

Significant events after the reporting date and outlook

EIB loan to support the circular economy and energy efficiency

In March 2026, Iren signed a 225 million euro financing agreement with the European Investment Bank (EIB) to support its investment programme for the period 2025–2028. The initiative aims to support a series of measures designed to promote the circular economy and energy efficiency by upgrading waste collection systems and implementing measures to reduce energy consumption in buildings.

The loan supports investments in municipal waste management, including new containers, collection vehicles, recycling centres and infrastructure to support the introduction of 'Pay-As-You-Throw' (PAYT) systems, which link charges to the quantity of waste actually generated and encourage improved waste separation at source. At the same time, funding is being provided for energy efficiency measures aimed at reducing consumption in buildings, with a particular focus on social care facilities, such as residential homes for the elderly and mental health centres, managed by non-profit organisations.

The investments will be made primarily in the three regions of Northwest Italy where the Group has historically operated (Piedmont, Emilia-Romagna, Liguria), as well as in Tuscany and other Italian regions, particularly by Iren Ambiente and Iren Smart Solutions.

"Decreto Bollette" – decree concerning utility bills

The 2026 "Decreto Bollette", published in the Gazzetta Ufficiale on 20 February 2026, introduces extraordinary measures to support the costs of purchasing electricity for households and businesses. The legislation aims at reducing the final cost of energy, eliminating system charges and the cost of CO2 (ETS) from price formation, strengthen social bonuses and introduce transitional concessions. In particular, the removal of system charges and the ETS cost from pricing is a particularly important element for energy operators, as it could have structural effects on prices, the generation mix between technologies and the dynamics of cross-border energy flows.

Conflict in the Middle East

Recent geopolitical tensions in the Middle East, resulting from the ongoing conflict between the United States, Israel and Iran, have caused the blockade of the Strait of Hormuz, hindering the transit of ships carrying oil, petroleum products and LNG to Asia and Europe. Attacks on energy infrastructure in the Gulf countries have also been recorded, resulting in significant damage to extraction, refining and transportation processes. These events led to a significant increase in oil and natural gas prices, with direct repercussions on European energy prices. The blockade of ship transit through the Strait of Hormuz could also generate delays and price increases on additional supply chains.

The effects of higher energy prices on the Group's profitability, as well as on macroeconomic scenarios related to inflation and interest rates, will be monitored and assessed in light of the duration of the conflict and the attacks on the region's energy infrastructure.

Outlook

In a complex and uncertain macroeconomic scenario, influenced by geopolitical tensions, the main risk factors for the Group's results concern the volatility of the prices of gas and electricity energy commodities and potential inflationary effects and a related increase in interest rates.

Another area of focus for 2026 will be regulatory risk, i.e., the possibility of the introduction of European or national regulations aimed at controlling energy prices, such as the recent publication of the '2026 Utility Bill Decree'.

In 2026, the Group plans to make investments totalling almost one billion euro, in line with the strategic plan approved in November 2025. These investments will be focused on the 'regulated' sectors and primarily on the Networks BU, with the aim of enhancing the resilience of the electricity distribution networks, as well as on the integrated water service, for the construction of new wastewater treatment plants and the modernisation of infrastructure to enable more efficient management and a consequent reduction in water losses.

In the Waste BU, investments will be focused on improving the quality of the waste collection service, with the aim of increasing sorted waste collection, as well as on completing the construction of an organic fraction (OFMSW) treatment plant.

In the energy value chain (Energy and Market BU), technical investments are focused on expanding the district heating network, installing air heaters at gas-fired generation plants to increase their availability even in periods of drought, developing new photovoltaic plants, and maintaining the customer base.

In line with the current scenario and compared to the 2025 final results, the 2026 financial results are expected to increase, supported by organic growth in the regulated businesses and by the ongoing efficiency plan. We expect the result for the energy chain to be in line with last year, driven by higher photovoltaic volumes thanks to the commissioning of new plants and the extension of the district heating network, which will be offset by lower margins in supply activities due to increased market competition.

With regard to debt, the Group's objective is to maintain the current net financial debt/EBITDA ratio at 3.1x.