Interim Financial Report at 30 June 2026

www.gruppoiren.it

Contents

Translation from the Italian original which remains the definitive version

Introduction

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Corporate officers

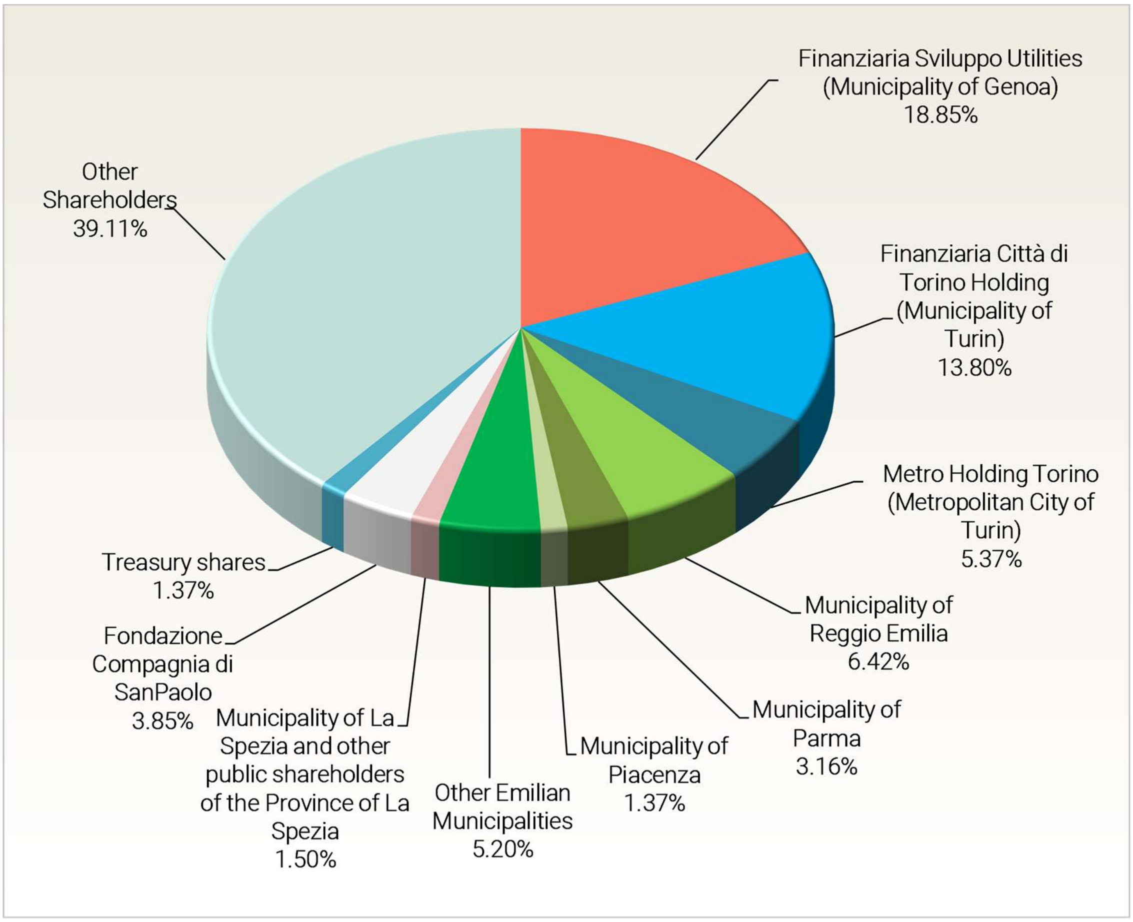
Board of Directors [1]	
Chair	Luca Dal Fabbro [2]
Deputy Chair	Moris Ferretti [3]
Chief Executive Officer and General Manager	Gianluca Bufo [4]
Directors	Sandro Mario Biasotti [5]
	Stefano Borotti [6]
	Francesca Culasso [7]
	Daniele De Giovanni [8]
	Paola Girdinio [9]
	Giacomo Malmesi [10]
	Giuliana Mattiazzo [11]
	Patrizia Paglia [12]
	Davide Piccioli [13]
	Cristina Repetto [14]
	Elisabetta Ripa [15]
	Elisa Rocchi [16]
Board of Statutory Auditors [17]	
Chair	Sonia Ferrero
Standing Auditors	Ugo Ballerini
	Donatella Busso
	Simone Caprari
	Fabrizio Riccardo Di Giusto
Alternate Auditors	Lucia Tacchino
	Carlo Bellavite Pellegrini
Independent Auditors	KPMG S.p.A. [18]
Financial Reporting Manager	Giovanni Gazza
Sustainability Reporting Manager	Selina Xerra

(1) Appointed by the Shareholders' Meeting of 24 April 2025 for the three-year period 2025-2026-2027.
(2) Chair of the Board of Directors for the 2022–2024 term and reappointed to the same position for the 2025–2027 term by the Shareholders' Meeting of 24 April 2025. By resolution of the Board of Directors of Iren S.p.A. held on the same date, 24 April 2025, Mr Dal Fabbro was also confirmed as Chief Strategy Officer – Finance, Delegated Areas and Strategy.
(3) Deputy Chair of the Board of Directors during the 2019–2021 and 2022–2024 terms and reappointed to the same position for the 2025–2027 term by the Board of Directors on 24 April 2025. By resolution of the Board of Directors of Iren S.p.A. held on the same date, Mr Ferretti was also confirmed as Chief Strategy Officer – Human Resources, Corporate Social Responsibility and Delegated Areas and Strategy.
(4) Chief Executive Officer and General Manager from 10 September 2024 and reappointed to the same position for the 2025–2027 term by the Board of Directors of Iren S.p.A. on 24 April 2025.
(5) Member of the Related Party Transactions Committee.
(6) Member of the Control, Risk and Sustainability Committee.
(7) Chair of the Control, Risk and Sustainability Committee (position also held during the 2022–2024 term).
(8) Member of the Control, Risk and Sustainability Committee.
(9) Member of the Control, Risk and Sustainability Committee (position held since 10 September 2024).
(10) Member of the Remuneration and Appointments Committee.
(11) Member of the Related Party Transactions Committee (position also held during the 2022–2024 term) and Lead Independent Director of the Company from 30 October 2025.
(12) Member of the Remuneration and Appointments Committee (position also held during the 2022–2024 term).
(13) Member of the Remuneration and Appointments Committee.
(14) Member of the Related Party Transactions Committee (position also held during the 2022–2024 term).
(15) Chair of the Related Party Transactions Committee.
(16) Chair of the Remuneration and Appointments Committee.
(17) Appointed by the Shareholders' Meeting of 27 June 2024 for the 2024-2025-2026 three-year period.
(18) Appointed by the Shareholders' Meeting of 22 May 2019 for the 2021-2029 nine-year period.

Ownership structure

The Company's share capital amounts to 1,300,931,377 euro, fully paid-up, and is made up of ordinary shares with a nominal value of 1 euro each.

