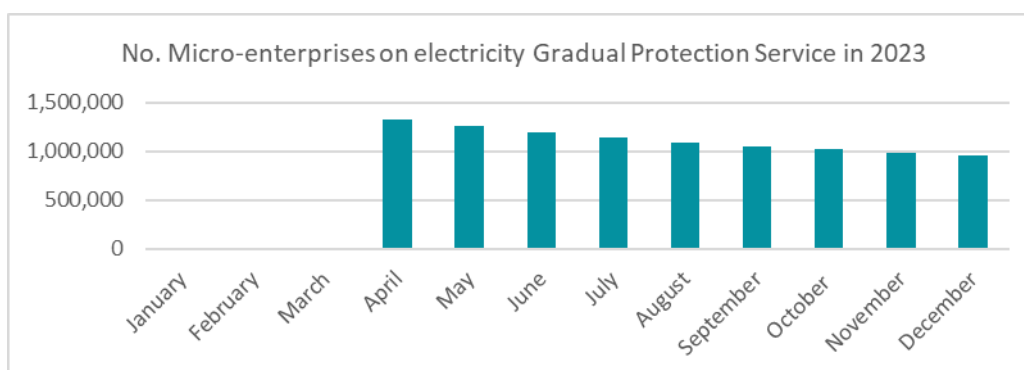
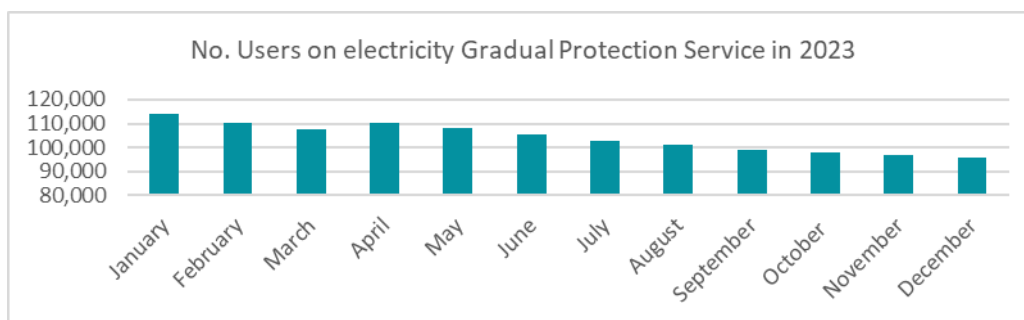
- the electricity sector recorded the number of active delivery points as around 37.4 million;
- in the gas sector, the number of active contracts related to around 21.9 million redelivery points.

### Operations in the Electricity Sector

Processing of the data handled by the IIS in the Official Central Register shows a gradual increase in electricity supplies active on the Open Market, increasing from 26 million to around 28 million during the year, with a corresponding decrease in supply provided through the Enhanced Protection service, which fell from 11 million to about 8 million, plus 94 thousand supplies through the Safeguard and 96 thousand through the Gradual Protection Services and around 1 million for the Micro-enterprises Gradual Protection Service.

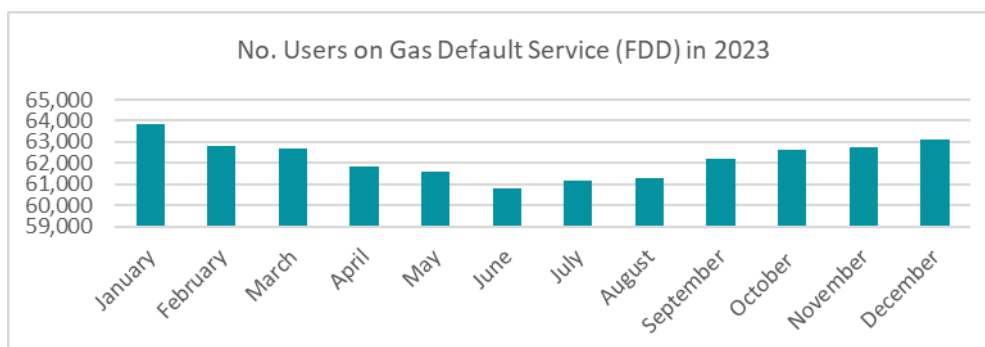
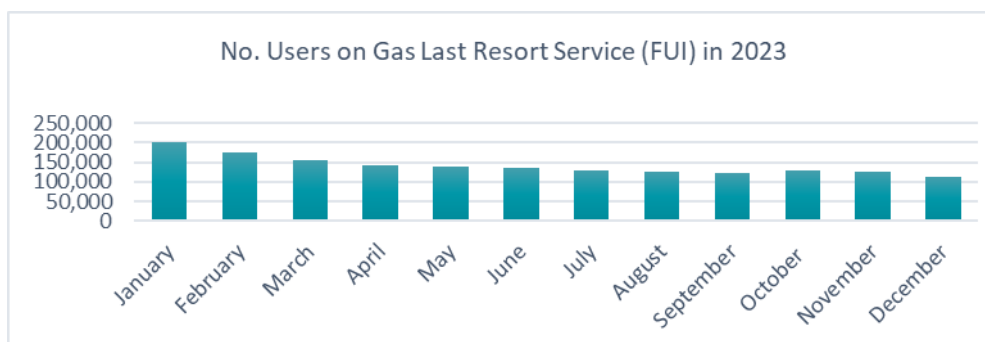
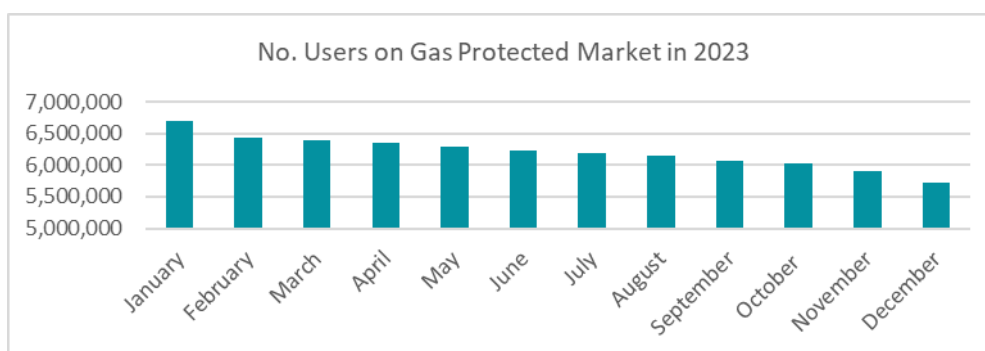
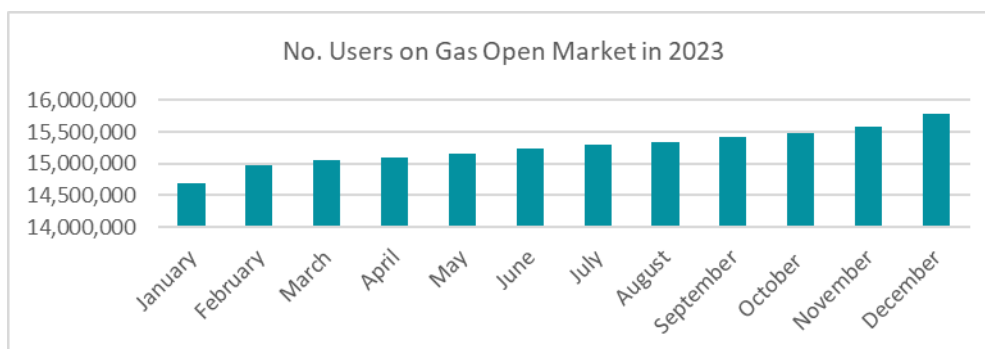
The charts below show the trend in supplier changes in the electricity sector.





## Operations in the Gas Sector

Processing of the data handled by the IIS in the Official Central Gas Register shows a gradual increase in gas supplies active on the Open Market, increasing from 14.7 million to 15.8 million during the year, with a corresponding decrease in supply provided through the enhanced protection service, which fell from 6.7 million to 5.7 million, plus 63 thousand users on the Default market and 113 thousand on the Last Resort service.



During 2023, the development of new processes, referred to hereunder according to operating sector and the optimisation of processes already active on the IIS were carried out. In addition,

close collaboration with ARERA continued for the standardisation of flows, re-engineering and the development of new market processes.

## Electricity Sector

The main developments in 2023 concerned:

- Design and start up of the Protection Service for Vulnerable end customers on the electricity market, to guarantee competition and the protection of more vulnerable customer during the stage when price protection for domestic end customers is removed, with the transition to the Open Market.
- Start-up of the Gradual Protection Service for Micro-enterprises pursuant to Resolution 208/2022/R/eel.
- Design of the EE consumption meter, a tool supporting operators in correctly managing measurement data and promptly correcting anomalies in measurement flows and the data reported as inconsistent in the scope of the monthly electricity Settlement by the Operator and IIS, and to correctly assign physical items.
- Start up of the new standard electricity metering flows to allow the management of alleged impediments to accrual of the two-year limitation period following Resolution 603/2021/R/com within the scope of standard meter readings and change of meters.
- Start up of the electricity reform and negative injected energy - with Resolution 285/2022/R/eel, ARERA approved Annex A78 to the Terna Transmission Code referring to the measurement algorithms for the calculation of drawn down electricity for consumption relating to auxiliary generation systems subsequently re-injected into the network by the storage systems (negative injected energy, returning the management of the negative injected figure between Terna and the IIS) and with Resolution 142/2023/R/EEL defined the management of the EIN data by IIS in the electricity Settlement.
- Design, development and start-up of the centralisation in the IIS of electricity sector technical services regarding supply suspension for arrears and subsequent reactivation, pursuant to Resolution 638/2022/R/eel.
- Management of inter-month switching for all Protection Service customers signing a new supply contract, pursuant to Resolution 29/2023/R/eel.

During the year, the management of processes commenced in previous years continued and was strengthened:

- Acquisition and provision of electricity metering for all meters to dispatching users and to enhanced protection operators, with the use of the new unified meter reading records for the electricity sector (Resolution 594/2017/R/eel).
- Supplier switching, with simultaneous verification of compliance with the guarantees provided to Terna to cover dispatching costs.
- Management of charges and reimbursements for the in-bill TV licence fee.
- Monthly management of the flows necessary for network balancing and forecast consumption (Settlement), of the flows of metering aggregates for points processed hourly and of flows for SEM management.
- Timely update of the RCU following requests for contract activation, deactivation and termination for arrears.
- Precheck to confirm matching of the DP to the identification details of the DP end user.
- Execution of the change of end user name on active contracts after transfers.
- Management of the service for configurability of the new second generation meters, governed by Resolution 88/2018/R/EEL.
- Calculation of the hourly aggregates adjustment using all electricity meter readings acquired from the IIS, in the new big data environments.
- Management of the change and configuration of the 2G meter.
- Transfer (change of supply holder) with simultaneous change of supplier.
- Management of transport contracts between Distributors and DUs and in DU-Vendor couplings.
- Management and application of the procedures and applications necessary for automatic recognition of the Electricity Social Bonus governed by Resolution 63/2021/R/com and subsequent amendments.
- Management of the indemnity system as envisaged by the Integrated Text for the Indemnity System (TISIND) charged to end users in arrears in the electricity sectors.
- Acquisition and processing of information envisaged in the TIMR as part of retail monitoring, support to ARERA for the drafting of the Annual Report.
- Management and monitoring of the correct execution of electricity sector processes.
- Management of Technical Round Tables with Users and Market Operators.

## Gas Sector

The main developments in 2023 concerned:

- Design and start up of the Protection Service for Vulnerable end customers on the natural gas market, as per Resolution 102/2023/R/gas, in which ARERA defined the procedures for identifying vulnerable customer on the natural gas market, to guarantee competition and the protection of more vulnerable customer during the stage when the protection of price for domestic end customers is removed, with the transition to the Open Market.
- Start up of the new standard gas metering flows to allow the management of alleged impediments to accrual of the two-year limitation period following Resolution 603/2021/R/com within the scope of standard meter readings and change of meters.
- Start up of the new technological model for the process to implement the Reform for the transfer processes for gas capacity at exit and delivery points on the transport network.
- Versioning of the preliminary processes for the start of the reform for Capacity transfers. Definition of processes to manage the functional devices for the transmission of capacity data during the year in the event of the creation/upgrade of a REMI, and used also in calculating the Capacity itself. Completion of the functions to manage future connections required to correctly assign gas allocations.
- Start up of gas settlement optimisation and RDP Sterilization to minimise measurement errors for the RDPs that exceed the maximum capacity volume permitted by the meter's calibre.
- Start up of the calculation process and definition of indemnity values for gas meters by Distributors in relation to Distribution Users by daily smart meter points (pilot and operational stages).
- Reform of the process for transferring capacity to exit and delivery points on the transport network.

During the year, the management of processes commenced in previous years continued and was strengthened:

- Gas consumption meter as a tool to support operators in the correct management of metering data and the timely correction of anomalies on gas metering data in order to significantly improve settlement data for the correct allocation of gas accounting items.
- Monthly management of flows necessary for network balancing and consumption forecasting (settlement).

- Timely update of the gas RCU with the results of applications for contractual activation, deactivation, suspension and termination for arrears.
- Precheck to confirm matching of the RDP to the identification details of the DP end user.
- Acquisition and provision with an official value of gas metering, as required by Resolution 488/2018/R/gas.
- Execution of the change of end user name on active contracts after transfers;
- Execution of supplier switching, together with the management of contractual termination and activation of last resort services.
- Acquisition and certification by the IIS of the technical and identifying data of the RDPs, in accordance with the provisions of Resolution 271/2019/R/gas.
- Management of the identifying data of "City Gates", sent by the Transport Companies.
- Procedures for calculating annual consumption and the standard withdrawal profile for the 2022-2023 thermal year.
- Management of the matching of Balancing User (BU) to Redelivery Point (RDP) on the distribution network, as governed by Resolution no. 155/2019/R/gas, as amended and supplemented, and the activation of last resort services in cases with no valid match.
- Management of RDP status changes and verification of consistency of the category of use, withdrawal class, AC and profile code.
- Management of annual gas settlement balancing sessions.
- Management and adoption of the procedures and applications necessary for automatic recognition of the direct and indirect Gas Social Bonus, governed by Resolution 63/2021/R/com and subsequent amendments.
- Management of the indemnity system as envisaged by the Integrated Text for the Indemnity System (TISIND) charged to end users in arrears in the natural gas sectors.
- Acquisition and processing of information envisaged in the TIMR as part of retail monitoring, support to ARERA for the drafting of the Annual Report.
- Management and monitoring of the correct execution of gas sector processes.
- Management of Technical Round Tables with Users and Market Operators.

### Management of the Social Bonus

The electricity, gas and water social bonuses are a measure aimed at reducing the expense incurred for the supply of electricity, natural gas and water by households suffering economic or



physical hardship. The bonuses were introduced gradually over the years by national legislation and subsequently implemented under the regulatory measures of the Authority.

Decree Law 124/19 requires, from 1 January 2021, the electricity, gas and water bonus to be paid automatically to eligible citizens/households, with the goal of guaranteeing payment to all eligible parties with no need for submission of a specific application or renewal request.

Due to the continuous regulatory amendments over the 2022-2023 period, a number of development interventions were undertaken to align the management and disbursement of the Bonuses. These interventions became necessary due to the specific period characterised by rather high price peaks, which resulted in various legislative amendments by the Government and the Regulator.

The main developments in 2023 concerned:

- The procedure for processing the automated Water Social Bonus was implemented with the start-up of the process for the recognition and settlement of the Water Bonus pursuant to Resolution 63/2021/R/com, as well as the recovery for 2021-2022 according to the simplified regulations envisaged by Resolution 106/2022/R/com and 651/2022/R/com for the new authorised Water Operators.
- Procedure to automatically update the details of Water Operators (ATID), sent through to the Authority on a monthly basis.
- Change to the procedure for Indirect Gas Bonuses (elimination of RDP-type checks).
- Implementation of procedures for updating the supplementary fee components as required by the automated electricity, gas and water Social Bonus.
- Updating of the process for the acquisition and processing of DSUs sent by INPS to disburse the Social Bonus after the ISEE threshold was raised for accessing electricity, gas and water Social Bonuses pursuant to Resolution 13/2023/R/com with the introduction of a new benefit category (B-bis or class S).

### **Offer Portal for comparison of offers for electricity and gas**

The Offer Portal ([www.ilportaleofferte.it](http://www.ilportaleofferte.it)), established under paragraph 61 of Annual Law for the Market and Competition no. 124 of 4 August 2017, serves to collect and publish current offers for the retail electricity and gas sales market, in particular for domestic users, companies with low-voltage connections and companies with annual consumption not exceeding 200,000 standard cubic metres (scm).

Creation of the Portal was governed by Resolution 51/2018/R/com. The first phase focused on the comparability of PLACET offers (acquisition of offers, definition and development of algorithms for calculating annual expenditure and estimating consumption, design and development of the portal interface). The second phase on the other hand, analysed and implemented the necessary adjustments to manage other types of offers on the Open Market, as well as the filters and functions generally envisaged in the Resolution.

In accordance with Decision DMRT/EMS/3/2018 and Resolution 848/2017/R/com, the IIS acquires the PLACET offers and prepares monthly control reports in relation to the obligation for vendors to publish PLACET offers. Also, as envisaged in Resolution 51/2018/R/com, it prepares a quarterly report with traffic data, Offer Portal performance and the number of offers available on the Portal, with updating frequency. Reports produced also include PLACET prices and contracts signed, as part of retail monitoring, market analysis and fair trade activities.

Market offers and operator requests were also constantly monitored in 2023. Based on such monitoring, the implementation of a new report was assessed, which allows the comparison of new offer types placed on the market by operators. The changes to the process referred to the introduction of early withdrawal fees and the inhibition of special characters in the Offer Code.

The main developments in 2023 concerned:

- The management of the Offer Code and savings calculation - a new comparative function between a customised offer that the customer received from a vendor, and the other offers available on the PO, accessible by entering the Offer Code.
- Managing the end of the Enhanced Protection and updates following the entry into force of the Gradual Protection Service for Micro-Enterprises.
- Update following the entry into force of the Vulnerability Protection Service.
- Introduction of information relating to the possibility of early withdrawal fees.
- Development of a light PO version that can be incorporated in other websites (e.g. newspapers).
- Amendment to the Portal's information content, introduction of a disclaimer for the end of the Gas Protection and Enhanced Protection.
- Update on the results of the Customer Satisfaction questionnaire.

## Consumption Portal to allow electricity and gas end users to access their consumption data

The Consumption Portal ([www.consumienergia.it](http://www.consumienergia.it)), planned under the 2018 Budget Law (Italian Law no. 205 of 27 December 2017), was established to allow end users access to their electricity and gas consumption data in the IIS. Access to the Portal, after SPID or EIC authentication, allows end users and SMEs to view, in particular, all information regarding the supply of electricity and natural gas on their account, including historic consumption data and other information about supplies, both technical and contractual. It is presented in a simple and secure way, free of charge, particularly with reference to domestic users, companies connected through low voltage and companies with annual consumption not exceeding 200,000 standard cubic metres. The aim is to increase awareness of end consumers' energy consumption habits and become cognisant of one's own energy footprint.

Creation of the Portal was governed by Resolution 270/2019/R/com, effective as of 1 July 2019. For its implementation, an external website to the IIS was created, in which interfaces for end user access were implemented, integrated with SPID or EIC authentication as well as the search and navigation functions which allow customers to consult readings and consumption for the last 36 months, with varying levels of detail based on the commodity and the type of meter installed. An archive was also created for daily collection of data relative to electricity and gas RCU supplies and related readings. This archive is the official data source for Portal queries. Additionally, specific querying services for the archive were developed and application servers and data servers have been set up virtually to process query requests coming from the Portal interface, so as to not interfere with the ordinary operations in the IIS in executing market transactions.

The data obtained can be downloaded by end users at any time, in the most common digital formats. As established in Resolution 270/2019/R/com, the IIS prepares a quarterly report containing traffic data, user habits and the performance of the Consumption Portal. It also creates an annual report containing an assessment of its technological adequacy and any need for technology updates.

The main developments in 2023 concerned:

- Access via Electronic Identity Card (EIC).
- Management of technical flows and changing Electric meter (SMIS), making it possible to display the consumption by month/day, relevant to the replacement of the meter.
- Display of the Monthly Graph of Maximum Absorbed Power - displaying an histogram with the maximum value for Absorbed Power for each month under observation.

## Other activities

In 2023, in its role as IIS Manager, AU provided the necessary technical support to the Authority in defining development guidelines for processes to be managed through the IIS. This support mainly involved the issuing of the following documents:

- Update of ISEE value thresholds for accessing electricity, gas and water social bonuses for economic hardship, change to the benefit classes and updating procedures (Resolution 13/2023/R/com, Resolution 194/2023/R/com, Resolution 23/2023/R/com, Resolution 622/2023/R/com, Report 329/2023/I/com).
- Provisions for identifying vulnerable customers in the natural gas and electricity markets and for the removal of the natural gas protection service, and provisions for aligning the data required to manage supplies to enhanced protection customers and indemnities relating to managing non-alignment following the transfer to the gradual protection service for non-vulnerable domestic customers (Resolution 102/2023/R/gas, Resolution 100/2023/R/com, Resolution 383/2023/R/eel and Resolution 576/2023/R/eel).
- Change to the deadline for the application of TIQV regulations to end customers of the gradual protection service for micro-enterprises in the electricity sector, regulations for the provision of the gradual protection service for non-vulnerable domestic customers in the electricity sector and postponement of the deadlines to carry out the tender procedures for their assignment (Resolution 74/2023/R/eel, Resolution 362/2023/R/eel and Resolution 580/2023/R/eel).
- Update of the comparative schedules relating to prices for the supply of electricity and natural gas as from 1 July 2023, changes to the operational regulation of the Offer Portal and formal notice to comply with the obligation of sending the IIS PLACET offers (Decision 10/2023, Resolution 378/2023/R/gas and Resolution 513/2023/E/gas).
- Last resort services in the natural gas sector. Preliminary work to identify service providers as from 1 October 2023 and start of process (Consultation 293/2023/R/gas).
- Resolution of 30 March 2023 - Update as from 1 April 2023, of tariff components intended to cover general charges and additional components in the electricity and gas sectors (Resolution 134/2023/R/com and Resolution 297/2023/R/com).

- Start of process referring to amendments/supplements to the balancing and settlement gas and electric regulations (Consultation 377/2023/R/eel, Resolution 604/2023/R/gas, Resolution 336/2023/R/eel).
- Monitoring developments of electricity and natural gas retail sale markets (Report 343/2023/com).
- Regulations to reform of the processes for transferring capacity to transport network RDPs and RDPs linked directly to industrial users and thermo-electric users supplied in the scope of the transport default service (Resolution 334/2023/R/gas and Resolution 444/2023/R/gas).
- Approval of Integrated Electricity Dispatch Text (TIDE) and amendments to the Integrated Text of Provisions for Settlement of Physical and Economic Items Regarding the Natural Gas Balancing Service (TISG) - (Resolution 345/2023/R/eel and Consultation 351/2023/R/gas).
- Resolution 29/2023/R/eel - Urgent interventions on the switching procedure in the event of exiting the electricity safeguard service.
- Resolution 298/2023/R/eel – Testing of a self-dispatch and self-balancing system (Legislative Decree 210/21).
- Definition of procedures for monitoring prices applied to end customers previously served in the scope of the natural gas protection service and measures to render the transport tariff economical for customers that are major consumers of natural gas (Decision 1/2023 - DIME DSME, Resolution 410/2023/R/gas).

In addition, the extraction, processing and analysis of data available in the IIS were ensured, in support of ARERA, aimed at the definition of regulations, the definition of fee components of the enhanced protection service, as well as the definition of tenders for the award of last resort services for the electricity and gas sectors.

Additionally, activities continued relative to operating management and development of technological infrastructure and software applications created to provide services, ensuring operations for all accredited operators in both sectors.

## Monitoring of electricity and natural gas retail sale markets

Based on the provisions established in Resolution 173/2019/A, from 1 July 2019 “Retail Monitoring” activities ended the pooled system on behalf of the Authority, and were inserted as an organisational operating unit of the Integrated Information System. Due to its central role in managing both commercial processes and readings relative to the retail electricity and gas markets, the Authority made the IIS responsible for monitoring market trends, extending the areas and objectives to be handled.

The support provided to the Authority in obtaining and processing data and representative benchmarks was strengthened in 2023, while technical interface activities continued with the sales and network operators required to participate in the Retail Monitoring system. In order to reduce the information requirements originally established for market operators, as well as to provide sample data collection, the use of databases in the IIS was ramped up. These are also used to supplement the information used to calculate some of the benchmarks envisaged in the TIMR. A total of 12 data collections were managed on operator premises during the year, with 8 reports prepared for ARERA.

Retail monitoring analyses focused on non-payment issues, the default service, last resort supply service, closing invoices, period invoices, impact of estimated consumption with respect to actual consumption, economic renegotiation, both on the open and enhanced protection markets, and monitoring of PLACET offers (free pricing under conditions similar to protection).

## Italian Central Stockholding Entity (OCSIT)

At the start of the year, the MASE communicated the actual costs incurred by OCSIT during 2022. The final figures showed total costs lower than those planned in the budget. In detail, the final costs amounted to € 63,765 thousand, compared with an estimated € 64,546 thousand, marking savings of € 781 thousand. Following publication of the Interministerial Decree of 25 October 2023 in the Official Gazette on 20 December 2023, the 2022 contribution and the 2023 advance contribution were determined and divided among all operators.

With regard to the new stock obligations, the Decree of 19 April 2023 determining safety stocks and specifications of crude oil and/or petroleum products for the 2023 stock year established the total quantities of safety and specific stocks to be held by the system from 1 July 2023. Article 4

of the Ministerial Decree in question assigned storage requirements for specific Italian stocks relative to the current year. Specifically: 21 days for OCSIT and 9 days for obligated parties.

The decrease from 22 to 21 days of stock referring to the previous year is a direct consequence of the resumption of imports and consumption during 2022, which created an increase in the mandatory stocks at national level for 2023. Consequently, despite the stock increase following the additional quantities awarded with tenders for the 2023 stock year for 73,500 tonnes, the OCSIT obligation covered by its stock stood at 21 days of stock.

Therefore, OCSIT storage reached the level of 2,094 thousand tonnes of oil products, for a cumulative outlay in the period 2014-2023 of approximately € 1,013 million.

In July, the international ratings agency Standard & Poor's, after its annual review, confirmed the company's credit rating as "BBB/A-2" with stable outlook, in line with the country rating assigned to Italy.

By the deadline of 30 November, OCSIT communicated its 2024 Budget requirements to the MASE General Infrastructures and Safety Department.

During 2023, OCSIT initiated the procurement tenders for the 2024 and 2025 stock years, which were provisionally awarded for an additional 81,000 tonnes from 1 July 2024 and 113,000 tonnes from 1 July 2025, respectively.

Furthermore, tenders were undertaken in 2023 for the repositioning of the storage contracts entered into in 2019 and expiring on 31 March 2024, in which case the counterparties didn't have exercised the extension option for a further 5 years' storage. Specifically, tenders were initiated for 5,000 tonnes of gasoline, 7,064 tonnes of gasoil and 49,153 tonnes of jet fuel. On completion of the tenders, the new diesel contract was awarded to the outgoing company based on the tender procedure, whereas the relative tenders for the gasoline and jet fuel contracts were awarded, with these expiring on 31 March 2024, when the respective quantities will be sold to the tenderers of the sales tender launched in January 2024.

Finally, with regard to the storage contracts expiring at the end of March 2023, 2,000 tonnes of fuel oil was replaced with an equal quantity of gasoline for diesel engines. This arose because it was impossible for the counterparty to extend a storage contract for a time period that was not suitable for its development plans, combined with the proposal to replace the product with diesel. This operation allowed OCSIT to mitigate the risk of failing to replenish the product, which is currently difficult to find on the market with the end of stocks, and guarantee that stocks were maintained for products with the highest consumption.

The table below shows the book value of the stocks as at 31 December 2023, with breakdown by type of product supplied and held, and an indication of the relative quantities, according to tax records.

Products	Quantity (tons)	Amounts (euro)
Gasoline	363,758	189,194,682
Gasoil	1,435,705	681,213,611
Jet fuel	265,821	134,398,829
BTZ fuel oil	28,704	8,682,763
<b>Total</b>	<b>2,093,988</b>	<b>1,013,489,885</b>

## Gasoline Fund (OCSIT)

The activities of the Gasoline Fund (former Cassa Conguaglio GPL) continued during 2023, which was transferred to Acquirente Unico, through OCSIT, on the basis of Article 106 of Italian Law no. 124 of 4 August 2017.

In particular, there were two main operating drivers:

1. payment of environmental contributions and indemnities;
2. credit collection activities.

With regard to the first point, work on the payment of cases continued on those for which the Technical Committee had already issued an opinion of conformity and proposed settlement. In fact, the Gasoline Fund is responsible for carrying out preparatory controls prior to payment.

With reference to the point relating to the collection of past contributions, in 2023, on the basis of the action undertaken by the debt recovery company, an additional € 228 thousand was collected.

Finally, based on the Decree of the Director General of the MASE General Competitiveness and Energy Efficiency Department, dated 16 June 2023, as supplemented by the subsequent Directorial Decree of 30 November 2023, members of the Technical Committee for restructuring the fuel distribution network and relative secretariat were appointed for the three-year period 2023-2025.



## TESI Fund

During January 2023, the disbursement of the funds relating to 2020 benefit year was completed for the three applications, where technical preliminary investigation began in November 2022, based on the judgment no. 15306/2022 issued by the Lazio Regional Administrative Court, section Terza Ter, which cancelled Art. 4, paragraph 4 of the Directorial Decree aid to companies for indirect emission costs incurred in 2020.

Regarding the disbursement of aid relating to 2021, on 20 December 2022, MASE issued the order for the provisional granting of aid, authorising Acquirente Unico to record individual aid in the National State Aid Register, as soon as the funds to be disbursed to qualifying beneficiaries became available. In this regard, Art. 1, paragraph 708 of Italian Law no. 197 of 29 December 2022 postponed the disbursement to within 90 days from when the funds became available on the pertinent MASE budget items. Subsequently, based on proposals made by MASE, the annual Fund provision was increased by an additional € 6.8 million. Acquirente Unico then proceeded to draw up a new Report to update the amounts payable to qualified beneficiaries. Then with the adoption of a new provisional granting of aid by MASE, Acquirente Unico was authorised to record individual aid in the National State Aid Register. Following receipt of all the funds allocated for 2021, AU released the monies to the current accounts of the beneficiaries qualifying on 27 June. During the period, the drafting of the necessary documentation was completed to send the applications for the Tender relating to the 2022 benefit year, with the submissions opened, with the publication of Directorial Decree of 10 August 2023 *aid to companies for indirect emission costs incurred in 2022, from 21 August to 8 September 2023*.

Based on the same procedures adopted for previous tenders, the preliminary technical work was completed on the applications received, with all National Anti-Mafia Database formalities attended to, and the Report containing the outcomes of the above sent to MASE. On 19 December, MASE then issued the provision for the provisional granting of aid, authorising Acquirente Unico to record individual aid in the National State Aid Register. The funds were received on 27 December, and on 30 December the registration of all aid on the National State Aid Register was completed with the funds released on to the qualified beneficiaries' bank accounts on 17 January 2024.

## OTHER CORPORATE ACTIVITIES

### Human Resources

The objective of enhancing and focusing on the individual continued into 2023, with activities aimed at involvement and action plans at various levels, directed at making the expertise of each employee a long-term value for the Company.

In this regard, Acquirente Unico supported its Management team throughout 2023 with the **“LEADERSHIP LAB”**, a development and growth initiative aiming to enhance the Company’s capital of organisational culture and develop leadership skills.

Two different courses were planned to develop leadership.

The course for TOP MANAGEMENT (Directors) was introduced over 4 face-to-face meetings, based on a Team Empowerment approach, assisting the managerial team to define the fundamental values and characteristics of the expected organisational culture that could support and promote the spread and consolidation of the emerging values.

The course for MIDDLE MANAGEMENT (Second level function Managers) was rolled out over 10 face-to-face meetings on a monthly basis, so as to recognise and plan for leadership by developing the key competencies of the manager and support the technical expression of their managerial role through academic based workshops (on subjects such as public speaking and time management).

To conclude, the Middle Management also participated in a two-day workshop, to develop innovation projects that AU could potentially implement in 2024.

Acquirente Unico’s commitment continued in the context of training initiatives aimed at the entire corporate population.

The Company promoted motivational development and engagement by investing in a training project to develop language skills for the personal growth and advancement of employees. A platform was used in this regard, making it possible to learn 12 foreign languages with courses directed at specific training for the relevant professional role.

To improve digital skills, AU introduced a **Digital Empowerment** course, to learn how to effectively use work tools, planning the following training for Office 365, Teams L200, Onedrive for business and Sharepoint L100/L200.

Courses were also provided on:

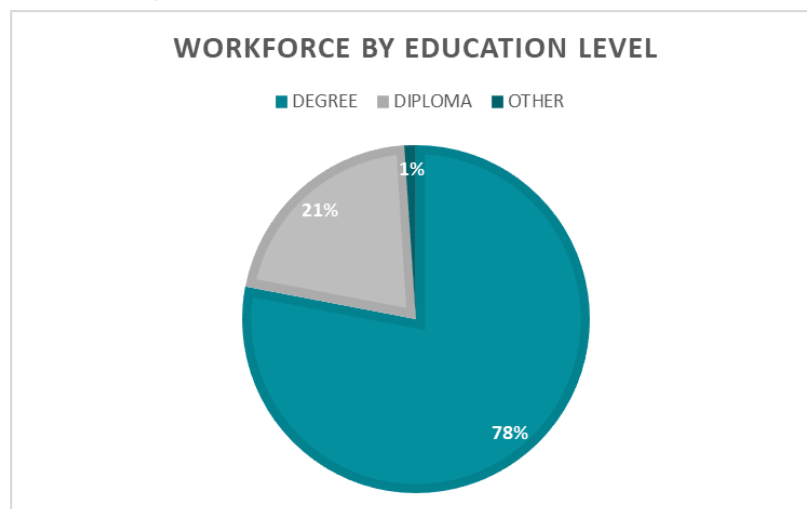
- **Specialised training** to cover the technical skills required by the organisational units;
- **Compulsory training** (Safety Legislative Decree 81/08, and subsequent amendments and additions, BLSD and the General Data Protection Regulation - GDPR);
- **Regulatory training** (Model Legislative Decree 231/01 for workers; Company Operations Continuity Plan for workers, Crisis management committee, Managers of AU Services, Operational Support Teams - Staff responsible for Service Availability).

## Workforce development

2023 registered a decrease in the number of employees, going from 323 to 322 at 31 December 2023, whereas the average staff component went from 313.5 to 324.2 units.

Overall, the composition of Acquirente Unico's workforce as at 31 December 2023, compared to 2022, shows stability in the percentage of university graduates, who account for 78% of the company workforce (i.e. holders of bachelor's and master's degrees).

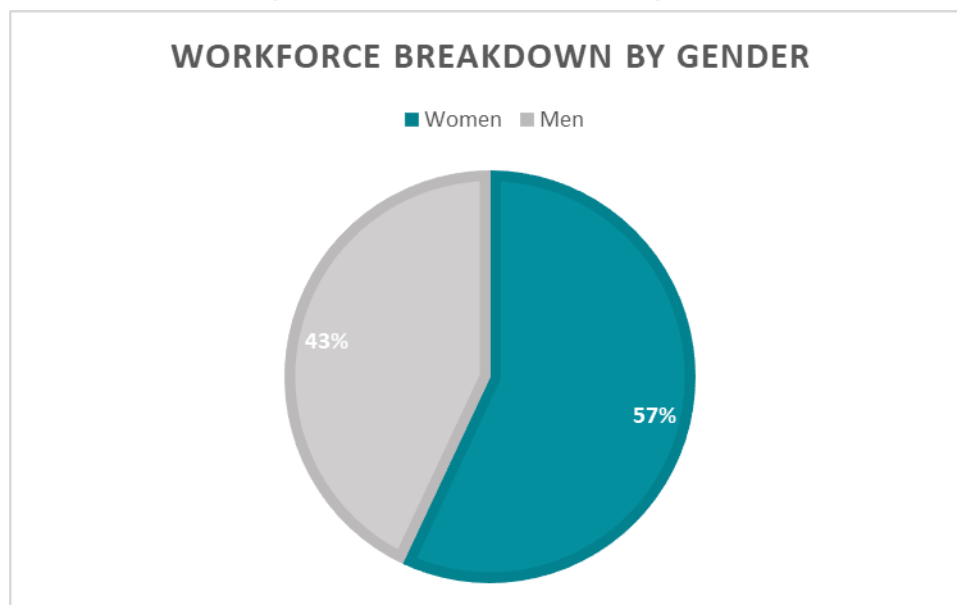
**Figure 5: Workforce breakdown by education level**



Source: Internal processing, Acquirente Unico, at 31 December 2023

The ratio between the male and female component is shown below:

**Figure 6: Workforce breakdown by gender**



Source: Internal processing, Acquirente Unico, at 31 December 2023

## Management of safety in the workplace and workers' health

In December 2023, after meeting the respective international standards, AU received confirmation that the HSE (Health, Safety and Environment) Integrated Management System complied with the international certification procedures.

In this context, AU adopted and circulated the Integrated Corporate Policy on the Environment, Health and Safety in the workplace, as proof of its ability to consistently provide services and maintain effective management of its internal processes. At the same time, AU implemented the necessary measures to obtain certain financial benefits (5% reduction on the average tariff rate for INAIL OT/23 prevention).

Regular health surveillance activities continued, including those rendered to those working remotely from home. During 2023, as required by the health plan, 157 health checks were carried

out, of which: 130 periodic health checks, 5 at the request of workers, 2 for resuming work after more than 60 days absence and 20 for new hires.

Work also continued during 2023 on the revision and updating of documentation relating to the implementation of the Operations Continuity Management System, based on the relevant technical requirements.

Specifically, the following documents were adopted and circulated:

- **Policy for the Operations Continuity Management System**, representing a declaration of intent by Company management regarding continued operations and the commitment by Management in this regard, involving all stakeholders in AU activities. The Policy is available on the Company Intranet and Website.
- **Manual for the Operations Continuity Management System (SGCO)** providing a general overview of the procedures within the SGCO meeting all the regulatory reference requirements.
- **Company Operations Continuity Plan** representing the SGCO core document, identifying the corporate roles for operational continuity and describing the processes for responding to emergencies, recovery and returning to normal. This document integrates the operational continuity plans and specific Disaster Recovery for technical corporate structures like the Integrated Information System (IIS) and IT Systems Department (ISD).

## Corporate Information Systems

### Energy Area

During 2023, the main application development activities in the Energy Area concerned the creation of the Auctions Portal for assigning the Gradual Protection Service for non-vulnerable domestic customers.

The Portal was developed by adapting and expanding the functions of the previous version, used in 2022 for the assignment of Gradual Protection Auctions for micro-enterprises. To this end, the provisions of the related ARERA resolution were transposed and implemented, in order to allow Acquirente Unico to manage procedures for the selection of operators expected to provide the

Gradual Protection Service for non-vulnerable domestic customers, in which case the removal of price protection is envisaged from 1 July 2024.

The implementation involved the Auctions Portal for participating companies and the BackOffice system used by Energy Operating Department personnel.

Application development started in August and ended in December.

Further development initiatives were also implemented during 2023 in the Energy Area in addition to the ordinary maintenance of platforms, as these had become necessary for the transfer to the Gradual Protection process, through activities on forecast data and algorithms to allow management of the impacts on the demand forecast of exiting from the portfolio of Gradual Protection Customers.

### **Consumer and Mediation Area**

During 2023, activities to expand and strengthen the Help Desk Portal were carried out in line with the developments completed during 2022.

At the start of April 2023, with a view to making the necessary formalities for the submission of mediation requests quicker and less onerous, an option was provided at technical level for users and delegated parties, to submit applications in an entirely digital format, with the signing of the self-declaration through the Portal, pursuant to Italian Presidential Decree 445/2000 (relating to the existence of the necessary requirements for the submission of the mediation request). Consequently, this function allows users to avoid having to upload the relevant document after scanning it, and sign with a one-shot qualified signature issued free-of-charge by the Settlement Service, which could also be used to sign the agreement report.

In June 2023, the Settlement Service updated the functioning of the Platform by incorporating the significant regulatory steps defined by ARERA in the scope of out-of-Court dispute resolution procedures, which resulted in it becoming mandatory to attempt reconciliation in the Water and District Heating sectors as a condition for proceeding to legal action.

To make the Help Desk services more accessible for all users, in September 2023, an authentication system was implemented based on the Electronic ID Card (EIC), providing simplified level 2 access, based on the use of two credentials (username and password) previously created, and a second authentication factor (e.g. Temporary OTP code, scanning QR code).

During the year, the Help Desk also continually monitored the SPID authentication system (Public Digital ID System), which while not involving technological changes, updated the list of Digital

Identity Operators providing this service in Italy as required by AgID (Agency for a Digital Italy) specifications. Without a continuity solution, this made it possible for all potential users to utilise this system, including customers of newly included Operators.

During December 2023, important work was done on the Portal's technical architecture, with an upgrade to the "Electricity and Gas" module. Specifically, this became necessary due to the age of the previous version, which was no longer aligned with the technical developments introduced over time on the remaining modules.

Additional developments referred to the option for mediators to add or take away the times when they are available within their back office, to facilitate the correct management of mediation meetings.

With regard to the drafting of updating and final reports, two new parameters were introduced within these electronic documents, so as to automatically input the day and time of the scheduled mediation meeting they refer to.

During 2023, the Help Desk Contact Centre carried out the migration of the entire technological infrastructure to the cloud, following the changes in the OT security policy as a result of the viral attack experienced in 2022. The IVR (interactive voice response)/CRM (Customer Relationship Management) on the toll-free number were consequently updated, with the addition of a specific information service for vulnerable customers in the electricity and gas sectors.

### **Italian Central Stockholding Entity (OCSIT)**

Development maintenance was carried out in 2023 on the systems managed by OCSIT on behalf of the Ministry of the Environment and Energy Security (MASE), referring to the "i-Sisen-Statistics" and "iSisen-Stock" applications, used for statistical recording in the oil sector and management of mandatory stock by operators in the oil sector and OCSIT, respectively.

New functions were introduced in the first quarter of 2023 on the iSisen-Stock portal for the integrated management of safety stock releases in the event of a procurement crisis.

The implementation of the new methodology for analysing petrochemicals and semi-finished products initiated in 2022 was completed between April – July, together with the implementation of a new function to produce the documentation used by the MASE back-office and portal users. Also implemented were the reports relating to the distribution of stocks across Italy, the meeting of obligations by national economic operators and assignment of stock obligations and the OCSIT contribution to economic operators.

Prototypes were developed in the last quarter for the integration of report analysis and generation models, based on business intelligence (SisenBi).

The JD Edwards Enterprise One (JDE E1) platform to support pre-qualification and tender procedures for the procurement of storage capacities and oil products to be held as safety stocks was also subject to an in-depth technological update. The migration project for the current ERP Oracle JDE 9.1 solution to the new release ERP Oracle JD Edwards 9.2, which had begun in 2022, was completed in January 2023.

New developments were introduced throughout 2023 regarding the implementation of new pre-qualification and tender procedures for the procurement of the CSO-Ticket.

### Central and IT security systems

The process to internalise IT systems continued during 2023, where these had previously been carried out by the Parent Company. Specifically, all AU workstations (WS) were connected directly on the Microsoft tenant cloud subscribed to by AU, to make the IT Department independent in managing these. At the same time, the migration of all AU staff email boxes, service/procedural emails including share mails began and was completed on the same tenant, thus also making the management of this service independent. This migration made it possible to implement specific security policies, customised according to AU requirements, thus also making it possible to install software and updates via the Microsoft software distribution on all WS.

To increase security for all AU users, dual authentication was implemented, based on the use of the Microsoft Authenticator application, while at the same time, deactivating authentication via SMS. This involved an increase in the number of licences and services provided by Microsoft, to ensure complete coverage for employees.

An internal Technical IT Assistance (ATI) service was then introduced, managed by external providers partially located at the AU office, to provide first level assistance, and partially remotely, to provide second level assistance by phone or to check WS and emails (management and quarantining of any potentially dangerous emails).

In December 2023, the corporate file server, previously located at the server farm at Viale Pilsudski 92, was successfully migrated to a Sharepoint site in the cloud. As in previous years, this was done to guarantee continuity with the technological innovation in the cloud and to facilitate accessibility to documents by making access simpler. The site can easily be reached via the Intranet or web without the need for a VPN connection, based on the use of a certified WS.



A project to create a new corporate Intranet was successfully completed by the Strategic Development and Communication Department. In addition, a project to introduce a document management system is nearing completion, aimed at steering, controlling and facilitating the creation and management of all company documentation, with priority given to operating procedures. This system will also facilitate all the necessary approval flows.

The AU IT system was strengthened in terms of infrastructure, from the perspective of redundancy and security, with the acquisition and implementation of a back-up system to retain production data on 8 new storage system discs, so as to increase the capacity of the environment hosting the production database. Primary connectivity was also increase up to 2.5Gb to guarantee traffic to and from Microsoft and the Disaster Recovery site.

### **Prevention of IT risks**

Based on the outcomes obtained in the area of IT security by the Security Operation Centre (SOC) managed remotely by an external service provider, it was decided to update and extend the services provided, by also adding a monitoring module (Network Detection Module), which allows the SOC to monitor all the network traffic generated internally by the AU infrastructure to and from the outside; a Cloud Protection Module was also implemented, which enables the SOC to analyse all the activities carried out via Microsoft (consistently check, accesses, etc.) and a Vulnerability Detection Module, which can keep IP and exposed portals under control.