At 30 June 2026, based on available information, the Iren ownership structure was as follows:



A century of history

A company for over 110 years focused on the development of its local areas and the needs of its customers.

1905
Parma's municipal electric lighting company is born

1907
The Turin municipal company AEM is born

1922
Genoa's municipal gas company is created

1936
AMGA is born from municipal gas company of Genoa

2000
AEM Turin listed on the Stock Exchange and ASM Piacenza become TESA

2005
AMPS, TESA and AGAC establish ENIA

2006
AEM Turin and AMGA Genoa form IRIDE

2007
ENIA listed on the Stock Exchange

2010
IRIDE and ENIA constitute IREN

Mission

To offer our customers and areas the best integrated management of energy, water and environmental resources, with innovative and sustainable solutions in order to create value over time.

For everyone, every day.

1962
The Reggio Emilia municipal company AMG is born

1965
The Parma municipal company becomes AMPS

1972
The Piacenza municipal company ASM is born

1994
AGAC was set up from the Reggio Emilia municipal company

1996
AMGA Genoa listed on the Stock Exchange

2015
AMIAT joins the Iren Group

2016
Ireti is born, TRM and ATENA Vercelli enter the Group

2018
ACAM La Spezia joins the Group

2020
The Group acquires Unieco Waste Management Division

2022
Iren Green Generation for renewables development is born

2025
EGEA joins the Group

Vision

Improving people's quality of life, making businesses more competitive. To look at local growth with a focus on change. Merging development and sustainability into one unique value. We are the multi-utility company that wants to build this future through innovative choices.

For everyone, every day.

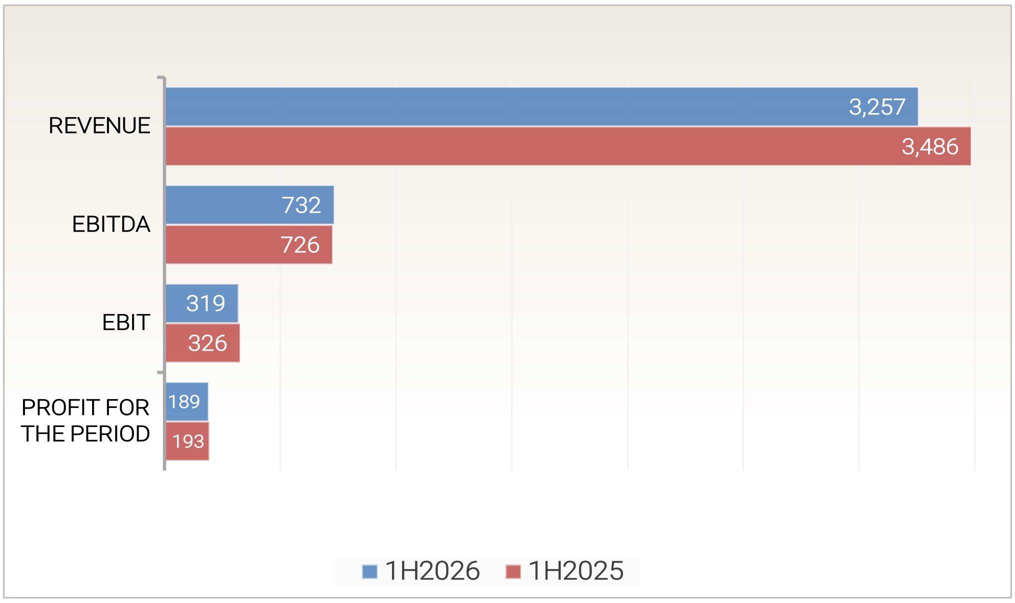
Iren Group in numbers: First Half of 2026 Highlights

Results

millions of euro

	First half of 2026	First half of 2025	Changes %
Revenue	3,257.0	3,485.6	(6.6)
Gross operating profit (EBITDA)	732.1	726.2	0.8
Operating profit (EBIT)	318.5	326.3	(2.4)
Profit for the period	188.8	192.8	(2.1)
EBITDA Margin (EBITDA/Revenue)	22.5%	20.8%	

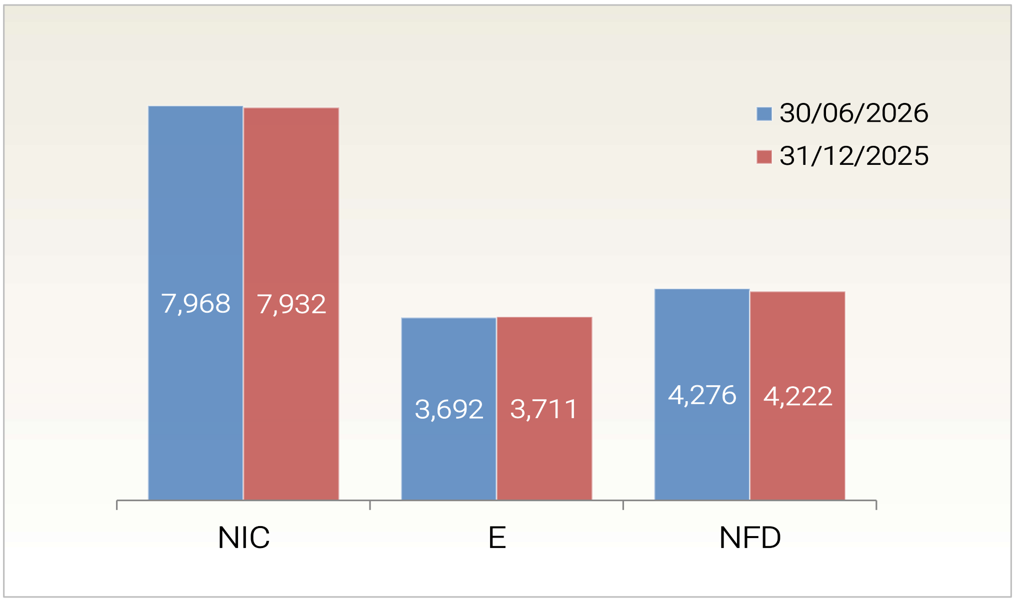
For definitions of Alternative Performance Measures, see the relevant chapter in this Report.



Financial position data

millions of euro

	30.06.2026	31.12.2025	Changes %
Net Invested Capital (NIC)	7,967.5	7,932.3	0.4
Equity (E)	3,691.6	3,710.6	(0.5)
Net Financial Debt (NFD)	4,275.9	4,221.7	1.3
Debt/Equity (Net Financial Debt/Equity)	1.16	1.14	

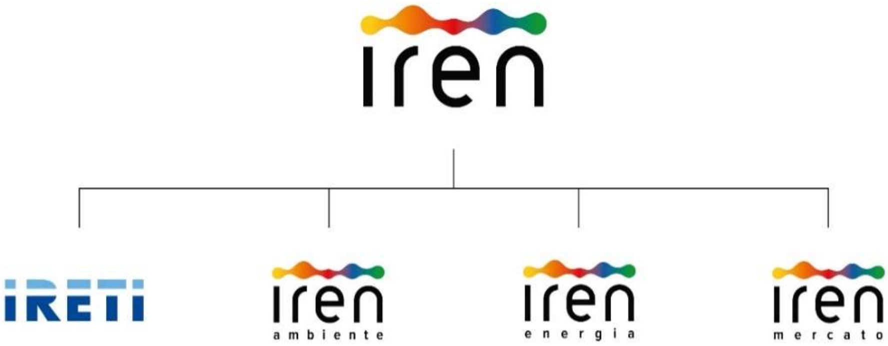


Technical and commercial figures

	First half of 2026	First half of 2025	Changes %
Electricity produced (GWh)	4,734.0	4,700.9	0.7
Thermal energy produced (GWht)	1,738.7	1,806.1	(3.7)
Electricity distributed (GWh)	1,900.5	1,737.4	9.4
Distributed gas (Mcm)	635.1	641.6	(1.0)
Water sold (Mcm)	92.0	92.9	(1.0)
Electricity sold (GWh)	6,234.2	7,433.1	(16.1)
Gas sold (Mcm) (*)	1,216.2	1,231.4	(1.2)
Telescopic volume (Mcm)	115.5	113.5	1.8
Waste treated (tonnes)	1,935,248	2,092,674	(7.5)

* of which 765.8 million cubic metres used for internal electricity and heat generation in the first half of 2026 (732.2 million cubic metres in the first half of 2025, +4.6%)

Iren Group Business Model



Iren Group, which had 11,598 employees as at 30 June 2026, operates in Italy in the sectors of electricity (generation, distribution, and sales), district heating (heat generation, distribution, and sales), gas (distribution and sales), integrated water services management, environmental services (waste collection and disposal), and integrated solutions (smart solutions) for energy efficiency. The Group operates primarily on the Italian market, in various regions, serving a diversified customer base comprising households, businesses and public authorities.

The Group, which adopts a structure aimed at integrating the various business chains and strengthening its local roots, is structured according to the model of:

- an industrial holding company (the parent Iren S.p.A., listed on the Italian Stock Exchange, with registered office in Reggio Emilia) that groups together all corporate staff activities;
- four Business Units (BU) governed by four lead companies, which preside over the activities by business line according to a model based on competencies and digitalisation of processes, which is highly scalable with the immediate integration of all acquired entities.

Specifically, Iren S.p.A. is responsible for strategic planning, development, coordination and control, while the four Business Units (BUs) are tasked with steering and coordinating the companies operating in their respective sectors:

Networks BU	• Integrated water service • Gas distribution • Electricity distribution
Waste Management BU	• Waste collection and transportation • Urban sanitation • Design and management of waste treatment and disposal plants
Energy BU	• Electricity generation from renewable sources • Combined heat and power generation (CHP) • Thermoelectric power generation • District heating management • Smart solutions: services for energy efficiency, public lighting, global service and heat management
Market BU	• Sale of electricity, gas and heat • Products/services for energy saving and home automation • Electric mobility services for customers

The Group also provides a range of additional services, including laboratory services, telecommunications, and other minor services, both for Group companies and external customers.

Some summary information on the size of the organisation is given below.

NETWORKS BU

Integrated Water Service
The Networks BU operates in water supply, sewerage and wastewater treatment in the provinces of Genoa, Savona, Piacenza, Parma, Reggio Emilia, Vercelli, La Spezia, Enna and Cuneo. Overall, in the Optimal Local Areas ATO) managed, the service is provided in 311 municipalities, serving over 3 million residents.

The Networks BU manages the service through a distribution network of approximately 24,000 kilometres and a sewerage network of nearly 13,000 kilometres, with over 1,500 wastewater treatment plants.

Gas distribution
The distribution service, managed in 171 municipalities, guarantees the withdrawal of natural gas from SNAM Rete Gas pipelines and its transportation through local networks for delivery to end users. In particular, the Networks BU distributes natural gas in the provinces of Reggio Emilia, Parma and Piacenza (including the provincial capitals), in the municipality of Genoa and other municipalities in Liguria, as well as in various municipalities in Piedmont, including the cities of Vercelli and Alba.
The distribution network, consisting of more than 9,500 kilometres of high, medium and low-pressure pipes, serves a catchment area of approximately 800 thousand redelivery points.
Lastly, the Networks BU manages the distribution and sale of LPG, particularly in the province of Reggio Emilia and in the province of Genoa, via specific storage plants, located in towns that are still not reached by the natural gas network.

Electricity distribution
The Networks BU provides the electricity distribution service in the cities of Turin, Parma and Vercelli with almost 8,000 kilometres of network in high, medium and low voltage, and a total of more than 700 thousand connected users.

WASTE MANAGEMENT BU

The Business Unit carries out all the activities of the municipal waste management cycle (collection, sorting, treatment, recovery and disposal), with particular attention to sustainable development and environmental protection confirmed by increasing levels of sorted waste collection; it also manages an important portfolio of customers to whom it provides all services and plant availability for the treatment, recovery, and disposal of special waste.

The activities are carried out in various geographical areas, from the historic Emilia region (provinces of Reggio Emilia, Parma, and Piacenza) to Piedmont, specifically Turin and the province of Vercelli (areas where the Waste Management BU is responsible for waste collection and has treatment and disposal facilities), and the provinces of Asti and Cuneo, and Liguria, in the areas of collection (province of La Spezia) and treatment and recovery. Moreover, in the Tuscan area, the Waste Management BU is present in all stages of the supply chain, with a significant presence in the provinces of Siena, Grosseto and Arezzo, where the Group also manages the collection service. The Business Unit also operates as a contracted waste collection operator in specific areas of Sardinia, Marche and Lombardy and has disposal facilities in the Marche and Apulia regions.

Finally, it is active in the sorting of plastic waste for recovery and recycling and in the treatment of plastic waste for the production of Blupolymer (polymer for civil uses) and Bluair (reducing agent for steel plants).

The Waste Management BU serves a total of 617 municipalities with nearly 4.1 million residents.
The Group’s infrastructure for the integrated waste cycle consists primarily of 4 waste-to-energy plants (TRM in Turin, Parma, Piacenza, and the facility in the locality of Foci in Poggibonsi, Province of Siena), 4 active landfills, 62 plants for sorting, storage, recovery, anaerobic digestion and composting, and 463 collection centres/equipped technological stations.

ENERGY BU

The Business Unit operates in the production of electricity and heat, the latter distributed through district heating networks, and in energy efficiency services to public and private entities.