Again from the perspective of managing IT security, specialist software was purchased and installed on all WS, to monitor and filter navigation on web browsers by employees and increase the protection level against anti-viruses (in the server environment).

### **Communication Activities**

Attention continued to be paid to energy issues during 2023, such as rising energy bills, social bonuses and the end of enhanced protection, creating a significant data flow that impacted on Acquirente Unico's activities.

In this context, all communication activities (relations with the media, internet sites and social channels) were used as tools that could convey messages and information in relation to a quickly evolving context.

In 2023, running parallel to communication involving external parties, tools were also developed to update the entire AU population on the issues involving our company.

The development of online tools therefore continued, with this currently the main means for communicating and managing relations with our stakeholders. In this regard, one of the main objectives was to continue with the supply of information especially in respect of consumers, with the provision and circulation of online video tutorials, as well as consolidating the use of social channels, with this tool showing continued growth after being introduced three years ago. The Acquirente Unico website recorded an increase in accesses corresponding to the publication of posts on our social media channels.

Media activity once again recorded significant numbers during 2023: 841 issues in general (518 online articles, 238 newspaper articles, 83 agency launches and 2 radio interviews).

Finally, a new corporate Intranet was successfully launched, with this tool developed on a platform that follows start-of-the-art communication and functional standards. This tool strengthens interaction among all employees and helps circulate information. A new more functional version was created, based on the analyses undertaken of the critical aspects of previous versions and the experience gained by working remotely in recent years.

## **Litigation management**

### **Credit and dispute management relating to the enhanced protection service operators**

With respect to management of AU's trade receivables, in the event of a default on payment at maturity, AU intervenes, preliminarily out of court, with informal contacts and reminders, and then through the courts, with appeals for an injunction.

With respect to the nature of these receivables and the debtors, note the following.

AU's receivables mainly derive from the sale of electricity, on the basis of the standard contract approved by Resolution ARG/elt. 76/08. In November 2010, the Authority, with Resolution ARG/elt. 208/10, amended the Standard Contract, introducing the obligation of issuing a security deposit as an alternative to guarantees. By virtue of that provision, AU may write to the competent judicial authorities to secure the release of the deposit for enhanced protection service by operators/distributors that have defaulted in the release of the collateral required by Article 10 of the Standard Contract.

In the same resolution, the Authority specified that AU could apply the standard contract with respect to its counterparts, regardless of the actual signing of the contract.

The entities with which AU has past due receivables are mainly municipalities (or publicly-owned entities), holders of distribution concessions issued by MED (now MEMIT), in respect of which the

remedies envisaged in the Code of Civil Procedure regarding enforcement proceedings can be attempted.

The risk of non-collection by AU of trade receivables with enhanced protection service operators is generally low, either due to their nature (they are certain, liquid and collectable as they are regularly invoiced according to regulatory provisions in force) or to the type of legal entities liable, also taking into consideration that such receivables are regularly backed by adequate guarantees. In any case, provisions are made in the Financial Statements for past-due and positions that are difficult to recover. Receivables are therefore shown in the Balance Sheet net of a specific provision for write-downs, as fully explained in the Explanatory Notes to the Financial Statements.

### Other disputes in progress

In 2023, AU was the counterparty in certain disputes referring to the former Cassa Conguaglio GPL, brought by entities who were not paid all or part of the indemnities pursuant to the Ministerial Decree of 7 August 2003, or contributions pursuant to the Ministerial Decree of 19 April 2013, or who were not paid all or part of the indemnities or contributions following compulsory investigation, prior to disbursement, by the former Cassa Conguaglio GPL.

Specifically, during 2023, two judgments were handed down involving AU:

- The Supreme Court of Cassation handed down a judgment referring to an Appeal judgment issued in 2023, in a case brought in 2022 by a party that had their submission for an indemnity already denied in the first instance hearing.

The judgment was cancelled pursuant to Art. 391 of the Italian Civil Procedure Code because the applicant had not asked for a decision on appeal after the expiry of the specified period pursuant to Art. 380-bis of the Italian Civil Procedure Code (offer of settlement by the Judge, notified to the parties).

- Again in 2023, in having taken over from Cassa Conguaglio GPL, AU received an appeal submitted before the Council of State, referring to a judgment issued by the Regional Administrative Court, which had rejected a submission by the applicant, who had not received an indemnity. AU has filed an appearance and is waiting for the CDS to set the hearing.

Three proceedings were successful in 2023, where AU had been called as a defendant in the proceedings:

- In Injunction proceedings, as Integrated Information System (IIS) database manager in relation to a procedure involving unsolicited switching. The electricity service provider was also a defendant. The proceedings concluded with conviction solely against the electricity service provider.
- In Injunction proceedings, in this case a prior technical assessment relating to a procedure for cancellation of the CMOR fee applied after a meter malfunction. AU appeared by filing a defence brief. The designated court-appointed technical expert did not consider Acquirente Unico to be liable in its report.
- Proceedings before the Regional Administrative Court to obtain the cancellation of an ARERA resolution. Additional grounds were submitted in relation to the main appeal. AU appeared in the injunction proceedings by filing a defence brief, all concluded - also at the time of appeal before the Council of State - with rejection.

Of note in 2023, a negative judgement in appeal proceedings referring to a labour law issue.

One opposition case is still pending in 2023, brought in 2021 by a debtor company of AU in exercising its OCSIT function, referring to a warning procedure regarding recovery of the amount due pursuant to Legislative Decree no. 249/2012. The proceedings are currently still in progress.

During 2023, AU appeared in Court as a defendant in various proceedings:

- Precautionary procedure pursuant to Art. 700 of the Italian Civil Procedure Code before a Civil Court, as the Integrated Information System (IIS) database manager, referring to a request to cancel the CMOR fee applied by the electricity service provider. The decision is still pending.
- Appeal submitted before the Council of State, referring to the appeal of a judgment on merit issued by the Regional Administrative Court, referring to 2022, to cancel an ARERA Resolution. AU appeared before the court by filing a defence brief. The Council of State dismissed this appeal.
- Appeal before the Regional Administrative Court referring to the cancellation of a communication by AU for the "Conclusion of proceedings - application for admission to the tender procedures to identify operators of the gradual protection service", as well as communication by AU on the "Outcome of the request for admission to the gradual protection tenders". AU appeared before the court by filing a defence brief. The Regional Administrative Court rejected the appeal.
- Appeal before the Regional Administrative Court referring to the cancellation of the "Service Regulation for the gradual protection of non-vulnerable customers and relative

Annexes, published by Acquirente Unico on its website". AU appeared before the court by filing a defence brief. The proceedings are in progress.

## Financial Reporting Manager activities

The activities carried out by the Financial Reporting Manager, with specific reference to issuing formal certification regarding the 2023 financial statements, can be summarised as follows:

- Maintaining the procedural system associated with processes used for accounting and budgeting, in cooperation with the relevant offices;
- Conducting of specific tests, on a sampling basis, regarding the compliance of administrative-accounting processes, on the basis of formalised internal procedures;
- Issuing of the internal standard "2023 Financial Statements Circular", containing specific rules in terms of activities to be carried out and the associated deadlines, for company functions involved in the process of preparing the annual accounts, together with the request for letters of certification sent to the various process owners, relative to their areas of responsibility, to ensure proper processing and representation of the data used to prepare the financial statements and the Report on Operations. This internal standard was followed by a specific internal operational planning activity, constantly monitored with regard to compliance with the envisaged deadlines.

## Corruption Prevention and Transparency Manager activities

Italian Law no. 190 of 6 November 2012 on "Measures for the prevention and repression of corruption and lawlessness in the public administration", contains rules to prevent and curb corruption and illegality in the public administration sector, and states that transparency is an essential element for the prevention of corruption itself.

ANAC Decision no. 8 of 17 June 2015 extended the regulatory scope of the aforementioned law also to subsidiaries of public administration, and therefore to AU, a company wholly-owned by GSE, in turn wholly-owned by the Ministry of Economy and Finance.

With the MEF Directive of 25 August 2015, guidelines were issued for the implementation of regulations on corruption prevention and transparency in subsidiaries or investees of the MEF.

The 2016 ANAC PNA (National Anti-Corruption Plan), approved with Resolution 831 of 3 August 2016, implements the significant legislative changes in reference to Legislative Decree no. 97 of

25 May 2016 containing the revision and simplification of provisions on corruption prevention, advertising and transparency, correcting Law no. 190 of 6 November 2012 and Legislative Decree no. 33 of 14 March 2013, pursuant to article 7, Law 124 of 7 August 2015 on the reorganisation of public administrations, and to Legislative Decree 50/2016, the Public Contracts Code.

The changes brought by Legislative Decree 97/2016 relative to transparency clarify the nature, content and approval procedures for the PNA, delimiting the subjective scope of application for the regulations, as well as redefining publication obligations on public administration websites together with the new generalised right to civil access for deeds, documents and information not subject to mandatory publication.

In addition, Legislative Decree 97/2016 establishes that the Corruption Prevention Manager and Transparency Manager must be combined into a single role, referred to as the Corruption Prevention and Transparency Manager, and prescribes that this role be strengthened, also through organisational changes if needed.

With Resolution ANAC no. 1134 of 8 November 2017, containing "New guidelines to implement regulations to prevent corruption and for transparency by companies and private entities controlled and invested in by public administrations and public economic entities", that already contained in Determination 8 of 2015 was substantially confirmed, while the notion of a controlled company was extended for the purposes of the applicability of anti-corruption regulations.

With the 2018 PNA, ANAC, continuing with the previous updates made to the PNA, also provided instructions on how to adopt the PTPC, on requirements regarding preventing corruption and ensuring transparency, while also recognising the roles and powers held by the Corruption Prevention and Transparency Manager, substantially confirming that already established in Resolution 840 of 2 October 2018.

With the 2019 update to the PNA, approved with Resolution no. 1064 of 13 November 2019, ANAC focussed its attention on indications regarding the general section of the PNA, revising and strengthening in a single guideline document all the instructions given in previous updates and plans, adding additional instructions matured over time which were the subject of specific regulatory deeds.

With Resolution no. 7 of 17 January 2023, ANAC gave final approval of the National Anti-corruption Plan for the three-year period 2022-2024.

With Resolution no. 311 of 12 July 2023, adopted the new "Guidelines for the protection of persons reporting breaches of EU Law and the protection of persons reporting breaches of

national legislation. Procedures for the submission and management of external reporting” replacing the previous procedures adopted with Resolution no. 469 of 9 June 2021. Specifically, the applicable guidelines provided information on how to submit external reports to ANAC and their relevant management, pursuant to Art. 10 of Legislative Decree no. 24/2023, as well as the principles and information that public and private entities must keep in mind for their own channels and internal organisational models.

AU has complied with said regulatory guidelines since 2015, when the Corruption Prevention and Transparency Manager position was introduced, appointed by the Board of Directors.

During 2023, the AU Corruption Prevention and Transparency Manager mainly handled the following:

- preparation of the Three-Year Corruption Prevention and Transparency Plan 2023-2025 (PTPCT), approved by the Board of Directors on 25 January 2023, and published in the "Transparent Company" section of the company website;
- updating of the mapping of areas at risk of corruption, also relevant for preparation of the PTPCT for the three-year period 2023-2025;
- updating the Transparent Company section of the website, to ensure compliance with applicable anti-corruption and transparency regulations;
- monitoring of compliance with data and information publication requirements under current regulations by the corporate structures responsible for publication, with particular reference to the completeness, clarity and updating of the information;
- verification of Senior Managers' signing of statements confirming the non-existence of incompatibility pursuant to Italian Legislative Decree 39/2013;
- through the company Whistleblower Protection procedure, guaranteeing protection of potential whistleblowers from any form of retaliation, discrimination or penalisation, also ensuring the confidentiality of the whistleblower's identity. The procedure was prepared on the basis of ANAC recommendations and current regulations. During 2023 no reports were received;
- whistleblowing platform management software came into operation, once the preliminary obligations related to personal data processing regulations were completed;
- ensure the circulation of operating procedures for the submission and management of unlawful reports in a dedicated section of the AU site, within the deadlines set by applicable legislation;



- guaranteeing the exercise of Civic Access indicating, in the Transparent Company section of AU's website, the methods and e-mail addresses for exercising this right in terms of Simple Civic Access and General Civic Access. Simple Civic Access allows anyone to request documents, data or information which administrations are required to publish. General Civic Access (or the Freedom of Information Act - FOIA access) allows anyone to request documents, data or information that go beyond those which administrations are required to publish. In 2023, no Civic Access request was made, with one Generalised Civic Access submission received;
- in conjunction with the company Human Resources function, training provided on anti-corruption and transparency, with a special training/information module confirmed for the entire company population.

## Data Protection Officer activities

During the period in question, the AU Data Protection Officer ("**DPO**") consolidated the activities within his remit and relations with similar figures, developing discussions aimed at continually improving the sector application guidelines, including first and foremost, (EU) Regulation 2016/679 relating to the protection of natural persons with regard to the processing of personal data ("**Regulation**" – also referred to as the GDPR-General Data Protection Regulation).

In accordance with the duties assigned by said Regulation, during 2023, the DPO undertook:

- the drafting and updating of the Annual Report on the activities carried out, a tool for *monitoring appropriate compliance* with the personal data protection regulation;
- *specific training on "AU Security and Regulation on the use of corporate IT tools"* for new hires and *protecting personal data in the workplace* for the internal resources employed in the Human Resources Department ("**HR**"). In addition, the DPO and relevant AU resources attended the seminars held by the Data Protection Authority ("**Guarantor**" or "**Authority**") on the following subjects: data transfers abroad, protection of personal data in the context of the work relationship and protection of data privacy by design and by default;
- *informed, raised awareness and provided advice* to company departments through information notes on documents of interest, selected from official websites on personal data protection. 21 information notes were issued in 2023;
- reported its *observations* to the Legal Department regarding the documents it produced in implementing the personal data protection regulation;



- *updated the Data Breach Registries* relating to activities carried out by AU in its role as Data Controller and personal data processor;
- *updating of the Register for Requests by Data Subjects to Exercise their Rights*, received on the specific DPO email address or sent to the relevant functions;
- collaborated with the functions concerned and acted as *contact* for the Authority in relation to the Authority's inspection carried out on AU premises in July 2023. Following the meeting with the Authority, there were no findings or subsequent actions by the Authority against AU.

In the year under review, the DPO continued to interact with counterparts of the independent administrative authorities (and the entities they use) to share experiences and opinions on issues concerning personal data protection and the application guidelines adopted. 10 meetings were organised during the year, as well as education and training events aimed at resources from participating organisations.

## RELATIONS WITH THE SUBSIDIARY, THE PARENT COMPANY AND ITS SUBSIDIARIES

Acquirente Unico is a company wholly owned by the Gestore dei Servizi Energetici - GSE SpA, which in turn wholly controls SFBM S.p.A.

During 2023, AU obtained support from GSE through special service contracts, relative to lease of its headquarters and other associated services, for the provision of IT services and assistance and consulting work on a continuous basis.

With reference to business relations with other GSE S.p.A. subsidiaries, Acquirente Unico's counterparty was Gestore dei Mercati Energetici – GME S.p.A.

A summary of the relations with Group companies, in terms of the balance sheet and income statement is provided below. These tables compare 2023 with the previous year.

### Relations with GSE

Receivables totalling € 236 thousand refer to the chargeback of electricity costs relative to the parent company.

Payables, amounting to € 251,770 thousand, relate to the amount of the loan received from the Parent Company for the payment of electricity purchases on the DAM, Group VAT payables and verified costs related to service contracts.

The economic cost components are represented by the expense for service contracts and lease of the property used as the registered office, as well as financial expense relating to the loan received.

Further details are provided in the Explanatory Notes to the Financial Statements.

Table 12: Summary of relations between Acquirente Unico and GSE S.p.A.

<i>€ thousand</i>	2023	2022	Changes
<b>Receivables</b>			
Non trade receivables	236	96	140
Credits for infra-group VAT	-	150	(150)
<b>Total</b>	<b>236</b>	<b>246</b>	<b>(10)</b>
<b>Accrued income and prepaid expenses</b>			
Prepayments	1	-	1
<b>Total</b>	<b>1</b>	<b>-</b>	<b>1</b>
<b>Payables</b>			
Payables for infra-group VAT	1,475	-	1,475
Payables for service agreements and other	295	460	(165)
Payables for intercompany loans	250,000	400,000	(150,000)
<b>Total</b>	<b>251,770</b>	<b>400,460</b>	<b>(148,690)</b>
<b>Accrued costs and deferred income</b>			
Accrued costs	253	329	(76)
<b>Total</b>	<b>253</b>	<b>329</b>	<b>(76)</b>
<b>Revenue</b>			
Other revenue	211	123	88
<b>Total</b>	<b>211</b>	<b>123</b>	<b>88</b>
<b>Costs</b>			
Costs for service agreement	2,094	2,146	(52)
Commitment fee on loan	532	106	426
Interest expense on intercompany bank account	9,845	1,737	8,108
<b>Total</b>	<b>12,471</b>	<b>3,989</b>	<b>8,482</b>

Source: Internal processing, Acquirente Unico

## Relations with GME

As regards relations with GME, shown in Table 13, the main balance sheet item consists of payables relating to electricity purchases and related services (€ 87,351 thousand), for the portion not yet paid. This item decreased by € 99,419 thousand.

The main income statement item is represented by costs for purchases on the spot electricity market, equal to € 2,450,936 thousand, compared to € 8,625,774 thousand in the previous year. The decrease refers to the reduction in quantities transacted, due to the progressive changeover from the protected market to the open market and decreased energy price.

**Table 13: Summary of relations between Acquirente Unico and GME S.p.A.**

<i>€ thousand</i>	2023	2022	Changes
<b>Accrued income and prepaid expenses</b>			
Prepaid expenses consideration on Data Reporting Platform	1	1	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>-</b>
<b>Payables</b>			
Payables for purchases of energy and related services	87,351	186,770	(99,419)
<b>Total</b>	<b>87,351</b>	<b>186,770</b>	<b>(99,419)</b>
<b>Costs</b>			
Cost for purchases spot electricity market	2,450,936	8,625,774	(6,174,838)
Cost of services spot electricity market	659	944	(285)
Cost for data reporting services (REMIT)	3	3	-
<b>Total</b>	<b>2,451,598</b>	<b>8,626,721</b>	<b>(6,175,123)</b>

Source: Internal processing, Acquirente Unico

## Relations with SFBM

With regard to relations with SFBM, shown in Table 14, the balance sheet item mainly comprises the loan provided to the company for € 13,000 thousand, whereas the income statement entry refers to revenue for services provided to the subsidiary.

**Table 14: Summary of relations between Acquirente Unico and SFBM S.p.A.**

<i>€ thousand</i>	2023
<b>Receivables</b>	
Financial receivables	13,902
Receivables for sundry services	188
<b>Total</b>	<b>14,090</b>
<b>Revenue</b>	
Other revenue	301
Financial income	902
<b>Total</b>	<b>1,203</b>

Source: Internal processing, Acquirente Unico

### Information about additional related parties

The Company has multiple relations with direct or indirect subsidiaries of the Ministry of Economy and Finance, which in turn holds 100% of the capital of the parent company GSE. The main transactions are conducted with the major Italian energy industry operators, such as companies in the Enel Group, ENI, TERNA, as well as Leonardo and Poste Italiane. All transactions with related parties take place at arm's length in accordance with conditions that would apply to independent counterparties.

## BUSINESS OUTLOOK

### Electricity supply

The demand from the enhanced protection market forecast for 2024 was approximately 11.5 TWh. This was estimated by considering that from 1 July 2024, non-vulnerable domestic customers will be transiting to the Gradual Protection Service. Acquirente Unico will continue to obtain supplies through the Spot Energy Markets (DAM and MPEG).

During 2024, Acquirente Unico will conduct the second tender procedure to select the Gradual Protection Service operators for small enterprises, which will become operational as from 1 July 2024.

### Consumer and Mediation Area

In 2023, the Help Desk was set up to manage the strong peaks in demand, characterising the year, and in anticipation of the main event that will characterise 2024, referring specifically to the toll-free number 800.166.654, i.e. the move away from price protection for domestic electricity and gas customers.

2024 will involve significant IT developments that will see the modules on the Single Portal extending to the Waste sector, as well as the updating of the Mediation Service platform and Help Desk Portal to bring them in line with regulatory changes.

### Integrated Information System

The most significant developments in IIS activity expected in 2024 mainly regard:

- **Completion of the development and management of the system for automatic recognition of electricity, gas and water Social Bonuses to eligible parties and Non-interconnected Electricity Bonuses** as governed by Resolution 63/2021/R/com and subsequent amendments.
- **Start up of the EE Consumption Meter** to improve quality and optimise electricity Settlement processes.

- **Re-engineering of the indemnity system** to simplify flows; the migration of new process files and updating of process changes via the IIS.
- **Analysis of the impact of the new Integrated Electricity Dispatch Text (TIDE).** The new TIDE updates Resolution ex 111/06 as from 1 January 2025 with two macro-objectives: identifying the main intervention lines to changes in the dispatch service in the new market context (rapidly changing to achieve the European targets for 2030, due to the spread of distributed generation non-programmable renewable sources and the progressive lack of programmable plants) and completion of the integration of Italian markets with those in other European countries (taking into consideration the European regulatory framework).
- **Development of the Offers Comparison Portal.** The analysis and development of applications will continue so as to manage additional types of offers as well as those long established, the implementation of expenses calculation for the Gradual Protection Service for domestic customers, the authentication of end users with SPID or EIC based on the integration with the data in RCU/RCUGAS, the development of a mobile app for broader and simpler access to the Portal, the implementation of detailed comparisons between multiple offers and updating of the layout, home page and video tutorials.
- **Development of the Consumption Portal.** During the implementation of the provisions of the 2018 Budget Law and, following its launch in 2019, the development of a public area on the Portal is planned to provide aggregate and anonymised information relating to average consumption, the management of technical flows for the installation/replacement of gas meters, as well as the development of a mobile app and integration with the io app, the finalising of the comparative function for consumption with standard profiles (pre-defined benchmarks) with the aim of monitoring consumer habits in relation to the average values of the same market segment, and the managing of authorised third-party access to the Portal (SPID delegates).

The activities related to process management assigned to the Manager, the use and development of technological infrastructure and the application software for the provision of services will also continue.
- **Monitoring of electricity and natural gas retail sale markets.** It is expected that analysis and monitoring activities will continue for retail markets and for other areas relative to regulation, including prices and services, which are functional to the Authority carrying out

its institutional activities. Activities will continue to support the Authority in managing the remaining data collected from obligated operators.

### **Italian Central Stockholding Entity - OCSIT**

As established in the Ministry Guidelines issued on 31 January 2014, OCSIT will inform MASE of its actual costs incurred during 2023 (so called final report), used to determine the amount and adjust the contribution.

Regarding new stock obligations, the annual Ministerial Decree pending issue will establish the total quantities of safety stocks and specifications that must be held by the system from 1 July 2024.

Following publication on 20 December 2023 in the Official Gazette of the Interministerial Decree to determine the 2023 contribution, at the start of 2024, OCSIT invoiced the adjustment, as the different between budget and final costs, for the 2022 contribution.

### **TESI Fund**

The summary reports on aid provided will be sent to the relevant bodies in 2024, once checks are made on the declared data, and whether the eligibility requirements effectively exist so as to carry out the subsequent formalities required by the regulation, in close cooperation with the relevant MASE Departments.

Based on MASE provisions, the tender for 2023 will then be launched, with the related preliminary activities and disbursement of funds, where available.



## SUMMARY OF CORPORATE RISKS

Concerning the overall provision in Article 2428, paragraph 1 of the Italian Civil Code, for the description of the "principal risks and uncertainties" to which the Company could be exposed, the respective negotiations are described in the specific chapters and sections of the Report on Operations, which set out the relevant content relating to the various regulatory, operational and organizational areas dealt with.

We refer, in particular, to the following sections of the report:

- The juridical-legal regulation and its implications, particularly with respect to the regulatory laws and rules applicable, are highlighted among the "key elements of the legislation and reference areas. This section examines, more specifically, the salient regulatory aspects relative to each area of business activity;
- The chapter "Financial management results" summarises the more significant information on the use of financial instrument liabilities;
- Any element of uncertainty concerning the Company's receivables is summarised in the subsection on "Credit and dispute management relating to the enhanced protection service" in the section "Dispute Management". This paragraph outlines the main profiles relating to credit risk and the measures to mitigate these. The Notes to the Financial Statements also show the amount of receivables, a breakdown by sub-item and provide a comparison with the previous year, as well as changes in the specific Provision for write-downs;
- In the section on "Dispute Management", under "Other Disputes", there is also a description of the salient facts concerning ongoing legal disputes (other than those pertaining to credit positions) and their related implications;
- In the sections "Central and IT security systems" and "Prevention of IT risks" of the chapter on Corporate Information Systems, a brief description is provided of the equipment dedicated to physical and logistics security which guarantee the confidentiality, integrity and availability of corporate information, functional to preventing and containing risks that could potentially affect data. In this area, the tools used to address situations of temporary unavailability of one or more systems are briefly described, such as the sites for *Disaster Recovery and Business Continuity*.

## OTHER INFORMATION

With regard to indications provided in article 2428, paragraph 3 of the Italian Civil Code, note that the Company does not hold, nor has it purchased or sold during the year, either through trust companies or third parties, any treasury shares or shares of its parent company.

Also note that the Company did not carry out research and development in 2023.

# Balance Sheet

## Assets

ASSETS	Partial	Total		Partial	Total	Changes
	Dec. 31, 2023			Dec. 31, 2022		
	Euro			Euro		
<b>A) UNPAID SHARE CAPITAL DUE FROM SHAREHOLDERS</b>						
<b>B) FIXED ASSETS</b>						
<b>I. Intangible assets</b>						
3) Industrial patent and intellectual property rights	4,880,644			4,756,352		124,292
4) Concessions, licences, trademarks and similar rights	2,909			3,729		(820)
6) Assets under construction and advances	18,689			104,914		(86,225)
7) Other	590,187			716,298		(126,111)
		<b>5,492,429</b>			<b>5,581,293</b>	<b>(88,864)</b>
<b>II. Tangible assets</b>						
4) Other assets	3,860,436			4,140,714		(280,278)
5) Assets under construction and advances	-			86,221		(86,221)
6) Specific stocks of oil products	1,013,489,885			957,320,860		56,169,025
		<b>1,017,350,321</b>			<b>961,547,795</b>	<b>55,802,526</b>
<b>III. Financial Assets</b>						
Due within 12 months			Due within 12 months			
1) Investments in:						
a) subsidiaries	15,067,829			-		15,067,829
2) Receivables:						
a) Due from subsidiaries	13,000,000			-		13,000,000
d bis) Due from others	62,903	1,011,081	28,259,758	29,179,202		(28,168,121)
		<b>29,078,910</b>			<b>29,179,202</b>	<b>(100,292)</b>
<b>Total Fixed Assets</b>		<b>1,051,921,660</b>			<b>996,308,290</b>	<b>55,613,370</b>
Due after 12 months			Due after 12 months			
<b>C) CURRENT ASSETS</b>						
<b>I. Inventories</b>	-			-		-
<b>II. Receivables</b>						
1) Due from customers	522,274,146			1,140,396,606		(618,122,460)
2) Due from subsidiaries	1,090,268					1,090,268
4) Due from parent companies	236,401			246,168		(9,767)
5) Due from subsidiaries of parent companies	-			14,192		(14,192)
5 bis) Tax receivables	886,244			31,713		854,531
5 ter) Deferred tax assets	1,332,296			1,254,920		77,376
5 quater) Due from others	1,771,703			739,685		1,032,018
6) Due from Energy and Environment Services Fund	7,429			509,217		(501,788)
		<b>527,598,487</b>			<b>1,143,192,501</b>	<b>(615,594,014)</b>
<b>III. Financial assets not held as fixed assets</b>		-			-	-
<b>IV. Cash and cash equivalents</b>						
1) Bank and postal accounts	189,855,630			343,673,674		(153,818,044)
3) Cash in hand	2,143			1,626		517
		<b>189,857,773</b>			<b>343,675,300</b>	<b>(153,817,527)</b>
<b>Total current assets</b>		<b>717,456,260</b>			<b>1,486,867,801</b>	<b>(769,411,541)</b>
<b>D) ACCRUED INCOME AND PREPAID EXPENSES</b>						
Prepaid expenses	1,718,751			2,218,210		(499,459)
<b>Total accrued income and prepaid expenses</b>		<b>1,718,751</b>			<b>2,218,210</b>	<b>(499,459)</b>
<b>TOTAL ASSETS</b>		<b>1,771,096,671</b>			<b>2,485,394,301</b>	<b>(714,297,630)</b>

## Liabilities

LIABILITIES	Partial	Total		Partial	Total	Changes
	Dec. 31, 2023			Dec. 31, 2022		
	Euro			Euro		
<b>A) SHAREHOLDERS' EQUITY</b>						
<b>I. Capital</b>						
I. Capital	7,500,000			7,500,000		-
<b>IV. Legal reserve</b>	1,164,265			1,160,471		3,794
<b>IX. Profit for the year</b>	79,650			75,906		3,744
<b>Total shareholders' equity</b>		<b>8,743,915</b>			<b>8,736,377</b>	<b>7,538</b>
<b>B) PROVISIONS FOR RISKS AND CHARGES</b>						
2) Taxes including deferred liabilities	99,663			19,206		80,457.00
4) other	2,905,476			2,675,657		229,819
4.a) provision for restoration, Ministerial Decree 2013	3,737,790			4,807,658		(1,069,868)
4.b) provision for use of future financial residual sums (former Cassa GPL)	3,055,925			3,199,065		(143,140)
<b>Total provisions for risks and charges</b>		<b>9,798,854</b>			<b>10,701,586</b>	<b>(902,732)</b>
<b>C) EMPLOYEE SEVERANCE INDEMNITY</b>		<b>326,620</b>			<b>403,158</b>	<b>(76,538)</b>
	Due after 12 months		Due after 12 months			
<b>D) PAYABLES</b>						
1) Bonds	498,777,213	498,777,213	498,246,514	498,246,514		530,699
3) Payables due to shareholders for loans		250,000,000		400,000,000		(150,000,000)
4) Payables due to banks						
a) short term		676,788,048		763,756,324		(86,968,276)
b) medium and long term		-	499,885,380	499,885,380		(499,885,380)
7) Payables due to suppliers		65,512,499		76,287,673		(10,775,174)
11) Payables due to parent companies		1,770,410		343,849		1,426,561
11-bis) Due to subsidiaries of parent companies		87,351,312		186,770,317		(99,419,005)
12) Tax payables		857,984		656,001		201,983
13) Payables to social security institutions		1,200,469		1,227,683		(27,214)
14) Other payables		157,529,918		14,021,565		143,508,353
15) Payables due to Energy and Environment Services Fund		12,070		11,958,688		(11,946,618)
<b>Total payables</b>		<b>1,739,799,923</b>			<b>2,453,153,994</b>	<b>(713,354,071)</b>
<b>E) ACCRUED EXPENSES AND DEFERRED INCOME</b>						
Accrued costs		12,427,359		12,399,186		28,173
<b>Total accrued costs and deferred income</b>		<b>12,427,359</b>			<b>12,399,186</b>	<b>28,173</b>
<b>Total liabilities</b>		<b>1,762,352,756</b>			<b>2,476,657,924</b>	<b>(714,305,168)</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>1,771,096,671</b>			<b>2,485,394,301</b>	<b>(714,297,630)</b>

# Income statement

## INCOME STATEMENT

	Partial	Total	Partial	Total	Changes
	2023 Euro		2022 Euro		
<b>A) PRODUCTION VALUE</b>					
1) Revenues from sales and services					
a) revenues from the sale of electricity	2,730,602,165		8,283,864,089		(5,553,261,924)
b) other energy-related revenues	29,548,656		931,631,680		(902,083,024)
c) revenues to cover non-energy operating costs	100,644,687		90,555,038		10,089,649
		<b>2,860,795,508</b>		<b>9,306,050,807</b>	<b>(6,445,255,299)</b>
5) Other revenues and income					
a) contingent assets related to energy	574,157,633		1,040,831,881		(466,674,248)
b) income and other revenues	1,170,530		617,874		552,656
		<b>575,328,163</b>		<b>1,041,449,755</b>	<b>(466,121,592)</b>
<b>Total production value</b>		<b>3,436,123,671</b>		<b>10,347,500,562</b>	<b>(6,911,376,891)</b>
<b>B) PRODUCTION COSTS</b>					
6) Raw materials, supplies, consumables and goods					
a) energy purchases on the electricity market	2,450,935,402		8,625,773,637		(6,174,838,235)
b) unbalancing fees	70,399,109		113,805,199		(43,406,090)
c) other energy purchases	622,424		4,267,573		(3,645,149)
d) other	48,368		48,382		(14)
		<b>2,522,005,303</b>		<b>8,743,894,791</b>	<b>(6,221,889,488)</b>
7) Services					
a) dispatching, services related to energy	234,934,179		468,654,872		(233,720,693)
b) sundry services	22,430,249		17,088,327		5,341,922
		<b>257,364,428</b>		<b>485,743,199</b>	<b>(228,378,771)</b>
8) Use of third party's assets					
a) storage	49,414,155		45,600,195		3,813,960
b) other	1,464,996		1,439,025		25,971
		<b>50,879,151</b>		<b>47,039,220</b>	<b>3,839,931</b>
9) Personnel					
a) wages & salaries	17,195,001		16,258,882		936,119
b) social security contributions	4,805,306		4,485,413		319,893
c) termination indemnities	1,137,442		1,093,646		43,796
e) other costs	465,653		469,745		(4,092)
		<b>23,603,402</b>		<b>22,307,686</b>	<b>1,295,716</b>
10) Amortisation, depreciation and write-downs					
a) amortization of intangible assets	3,285,135		3,161,530		123,605
b) depreciation of tangible fixed asset	1,674,284		1,972,416		(298,132)
d) write-downs of receivables in current assets and cash/cash equivalents	2,547,523		1,691,848		855,675
		<b>7,506,942</b>		<b>6,825,794</b>	<b>681,148</b>
14) Other operating costs					
a) Contingent liabilities related to energy	574,157,633		1,040,831,881		(466,674,248)
b) other expenses	862,616		494,288		368,328
		<b>575,020,249</b>		<b>1,041,326,169</b>	<b>(466,305,920)</b>
<b>Total production costs</b>		<b>3,436,379,475</b>		<b>10,347,136,859</b>	<b>(6,910,757,384)</b>
<b>Difference between value and production costs (A-B)</b>		<b>(255,804)</b>		<b>363,703</b>	<b>(619,507)</b>
<b>C) FINANCIAL INCOME AND EXPENSES</b>					
16) Other financial income					
a) long term receivables	434,065		878		433,187
of which from subsidiaries	413,671		-		413,671
d) other income	57,434,794		27,648,902		29,785,892
of which from subsidiaries	488,391		-		488,391
		<b>57,868,859</b>		<b>27,649,780</b>	<b>30,219,079</b>
17) Interest and other financial expenses					
a) due to parent company	10,377,006		1,842,848		8,534,158
b) other	46,739,004		25,780,462		20,958,542
17-bis) Exchange rate gains and losses	1,093		(3,182)		4,275
		<b>57,117,103</b>		<b>27,620,128</b>	<b>29,496,975</b>
<b>Total financial income and expenses</b>		<b>751,756</b>		<b>29,652</b>	<b>722,104</b>
<b>D) VALUE ADJUSTMENTS TO FINANCIAL ASSETS</b>					
<b>Total value adjustments to financial assets</b>		-		-	-
<b>Profit before taxes (A-B+C+D)</b>		<b>495,952</b>		<b>393,355</b>	<b>102,597</b>
20) Income taxes, current, deferred and prepaid					
a) current taxes	413,220		463,771		(50,551)
c) deferred tax liabilities and assets	3,082		(146,323)		149,405
		<b>416,302</b>		<b>317,449</b>	<b>98,853</b>
<b>21) Profit for the year</b>		<b>79,650</b>		<b>75,906</b>	<b>3,744</b>

# Statement of Cash Flows



## STATEMENT OF CASH FLOWS

	2023	2022
<b>A. Cash flows from operating activities</b>		
Net income	79,650	75,906
Income taxes	416,302	317,449
Interest expense	57,117,103	27,620,128
(Interest income)	(57,868,859)	(27,649,780)
(Capital gains)/Capital losses deriving from disposal of assets	(249,760)	-
<b>1. Profit (loss) for the year before income taxes, interest, dividends and capital gain/losses on sale of assets</b>	<b>(505,564)</b>	<b>363,703</b>
<i>Adjustments for non-cash items that had no counterpart in the net working capital</i>		
Allocations to provisions	2,683,341	2,435,796
Employee termination benefits	1,137,442	1,093,646
Depreciation of fixed assets	4,959,419	5,133,946
Other adjustments to non-cash items	(1,213,008)	(1,787,465)
<b>Total adjustment to non-cash items</b>	<b>7,567,194</b>	<b>6,875,923</b>
<b>2. Cash flows before changes in net working capital</b>	<b>7,061,630</b>	<b>7,239,626</b>
<i>Change in net working capital</i>		
- Decrease (increase) in amounts due from customers	618,728,219	1,026,948,404
- Decrease (increase) in amounts due from subsidiaries	(1,090,268)	-
- Decrease (increase) in amounts due from parent company	9,767	(118,143)
- Decrease (increase) in amounts due from subsidiaries of parent companies	14,192	(1,528)
- Decrease (increase) in amounts due from Electricity Sector Adjustment Fund	501,788	361,966
- Decrease (increase) in prepayments and accrued income	499,459	(981,788)
- Increase (decrease) in amounts due to suppliers	(10,133,060)	(151,374,836)
- Increase (decrease) in amounts due to parent company	1,426,561	(342,646)
- Increase (decrease) in amounts due to subsidiaries of parent companies	(99,419,005)	(175,352,865)
- Increase (decrease) in amounts due to Energy and Environment Services Fund	(1,946,618)	13,928
- Increase (decrease) in accrued costs and deferred income	28,173	(20,048)
- Other changes in net working capital	142,651,012	(890,109)
<b>Total changes in net working capital</b>	<b>651,270,220</b>	<b>698,242,335</b>
<b>3. Cash flows after changes in net working capital</b>	<b>658,331,850</b>	<b>705,481,961</b>
<i>Other adjustments</i>		
Interest received	57,263,100	27,652,660
(Interest paid)	(56,532,012)	(23,731,107)
(Income tax paid)	(1,267,660)	(512,503)
(Use of provisions)	(3,667,503)	(3,224,830)
<b>Total other adjustments (other receipts/payments)</b>	<b>(4,204,075)</b>	<b>184,220</b>
<b>Cash flows from operating activities (A)</b>	<b>654,127,775</b>	<b>705,666,181</b>
<b>B. Cash flows from investment</b>		
- (Investments) divestments in tangible assets	(57,227,049)	(7,874,982)
- Increase/(decrease) in amounts due to suppliers for property, plant and equipment	(423,696)	354,881
- (Investments) divestments in intangible assets	(3,196,272)	(3,934,636)
- Increase/(decrease) in amounts due to suppliers for intangible assets	(218,418)	110,396
- (Investments) divestments in financial fixed assets	100,292	(28,316,573)
- (Investments) divestments in financial assets not held as fixed assets	-	0
<b>Cash flows from investments (B)</b>	<b>(60,965,143)</b>	<b>(39,660,914)</b>
<b>C. Cash flows from financing</b>		
<i>Third-party funding</i>	<i>(746,908,048)</i>	<i>(951,681,804)</i>
Increase (decrease) in short-term borrowing from banks and other financial institutions	(586,908,048)	(611,681,804)
Increase (decrease) in short-term amounts due to Energy and Environment Services Fund	(10,000,000)	(340,000,000)
Increase (decrease) in short-term borrowing from parent companies	(150,000,000)	0
Receipt (repayment) of medium-long term loans from banks	-	0
<i>Own funds</i>	<i>(72,111)</i>	<i>(100,124)</i>
(Dividends paid)	(72,111)	(100,124)
<b>Cash flows from financing activities (C)</b>	<b>(746,980,159)</b>	<b>(951,781,928)</b>
<b>Increase (decrease) in cash (A+B+C)</b>	<b>(153,817,527)</b>	<b>(285,776,661)</b>
<b>Cash at January 1</b>	<b>343,675,300</b>	<b>629,451,961</b>
bank and postal accounts	343,673,674	629,450,122
cash and cash equivalents	1,626	1,839
<b>Cash on December 31</b>	<b>189,857,773</b>	<b>343,675,300</b>
bank and postal accounts	189,855,630	343,673,674
cash and cash equivalents	2,143	1,626
<b>Total cash flows (A+B+C)</b>	<b>(153,817,527)</b>	<b>(285,776,661)</b>

# Explanatory Notes

## Structure and content of the financial statements

The structure and content, as well as the classification of items in the balance sheet, income statement, statement of cash flows and Notes, are compliant with the provisions of Articles 2424, 2424-*bis*, 2425, 2425-*bis* and 2425-*ter* of the Italian Civil Code, as well as the documents issued by the OIC (Italian Accounting Body).

As established under Article 2423, paragraph 6 of the Italian Civil Code, the financial statements were prepared in euro units, without decimal places, while in the Notes, in compliance with current regulations, values are expressed in thousands of euro.

All asset and liability items at 31 December 2023 are presented alongside the corresponding amounts for the previous year, in accordance with Article 2423, paragraph 5 of the Italian Civil Code.

Evaluation of these items is done in accordance with the general principles of prudence and accrual and with an eye to the business as a going concern, while also taking the substance of the operations into account.

During the year, no exceptional cases occurred which made it necessary to make use of derogations pursuant to Article 2423, paragraph 5 of the Italian Civil Code. Financial statement items were measured in compliance with the provisions of Article 2426 of the Italian Civil Code.

For a better representation of the equity, financial and economic status of the Company, the reclassified balance sheet and income statement have been prepared in summary form accompanying the report on operations. All the information deemed necessary to give a true and fair representation is also provided, even if not specifically required by law. In compliance with the provisions of Article 2423-*ter* (Structure of the balance sheet and income statement), some items in the accounts have been appropriately adapted and added.

The most significant accounting standards adopted for preparing the financial statements as at 31 December 2023, unchanged with respect to the previous year, as well as regarding the content and changes in the related individual items are outlined below.

## Accounting standards and measurement criteria

For the preparation of annual accounts for 2023, the measurement pursuant to Article 2426 of the Italian Civil Code have been adopted, interpreted and supplemented by the accounting standards prepared and issued by the Italian Accounting Body (OIC).

## Intangible assets

Fixed assets are recognised at purchase cost, including any accessory charges, pursuant to Article 2426, paragraph 1 of the Italian Civil Code, and systematically amortised each year on a straight line basis.

The item Industrial patent and intellectual property rights is amortized over an estimated useful life of three years.

Concessions, licenses, trademarks and similar rights are amortized over a period of ten years.

The item Intangible Assets was amortised over the period of presumed useful life for three years.

If, regardless of previously recorded amortisation, there is an impairment loss, the asset is written down correspondingly. If in subsequent years the reasons that justified the write-down cease to apply, the asset is returned to its original value, up to the value that the asset would have had if the impairment loss had never arisen.

## Tangible assets

Specific OCSIT stock products are classified as tangible assets as they are held on a long-term basis.

They are recognised at purchase cost, including any directly attributable accessory costs, net of any impairment loss. Any drop in current oil prices is not an indicator of impairment, in that any use of the stocks would presumably arise only in extremely serious situations and, in particular, in the event of a serious oil shortage, which would reasonably suggest a related rise in prices. If the realisable value of OCSIT stocks is lower than the book value, any negative difference would in any case, be fully covered in accordance with Article 1, paragraph 8 of MED (now MEMIT) Decree of 31/01/2014 (so called Official Guideline).

Tangible assets relating to Other assets are recognised at acquisition cost, also including accessory charges directly attributable, and are depreciated on a straight-line basis each year using rates that are determined in relation to their residual useful life. In particular:

- Fixed client PCs and laptops are depreciated over a three-year period;
- Other assets are depreciated over a five-year period.

If there is an impairment loss, regardless of the previously recorded depreciation, the asset is written down correspondingly. If in subsequent years the reasons that justified the write-down cease to apply, the asset will be restored to its original value up to the value it would have had if the impairment loss had never taken place.

The costs of ordinary maintenance, as not affecting the level or the potential use of the assets, are charged to the income statement in the year they are incurred. However, maintenance costs with an incremental value are allocated to the related assets and depreciated over the residual useful life of the assets.

## **Financial assets**

### **Investments**

Investments in subsidiaries are recognised at purchase cost, including any ancillary costs. The cost of investments will come down in the case of impairments, and there is no immediate future use foreseeable that would absorb the losses; if the reasons for the write-down carried out should lapse, the original value will be restated in future financial years.

### **Receivables**

Receivables recorded under financial fixed assets are recognised at their nominal value, in that effects deriving from application of the amortised cost criteria are immaterial, taking the time factor into account.

### **Receivables and payables**

Receivables are recognised using the amortised cost criteria, taking the time factor into account, as well as the presumable realisable value.

Receivables are shown net of any provision for write-downs on receivables, appropriately determined to express their presumable realisable value. These receivables are classified according to their nature and purpose, under “financial assets” or “current assets”.

Receivables are eliminated from the balance sheet following transfer operations only if all the risks inherent to the released receivable are essentially transferred.

Payables are recognised using the amortised cost criteria, taking the time factor into account, that coincides with the nominal value in the absence of transaction costs and embedded financial components.