Production of electricity and heat

The Energy BU directly operates 165 electricity generation plants: 27 hydroelectric plants (including reservoir, run-of-river and mini-hydro facilities), mostly located in Piedmont and Campania; 24 cogeneration thermoelectric plants (Piedmont and Emilia-Romagna); one conventional thermoelectric plant in Turbigo (Milan); and, finally, 113 photovoltaic and wind power plants (the latter with a total installed capacity of 228 MW, the largest of which are located in Apulia and Basilicata).
Electricity generated by plants powered by renewable sources or high-efficiency cogeneration accounts for approximately 72% of total production.
Regarding thermal generation, on average, 73% of the heat destined for district heating is produced by high-efficiency cogeneration plants at Group level, while only 16% comes from conventional heat generators, while the remaining portion (11%) is produced by plants outside the Business Unit (primarily waste-to-energy plants, as part of their waste-to-energy operations).

In addition to the information provided for the Energy BU, the Group's electricity and heat generation facilities also include plants belonging to other Business Units, notably the waste-to-energy plants and biogas plants located at landfill sites, which belong to the Waste Management BU, and the hydroelectric plants located on reservoirs managed for drinking water purposes, which belong to the Networks BU.

District heating

The Energy BU has the most extensive district heating network in Italy (almost 1,300 kilometres), with a total heated volume of over 115 million cubic metres, located mainly in Turin and the surrounding municipalities, Reggio Emilia, Parma and Piacenza, and to a lesser extent in Genoa.

In addition to the historical district heating areas, following the acquisition of Egea's operations, the scope of activities has been extended to several municipalities in the province of Cuneo, Alessandria and Acqui Terme, as well as other municipalities within the Metropolitan City of Turin, in addition to Nizza Monferrato (Asti) and Cairo Montenotte (Savona).

Energy efficiency services

The Energy BU, through its subsidiary Iren Smart Solutions, addresses companies, private condominiums, Public Administration and third sector entities, with an articulated portfolio of services:

- energy efficiency, carrying out design and implementation of energy requalification interventions: insulation, co-insulation, replacement of windows, innovative technological services, efficiency improvement of heating and air conditioning systems;
- installation of photovoltaic, solar thermal and self-generation energy systems;
- management of heating systems;
- realisation of Renewable Energy Communities (RECs);
- energy consultancy, energy management and monitoring for energy saving;
- global service for the integrated management of electrical and technological plants of complex property assets;
- relamping LEDs through energy efficiency projects in lighting, public and artistic lighting, efficient management of traffic light systems.

MARKET BU

The Market BU operates in the sale of electricity, gas and heat for district heating, and of extra-commodity services and products, in particular for energy efficiency. It is present throughout Italy, with a greater concentration in the central-northern area.

Sale of electricity

The Market BU operates, in the context of the free market, all over the country, with a higher concentration of customers in the Centre-North, and handles the sale of the energy provided by the Group's various sources on the market of final customers and wholesalers.

The number of retail electricity customers amounts to about 1.4 million, distributed mainly in the Group's traditional areas of operation (Turin, Parma, Reggio Emilia, Piacenza, Vercelli and Genoa), in lower Piedmont (Cuneo and Asti), and in other commercially served areas (Alessandria, Salerno and various provinces in southern Italy).

Sale of Natural Gas

The retail gas portfolio of the Market Business Unit mainly covers the Group's traditional markets of Genoa, Turin and Emilia, neighbouring development areas, as well as Vercelli, Alessandria, Cuneo, Asti and La Spezia. It also includes the Campania region (almost all provinces), and some municipalities in the regions of Basilicata, Calabria, Tuscany and Lazio, serving a total of over 900,000 customers.

Sale of heat through the district heating network

Iren Mercato markets heat supplied by Iren Energia mainly to customers connected to the district heating network in the municipalities of Turin and neighbouring areas, Reggio Emilia, Parma, Piacenza and Genoa.

Among the commercial proposals complementary to the sale of commodities, we highlight the business lines intended for the sale to retail customers of innovative products in the area of home automation, energy saving and maintenance of domestic systems, in addition to e-mobility, with the aim of reducing the environmental impact of travel, including through the installation of charging infrastructure at Group offices and the progressive introduction of electric vehicles.

Information on the Iren stock in the First Half of 2026

IREN stock performance on the stock exchange

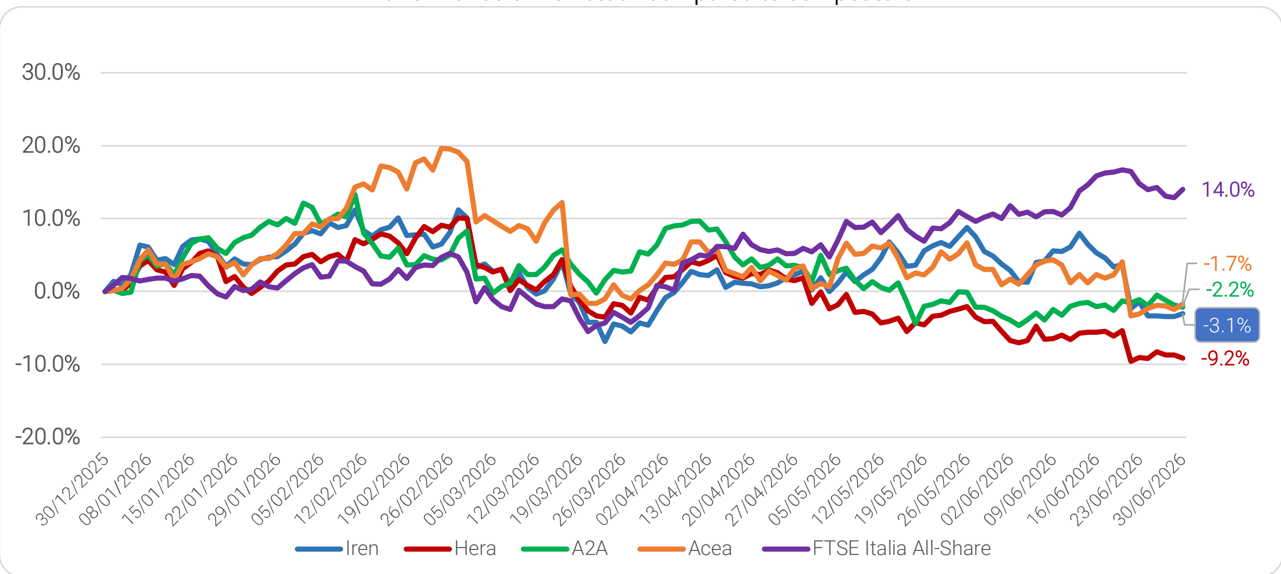
During the first half of 2026, the main international stock markets showed an overall positive trend, in which a recovery could be observed compared to the minimum levels reached in March, in a context initially affected by geopolitical tensions, which were subsequently mitigated by the easing of tensions between the United States, Israel and Iran in June.

The growth of the stock markets was mainly driven by the technology sector, with strong demand linked to the development of artificial intelligence, which supported the performance of the companies most exposed to this trend.

In this context, the FTSE Italia All-Share recorded a positive performance of +14.0%, placing it among the best European indices. The growth mainly concerned the shares of the banking sector, also with a view to sector consolidation, and those of defence-related companies, favoured by the international geopolitical context.