Bond loans are recognised at the time of subscription in accordance with the amortised cost criteria, taking the time factor into account. The cost includes transaction costs, among which expenses to issue the bond loans and the issue discounts.

## Cash and cash equivalents

Cash and cash equivalents at the end of the year are indicated at their nominal value.

## Accruals and deferrals

They are determined according to the accrual basis.

## Provisions for risks and charges

Provisions for risks and charges include costs and charges of a specific nature, certain or likely, but for which, at year end, the amount and/or the date of occurrence are undetermined. The provisions reflect the best possible estimate based on available information. Risks for which the emergence of a liability appears merely possible are indicated in specific notes.

Provisions for risks and charges include the Provision for use of future financial residual sums - former Cassa GPL, established in previous years after the Gasoline Funds were transferred to the company, contained within the Cassa Conguaglio GPL. As part of the operation, the assets and liabilities transferred were identified, as well as the relative criteria for initial recognition. More specifically, in the absence of a fee for said transfer, the assets were recognised at their presumable realisable value, the liabilities at their repayment value, and the difference between the asset and liability values at the initial recognition date was recognised in a specific provision for charges, referred to as the Provision for use of future financial residual sums - former Cassa GPL. The reason for this is that the difference cannot affect the Company's equity given the impossibility of Acquirente Unico benefiting or suffering from any residual excess or deficits deriving from management of the Gasoline Fund, even in the extreme case of an early dissolution of the Gasoline Fund, and given that the Company has no requirement, following the elimination of the financial resources, to liquidate any repayment requests accepted relative to the contributions required for environmental costs to restore locations following rationalisation of the fuel distribution network. This structure ensures that AU's income statement relative to management of the Gasoline Fund can only end up breaking even and classifies the positive difference between the assets and liabilities recognised as a certain and determined liability, even if the amount is estimated and the date of attribution uncertain, which led to its classification within provisions for risks and charges.

## Employee severance indemnity

The provision for employee severance indemnities is established in compliance with laws and labour contracts in force and reflects the liabilities accrued in respect of all employees at the balance sheet date, net of advances paid pursuant to law, as well as amounts paid in supplementary pensions. Following the entry into force of Law 296 of 27 December 2006 (2007 Financial Law), employee severance indemnity is also reduced for the amounts transferred to the Treasury Fund set up with INPS (Italian State Social Security Entity) and other supplementary pension funds.

## Revenues and Costs

These are recognised in accordance with the principle of prudence and economic attribution and are net of rebates and discounts. Revenue from services and the sale of goods is recognised when the service is supplied or on transfer of ownership of the goods.

Revenue and costs relating to the purchase and sale of electricity are supplemented with appropriate accounting estimates, based on legal and Authority provisions in force in the reporting period.. These estimates, which are typical of the activities carried out by the Company, are the result of calculations performed by the technical and commercial departments based on available information, including by comparison with the main counterparts.

With reference to the purchase and sale of electricity and related services, application of the regulations referring to AU, as well as the general principles of proper accounting for accruals and correlation between revenue and expenses, involving the achievement of equivalence, using suitable accounting estimates, between revenue and corresponding costs. The coverage of the costs of the purchase and sale of energy complies, in particular, with the provisions of the following standards:

- Article 4, paragraph 6, of Italian Legislative Decree No. 79/99, which provides that the balance of AU accounts is ensured . AU's balancing principle was, , among other things, referred to by Article 4 of the Decree of the Minister of Productive Activities of 19 December 2003;
- Article 18.4 of the Integrated text on the provision of enhanced protection electricity sales and safeguarding of end users - TIV, annexed to AEEGSI Resolution 301/2012 - which, in stipulating the criteria for determining the price of electricity sold to enhanced protection

service operators, essentially establishes that AU should cover its own operating costs for managing energy-related activities.

As regards revenue to cover operating costs, recognition is as follows:

- assuming accounting equilibrium between revenues covering costs and the related costs, in accordance with applicable regulations on the matter;
- assuming the existence of official acts of the supervisory authorities that enable the recognition of an accrual basis of the fees and their amount, based on the principle of reasonable certainty that the fees will accrue (depending on the case, they may be documents approving the final statement or, pending these, documents formally authorising the budget for the financial year, as long as the final balance is kept within the limits of the budget).

### **Income taxes for the year**

Current income taxes are recognised with balancing of tax payables/receivables, net of payments on account and withholdings, based on the estimated taxable income, determined in accordance with provisions in force and taking into account the applicable tax benefits and credits due.

In application of OIC document no. 25, if the requirements are met, deferred tax assets and liabilities are recognised based on temporary differences between gross statutory profit and taxable income.

If the recalculation indicates a deferred tax asset, it is registered as such only to the extent that there is reasonable certainty of its future recovery.

### **Translation criteria for items in other currencies**

Assets and liabilities originally expressed in other currencies are translated in the financial statements at the exchange rate in effect at the time of the transaction. The effects of any translations to year-end exchange rates are entirely immaterial.

### **System for keeping separate accounting records for economic and equity items relative to the Integrated Information System (IIS), the Italian Central Stockholding Entity (OCSIT) and the Gasoline Fund**

As established in the Authority's Resolution Arg/com/201/10, with reference to the IIS, and in Italian Legislative Decree no. 249 of 31/12/2012, relative to OCSIT, and in Italian Law no. 124 of



4 August 2017, with regard to the Gasoline Fund, AU has adopted specific systems to ensure separate accounting for the economic and equity items relative to the IIS, OCSIT and Gasoline Fund, as if their business was performed by a separate entity.

More specifically, based on appropriate methodological models approved by senior management, AU prepares special separate annual accounts for the IIS, OCSIT and the Gasoline Fund, to be submitted to the regulators (ARERA and MED - now MEMIT), respectively, for IIS within 60 days of the approval of the annual financial statements, for OCSIT within 90 days of the approval of the annual financial statements and for the Gasoline Fund within 150 days of the approval of the annual financial statements.

The separate annual accounts comprise, in summary, the following reports:

- Balance sheet;
- Income statement;
- Accounting details and notes on the criteria and methodologies adopted.

Regarding the financial reporting information that pertains to Acquirente Unico S.p.A., the following points are noted:

- In specific chapters of the Report on Operations, there is summary information regarding the development and management of the IIS, OCSIT and Gasoline Fund;
- In one table, which is also included in the Report on Operations, the operating costs of Acquirente Unico S.p.A. are broken down by macro-area of activities. This table specifically records operating costs economically accrued by the IIS, OCSIT and Gasoline Fund;
- An analysis of the respective tables of the Notes to these Financial Statements separately indicates the amounts of the balance sheet and income items, where relevant and significant, relating to business under accounting separation.

### **Information about commitments, guarantees and potential liabilities not recognised in the balance sheet**

Pursuant to Article 2427, paragraph 9) of the Italian Civil Code, below is the total amount of commitments, guarantees and potential liabilities not recognised in the balance sheet.

#### **Commitments – € 167,762 thousand**

This item shows future commitments deriving from the stipulation of contracts to store OCSIT oil products, relative to the period 2024-2029.

### **Collateral and personal guarantees received – € 1,253,144 thousand**

The item mainly refers to sureties, with a secured total of € 1,251,421 thousand, issued in favour of AU, by banks or parent companies, in the interest of the companies providing the enhanced protection service for which the Company invoices energy.

These sureties, issued pursuant to article 10 of the contract for the sale of electricity between AU and the companies operating the enhanced protection service, as updated by the Authority's Resolution ARG/n Elt 208/10, guarantee AU's receivables due from these enhanced protection service operators for an amount of no less than 1/6 of the annual cost, including VAT, sustained by each operator in the previous calendar year to supply energy to its customers on the protected market.

In this context, note the surety for € 1,150,000 thousand as at 31 December 2023, issued in favour of AU by Servizio Elettrico Nazionale S.p.A., guaranteeing the obligations arising from the contract for the sale of electricity.

Lastly, it also includes mortgages on real estate, with a secured total of € 1,600 thousand, issued by employees against the loans provided by the Company for first home purchases.

### **Potential liabilities**

At present, a dispute is pending with one supplier regarding the payment of an invoice for € 902 thousand, plus default interest. The risk of losing a potential legal dispute is considered merely possible.

### **Information pursuant to Article 2423, paragraph 4**

The criteria used by the Company to implement the provisions of Article 2423, paragraph 4 are illustrated below, with particular regard to the definition of immateriality of the effects of any errors.

In particular, the significance of materiality in its fundamental qualitative characteristics necessary to guarantee the usefulness of information provided in the financial statements is explained.

Given that materiality is understood to be a specification of the concept of significance, information is material if its omission or imprecise representation is able to influence the decisions that potential users make on the basis of the annual financial statements, whether they are internal (company bodies, management) or external (stakeholders). More specifically, materiality is an aspect that must be related to the specific company providing accounting

information, based upon the nature or size (or both) of the element to which the information refers, in the context of the specific annual financial statements for the individual company. Therefore, materiality depends upon the amount and nature of the omission or error based upon the specific circumstances. The amount or nature of the information, or a combination of both, may be the determining factor.

Given that it is for the most part quantitative, the determination of materiality is expressed through specific *threshold parameters*, in order to determine whether, in relation to a financial statement element, an error or omission has enough influence on the level of information and reporting provided by the financial statements, considering their nature and the circumstances in question. This determination requires that parameters be determined in a relativistic manner, looking at the size of the company and its characteristics.

The operating situation of Acquirente Unico (AU) is outlined in relation to the following variables:

- compliance with legal operational conditions, in the light of the fact that legal and regulatory provisions do not allow for “free” determination of profit for the year;
- the characteristics of the business performed and operating dimensions;
- the interests of the stakeholders most worthy of attention and protection.

In this context and in the light of the current management conditions, the following threshold parameters are identified:

- total operating revenue (for energy sales to operators within the enhanced protection service, etc.): reference value 0.1%;
- operating costs (personnel expense; external services, such as consulting or similar; expenses relative to company bodies; general expenses and for company logistics, etc.): reference value 2.5%;
- book value of technical fixed assets consisting of stocks of oil products: reference value 0.5%;
- gross financial debt: reference value 0.5%;
- shareholders' equity: reference value 1%.

In order to identify the tolerance margin, in that it is immaterial, two types of factors are considered:

- the amount of the individual error (measurement of tolerable non-compliance for an individual case);

- the amount of the cumulative error, i.e. the maximum tolerance margin of the total, or simultaneous presence of multiple errors, provided that they relate to different cases (sum of the amount of all the events/cases of non-compliance).

In the first case (specific tolerance), the maximum amount is equal to the average of the values achieved in a given year of the 5 parameters proposed. In the second case (total tolerance), the maximum tolerance is equal to the sum of the values achieved in each of the parameters considered.

### Proposed allocation of profits

The proposed allocation of profit for 2023 (€ 79,650 thousand), to be submitted to the Company's Shareholders' Meeting for approval, is as follows:

- 5% of profits to the Legal Reserve, in the amount of € 3,983;
- 95% of profits as dividends to be paid to the Shareholder, in the amount of € 75,667.

### Subsequent events

Following the start of procedures, as envisaged by Resolution 580/2023/R/EEL, tenders will be held in January 2024 for assigning the Gradual Protection Service for non-vulnerable domestic customers. The outcomes of the procedures were released on 6 February 2024 with the announcement of the awarded companies: A2A Energia S.p.A., E.ON Energia S.p.A, Edison Energia S.p.A., ENEL Energia S.p.A., Hera Comm Srl, Illumia S.p.A. and the temporary business consortium (RTI) Iren Mercato S.p.A and Salerno Energie Vendita S.p.A.

## BALANCE SHEET

### ASSETS

#### FIXED ASSETS – € 1,051,922 thousand

#### Intangible assets – € 5,493 thousand

The analysis of this item and changes during the year are as follows:

<i>€ thousand</i>	Industrial patent and intellectual property rights	Concessions, licences, trademarks and similar rights	Assets under construction and advances	Other	Total
<b>Balance as at Dec. 31, 2022</b>					
Original cost	23,677	14	105	6,237	30,033
Amortisation	(18,921)	(11)	-	(5,520)	(24,452)
<b>Balance as at Dec. 31, 2022</b>	<b>4,756</b>	<b>3</b>	<b>105</b>	<b>717</b>	<b>5,581</b>
<b>Changes in financial year 2023</b>					
Increases	2,862	-	-	335	3,197
Entering services	80	-	(86)	6	-
Amortisation	(2,817)	(1)	-	(467)	(3,285)
<b>Balance of changes in financial year 2023</b>	<b>125</b>	<b>(1)</b>	<b>(86)</b>	<b>(126)</b>	<b>(88)</b>
<b>Balance as at Dec. 31, 2023</b>					
Original cost	26,619	14	19	6,578	33,230
Accumulated amortisation	(21,738)	(12)	-	(5,987)	(27,737)
<b>Balance as at Dec. 31, 2023</b>	<b>4,881</b>	<b>2</b>	<b>19</b>	<b>591</b>	<b>5,493</b>

The item Industrial patents and intellectual property rights for € 4,881 thousand, relates to basic and specific software application packages, with the related upgrading maintenance.

Increases recorded during the year (€ 2,942 thousand) are mainly attributable to investments made by the Integrated Information System to develop the technology platform, and the Information Systems Department, for the implementation of new functions, including:

- optimising the functions of the Microsoft products in use;
- developing the new company Intranet;
- Implementing amortisation/depreciation management software (SIC Cloud).

The item Other intangible assets, equal to € 591 thousand, refers to application software for the operating management IT systems, developed for specific AU needs with related customisation, mainly for the following features:

- enhancement of the Help Desk Portal with the development of new functions such as the introduction of the electronic ID card authentication system and monitoring on the authentication system using SPID;
- development maintenance of the Stocks, i-Sisen and SisenBI applications with the implementation of statistical recording in the oil segment and management of mandatory stocks of operators in the oil sector as required by the Ministry of the Environment and Energy Security (MASE);
- updating of the Oracle JD Edwards system software infrastructure to the most recent version released by the manufacturer;
- development initiatives needed for the adaptation to the Gradual Protection process, through activities on forecast data and algorithms to allow management of the impacts on the demand forecast of the exit from the portfolio of Gradual Micro-enterprise Protection Customers.

### Tangible assets - € 1,017,350 thousand

The breakdown of the item and changes during the year are summarised in the table below:

<i>€ thousand</i>	OCSIT specific stocks	Assets under construction and advances	Other assets	Total
<b>Balance as at Dec. 31, 2022</b>				
Original cost	957,321	86	13,882	971,289
Accumulated depreciation	-	-	(9,741)	(9,741)
<b>Balance as at Dec. 31, 2022</b>	<b>957,321</b>	<b>86</b>	<b>4,141</b>	<b>961,548</b>
<b>Changes in financial year 2023</b>				
Increases	57,060	-	1,308	58,368
Entering services	-	(86)	86	-
Decreases (Historic Cost)	(891)	-	-	(891)
Depreciation	-	-	(1,674)	(1,674)
<b>Balance of changes in financial year 2023</b>	<b>56,169</b>	<b>(86)</b>	<b>(280)</b>	<b>55,803</b>
<b>Balance as at Dec. 31, 2023</b>				
Original cost	1,013,490	-	15,276	1,028,766
Accumulated depreciation	-	-	(11,415)	(11,415)
<b>Balance as at Dec. 31, 2023</b>	<b>1,013,490</b>	<b>-</b>	<b>3,861</b>	<b>1,017,351</b>

The item primarily relates to year-end OCSIT stocks of oil products, considered a long-term investment (€ 1,013,490 thousand).

These stocks increased by € 57,060 thousand following the purchases made during the period, and decreased by € 891 thousand with the replacement of 2,000 tonnes of fuel oil with a similar quantity of diesel for diesel engines. This operation generated a capital gain in the income statement for € 250 thousand.

Considering the loan agreements intended for the supply of OCSIT stocks, in compliance with Article 2447-decies of the Italian Civil Code, note that income from the sale of the stocks in question, corresponding to collections deriving from any sale of specific stocks, is restricted for use exclusively to repay the loans, as established in Article 2447-bis, paragraph 1, letter b) of the Italian Civil Code. Under these loan agreements, the beneficiary AU has undertaken not to create or permit the existence of any encumbrance on the stocks in question.

It is noted that the sale of OCSIT stocks can only occur after the related authorisation decision made to that end by the government authority, and the proceeds deriving from the sale will be allocated, in priority order, to proportional repayment of borrowings contractually arranged by OCSIT to purchase oil products and then to borrowing either in the form of bank loans or by issuing bonds. If the realisable value of the stocks in question is less than the book value, the negative difference would be fully covered by the contribution under Article 7, paragraphs 4 and 5 of Italian Legislative Decree no. 249/2012, in accordance with Article 1, paragraph 8 of MED (now MEMIT) Decree dated 31 January 2014 (so-called "Official Guideline").

In compliance with the provisions of Article 2426, paragraph 10) of the Italian Civil Code, the difference between the book value of the stocks in question and their year-end market values is indicated in the following table, by asset category.

#### OCSIT PRODUCT STOCKS - DIFFERENCES BETWEEN THE BOOK VALUE AS AT 31 DECEMBER 2023 AND MARKET PRICE

<i>€ thousand</i>	Financial statement valuation	Values at market prices at Dec. 31, 2023	Changes
Gasoline – Super Unleaded	189,194	254,467	65,273
Automotive diesel	681,214	995,575	314,361
Jet fuel	134,399	201,351	66,952
BTZ fuel oil	8,683	13,660	4,977
<b>Total</b>	<b>1,013,490</b>	<b>1,465,053</b>	<b>451,563</b>

The positive difference, as seen in the table, between the book value of stocks and their market price is € 451,563 thousand, attributable to the oil product price trends.

In any case, it is considered that these differences, even in the event of a negative difference, i.e. a market prices lower than the book value, are not impairment losses that would give rise to write-downs, in that their particular nature as "strategic" OCSIT stocks means any sale would presumably only be in situations of extreme need, due to oil shortages, which therefore makes it reasonable to assume that the realisable value would be not less than the historic value.

In addition, as previously indicated, note that if the stocks in question are sold and the realisable value is different from the book value, the negative difference will be fully covered by the contribution under Article 7, paragraphs 4 and 5 of Italian Legislative Decree no. 249/2012, in accordance with Article 1, paragraph 8 of MED (now MEMIT) Decree dated 31 January 2014 (so called Official Guideline).

The item Other assets, equal to € 3,861 thousand, mainly refers to expansion and development of the IIS technological platform and other hardware associated with the Integrated Information System.

This also includes the cost of hardware for user workstations (laptops, accessories and other hardware) that make up the AU's IT infrastructure, which is mainly composed of server systems, storage devices, security systems and network devices.

The increases in 2023, equal to € 1,308 thousand, are for the most part associated with investments made by the IIS and to strengthening AU's IT infrastructure.

### **Financial fixed assets – € 29,079 thousand**

#### **Investments in subsidiaries - € 15,068 thousand**

This item refers to the book value of the investment in SFBM SpA, held for 100 % by AU. The recorded value, representing the purchase cost valuation, corresponds to the total disbursement (€ 14,547 thousand), and also includes the ancillary charges pertinent to the transaction, amounting to € 521 thousand. The investment value will be progressively recovered, based on the remuneration mechanism for the capital invested by AU, pursuant to MITE Ministerial Decree 366 of 28/09/2022.

The table below sets out the information relating to the investments held.



<i>€ thousand</i>	Registered office	Share capital at Dec. 31, 2023	Shareholders' equity as at Dec. 31, 2023	Profit for the year 2023	% held	Book value
<b>Subsidiaries</b>						
<b>SFBM S.p.A.</b>	Rome	13,580	13,518	1,848	100	15,068

The investment's book value is higher than shareholders' equity, with this difference not considered an impairment based on the development prospects that will allow for the investment made to be recovered.

#### **Due from subsidiaries – € 13,000 thousand**

This item includes the funding provided to the subsidiary SFBM. This receivable is interest-bearing.

#### **Due from others – € 1,011 thousand**

This item includes the loans disbursed to employees in accordance with applicable contractual provisions (first home purchase, important family needs, etc.). The detailed table, included so as to complete the presentation of assets, shows the amount of receivables collectible within and beyond five years.

### **CURRENT ASSETS – € 717,456 thousand**

#### **RECEIVABLES – € 527,598 thousand**

The indication of amounts due within and beyond 5 years is shown in the specific table to complete the analysis of assets.

#### **Receivables due from customers – € 522,274 thousand**

The breakdown of this item is shown in the following table:

€ thousand	Dec. 31, 2023	Dec. 31, 2022	Changes
Receivables for selling electricity to enhanced protection service operators	433,531	1,080,530	(646,999)
Receivables from enhanced protection operators for Integrated Information System fees (IIS) - protected electricity market	654	889	(235)
Receivables due from enhanced protection operators for Integrated Information System fees (IIS) - open market	2,330	2,096	234
Receivables from gas operators for Integrated Information System (IIS) fees	1,723	1,796	(73)
Receivables due from operators for fees to cover OCSIT costs	88,094	55,677	32,417
Receivables, Gasoline Fund Ministerial Decree 2013	5,636	5,864	(228)
Receivables, Gasoline Fund Legislative Decree 98	2,213	2,213	-
Receivables - National reserve stocks fund	25	25	-
Receivables for interest pursuant to Ministerial Decree 2013 - Gasoline Fund	132	132	-
Accrued interest on arrears	748	142	606
Other energy-related receivables	367	1,823	(1,456)
<b>Total receivables due from customers</b>	<b>535,453</b>	<b>1,151,187</b>	<b>(615,734)</b>
Provision for write-downs on receivables - energy	(3,563)	(1,573)	(1,990)
Provision for write-downs on receivables Ministerial Decree 2013	(5,636)	(5,864)	228
Provision for write-downs on receivables Gasoline Fund Legislative Decree 98	(2,213)	(2,144)	(69)
Provision for write-downs on receivables National reserve stocks fund	(17)	(17)	-
Provision for write-downs on receivables for interest pursuant to Ministerial Decree 2013 - Gasoline Fund	(132)	(132)	-
Provision for write-downs on receivables - OCSIT	(1,560)	(1,060)	(500)
Provision for write-downs on receivables - IIS	(58)	-	(58)
<b>Total</b>	<b>522,274</b>	<b>1,140,397</b>	<b>(618,123)</b>

The decrease in this item compared to the previous year is mainly attributable to the reduction in Receivables from enhanced protection service operators.

The change in receivables for the sale of electricity, down on 2022 by € 646,999 thousand, reflects the reduction in quantities transacted following the transfer of customers from the protected market to the open market and the pricing effect.

The item mainly refers to the receivable for the sale of electricity to companies providing the enhanced protection service (€ 433,531 thousand). This amount is mainly due to the receivable confirmed for November and December 2023; in relation to this receivable, invoices were issued respectively in January and February 2024. The amount of receivables for sales of electricity to enhanced protection service operators is shown net of the specific provision for write-downs on receivables (€ 3,563 thousand), to align them with the estimated realisable value. This alignment follows an examination of the positions with enhanced protection service operators past due at year end, taking into account the length of time past due, the issue of guarantees, legal action

taken, etc. With respect to the end of the previous year, the provision in question saw the following changes with regard to receivables accrued for the enhanced protection service:

<i>€ thousand</i>	<b>Amount</b>
<b>Provision as at Dec. 31, 2022</b>	<b>1,573</b>
Allocations	1,990
Uses/ Releases	-
<b>Provision as at Dec. 31, 2023</b>	<b>3,563</b>

The provision refers to payment difficulties experienced by certain operators.