In contrast, Iren's stock recorded a negative performance of -3.1% in the six-month period, in line with the trend observed for the entire Italian multi-utility sector. This trend reflects a context characterised by uncertainty about energy prices, increasing political pressure to contain final prices, and expectations linked to inflation and, consequently, to future monetary policy decisions.

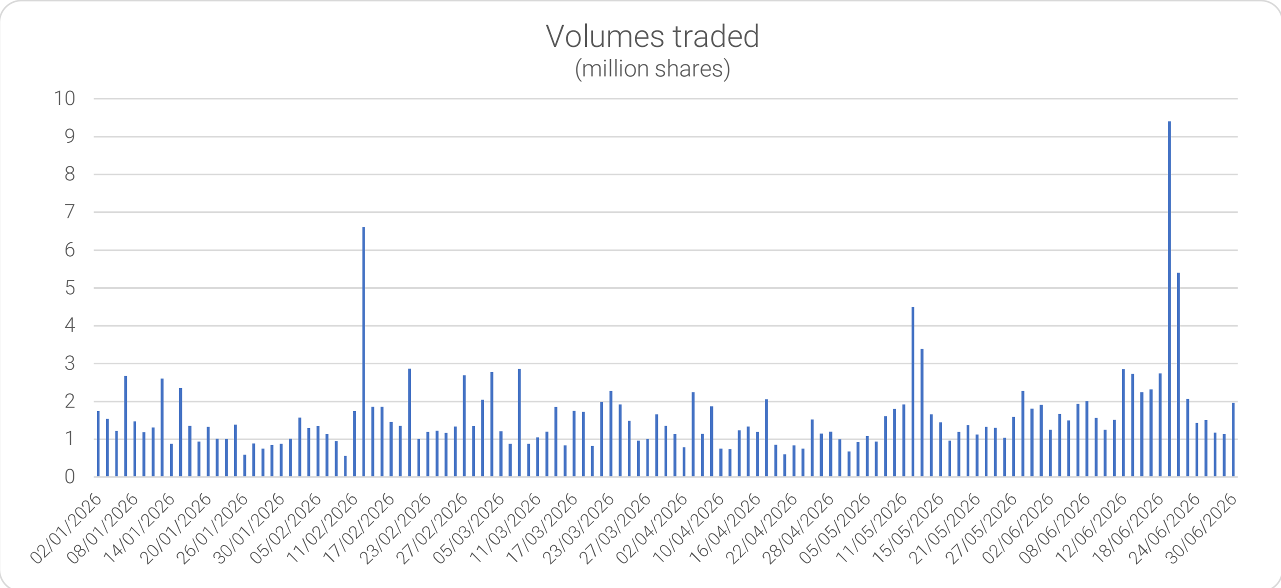
Performance of Iren stock compared to competitors



At 30 June 2026, the last trading day in the period, the price of the IREN share stood at 2.478 euro/share, down 3.1% compared to the price at the beginning of the year, with average trading volumes during the period amounting to 1.63 million units.

The average price for the period was 2.642 euro per share. The highest share price during the period was recorded on 11 February (2.842 euro per share), while the lowest, 2.380 euro per share, was recorded on 24 March.

The two charts below show the price performance and volumes traded in Iren stock in the period.



Share coverage
During the period, IREN Group was followed by six brokers: Banca Akros, Equita, Intermonte, Intesa Sanpaolo, Kepler Cheuvreux and Mediobanca.

Directors' Report

2

Market Context

Macroeconomic scenario

In the first half of 2026, the world economy was increasingly affected by international geopolitical tensions, represented in particular by the escalation of conflicts in the Middle East and the consequent repercussions on energy markets. After an initial phase characterised by higher-than-expected economic growth, supported by investments related to digital technologies and artificial intelligence, the sharp increase in energy and commodity prices led to a significant deterioration in the global economic outlook. According to the most recent OECD estimates, global GDP growth is forecast at 2.8% in 2026, a sharp decline from 3.4% growth in 2025.[1]
The main determining factors of this slowdown are the interruptions in energy supplies from the Persian Gulf area, the increase in the prices of oil, natural gas and fertilisers, and the consequent rise in inflationary pressures. Continued tensions in the Middle East region are the main risk factor for the international macroeconomic scenario. In particular, any further obstacles to trade flows through the Strait of Hormuz could amplify the difficulties of global supply chains and lead to further increases in energy prices.
The Eurozone is the area where the largest contraction in economic growth is expected, with GDP expected to increase by only 0.8% in 2026, after growth of 1.4% in 2025. The main causes of the contraction are the impact of rising energy prices and the slowdown in international trade, which is having a negative effect on economic activity. However, the resilience of the labour market and investments linked to European policies to support industry are helping to sustain growth.
Forecasts for the Italian economy indicate economic growth in 2026 in line with 2025: according to OECD projections, GDP is expected to increase by 0.5% in 2026. In line with the European and global economy, economic dynamics would be affected by the weakening of the international environment, the slowdown in world trade and the impact of higher energy prices. Growth would continue to be supported mainly by investment and domestic demand, while the contribution of foreign demand would remain limited in an environment characterised by high geopolitical uncertainty.
On the price front, OECD estimates show a temporary return of inflationary pressures during 2026: in the Eurozone, inflation is forecast at 2.8% in 2026. Again, rising energy prices are the main factor behind the temporary acceleration in inflation, while the gradual easing of tensions on the energy markets should encourage a gradual convergence towards the European Central Bank's price stability objective.
For Italy, the inflationary picture follows a more pronounced trend than in the Eurozone, with an acceleration in prices in 2026 estimated at 3.0% (in 2025, growth was 1.6%). The increase is said to be mainly linked to energy price rises, as shown by the fact that the core inflation rate (adjusted for the prices of the most volatile sectors such as energy, fresh food and tobacco) is expected to show much less pronounced growth (+2.3% in 2026).
However, the outlook remains characterised by a high degree of uncertainty, closely linked to the evolution of the conflict in the Middle East, the possible effects on commodity markets and the repercussions that these factors could have on economic growth and global financial stability.

Household spending

During 2026, the trend in Italian household consumption continues to show moderate growth, supported by the improvement in disposable income and the still favourable performance of the labour market. In the first quarter of the year, household final consumption grew moderately by 0.5% compared to the previous quarter, also recording growth on an annual basis.[2]
According to the most recent ISTAT surveys, the disposable income of consumer households grew by 1.6% compared to the previous quarter, with greater growth than that observed in consumption; this also means a concomitant increase in the propensity to save, which rose to 8.0%, confirming a certain prudence on the part of households in their spending decisions in a context still characterised by geopolitical and economic uncertainty.[3]

Investments

After the marked expansion observed in previous years, investments show more moderate but still positive growth in 2026. In the first quarter of the year, gross fixed capital formation increased by 0.7% compared to the previous quarter, making a positive contribution to economic growth.
The slowdown is also attributable to the sharp contraction in housing investments observed in the first quarter (-2.7%) after years of rapid growth, mainly due to the end of the incentives linked to the Superbonus.[4]
Investment activity continues to benefit from the initiatives provided for in the National Recovery and Resilience Plan and from the digital and energy transformation processes of Italian companies. However, the outlook is affected by rising energy costs, international uncertainty and less favourable financing conditions than in the recent past.

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[1] Source: OECD Economic Outlook, Volume 2026 Issue 1
[2] Source: ISTAT, Quarterly economic accounts, May 2026.
[3] Source: ISTAT, Quarterly Accounts of the Public Administrations: Household Income and Savings and Corporate Profits, July 2026
[4] Source: ISTAT, Quarterly economic accounts, May 2026.

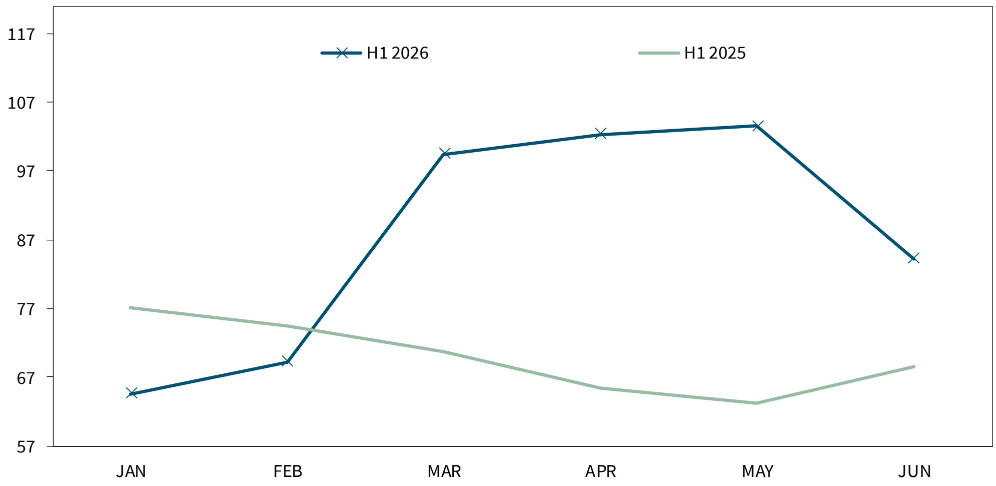
Exports

In 2026, Italian foreign trade operates in a context characterised by high international uncertainty. Geopolitical tensions, the slowdown in world trade and the volatility of energy prices continue to affect demand from the main destination markets.
Following the contraction observed in the fourth quarter of 2025, in the first quarter of 2026, Italian exports recorded growth of 2.2% compared to the previous quarter, contributing positively to the change in GDP.[5]
However, the Bank of Italy's most recent projections indicate that export growth will remain moderate throughout the year, affected by the weakness of international trade and the appreciation of the euro.

Oil market

The oil market was probably the one hit hardest by the conflict in the Middle East, with the price of the commodity recording a sharp increase between February and March, when it rose from 69.4 $/bbl to almost 100 $/bbl. In the following quarter, the price continued to rise steadily until June, when news of a possible ceasefire in the conflict and the reopening of the Strait of Hormuz led to a fall in the price. The average Brent price in the first half of 2026 was 87.4 $/bbl, a sharp increase from 70.1 $/bbl in the first half of 2025 (+24.7%). Considering an average euro/dollar exchange rate of 1.17, the average price of Brent crude was 74.9 €/bbl.
The future trend in the price of oil remains uncertain and closely linked to geopolitical tensions and decisions regarding the transit of oil tankers through the Strait of Hormuz.

BRENT PRICE TRENDS
($/bbl)



Data processed by MBS Consulting

Natural gas market

Supply and demand

After the recovery in gas consumption observed between 2024 and 2025, Italian gas demand remained almost unchanged between the first half of 2026 and the first half of last year. In fact, in both periods, recorded consumption was around 33 bcm, with a variation of less than 1%.
The composition of demand also remained broadly stable compared to last year, with a slight increase in thermoelectric consumption (10.7 bcm compared to 10.4 bcm) offsetting the decline in residential demand (15.3 bcm compared to 15.5 bcm), while demand for industrial uses remained unchanged at 6.0 bcm.

[5] Source: ISTAT, Quarterly economic accounts, May 2026.

The level of gas stocks in the first half of 2026 is in line with that of 2025, while imports increased slightly (+0.1 bcm), against a similar contraction in domestic production.

GAS WITHDRAWN (Bln m3)*	2026	2025	2024	Change % 2026 vs 2025	Change % 2025 vs 2024
Industrial uses	6.0	6.0	5.9	0.0%	1.7%
Thermoelectric uses	10.7	10.4	8.8	2.9%	18.2%
Distribution plants	15.3	15.5	15.3	-1.3%	1.3%
Third party network and system consumption / *line pack*	1.4	1.7	1.0	-17.6%	70.0%
Total withdrawn	33.4	33.6	31.0	-0.6%	8.4%

**Cumulative amounts as at 30 June processed by MBS Consulting*

GAS INPUT (Bln m3)*	2026	2025	2024	Change % 2026 vs 2025	Change % 2025 vs 2024
Imports	30.9	30.8	30.1	0.3%	2.3%
National production	1.4	1.7	1.3	-17.6%	30.8%
Storage	1.1	1.1	-0.4	0.0%	(**)
Total input (including storage)	33.4	33.6	31.0	-0.6%	8.4%
Maximum capacity	50.8	63.0	63.4		
Load factor	60.9%	48.8%	47.4%		

**Cumulative amounts as at 30 June processed by MBS Consulting*

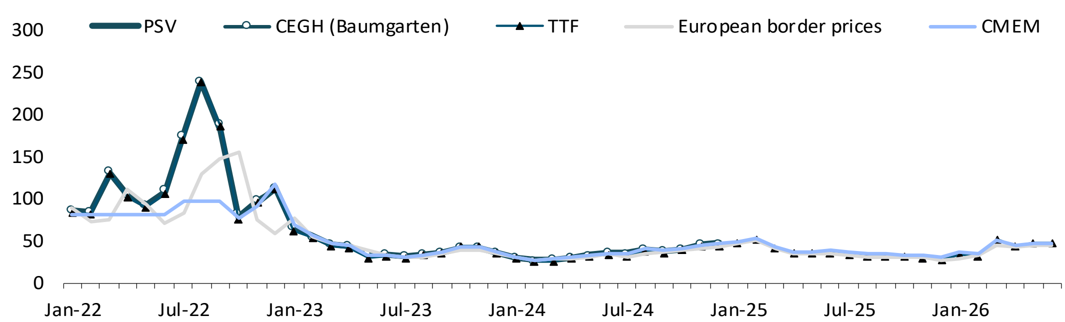
***Change of more than 100%*

The storage figure indicates net movement

Wholesale gas prices

Wholesale prices for natural gas in the main European hubs all followed the same trend, heavily influenced by the start of the war in the Middle East. In the first two months of the year, prices remained substantially in line with the second half of 2025, only to increase by more than 30% between February and March.
Looking at them one by one, the TTF recorded an average value in the first half of 2026 of 43.4 €/MWh, an increase of 4.9% compared to the first half of 2025, when prices were still high. The Italian price remains the highest, with the PSV averaging 45.5 €/MWh, an increase of 4.5%. The average values recorded in the two hubs followed a very similar upward trend, which meant that the spread between the two prices remained roughly unchanged compared to 2025, at more than 2 €/MWh.
Austria saw a slightly lower average price, with the CEGH recording a value of 44.8 €/MWh, with a lower annual increase than the other hubs, amounting to 2.2%.