Receivables due from operators for OCSIT coverage fees increased compared to the previous year by € 32,417 thousand. The amount of these receivables is stated net of a provision for the write-down of receivables for € 1,560 thousand to cover the risk of non-collection which, during the year, rose by € 500 thousand.

The item also includes the residual receivables deriving from transfer of the assets/liabilities of the former Cassa Conguaglio GPL to Acquirente Unico S.p.A., which have been fully written down. The item also includes: receivables for fees to cover the costs of the Integrated Information System, for the portion relating to enhanced protection service operators in the electricity sector (€ 654 thousand), the portion relating to electricity dispatching users (€ 2,330 thousand), as well as the portion relating to gas sector operators (€ 1,723 thousand). Other energy-related receivables for € 367 thousand and receivables for default interest (€ 748 thousand).

#### **Receivables due from subsidiaries – € 1,090 thousand**

The item mainly includes the receivables referring to the subsidiary SFBM S.p.A. for the chargeback of costs incurred.

#### **Receivables due from parent companies – € 236 thousand**

The item mainly refers to the assessment of a portion of electricity costs invoiced to AU but relative to GSE.

### Tax receivables – € 886 thousand

This item is recognised net of current tax liabilities, which amount to € 413 thousand.

### Deferred tax assets – € 1,332 thousand

The item includes deferred tax assets against temporary differences deductible in future years, associated with directors' fees unpaid (for IRES only), amortisation/depreciation exceeding the fiscally deductible portion (for IRES only) and to the provision for employee bonuses (both IRES and IRAP).

This item is recognised to the extent that future recovery is reasonably certain. It increased over the previous year by € 77 thousand.

Changes in deferred tax assets are shown in the table below:

<i>€ thousand</i>	IRES	IRAP	Total
<b>Deferred tax assets at Dec. 31, 2022</b>	<b>1,058</b>	<b>196</b>	<b>1,254</b>
Increases	665	128	793
Decreases	(598)	(117)	(715)
<b>Deferred tax assets at Dec. 31, 2023</b>	<b>1,125</b>	<b>207</b>	<b>1,332</b>

The increases refer to temporary differences that can be deducted in future years, relating to:

- the portion of directors' fees not paid during the year (€ 6 thousand, IRES only);
- the portion of amortisation/depreciation exceeding the tax deductible portion (€ 20 thousand, IRES only);
- the provision for employee bonuses not paid in 2023 (€ 639 thousand for IRES and € 128 thousand for IRAP).

The decreases refer to the reversal of deferred tax assets:

- for the portion of fees to directors paid during the year (€ 7 thousand, solely for IRES purposes);
- to recover amortisation/depreciation not deducted in previous years (€ 8 thousand, IRES only);
- to pay employee bonuses, against allocations not deducted in 2022 (€ 583 thousand for IRES and € 117 thousand for IRAP).

The schedule below shows the amounts and changes in deductible temporary differences for the year to which the deferred tax assets refer, broken down by macrotype. These latter are calculated using the rates in effect (24% for IRES, - 4.82% for IRAP, as foreseeable for the period

in which said differences will presumably be passed on), to the extent provided by law (see Article 2427, paragraph 14, Italian Civil Code).

<i>€ thousand</i>	Deductible temporary differences	Taxes	2022	Increases	Decreases	2023
	Directors' fees	IRES	42	27	(28)	41
	Excess amortisation	IRES	1,956	82	(35)	2,003
	Employee bonuses and redundancy incentives	IRES/IRAP	2,633	2,661	(2,431)	2,863
	<b>Total</b>		<b>4,631</b>	<b>2,770</b>	<b>(2,494)</b>	<b>4,907</b>

### Receivables due from others – € 1,772 thousand

Below is a detailed breakdown of the item and changes compared to the previous year:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Advances to suppliers	13	10	3
Due from refunds - ARERA	1,032	5	1,027
Due from others - Gasoline Fund	76	76	-
Other	651	649	2
<b>Total</b>	<b>1,772</b>	<b>740</b>	<b>1,032</b>

The increase of € 1,032 thousand primarily refers to the receivable from ARERA for the partial return of the Authority's operating contribution for 2023. The return was finalised in January 2024.

### Receivables due from Energy and Environmental Services Fund - € 8 thousand

The item mainly refers to the coverage of costs for activities relating to the IIS Bonus.

### CASH AND CASH EQUIVALENTS - € 189,858 thousand

The breakdown of this item is shown in the following schedule:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Bank deposits	189,856	343,674	(153,818)
Cash in hand	2	2	-
<b>Total</b>	<b>189,858</b>	<b>343,676</b>	<b>(153,818)</b>

The item Bank deposits includes cash held by AU as at 31 December 2023, which shows a decrease compared to the previous year.

Bank deposits refer almost entirely to the financial resources temporarily allocated by MASE to AU as manager of the “Industrial Sector Energy Transition Fund” (so called TESI Fund) and not yet disbursed to beneficiaries for € 150,983 thousand and to the Gasoline Fund for € 8,823 thousand.

### ACCRUED INCOME AND PREPAID EXPENSES – € 1,719 thousand

The balance-sheet item mainly consists of prepaid costs related to licences and fees for technical support for software, hardware maintenance, etc.

Compared to 2022, this item decreased by a total of € 499 thousand.

Art. 2427 of the Civil Code, under paragraph 6 includes the indication for each item, in the amount of the receivables with a residual duration exceeding five years, broken down by geographical area.

The table below provides a breakdown of receivables by their maturity period:

<i>€ thousand</i>	Within 12 months	From 2 to 5 years	Over 5 years	Total
<b>Receivables under financial assets</b>				
Receivables due from subsidiaries	-	-	13,000	13,000
Receivables due from others	63	240	708	1,011
<b>Total financial receivables</b>	<b>63</b>	<b>240</b>	<b>13,708</b>	<b>14,011</b>
<b>Current receivables</b>				
Receivables due from customers	522,274	-	-	522,274
Receivables due from subsidiaries	1,090			1,090
Receivables due from parent companies	237	-	-	237
Tax receivables	886	-	-	886
Deferred tax assets	1,332	-	-	1,332
Receivables due from others	1,772	-	-	1,772
Receivables due from CSEA	7	-	-	7
<b>Total current receivables</b>	<b>527,598</b>	<b>-</b>	<b>-</b>	<b>527,598</b>
<b>Total</b>	<b>527,661</b>	<b>240</b>	<b>13,708</b>	<b>541,609</b>

Amounts due after a year relate to the portion of loans disbursed to employees, and the receivable for funding provided to the subsidiary SFBM.

Note that all receivables recognised are due from Italian counterparties.

### TOTAL ASSETS - € 1,771,097 thousand

## LIABILITIES

### SHAREHOLDERS' EQUITY – € 8,744 thousand

Changes in Shareholders' equity during 2023 and in the previous year are shown in the following table:

<i>€ thousand</i>	Share capital	Legal reserve	Profit for the year	Total
<b>Balance as at Dec. 31, 2021</b>	<b>7,500</b>	<b>1,155</b>	<b>105</b>	<b>8,760</b>
<b>Destination of profits 2021:</b>				
- legal reserve	-	5	(5)	-
- dividend distribution	-	-	(100)	(100)
<b>Profit for financial year 2022</b>				
- Profit for the year	-	-	76	76
<b>Balance as at Dec. 31, 2022</b>	<b>7,500</b>	<b>1,160</b>	<b>76</b>	<b>8,736</b>
<b>Destination of profits 2022:</b>				
- legal reserve	-	4	(4)	-
- dividend distribution	-	-	(72)	(72)
<b>Profit for financial year 2023</b>				
- Profit for the year	-	-	80	80
<b>Balance as at Dec. 31, 2023</b>	<b>7,500</b>	<b>1,164</b>	<b>80</b>	<b>8,744</b>

With respect to individual components of shareholders' equity, there is also a breakdown of reserves by origin, possibility of use and distribution options:

Nature/Description	Amount € thousands	Possibility of use	Available portion
Share Capital	7,500		
Legal Reserve	1,164	B	1,164
<b>Total</b>	<b>8,664</b>		<b>1,164</b>

Key: A) for share capital increase; B) to cover losses; C) for distribution to shareholders

### Share capital – € 7,500 thousand

The value of the share capital, which is fully paid, equals € 7,500,000 and is represented by 7,500,000 ordinary shares of nominal value of € 1.

### Legal reserve – € 1,164 thousand

The legal reserve increased by € 4 thousand after the 28 April 2023 Shareholders' Meeting allocated 5% of the previous year's profits.

### Profit for the year – € 80 thousand

This item represents the net profit for 2023.

### PROVISIONS FOR RISK AND CHARGES – € 9,799 thousand

#### Provision for taxes, including deferred taxes – € 99 thousand

The provision includes the allocation for taxes, including deferred, against temporary differences taxable for IRES purposes correlated with interest on delinquent receivable.

Changes in the provision for deferred taxes are shown in the following table:

<i>€ thousand</i>	Amount
<b>Provision as at Dec. 31, 2022</b>	19
Allocations	82
Uses	(2)
<b>Balance as at Dec. 31, 2023</b>	99

Allocations refer to temporary differences taxable in subsequent years, relative to interest on arrears accruing during the year but not yet received (€ 82 thousand).

Uses refer to the reversal of deferred taxes relative to the portion of interest on arrears received during the year (€ 2 thousand).

The table below shows the changes (increases and decreases) in taxable temporary differences during the year, relative to deferred taxes. The latter are calculated using the rates in effect (24% - IRES, as foreseeable for the period in which the differences will presumably be reversed), to the extent envisaged in current regulations (see Article 2427, paragraph 14, Italian Civil Code).

<i>€ thousand</i>	Taxable temporary differences	Taxes	2022	Increases	Decreases	2023
	Interest on arrears	IRES	82	343	(8)	417
	<b>Total</b>		<b>82</b>	<b>343</b>	<b>(8)</b>	<b>417</b>



### Other provisions – € 2,905 thousand

The item refers to the Provision for bonuses (€ 2,905 thousand), which includes charges for variable bonuses (MBO) for Company top management and employees (senior and middle managers). It also relates to the estimated cost for the corporate performance bonus (PRA) and one-off bonuses for employees.

The changes in the provision in question are represented in the following table:

<i>€ thousand</i>	<b>Amount</b>
<b>Provision as at Dec. 31, 2022</b>	<b>2,676</b>
Allocations	2,683
Uses/ Releases	(2,454)
<b>Balance as at Dec. 31, 2023</b>	<b>2,905</b>

### Provision for restoration, Italian Ministerial Decree 2013 – € 3,738 thousand

The item includes amounts for cases still pending, that are those under investigation but not yet finalised, relative to contributions for the environmental land restoration costs payable by the fuel distribution system owners pursuant to the Ministerial Decree of 2013. The amounts requested have been recognised in this provision, and not as payables, as after subsequent investigation they could be recognised for different amounts.

During the year, as a result of the MASE Technical Committee's directives, the Fund was utilised for € 1,070 thousand.

### Provision for use of future residual financial sums - former Cassa GPL - € 3,056 thousand

The provision in question derives from the transfer of liabilities of the Gasoline Fund envisaged in Law 124 of 2 August 2017 and mainly includes amounts for cases approved with reservations by the Gasoline Fund Technical Committee. In this instance, they refer to cases for which a positive opinion has been issued by the Technical Committee but for which the availability of funds has not yet been determined (cases with reservations). The provision was utilised during the year to release € 181 thousand to the income statement to cover the Gasoline Fund operating costs, € 69 thousand for adjustment of the provision for the write-down of receivables pursuant to Legislative Decree 32/98, and for € 434 thousand following the determination of the effective

contribution to be paid after completion of the Technical Committee's work for the cases referring to the indemnities pursuant to Italian Legislative Decree 32/98.

The provision was increased during the period for € 312 thousand after the division of financial resources was redetermined for the cases to be settled, and by € 228 thousand following the release of the write-downs on receivables after certain positions were closed.

### EMPLOYEE SEVERANCE INDEMNITY – € 327 thousand

The changes during 2023 are detailed in the table below:

<i>€ thousand</i>	<b>Amount</b>
<b>Balance as at Dec. 31, 2022</b>	403
Provisions	1,137
Uses	(83)
Other changes	(1,130)
<b>Balance as at Dec. 31, 2023</b>	327

The provision covers all entitlements to severance indemnity accrued for employees up to 31 December 2023, required by law.

Other changes include the portion of the additional contribution of 0.50% under article 3 of Law 297/82, for the employees' share of severance indemnity transferred to supplementary pension funds (FONDENEL, FOPEN and others), and the amount accrued in the year and transferred to the INPS Treasury Fund.

### PAYABLES - € 1,739,800 thousand

#### Bonds – € 498,777 thousand

The item refers to the payable on the bond loan for a nominal value of € 500,000 thousand, with an original duration of 7 years, maturing on 20 February 2026 and with a 2.8% annual coupon, issued on 20 February 2019 by Acquirente Unico to cover OCSIT's financial requirements. The value of the bond issue is recognised in the financial statements using the amortised cost criterion, taking into account the value of the issue discount, given that the bond was issued at the re-offer price of 99.506%, and other accessory costs directly attributable to the transaction.

### Payables due to shareholders for loans - € 250,000 thousand

Payables to shareholders refer to the loan disbursed directly by the Parent Company to cover requirements linked to energy purchases. The decrease compared to the previous year reflects the reduced requirements of AU following the drop in energy prices during the year and reduction in quantities transacted.

### Payables due to banks– € 676,788 thousand

The breakdown is as follows:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Short term	676,788	763,756	(86,968)
Medium and long term	-	499,885	(499,885)
<b>Total</b>	<b>676,788</b>	<b>1,263,641</b>	<b>(586,853)</b>

The item “short-term payables”, equal to € 676,788 thousand, shows a decrease of € 86,968 thousand with respect to the previous year, broken down into the following main components:

- loans for the purchase of electricity for enhanced protection with a maturity of no more than two months (so called “hot money” transactions) for € 75,000 thousand;
- short-term loans for OCSIT requirements, with a maturity of no more than two months, for € 100,000 thousand;
- interest expense payable, accrued on bank current accounts, for € 1,105 thousand.

The short term liabilities also include an amount of € 499,940 thousand, referring to funding falling due on 31 December 2024 for OCSIT function activities. This “bullet-type” loan that is with repayment of the capital on maturity, is the third obtained by OCSIT for implementing the business plan that envisages the establishment and holding of safety oil stocks for Italy.

The loan, similar to the previous agreements signed as from 2014, is not encumbered by personal guarantees or collateral in favour of the lenders, with the exception of opening an escrow account, to which any proceeds deriving from sales of the stocks in question will be transferred.

### Payables due to suppliers - € 65,512 thousand

This item, which shows a decrease of € 10,775 thousand with respect to the previous year, is broken down into three sub-items. The classification shown below is intended to provide separate representation, in terms of the debtor profile, of electricity supply activities (in addition

to payables due to GME) for OCSIT and Gasoline Fund operations, as well as other payables due to suppliers.

### **Debts for purchases of energy and related services – € 48,998 thousand**

The item includes payables for invoices already received or to be received at December 31, 2023 for dispatching services by Terna, with the exception of those to GME which are classified under the item "Due to subsidiaries of the parent company".

The amount due to Terna as at 31 December 2023 and the comparison with the corresponding value for 2022 are shown below.

<i>€ thousand</i>	<b>Dec. 31, 2023</b>	<b>Dec. 31, 2022</b>	<b>Changes</b>
Payables to Terna for dispatching and other energy-related services	48,998	61,685	(12,687)
<b>Total</b>	<b>48,998</b>	<b>61,685</b>	<b>(12,687)</b>

The payables recorded mainly relate to costs incurred for November and December 2023. The item shows a decrease of € 12,687 thousand.

### **Payables due for purchases of oil products and storage services – € 6,726 thousand**

This item refers to the amount to be settled on invoices received and to be received for oil product stock storage services provided by depots, accruing during the year and maturing in months after 31 December 2023. The item increased by € 403 thousand on the previous year.

### **Payables - Gasoline Fund - € 1,598 thousand**

The item includes the amount recognised as payable relative to restoration cases under Ministerial Decree 2013 which has been settled by the Technical Committee. Following completion of the work, the Technical Committee issues a compliance opinion indicating the actual contribution to be paid, on the basis of expenses effectively incurred by the applicant. Hence there are no uncertainties relative to either the existence of the obligation or its amount. The account increased during 2023 due to the registration of additional files approved by the MASE Technical Committee, for € 758 thousand.

The item also includes payables for the contribution to be paid relative to requests pursuant to the Italian Ministerial Decree of 7 August 2003. The item underwent a change compared to the previous period, following the payment of contributions for indemnities, pursuant to Italian

Legislative Decree 32/98 for € 27 thousand, as well as to register new cases in compliance based on the opinion issued by the MASE Technical Committee, for a total of € 434 thousand.

### Other - € 8,190 thousand

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Payables due to suppliers for invoices to be settled	2,419	1,765	654
Payables due to suppliers for invoices to be received	5,771	6,080	(309)
<b>Total</b>	<b>8,190</b>	<b>7,845</b>	<b>345</b>

The item includes the amounts of payables due to other suppliers, for invoices already received and to be settled, as well for invoices to be received as at the reporting date. This item increased by € 345 thousand with respect to the previous year.

### Payables due to parent companies – € 1,770 thousand

The breakdown is as follows:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
for VAT due	1,475	-	1,475
for sundry services	295	344	(49)
<b>Total</b>	<b>1,770</b>	<b>344</b>	<b>1,426</b>

The item increased compared to the previous year by € 1,426 thousand, mainly due to the recognition at year end of an infra-group VAT payable.

### Payables due to subsidiaries of parent companies - € 87,351 thousand

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Payables due to GME for purchases of energy and related services	87,351	186,770	(99,419)
<b>Total</b>	<b>87,351</b>	<b>186,770</b>	<b>(99,419)</b>

The item refers to existing payables due to GME, consisting entirely of payables relative to purchases of electricity and related services and records a decrease of € 99,419 thousand due to the reduction in quantities transacted.

To adequately represent the overall phenomenon of current payables associated with energy sector transactions (also for services), below is a reconciliation table that does not relate to a specific Balance Sheet item. The table indicates total energy-related payables which, in the obligatory statutory schedule, are broken down into two separate items.

### Payables due to suppliers for energy-related items

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Payables to Terna for dispatching and other energy-related services	48,998	61,685	(12,687)
Payables due to GME for purchases of energy and related services	87,351	186,770	(99,419)
<b>Total</b>	<b>136,349</b>	<b>248,455</b>	<b>(112,106)</b>

### Tax payables – € 858 thousand

The item, which consists primarily of amounts due to the tax authorities for withholdings on employee salaries, increased by € 202 thousand with respect to 31 December 2022. Note that current tax liabilities, totalling € 413 thousand, are stated after deduction of tax credits.

### Payables due to social security institutions – € 1,200 thousand

The breakdown is as shown in the following table:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Payables to INPS	893	897	(4)
Other payables	307	331	(24)
<b>Total</b>	<b>1,200</b>	<b>1,228</b>	<b>(28)</b>

The item includes liabilities relating to contributions paid by the Company, levied on remuneration paid, on charges accrued and not paid to personnel for holidays accrued but not taken, overtime and other allowances, as well as withholdings on employee remuneration.

### Other payables – € 157,530 thousand

The breakdown is as follows:

<i>€ thousand</i>	Dec. 31, 2023	Dec. 31, 2022	Changes
Advance payments for operating fees subsequent years - Institutional activities in availment	1,937	2,797	(860)
Advance payments for operating fees subsequent years - OCSIT	319	781	(462)
Advance payments for operating fees subsequent years - IIS	1,392	-	1,392
Payables for future contributions - TESI Fund	150,983	8,330	142,653
Non-interest-bearing deposits released by enhanced protection service operators and for participation in OCSIT	2,061	1,209	852
Payables to employees and similar	761	843	(82)
Other payables - Gasoline Fund	55	55	-
Other minor payables	22	7	15
<b>Total</b>	<b>157,530</b>	<b>14,022</b>	<b>143,508</b>

This item increased by € 143,508 thousand on the previous year, and refers mainly to the payables to be disbursed to TESI Fund beneficiaries (€ 150,983 thousand). This item also includes the portion of fees to cover operating costs, already invoiced or approved in 2023 but pertaining to future years. Advance payments for operating fees relative to pooled institutional activities refer to the difference between the amount of fees received up to and including 31 December 2023 against costs for pooled activities provided (Energy and Environment Consumer Help Desk, Water Service, Mailing Service and, within the IIS, the Offer Portal) and the corresponding amount of final costs accruing during that year. These amounts, correlated to payments made by CSEA and authorised by ARERA, against the institutional activities carried out by AU, pursuant to current regulations, are also represented, when appropriate, for the purpose of the provisions of Law 124/2017.

Additionally, the item includes payables recognised against interest-free security deposits issued in favour of AU by certain enhanced protection service operators (€ 111 thousand), the security deposit guaranteeing participation in OCSIT tenders (€ 1,950 thousand) and payables due to employees (€ 761 thousand).

### Payables due to the Energy and Environment Services Fund (CSEA) – € 12 thousand

The item Payables Due to the Energy and Environment Services Fund (CSEA) refers to the amount that will be recognised in the *account for equalisation of costs to purchase and dispatch electricity for the enhanced protection service*.

The decrease relates to the refund made during the year on the advance paid by CSEA, based on the relevant Agreement.

The above item is also represented, where necessary, for the purpose of Law 124/2017.

### ACCRUED EXPENSES AND DEFERRED INCOME – € 12,427 thousand

The item refers for € 22 thousand primarily to assessments for FISDE solidarity contributions, for € 12,044 thousand to the accrued expense relating to interest on the bond loan, due on 20 February 2024, for € 108 thousand to interest related to the loan due on 31 December 2024 and for € 253 thousand to interest related to the loan granted by the parent company.

Regarding the breakdown of debts in relation to their residual maturity, it is specified that all liabilities listed on the balance sheet will expire within a year, except for the bond loan for € 498,777 thousand, with maturity scheduled for 20 February 2026.

The following table shows the breakdown of Company payables by geographic area.

<i>€ thousand</i>	Italy	Other EU countries	Non-EU countries	Total
Bonds	498,777	-	-	498,777
Due to shareholders for loans	250,000	-	-	250,000
Due to banks	676,788	-	-	676,788
Due to suppliers	65,512	-	-	65,512
Due to parent companies	1,771	-	-	1,771
Due to subsidiaries of parent companies	87,351	-	-	87,351
Tax payables	858	-	-	858
Due to social security institutions	1,201	-	-	1,201
Other payables	157,530	-	-	157,530
Due to CSEA	12	-	-	12
<b>Total payables</b>	<b>1,739,800</b>	<b>-</b>	<b>-</b>	<b>1,739,800</b>

### TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES – € 1,771,097 thousand



## INCOME STATEMENT

### PRODUCTION VALUE – € 3,436,124 thousand

The production value comes to € 3,436,124 thousand (€ 10,347,501 thousand in the previous year).