WHOLESALE PRICES IN EUROPE
(€/MWh)



Latest data 30 June 2026
Data processed by MBS Consulting

Imbalance Price and the Protected Market

The gas imbalance price, after the decline observed in the second half of 2025, resumed an upward trend. While in January and February the average value remained below 40 €/MWh, it subsequently rose, reaching a peak of 52 €/MWh. On average, in the first half of 2026, the gas imbalance price was 44.3 €/MWh (+2%). This trend is in line with that observed in spot prices, and is determined by the critical issues that have affected supply chains following the outbreak of conflicts in the Middle East.

In the first part of 2026, the total volume traded on the MGAS platform (DAM-GAS and IM-GAS), which is used to determine the imbalance price, amounted to 9.8 bcm, of which 2.4 bcm was traded on the IM-GAS and 7.4 bcm on the DAM-GAS respectively. Compared to the first six months of 2025, the volumes traded on the platform grew by 17%.

Lastly, the average value of the CMEM component, intended to reflect the cost of gas procurement in the protected market (calculated by ARERA as the monthly average of the PSV Day Ahead price identified by ICIS-Heren), was 44.2 €/MWh in the first half of 2026, up 2.1% compared to the first half of 2025 (43.3 €/MWh).

Electricity market

Supply and demand

The accumulated electricity demand for the first half of 2026 stood at 155 TWh, stable compared to the same period of the previous year (+1.4%). The difference was mainly recorded in January and June, and could be explained by greater electrification of consumption, considering temperatures in line with those of 2025, but also by a slight recovery in manufacturing production, as demonstrated by the increase in electricity consumption in the industrial sector.

Geographically, there was an increase in demand in the South and the Islands (+6.0% and +2.9% respectively), while there were minimal changes in the other areas.

On the other hand, Italian net production contracted slightly in the first half of 2026 (128 TWh compared with 130 TWh in the first half of 2025). From the point of view of the generation mix, the first six months saw a sharp reduction in hydroelectric production compared to 2025 (-19.8%). This trend was partly offset by a growth in production from other renewable sources (solar and wind, with an overall growth of 12.0% compared to the first half of 2025) and a greater dependence on imports, with an increase in the foreign balance of 15.3%.

Thermoelectric production, on the other hand, remained substantially stable, with total generation in the first half of the year slightly above 70 TWh.

Demand and supply of accumulated electricity

(GWh and changes in trends)

	until 30/06/2026	until 30/06/2025	Change %
Demand	**154,633**	**152,477**	**1.4%**
Northern Italy	88,454	87,150	1.5%
Centre	38,498	38,836	-0.9%
Southern Italy	14,371	13,555	6.0%
The Islands	13,310	12,936	2.9%
Net production	**128,126**	**129,808**	**-1.3%**
Hydro power	17,898	22,324	-19.8%
Thermal power	70,480	71,650	-1.6%
Geothermoelectric	2,563	2,624	-2.3%
Wind and photovoltaic	37,185	33,210	12.0%
Pumping consumption	**-1,144**	**-1,321**	**-13.4%**
Foreign balance	**27,651**	**23,990**	**15.3%**

Data processed by MBS Consulting

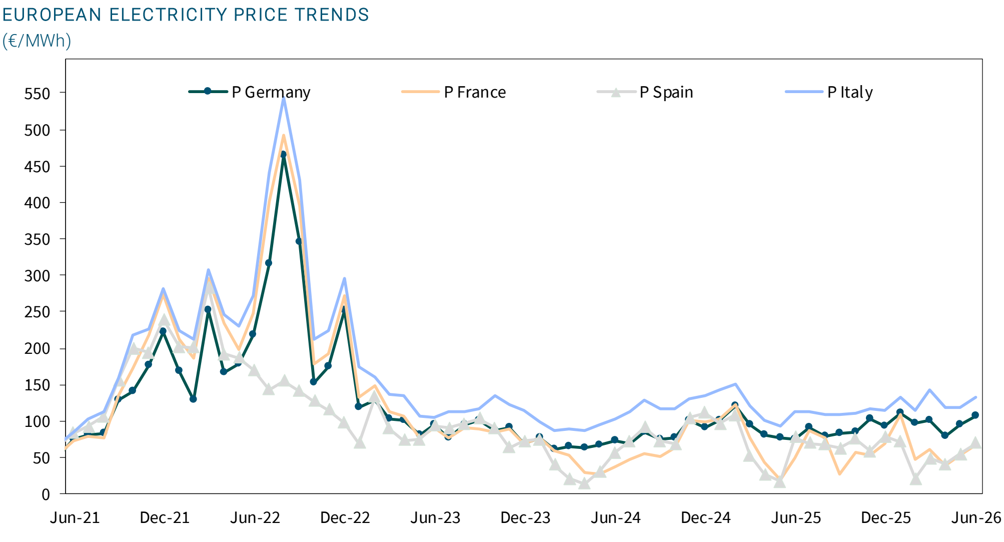
Day-Ahead Market (DAM) prices

The Single National Price (PUN) in the first half of 2026 averaged 127.0 €/MWh, a sharp increase of 5.9% compared to the first half of 2025. The increase occurred mainly in the second quarter when, due to the start of the conflict in the Middle East, the price of natural gas and oil rose significantly, also pushing up the price of electricity, which remained above 140 €/MWh. In the first two months of 2026, however, prices remained below those recorded at the beginning of 2025.

In the first part of 2026, the zonal prices of the North and Centre-North were again the highest, with an average premium compared to the PUN of around 1.5 €/MWh, up from the same period in 2025, when it was less than 1 €/MWh. Among the southern areas of Italy, Sardinia is the area that recorded the lowest price, averaging 121.3 €/MWh in the first half of 2026. In this regard, there is a negative average differential compared to the PUN of -5.7 €/MWh, while in the first part of 2025 it stood at -3.8 €/MWh.