### Revenues from sales and services – € 2,860,796 thousand

The item includes the sub-items described below.

It should be noted that revenue earned are recorded exclusively against national counterparts.

#### a) Revenues from sales of electricity – € 2,730,602 thousand

This item pertains to revenue from the sale of energy to companies providing the enhanced protection service, attributable to 2023, inclusive of confirmed amounts invoiced in the first two months of 2024, attributable to November and December 2023. There was a decrease of € 5,553,262 thousand on 2022, resulting from the combined effect of the reduction in quantities transacted following the transfer of customers from the protected market to the open market and energy pricing.

#### b) Other energy-related revenues – € 29,549 thousand

The item pertains to the components summarised in the following table, which shows the changes relative to the previous year.

€ thousand	2023	2022	Changes
Revenues for unbalancing fees	28,881	110,116	(81,235)
Revenues for non arbitrage fees	668	2,611	(1,943)
Revenues for load profiling adjustment	-	818,905	(818,905)
<b>Total Revenue</b>	<b>29,549</b>	<b>931,632</b>	<b>(902,083)</b>

Compared to the previous year, the item as a whole decreased by € 902,083 thousand.

#### c) Revenues to cover non-energy operating costs – € 100,645 thousand

The item includes amounts to cover the operating costs of the various types of institutional activities, governed by reference regulations in force. In particular, based on the case, these are amounts paid by the Energy and Environment Services Fund, or invoiced directly to operators who are debtors, in relation to the type of activities performed.

Note that the amount invoiced to the enhanced protection service providers to cover energy area operating costs is included under revenue from the sale of electricity, as it is not charged separately from the economic components of the cost to purchase energy and related services.

<i>€ thousand</i>	2023	2022	Changes
<b>Revenues to cover non-energy costs</b>			
Revenues to cover costs - Reformed Authority Protective System - STAR (Consumer Help Desk and Settlement)	18,993	16,673	2,320
Revenues to cover costs - Water	1,977	1,663	314
Revenues to cover costs - Offer Portal	820	941	(121)
Revenues to cover costs - IIS Bonus	1,209	947	262
Revenues to cover costs - IIS	22,979	21,141	1,838
Revenues to cover costs - OCSIT	51,547	47,872	3,675
Revenues to cover costs - Gasoline Fund	181	466	(285)
Revenues to cover costs - Other activities	2,939	852	2,087
<b>Total</b>	<b>100,645</b>	<b>90,555</b>	<b>10,090</b>

This item increased by € 10,090 thousand over the previous year, mainly due to the increase in coverage of costs for OCSIT, IIS, the STAR Project and Mailing Service.

### **Other revenues and income – € 575,328 thousand**

The item pertains to the sub-items described below.

#### **a) Contingent assets related to energy – € 574,158 thousand**

The item refers to the economic effects of energy-related adjustments for the period 2017 (and earlier) to 2022, defined on the basis of assessments made by the technical departments of the Company, based on available information.

<i>€ thousand</i>	2023	2022	Changes
<b>2017 and earlier</b>			
load profiling adjustment and various - TERNA	13,988	6,510	7,478
load profiling adjustment and other - enhanced protection operators	1,444	426	1,018
<b>Total</b>	<b>15,432</b>	<b>6,936</b>	<b>8,496</b>
<b>2018</b>			
load profiling adjustment and various - TERNA	3,481	4,799	(1,318)
load profiling adjustment and other - enhanced protection operators	1,590	276	1,314
<b>Total</b>	<b>5,071</b>	<b>5,075</b>	<b>(4)</b>
<b>2019</b>			
load profiling adjustment and various - TERNA	3,584	9,089	(5,505)
load profiling adjustment and other - enhanced protection operators	4,575	68	4,507
<b>Total</b>	<b>8,159</b>	<b>9,157</b>	<b>(998)</b>
<b>2020</b>			
load profiling adjustment and various - TERNA	2,861	6,422	(3,561)
load profiling adjustment and other - enhanced protection operators	5,166	1,949	3,217
<b>Total</b>	<b>8,027</b>	<b>8,371</b>	<b>(344)</b>
<b>2021</b>			
load profiling adjustment and various - TERNA	27,049	998,618	(971,569)
load profiling adjustment and other - enhanced protection operators	3,977	12,675	(8,698)
<b>Total</b>	<b>31,026</b>	<b>1,011,293</b>	<b>(980,267)</b>
<b>2022</b>			
load profiling adjustment and various - TERNA	485,407	-	485,407
load profiling adjustment and other - enhanced protection operators	21,036	-	21,036
<b>Total</b>	<b>506,443</b>	<b>-</b>	<b>506,443</b>
<b>TOTAL</b>	<b>574,158</b>	<b>1,040,832</b>	<b>(466,674)</b>

## b) Other income and revenues – € 1,170 thousand

The item includes the components listed in the table below, indicating the changes compared to 2022.

<i>€ thousand</i>	2023	2022	Changes
Reimbursement costs seconded personnel ARERA	38	42	(4)
Other income and revenues	941	500	441
Other contingent assets	191	76	115
<b>Total</b>	<b>1,170</b>	<b>618</b>	<b>552</b>

There was an increase of € 552 thousand compared to the previous year, mainly attributable to the chargeback of costs to the parent company GSE S.p.A (€ 211 thousand) and the subsidiary SFBM S.p.A. (€ 301 thousand).

## PRODUCTION COSTS – € 3,436,379 thousand

Production costs totalled € 3,436,379 thousand (€ 10,347,137 thousand in the previous year). The change of € 6,910,757 thousand is commented on in the individual sub-items.

## Costs for raw materials, supplies, consumables and goods – € 2,522,005 thousand

The item essentially refers to costs for the purchase of energy through the various supply channels used by AU, in compliance with the reference regulatory framework (€ 2,521,957 thousand).

It also includes purchases not related to energy (consumables, stationery, etc.) for a residual amount of € 48 thousand.

The schedule below shows a detailed breakdown of costs for the purchase of electricity by type of supply, indicating specific changes compared to the previous year. The breakdowns relating to the amount of energy transacted are fully described in the specific sections of the report.

<i>€ thousand</i>	2023	2022	Changes
<b>Energy purchase costs</b>			
Purchase of energy on the electricity market	2,450,935	8,625,774	(6,174,839)
Consumption unit unbalancing fees - TERNA	70,399	113,805	(43,406)
<b>Other energy purchases</b>			
Non arbitrage fees	622	4,268	(3,646)
<b>Total</b>	<b>2,521,956</b>	<b>8,743,847</b>	<b>(6,221,891)</b>

The costs incurred for the purchase of electricity increased by € 6,221,890 thousand with respect to 2022. Note that the counterparty is GME, for purchases of energy on the spot electricity market, for a total of € 2,450,935 thousand.

## Costs for services – € 257,365 thousand

The item primarily includes charges for energy-related services (dispatching and others), amounting to € 234,934 thousand, plus costs for other services, which amounted to € 22,430 thousand.

Charges for services pertaining to energy have been mainly charged by Terna S.p.A. (€ 232,733 thousand). The breakdown of individual items of the cost of energy-related services are provided in the following table, with comparison with the previous year. These services recorded a decrease, compared to the previous year, totalling € 233,721 thousand, mainly due to the following phenomena: decrease in the uplift charge for € 186,303, the charge for the

remuneration of the availability of production capacity (CD) for € 28,789 and the charge to cover the remuneration costs of the interruptibility service for € 8,811 thousand.

<i>€ thousand</i>	2023	2022	Changes
<b>Dispatching cost</b>	<b>232,262</b>	<b>460,852</b>	<b>(228,590)</b>
Consideration Procurement Resources Service in the Market for Dispatching - UPLIFT	31,102	217,405	(186,303)
Consideration Coverage of costs of the Essential System Security Units - ESSU	68,914	70,719	(1,805)
Consideration Coverage of Costs entered for Operation DIS	8,503	11,480	(2,977)
Availability of the Production Capacity CD	99,154	127,943	(28,789)
Consideration cover costs Remuneration of Service Load Interruptibility - INT	23,050	31,861	(8,811)
Contribution to AEEGSI Decision 232/2015/A	1,539	1,444	95
<b>Other services related to energy</b>	<b>2,672</b>	<b>7,803</b>	<b>(5,131)</b>
Consideration to cover costs for wind production Modulation Res. 5/10 AEEG - TERNA	1,750	6,354	(4,604)
Costs for aggregate measures for withdrawal TERNA	260	502	(242)
Costs for GME operations	659	944	(285)
Costs for services from GME for data reporting pursuant to REMIT regulation	3	3	-
<b>Total</b>	<b>234,934</b>	<b>468,655</b>	<b>(233,721)</b>

With reference to the trend for total costs to purchase electricity and related services, the decrease of € 6,455,611 thousand seen in the Tables below, can be attributed to the effect of the decrease in the average unit purchase cost, including services (-€ 183.58/MWh, corresponding to a - 55.2 % change over 2022), and the decrease in transactions of physical quantities (- 9,203,515 MWh, -33.2% over the previous year).

<i>€ thousand</i>	2023	2022	Changes	Changes %
Costs for supplying energy	2,756,891	9,212,502	(6,455,611)	- 70%
<b>Total</b>	<b>2,756,891</b>	<b>9,212,502</b>	<b>(6,455,611)</b>	<b>- 70%</b>

	2023	2022	Changes	Changes %
Quantity in MWh	18,483,229	27,686,744	(9,203,515)	-33.2%
Unit cost (Euro/MWh)	149.16	332.74	(183.58)	-55.2%

Costs for other services, amounting to € 22,430 thousand, may be summarised as follows:

<i>€ thousand</i>	2023	2022	Changes
Service contracts with parent company	1,001	1,057	(56)
Service contracts managed with third parties (maintenance, other building services, etc.)	1,125	1,111	14
Directors fees	183	174	9
Statutory auditors fees	43	43	-
Supervisory board fee IT Lgs. Decr. 231/01	34	34	-
Fees for technical, legal and notarial and administrative consulting	2,458	1,721	737
Maintenance and IT services	7,596	5,958	1,638
Communication fees	281	280	1
Employees costs	960	906	54
Costs for temporary work services	1,447	1,534	(87)
Expenses for external services, call centre activities	2,411	2,064	347
Technical committee to rationalise fuel networks - Gasoline Fund	32	-	32
Transportation costs and rent	68	68	0
Additional costs for OCSIT stock storage	82	84	(2)
Utilities	2,161	1,430	731
Mailing service	2,195	307	1,888
Bank and insurance services expenses	6	5	1
Other services	347	312	35
<b>Total</b>	<b>22,430</b>	<b>17,088</b>	<b>5,342</b>

Compared to the previous year, the item increased by € 5,342 thousand, mainly due to the following changes: increase in expenses incurred for consultancy activities (€ 737 thousand), mainly referring to the settlement activities, increase in maintenance and IT services (€ 1,638 thousand), increase for external services linked to call centre activities (€ 347 thousand) and increase for utilities (€ 731 thousand). There was also an increase of € 1,888 thousand related to the mailing service for communications sent to citizens regarding social bonuses, as envisaged by the Authority's measures.

### **Costs for use of third-party assets – € 50,879 thousand**

The item consists of the following two sub-items:

- fees for oil product storage services – € 49,414 thousand. It refers to the cost of fees paid to third parties for the lease of storage deposits for OCSIT products. Note that this item increased by € 3,814 thousand compared to 2022;
- other – € 1,465 thousand. The sub-item consists mainly of rent paid to lease properties used as the Company's offices (€ 1,359 thousand). The item increased by € 26 thousand with respect to 2022.

## Personnel costs – € 23,603 thousand

The items that make up overall personnel costs are summarised in the table below, which shows changes compared to 2022.

<i>€ thousand</i>	2023	2022	Changes
Salaries and wages	17,195	16,259	936
Social security contributions	4,805	4,485	320
Termination indemnities	1,137	1,094	43
Other costs	466	470	(4)
<b>Total</b>	<b>23,603</b>	<b>22,308</b>	<b>1,295</b>

The item includes the amounts allocated on an accrual basis, as illustrated in the notes on the corresponding balance sheet liability items, for variable remuneration components.

The following tables show monthly changes in the workforce, the level at year end and the average level, for the last two years and for each contractual category:

Workforce - 1/1–31/12/2023															
	Workforce at 31 Dec. 2022	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Workforce at 31 Dec. 2023	Average workforce
Senior Managers	12	12	12	12	11	11	11	11	10	10	11	12	12	12	11.25
Middle Managers	34	34	34	34	34	34	34	34	34	34	33	33	36	36	34.00
Administrative Personnel	277	278	278	277	279	279	282	283	282	281	279	276	274	274	279.00
Total	323	324	324	323	324	324	327	328	326	325	323	321	322	322	324.25

**Average personnel costs in 2023 € 72,793.84 Average workforce 2023 324.25 Personnel costs in 2023 € 23,603,402**

Workforce - 1/1–31/12/2022															
	Workforce at 31 Dec. 2021	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Workforce at 31 Dec. 2022	Average workforce 2022
Senior Managers	12	12	12	12	12	12	12	12	12	12	12	12	12	12	12.00
Middle Managers	33	33	33	33	33	33	33	32	32	32	33	34	34	34	32.92
Administrative Personnel	257	262	263	263	265	268	267	271	271	272	271	273	277	277	268.58
Total	302	307	308	308	310	313	312	315	315	316	316	319	323	323	313.50

**Average personnel costs in 2022 € 71,156.89 Average workforce 2022 313.50 Personnel costs in 2022 € 22,307,686**

The item increased by € 1,295 thousand with respect to the previous year, essentially due to the increase in the average workforce and mandatory and corporate salary increases (renewal of the national collective bargaining agreement - CCNL).

**Amortisation, depreciation and write-downs - € 7,507 thousand**

The item consisted of amortisation/depreciation for € 4,959 thousand and write-downs on current receivables for € 2,548 thousand.

Amortisation/depreciation, calculated as already noted in relation to fixed assets, refers to intangible assets for € 3,285 thousand and to tangible assets for € 1,674 thousand.

The item increased in total by € 681 thousand, compared to the previous year.

**Other operating costs – € 575,020 thousand**

The item is divided into the sub-items analysed below.

**a) Contingent liabilities related to energy – € 574,158 thousand**

The table below provides a breakdown of the energy-related contingent liabilities. These items are matched, in terms of amounts, by similar revenue items recorded in non-recurring income related to energy, as a consequence of the institutional break-even mentioned in the section on accounting standards.

The table below breaks down sub-items, regarding the various types, by the generation timing of contingent liabilities for the period 2017 (and earlier) to 2022.



<i>€ thousand</i>	2023	2022	Changes
<b>2017 and earlier</b>			
load profiling adjustment and various - TERNA	13,993	1,395	12,598
load profiling adjustment and other - enhanced protection operators	1,440	5,541	(4,101)
<b>Total</b>	<b>15,433</b>	<b>6,936</b>	<b>8,497</b>
<b>2018</b>			
load profiling adjustment and various - TERNA	2,614	3,714	(1,100)
load profiling adjustment and other - enhanced protection operators	2,457	1,361	1,096
<b>Total</b>	<b>5,071</b>	<b>5,075</b>	<b>(4)</b>
<b>2019</b>			
load profiling adjustment and various - TERNA	4,709	2,966	1,743
load profiling adjustment and other - enhanced protection operators	3,449	6,191	(2,742)
<b>Total</b>	<b>8,158</b>	<b>9,157</b>	<b>(999)</b>
<b>2020</b>			
load profiling adjustment and various - TERNA	4,257	3,982	275
load profiling adjustment and other - enhanced protection operators	3,770	4,389	(619)
<b>Total</b>	<b>8,027</b>	<b>8,371</b>	<b>(344)</b>
<b>2021</b>			
load profiling adjustment and various - TERNA	10,530	189,930	(179,400)
load profiling adjustment and other - enhanced protection operators	20,496	821,363	(800,867)
<b>Total</b>	<b>31,026</b>	<b>1,011,293</b>	<b>(980,267)</b>
<b>2022</b>			
load profiling adjustment and various - TERNA	208,289	-	208,289
load profiling adjustment and other - enhanced protection operators	298,154	-	298,154
<b>Total</b>	<b>506,443</b>	<b>-</b>	<b>506,443</b>
<b>TOTAL</b>	<b>574,158</b>	<b>1,040,832</b>	<b>(466,674)</b>

## b) Other expenses – € 863 thousand

The breakdown is as follows:

<i>€ thousand</i>	2023	2022	Changes
Entertainment expenses	20	33	(13)
Contingent liabilities	311	239	72
Taxes	269	81	188
Association fees	77	72	5
Other expenses	186	69	117
<b>Total</b>	<b>863</b>	<b>494</b>	<b>369</b>

## FINANCIAL INCOME AND EXPENSES – € 752 thousand

Net financial income and expenses, equal to € 752 thousand, comprises gross income of € 57,869 thousand, against gross expense of € 57,117 thousand. Analysis of the individual items is as follows.

**Other financial income – € 57,869 thousand**

The breakdown is as follows:

- **long-term receivables - € 434 thousand**

The item consists of accrued interest on loans to employees and funding provided to the subsidiary SFBM.

- **other income – € 57,435 thousand**

The total amount is composed of:

- amounts recognised to cover financial charges related to AU operations, paid by oil operators with regard to the OCSIT function, equal to € 33,650 thousand, by electricity operators for the function relating to Enhanced Protection, equal to € 18,506 thousand and by the subsidiary SFBM to cover financial expenses for € 488 thousand;
- amounts obtained after granting commercial extensions to customers, for € 1,336 thousand, and interest on arrears and penalties for € 688 thousand;
- financial income deriving from the remuneration of cash held in bank current accounts for € 2,767 thousand, of which € 2,509 thousand attributable to the Energy area, € 247 thousand to OCSIT and € 11 thousand to the IIS.

**Interest and other financial expenses – € 57,117 thousand**

- **Due to the parent company - € 10,377 thousand**

The item refers to the interest expense and commissions charged by the parent company for the financial support provided to Acquirente Unico.

- **Other – € 46,739 thousand**

The item interest and other financial expenses, equal to € 46,739 thousand, shows an increase of € 20,959 thousand compared to 31 December 2022 as a result of the general increase in interest rates during the year, and is broken down into the following components:

- financial charges attributable to the OCSIT function, for € 31,665 thousand, of which € 14,531 thousand relating to the coupon on the bond loan and € 17,134 thousand related to the medium/long-term loan maturing on 31 December 2024;
- interest expense and commissions due to the banking system for the financing of electricity purchases for enhanced protection for € 10,537 thousand;
- amounts paid to factoring operators for € 4,482 thousand;

- interest expense payable to CSEA, for € 55 thousand, referring to the advance provided.

**- Exchange gains and losses - € 1 thousand**

**INCOME TAXES FOR THE YEAR – € 416 thousand**

The breakdown of this item, together with changes compared to the previous year, is provided in the following table:

<i>€ thousand</i>	2023	2022	Changes
<b>Current taxes</b>	<b>413</b>	<b>463</b>	<b>(50)</b>
IRES	203	201	2
IRAP	210	262	(52)
<b>Deferred tax assets and liabilities</b>	<b>3</b>	<b>(146)</b>	<b>149</b>
IRES - deferred tax liabilities	80	(1)	81
IRES - deferred tax assets	(66)	(134)	68
IRAP - deferred tax assets	(11)	(11)	0
<b>Total</b>	<b>416</b>	<b>317</b>	<b>99</b>

**a) Current taxes – € 413 thousand**

The balance of current taxes refers to IRES for € 203 thousand and to IRAP for € 210 thousand accrued for the year.

**c) Deferred tax assets and liabilities - € 3 thousand**

The balance of this item is as follows:

- € 77 thousand for deferred tax assets, of which € 66 thousand relative to IRES and € 11 thousand for IRAP. The amount is related to deductible temporary differences accruing in 2023, on the assumption of their future recovery. Future recoverability is evaluated on the basis of estimates made, including through analysis of tax legislation and forecasts of consequent effects on future taxable bases;
- € 80 thousand for deferred tax liabilities, the balance determined through use of the provision for deferred taxes, for the portion of interest on arrears accruing in previous years, received during the year, net of provisions, relative to interest on arrears ascertained during the year in question but not yet received.

**Reconciliation between the theoretical tax charge and the effective tax charge**

In accordance with standard OIC 25, the schedules below provide, for IRES, the breakdown of the reconciliation between the recognised tax charge and the theoretical charge, and for IRAP determination of the taxable amount.

€ thousand

Reconciliation IRES	Taxable amount	IRES
Result before current, deferred and prepaid taxes	496	
Theoretical tax burden (24.00%)		119
Temporary differences taxable in future years	(343)	
Temporary differences deductible in future years	2,770	
Reversal of taxable temporary differences from previous years	8	
Reversal of temporary differences from previous years	(2,494)	
Differences that will not be reversed in subsequent years	409	
<b>TAXABLE AMOUNT</b>	<b>846</b>	
<b>CURRENT IRES ON OPERATING INCOME</b>		<b>203</b>

IRES temporary differences (taxable and deductible in subsequent years) are analysed in relation to the items to which they refer (deferred tax assets and the provision for deferred taxes).

The differences which will not be reversed in subsequent years (€ 409 thousand) are mainly due to increased non-deductible contingent liabilities, expenses relative to cars not used for production purposes, telephones and decreases, consisting of the additional employee severance indemnity deduction, the IRAP deduction and the increase due to the depreciation of tangible assets.

€ thousand

Reconciliation IRAP	Taxable	IRAP
Difference between value and cost of production	(256)	
Costs not relevant for IRAP	26,151	
Deductions	(21,085)	
<b>Total</b>	<b>4,810</b>	
Theoretical tax burden (rate 4.82%)		232
Reversal of temporary differences from previous years	(2,431)	
Differences that will not be reversed in subsequent years	1,980	
<b>TAXABLE IRAP</b>	<b>4,359</b>	
<b>IRAP current year</b>		<b>210</b>

The temporary differences deductible in subsequent years are analysed in relation to the items to which they refer (deferred tax assets).

The differences that will not reverse in subsequent years are essentially due to costs for services not deductible for IRAP purposes and immaterial contingent liabilities; the deductions refer to items envisaged in IRAP tax regulations (article 11, Legislative Decree 446/97).

**PROFIT FOR THE YEAR – € 80 thousand**

The profit for 2023 is the difference between pre-tax profit (€ 496 thousand) and the tax charge for the year (€ 416 thousand), in turn represented by the algebraic sum of the amount of current taxes and deferred tax assets and liabilities.

The pre-tax profit, in more detail, is quantified as such due to application of a rate of return before tax charges, in accordance with ARERA regulations.

## STATEMENT OF CASH FLOWS

The Company prepared the statement of cash flows following the structure established under accounting standard OIC 10.

Below are brief comments on the main items.

### **Cash flows from operating activities - € 654,128 thousand**

This item comes to € 654,128 thousand, compared to € 705,666 thousand recorded in the previous year.

In greater detail, this flow consists of profits “adjusted” for income tax, interest (-€ 506 thousand), adjustments for non-monetary elements (€ 7,567 thousand), changes in net working capital (€ 651,270 thousand) and other adjustments (-€ 4,204 thousand).

### **Cash flows from investing activities – € (60,965) thousand**

This item shows outflows correlated with investments in fixed assets, net of decreased payables due to suppliers for those fixed assets.

### **Cash flows from financing activities – € (746,980) thousand**

Cash flow refers to the refund of a portion of a loan to the Parent Company and less exposure to bank lenders and the CSEA.

### **Decrease in cash and cash equivalents - € 153,817 thousand**

The amount in question, equal to the algebraic sum of cash flows specifically identified amounted to -€ 153,817 thousand, compared to the -€ 285,777 thousand generated in the previous year. This led to total cash and cash equivalents of € 189,858 thousand at 31 December 2023, of which € 189,856 thousand consisting of bank deposits and € 2 thousand cash in hand.

## OTHER INFORMATION

With reference to Article 2497-*bis*, paragraph 4, there is a summary of significant financial data from the last approved financial statements (financial year 2022) for the parent company which provides management and coordination of Acquirente Unico. Gestore dei Servizi Energetici – GSE S.p.A., with registered office at Viale Maresciallo Pilsudski 92, Rome, prepares the consolidated financial statements.

In this regard, it is noted that the Company made use of the exemption not to prepare consolidated financial statements pursuant to Art. 27 of Legislative Decree 127/91, given that the latter is prepared by the parent company GSE.

*€ thousand*

Balance Sheet	Amount
<b>Assets</b>	
Unpaid share capital due from shareholders	-
Fixed assets	106,360
Current assets	11,748,781
Accruals and deferrals	1,767
<b>Total Assets</b>	<b>11,856,908</b>
<b>Liabilities</b>	
<b>Shareholders' equity</b>	60,485
Share capital	26,000
Reserves	28,722
Profit for the year	5,763
Provisions for risks and charges	28,132
Employee severance indemnity	1,750
Payables	11,766,306
Accruals and deferrals	235
<b>Total liabilities</b>	<b>11,856,908</b>
<b>Income Statement</b>	
Production value	18,497,849
Production costs	18,498,352
Financial income and expenses	7,562
Total impairment of financial assets	-
Income taxes	(1,296)
<b>Profit for the year</b>	<b>5,763</b>

Also note the absence of the following:

- trade receivables and payables due after more than five years and debts secured by corporate assets;
- financial charges allocated in the year to values recorded under balance sheet assets;
- income from investments;
- revenue or cost elements of an exceptional amount or impact. To this end, we note that the contingent assets and liabilities associated with electricity management, duly analysed in terms of amounts and commented upon in this document, are not of an exceptional nature, in that they are the consequence of management of adjustments and similar phenomena, the latter of which are recurring, natural and subject to specific technical rules, within the context of the energy system;
- recognition of deferred tax assets, for the portion recognised in the financial statements relative to losses during the year or in previous years;
- advances and loans granted to directors and statutory auditors;
- issue of bonus shares, bonds convertible to shares, warrants, options and securities or similar items;
- financial leasing transactions that involve the transfer to the lessor of most of the risks and benefits inherent to the assets referred to the lease.
- With reference to Article 2427, paragraph 22-bis of the Italian Civil Code, transactions with related parties are carried out at arm's length, in compliance with the conditions that would apply to independent counterparts.

Also note that the fees for audit services came to € 34 thousand and those for non-audit services totalled € 11 thousand (relating to audit activities for the signing of tax returns and audit of the separate annual accounts). It is noted further that the fees for audit services and non-audit services (audit for the signing of the tax return) provided by the audit firm relating to the subsidiary SFBM amounted to € 18.5 thousand and € 1 thousand, respectively. Finally, it is noted that no other fees were paid to other entities belonging to the audit firm's network.

For information transparency only, note that, during the year, the Company disbursed contributions relating to concession measures issued by the competent Ministries, after carrying out a number of preliminary administrative checks.



The following table, based the cash principle, shows information on the amounts disbursed broken down by recipients and with an indication of any implementing and regulatory provisions.

Recipient	Activity/mechanism subject to contribution	Amounts provided in € thousand	Legislation referring to contributions received
Fuel distribution system owners	Contributions and indemnities provided following the transfer of functions and responsibilities of the former Cassa Conguaglio GPL	27	Article 1, paragraph 106 of Italian Law 124 of 4 August 2017
Industrial sector company	Aid to companies in sectors and sub-sectors deemed at material risk of carbon leakage	147,194	Italian Legislative Decree no. 47 of 9 June 2020

### Disclosure obligations pursuant to paragraph 125, Law 124/17

During the year, the Company received contributions pursuant to Article 1, paragraph 125-bis of Law 124/2017. The following table, based on the cash principle, shows the information broken down according to the origin of the contribution received, with separate indication of the lender, the amounts received and any implementing and regulatory provisions.

Lender	Activity/mechanism subject to contribution	Amounts received in € thousand	Legislation referring to contributions received
CSEA	Cover costs of activities carried out on pooling basis with Authority (Help Desk for electricity and environmental consumers, Water Service and Offer Portal)	25,255	Resolution ARERA 101/2023/A e 274/2023/A

2023 Financial Statements

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# Report of the Board of Statutory Auditors and the Independent Auditor

ACQUIRENTE UNICO S.p.A.

## ACQUIRENTE UNICO S.p.A.

Registered office, Via Guidubaldo Del Monte, 45  
Share capital: € 7,500,000 fully paid-up  
Rome Business Registry, VAT and Tax ID no.: 05877611003  
Economic and Administrative Registry of Rome no. 932346  
Sole shareholder: Gestore dei Servizi Energetici – GSE S.p.A. Legislative Decree 79/99  
Company subject to management and coordination of GSE S.p.A.

### Board of Statutory Auditors' Report to the Shareholders' Meeting pursuant to Article 2429, paragraph 2 of the Italian Civil Code

To the Shareholders' Meeting of ACQUIRENTE UNICO S.p.A.

Dear Shareholder,

The Board of Statutory Auditors in office for the period 2023-2025 was appointed by the Ordinary Shareholders' Meeting of 26 May 2023.

During the year ended 31 December 2023, our activities were inspired by legal provisions and by the code of conduct for boards of statutory auditors of unlisted companies issued by the CNDCEC (Italian National Council of Professional Accountants), published on 20 December 2023 and in force from 1 January 2024.

In this report, we will inform you of this activity and the results achieved.

The Company's financial statements as at 31 December 2023, drawn up in compliance with Italian regulations governing their preparation, show profit for the year of € 79,650 and are hereby submitted for examination by the Shareholder. The financial statements were made available to us within the deadlines set by law, following approval by the Board of Directors' meeting held on 26 March 2024.

As regards 2023, the Board of Statutory Auditors:

- firstly acknowledges that it obtained information from the Board of Directors on the general operating performance and its outlook, as well as on the most important transactions carried out by the Company in terms of size and characteristics. Limited to the documents received and which it was able to examine, the Board of Statutory Auditors carried out the functions set out in Article 2403 et seq. of the Italian Civil Code, basing its activities also on the Code of Conduct for boards of statutory auditors recommended by the CNDCEC.

ACQUIRENTE UNICO S.p.A.

Consequently, it can certify that the actions taken by the Company comply with the law and the By-laws, and are not manifestly imprudent, in potential conflict of interest, in conflict with resolutions passed by the Shareholders' Meeting or such as to compromise the integrity of company assets;

- attended the Shareholders' Meetings and meetings of the Board of Directors and, based on available information, has no particular findings to report;
- monitored - for the areas under its responsibility - the adequacy of the administrative and accounting system, as well as its reliability in properly representing operating events, by obtaining information from the independent auditor and by examining company documents. In this respect, it has no particular observations to make. Also note that, pursuant to Art. 26 of the By-laws, the role of a Financial Reporting Manager was introduced in terms of Art. 154-*bis* of Italian Legislative Decree 58/98, as subsequently amended and supplemented. As requested by the Board of Statutory Auditors, the Financial Reporting Manager forwarded the "Circular for the 2023 financial statements" containing the instructions and operating procedures for drafting the financial statements. The Board deems the procedures set out in the aforementioned Circular to be appropriate for the drafting of the financial statements for the year ended 31 December 2023, in relation to the Company's characteristics; exchanged correspondence with Deloitte & Touche S.p.a., the company entrusted with the audit and certification of the financial statements. No significant data or information emerged from this that would require mention in this report. The undersigned Board notes further that it met with the audit firm with regard to its own audit of the financial statements referred to in this report, for a final check on the respective accounts. This showed that no appointments were made for services that could compromise the audit firm's independence; the audit company also submitted the unbundling accounts from the Integrated Information System (IIS) for the audit firm's review, pursuant to Italian Decree-Law no. 105 dated 8 July 2010, converted with amendments into Law no. 129 of 13 August 2010, from the Italian Central Stockholding Entity (OCSIT) assigned to the Company in terms of Italian Legislative Decree no. 249 of 31 December 2012, and on the basis of the provisions under paragraph 106 of Art.1 of Law no. 124 of 4 August 2017, the so-called "Gasoline Fund";
- acquired knowledge and supervised the adequacy of the organisational structure of the Company (see Articles 6 and 14 of Legislative Decree no. 175/2016 - TUSP, the consolidated law on publicly-owned companies - and Article 2086 of the Italian Civil Code), also by gathering information from the Managers of the company structures

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concerned; in this regard, the Board requested updates on the activities carried out by the Departments in 2023 and, where available, the related information documents were acquired;

- in relation to implementation of the regulations regarding corporate liability of legal entities (Legislative Decree no. 231/2001 and subsequent amendment and additions), based on specific meetings with the Supervisory Body, the Board of Statutory Auditors acknowledges that, in 2023, the Supervisory Body monitored application of the Organisational and Management Model, its procedures and the Code of Ethics by the company structures overseeing the operating processes at risk of the commission of offences envisaged in the aforementioned decree, to guarantee compliance and application of the organisational procedures and safeguards. Also at the last meeting held with the Supervisory Body, the Board of Statutory Auditors did not receive reports of any critical issues from the SB, nor did it inform the SB of any critical issues from its own audits, as none emerged;
- the Board of Statutory Auditors acknowledges that the Report on Operations includes a comprehensive description of all the activities of Acquirente Unico S.p.A. and that, in 2023, aside from the supply of electricity for the protected market, the Company continued to carry out additional activities including those relating to OCSIT, the IIS, the Gasoline Fund (OCSIT) and the Industrial Sector Energy Transition Fund (TESI), in addition to those relating to the Energy and Environment Consumer Help Desk and Mediation Service;
- in 2024, the undersigned Board of Statutory Auditors of the Company, responsible for such matters, issued the following favourable opinion as requested and within its remit:
  - ✓ on 26 March 2024, regarding the policy adopted by the Company pertaining to the remuneration of the Director with proxy powers, pursuant to Art. 23 bis, paragraph 3 of Decree-Law no. 201 of 6 December 2011 converted with amendments by Law no. 214 of 22 December 2011, as subsequently amended and integrated by Art. 4 of the Ministry of the Economy and Finance Decree no. 166 of 24 December 2013. 2023: consequently, the process of determining achievement of objectives was deemed consistent as outlined in the report on compensation of the Director with proxy powers, pursuant to the stated regulations, as prepared for the previous financial year;



ACQUIRENTE UNICO S.p.A.

- ✓ on 30 January 2024, regarding the determination of the objectives assigned to the Chief Executive Officer for 2024
  - the undersigned Board notes further that on 26 July 2023, it issued the following opinions required and falling within the scope of its responsibilities:
    - achievement of the objectives assigned to the Chairman and Chief Executive Officer Filippo Bubbico for 2023
    - objectives of the Chief Executive Officer for 2023
    - appointment of the Financial Reporting Manager pursuant to the Guidelines: the role of the Financial Reporting Manager within Acquirente Unico S.p.A.;
  - during these supervisory activities, as described above, no additional significant events were identified that would require mention in this report;
  - during 2023 and until the date this report was issued, no complaints were received pursuant to article 2408 of the Italian Civil Code;
  - the Board of Statutory Auditors therefore examined the draft financial statements of the Company as at 31 December 2023, prepared by the Directors pursuant to law and, as mentioned previously, submitted to the Board of Statutory Auditors, together with the detailed schedules and annexes, at the Board of Directors meeting of 26 March 2024.
- The accounting document in question, prepared in compliance with the provisions of Article 2423 et seq. of the Italian Civil Code, also as amended by Legislative Decree 139/2015, revealed a profit of € 79,650.

A summary of the balance sheet and income statement are provided below.

#### ASSETS

<i>Amounts shown in euro</i>	<i>31 December 2023</i>	<i>31 December 2022</i>
Unpaid share capital due from shareholders	-	-
Fixed assets	1,051,921,660	996,308,290
Current assets	717,456,260	1,486,867,801
Accruals and deferrals	1,718,751	2,218,210
<b>TOTAL ASSETS</b>	<b>1,771,096,671</b>	<b>2,485,394,301</b>

ACQUIRENTE UNICO S.p.A.

*SHAREHOLDERS' EQUITY AND LIABILITIES*

<i>Amounts shown in euro</i>	<i>31 December 2023</i>	<i>31 December 2022</i>
<b>Shareholders' equity</b>		
<i>I Capital</i>	7,500,000	7,500,000
<i>IV Legal reserve</i>	1,164,265	1,160,471
<i>VII Other reserves (extraordinary reserve)</i>		
<i>IX Profit (loss) for the year</i>	79,650	75,906
<b>Total shareholders' equity</b>	<b>8,743,915</b>	<b>8,736,377</b>
Provisions for risks and charges	9,798,854	10,701,586
Employee severance indemnity	326,620	403,158
Payables	1,739,799,923	2,453,153,994
Accruals and deferrals	12,427,359	12,399,186
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>1,771,096,671</b>	<b>2,485,394,301</b>

*INCOME STATEMENT*

<i>Amounts shown in euro</i>	<i>31 December 2023</i>	<i>31 December 2022</i>
Production value	3,436,123,671	10,347,500,562
Production costs	3,436,379,475	10,347,136,859
<b>Difference between value and cost of production</b>	<b>(255,804)</b>	<b>363,703</b>
Financial income and expenses	751,756	29,652
<b>Income before taxes</b>	<b>495,952</b>	<b>393,355</b>
Income taxes for the period	416,302	317,449
<b>PROFIT FOR THE YEAR</b>	<b>79,650</b>	<b>75,906</b>

With regard to the review of the 2023 annual financial statements, we report the following:

- as the Board of Statutory Auditors is not responsible for independent audit of the accounts, it monitored their general approach and their general compliance with law as regards their presentation and structure and, in this respect, has no particular observations to make;
- the Board performed its supervisory activities on the financial statements as envisaged in Rule 3.8. of the "Code of conduct for boards of statutory auditors of unlisted

ACQUIRENTE UNICO S.p.A.

companies”, consisting of an overall summary check to verify that the financial statements were prepared correctly. The compliance audit of the accounting data is in fact the responsibility of the independent auditor;

- the Board of Statutory Auditors verified compliance with the legal provisions relating to preparation of the Report on Operations and the Notes to the Financial Statements, and in this respect has no particular observations to make;
- in its report to the financial statements, issued on 09 April 2024, the independent audit firm certified that, in its opinion, the annual financial statements “provide a true and accurate representation of the Company’s equity and financial position at 31 December 2022, of the economic result and cash flows for the year ending on said date, in compliance with the Italian regulations which govern the preparation criteria”; it also certified that the report on operations “is consistent with the annual financial statements of Acquirente Unico S.p.A. at 31 December 2022 and was prepared in compliance with the provisions under the law”; finally, it issued the declaration pursuant to article 14, paragraph 2, letter e) of Legislative Decree 39/10, declaring that it had nothing to report;
- the Board of Statutory Auditors has not identified any obstacles to the Board of Directors’ proposal to allocate profit to the shareholder in the amount of € 75,667, comprising the total profit for the year of € 79,650, net of 5% to the legal reserve (€ 3,983);
- to the best of our knowledge, in preparing the financial statements, the Directors did not deviate from the legal provisions pursuant to Article 2423, paragraph 4 of the Italian Civil Code;
- no atypical or unusual transactions were identified and, in the Report on Operations and in the Notes to the Financial Statements, the Directors illustrated the financial relations, trade relations and services provided between the Group companies;
- the Board of Statutory Auditors verified that the financial statements correspond with the events and information of which it became aware as a consequence of its duties and has no observations to make in this respect.

Given the national and international post-pandemic scenario, the Board of Statutory Auditors acknowledges what emerged during repeated meetings held with top management, i.e. that Company’s activities were changing with the progressive transiting of users from the enhanced protection to the open market service. As recorded in the Report on Operations, operating revenue as a whole decreased by € 6,444,703 thousand compared to the previous year. The reduction was essentially due to revenue from selling electricity to enhanced protection service operators and other energy-related revenue (-€ 6,455,345 thousand) as



*ACQUIRENTE UNICO S.p.A.*

a direct consequence of the decrease in the cost of electricity supply, since electricity purchase and sales activity management occurs within a balanced economic regulatory regime.

There was a negative difference between the value and cost of production for the Company in 2023 of € 255,804, with the balance on financial income and expenses having a positive impact on the balance sheet for € 751,756.

It is noted that following the start of procedures, as envisaged by Resolution 580/2023/R/EEL, tenders will be held in January 2024 for assigning the Gradual Protection Service for non-vulnerable domestic customers. An additional contraction in revenue is consequently envisaged for 2024 subsequent to this.

The Board of Directors are reminded to pay careful attention to the general principle of balancing revenue and costs, and as per the regulations relating to Acquirente Unico and reported in the Notes to the Financial Statements (page 102), specifically to the buying and selling of electricity and the related services.

Also considering the results of activities conducted by the Independent Auditor, illustrated in their report, the Board of Statutory Auditors expresses its opinion in favour of approving the financial statements for the year ending 31 December 2023, in compliance with Board of Directors recommendations.

Rome, 9 April 2024

The Chairman  
Tullio Patassini

Statutory Auditor  
Sara Scavone

Statutory Auditor  
Ettore Perrotti



Deloitte & Touche S.p.A.  
Via Vittorio Veneto, 89  
00187 Roma  
Italia

Tel: +39 06 367491  
Fax: +39 06 36749282  
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE  
DECREE No. 39 OF JANUARY 27, 2010

To the Sole Shareholder of  
Acquirente Unico S.p.A.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Acquirente Unico S.p.A. ("Company"), which comprise the balance sheet as at December 31, 2023, the income statement and statement of cash flows for the year then ended and the explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with the Italian law governing financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the Italian law governing financial statements, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of the Company or the termination of the business or have no realistic alternatives to such choices.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona

Sede Legale: Via Santa Sofia, 28 - 20122 Milano | Capitale Sociale: Euro 10.328.220,00 i.v.

Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

##### Opinion pursuant to art. 14, paragraph 2 (e) of Legislative Decree 39/10

The Company's Directors are responsible for the preparation of the report on operations of Acquirente Unico S.p.A. as at December 31, 2023, including its consistency with the related financial statements and its compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to express an opinion on the consistency of the report on operations with the financial statements of the Company as at December 31, 2023 and on its compliance with the law, as well as to make a statement about any material misstatement.

In our opinion, the report on operations is consistent with the financial statements of Acquirente Unico S.p.A. as at December 31, 2023 and is prepared in accordance with the law.

With reference to the statement referred to in art. 14, paragraph 2 (e), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

DELOITTE & TOUCHE S.p.A.

Signed by  
**Gianfranco Recchia**  
Partner

Rome, Italy  
April 9, 2024

*This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

2023 Financial Statements

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**Certification pursuant to  
art. 26 of the By-Laws**



***CERTIFICATION OF THE ANNUAL FINANCIAL STATEMENTS PURSUANT  
TO ARTICLE 26 OF THE BY-LAWS***

1. *The undersigned, R. Giuseppe Moles, as Chief Executive Officer and Paolo Lisi, as Financial Reporting Manager of Acquirente Unico S.p.A.,*

***CERTIFY***

- *the adequacy in relation to the company's characteristics and*
- *the effective application*

*of the administrative and accounting procedures used to prepare the annual financial statements at 31 December 2023.*

2. In this regard, note that this certification is prepared on the basis of the activities carried out by the Financial Reporting Manager during the year, in addition to a system of certifications issued by the managers of the different company organisational units and, in relation to the processes implemented, based on service contracts, by the parent company GSE and the managers of its related organisational functions in respect of the processes falling within their respective remits.

Furthermore, the Sole Director and Administrative Director of the subsidiary SFBM issued certification regarding the application of the administrative and accounting procedures in 2023, and the correspondence of the annual financial statements to the entries in the accounting records and registers, and that these provided a true and correct representation of the company's asset, economic and financial position.

Furthermore, a specific office that provides direct support to the Financial Reporting Manager conducted technical-administrative checks on some of the input processes of administrative-

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accounting data for the financial statements, including sales and distribution, purchasing, the accounting of labour and other costs, whose outcome certifies correct execution of the transactions. In carrying out his activities, the Financial Reporting Manager takes into account suggestions emerging from audits conducted by the Company's Audit Function, aimed at perfecting the internal control mechanisms regarding accounting data input processes and preparation of the financial statements.

As regards the recognition of tax charges for 2023, a specific tax certification confirming the accuracy of the related calculations was issued by an advisor appointed by the Company.

3. It is also hereby certified that the 2023 financial statements, which closed with a net profit of € 79,650 and shareholders' equity of € 8,743,915:
  - a) *correspond to entries in the books and accounting records;*
  - b) *were drafted in compliance with the rules of the Italian Civil Code, as well as the accounting standards drawn up by the OIC (Italian Accounting Standards Setter) and, as far as we are aware, suitably present a true and fair view of the equity, economic and financial position of Acquirente Unico S.p.A.*
4. Lastly, it is hereby certified that the Report on Operations contains a reliable analysis of the performance, as well as the position of Acquirente Unico S.p.A., together with a description of the main risks and uncertainties to which the Company is exposed.

Rome, 26 March 2024

Chief Executive Officer

Financial Reporting Manager

# 2023 Financial Statements

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## **Acquirente Unico S.p.a.**

Fully paid-up share capital € 7,500,000

Sole shareholder pursuant to Art. 4 of Italian Lgs Decree 79/99 Gestore dei Servizi Energetici - GSE S.p.A.

Entity with direction and coordination powers: GSE S.p.A.

Registered offices - 00197 Rome – Via Guidubaldo Del Monte, 45

Rome Business Register, VAT and Tax ID no. 05877611003

Economic and Administrative Registry of Rome no. 932346