Trend in the main European energy exchanges

Looking at the main European energy exchanges, only Germany experienced a trend similar to that in Italy. In fact, the increase in natural gas prices also in this case led to a sharp rise in spot electricity prices, which averaged 98.4 €/MWh, up 8.0% compared to the first half of 2025.
As for Spain and France, on the other hand, given the lower dependence on fossil fuels due to the presence of nuclear reactors and considerable solar production in the Iberian country, electricity prices followed different dynamics compared to Italy, with a downward trend compared to the first part of 2025. In general, the average electricity price in these European countries in the first six months of 2026 was around 70 €/MWh, compared to 74 €/MWh in the first part of 2025.
In contrast to 2025, when the European country with the lowest average price was France, in the first part of 2026 it is therefore Spain that records the lowest average price (51.0 €/MWh, -19.3% compared to the first part of 2025).
The mixed trend in European prices, in contrast to the sharp rise in the PUN, led to a widening of the differential between the average Italian electricity price and the European average, which rose from around 46 €/MWh in the first part of 2025 to 56 €/MWh in the first half of 2026.



Data processed by MBS Consulting

Futures related to Baseload PUB on the EEX

The following table shows the prices of the PUN futures traded in the first half of 2026. Over the months, the monthly prices gradually increased, with a sharp rise between the February and March prices, coinciding with the start of the conflict in the Middle East. A similar dynamic also emerged in the trend of quarterly prices, in particular for the third and fourth quarters of 2026, while the price for the first three months of 2027 decreased between May and June.
The annual prices for 2027, despite the slight increase between February and March, remained relatively stable, showing that according to expectations the price shock should be a mainly short-term phenomenon, with the PUN expected to settle down as early as the beginning of 2027.

Apr-26 Futures		May-26 Futures		June-26 Futures	
Monthly	€/MWh	Monthly	€/MWh	Monthly	€/MWh
May-26	135.7	Jun-26	123.5	July-26	136.2
Jun-26	128.7	July-26	132.8	Aug-26	137.8
July-26	136.3	Aug-26	137.0	Sept-26	138.2
Quarterly		Quarterly		Quarterly	
Q3 26	148.8	Q3 26	138.4	Q3 26	137.3
Q4 26	146.6	Q4 26	135.1	Q4 26	131.4
Q1 27	133.0	Q1 27	124.0	Q1 27	113.8
Yearly		Yearly		Yearly	
Y1 27	111.0	Y1 27	111.0	Y1 27	111.0

Data processed by MBS Consulting

Significant events of the period

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.

In particular, 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.

2026 Energy Bills Decree

Decree-Law No. 21/2026 ("2026 Energy Bills Decree"), published in the Official Journal on 20 February and converted into law on 8 April, introduces extraordinary measures aimed at containing the costs of purchasing electricity for households and businesses, intervening at all stages of the supply chain (tax, wholesale market and retail market) and affecting both generation costs and price formation mechanisms.

In particular, the legislation aims to reduce the final cost of energy by introducing structural measures upstream of the supply chain, through the reimbursement to thermoelectric producers of certain components of the gas transport tariff and of the costs for ETS relating to efficient plants, with effect from 2027.

Instruments to protect end customers are also strengthened, including the extension of the social bonus to district heating customers, and transitional benefits are introduced. In addition, a significant reduction in general system charges for non-domestic users is envisaged.

Finally, for redistributive purposes and to cover the interventions, the regulation provides for an increase in the IRAP rate (+2%) for certain operators in the electricity and gas supply chains.

With regard to the main measures on the wholesale market, in particular those relating to the sterilisation of ETS costs, they are conditional or in any case subject to discussion with the European Commission for the purposes of compatibility with the State aid framework, with the timing and methods of implementation subject to the relevant "approval".

It is useful to underline how the reduction of system charges and the removal of the ETS cost from price determination represents a particularly significant element for energy operators, as it could produce structural effects on prices, the generation mix across technologies and the dynamics of cross-border energy flows.

Conflict in the Middle East

Recent geopolitical tensions in the Middle East, arising from the ongoing conflict involving the United States, Israel and Iran, have resulted in the closure of the Strait of Hormuz, hindering the transit of vessels transporting oil, petroleum products and LNG to Asia and Europe. Attacks on energy infrastructure in the Gulf countries have also been reported, causing significant damage to extraction, refining and transport processes. These events led to a significant increase in oil and natural gas prices, with direct repercussions on European energy prices. The disruption of maritime transit through the Strait of Hormuz could also result in delays and price increases across additional supply chains.

In mid-June, the United States, Israel and Iran announced a ceasefire with the aim of ending military hostilities and initiating a dialogue aimed at reaching a peace agreement. However, even considering subsequent developments, transit through the Strait of Hormuz has not yet returned to normal and traffic volumes remain significantly below pre-crisis levels.

The effects of rising energy prices on the Group's profitability, as well as on macroeconomic scenarios linked 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.

Sustainability-Linked Term Loan Financing

On 13 April 2026, Iren signed a new Sustainability-Linked Term Loan of 150 million euro with Mediobanca, aimed at supporting the Group's investment plan. The term of the loan is five years and provides for a mechanism to adjust the financial margin based on the achievement of specific sustainability targets outlined in the Business Plan.

Committed Revolving Credit Facility (RCF)

To further support its liquidity profile, on 28 April Iren signed a Revolving Credit Facility (RCF) with Intesa Sanpaolo for a total amount of 100 million euro and a three-year term. The transaction is part of the Group's liquidity optimisation strategy, ensuring greater flexibility in the management of financial resources and strengthening the ability to meet any cash requirements in the short and medium term.

Transfer of the management of the Integrated Water Service of ATO 4 of Cuneo

On 14 May 2026, EGEA Acque and Consorzio Gestori Servizi Idrici S.c.a.r.l. (CO.GE.S.I.), a wholly publicly owned company, signed a preliminary agreement for the latter to take over the management of the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area. The transaction concludes a process initiated in compliance with the resolutions of the Area Authority, aimed at entrusting the management of the service in the Cuneo area to a single public entity.

The takeover will be completed in the second half of 2026. In this regard, CO.GE.S.I. paid EGEA Acque 75.4 million euro as the residual value of the assets at 31 December 2024. Further payment instalments are expected in the coming months, to reflect the update of the residual value of the assets until takeover date .

Shareholders' Meeting

On 21 May 2026, the Ordinary Shareholders' Meeting approved the Separate Financial Statements of Iren S.p.A. at 31 December 2025, and resolved to distribute a dividend of 0.1386 euro per ordinary share, confirming the proposal made by the Board of Directors.

The Shareholders' Meeting also:

- approved the first section ("2026 Remuneration Policy") of the Report on the 2026 Remuneration Policy and on fees paid for 2025;
- issued a favourable vote on the second section ("Fees paid in 2025") of the same Report.

Alternative Performance Measures

Iren Group uses alternative performance measures (APM) in order to convey more effectively the information on the profitability of its business lines, and on its financial position and financial performance. These measures are different from the financial measures explicitly required by the International Financial Reporting Standards (IFRS) adopted by the Group.
On the subject of these measures, CONSOB issued Communication no. 92543/15 which makes applicable the Guidelines issued by the European Securities and Markets Authority (ESMA) on their presentation in the regulated information distributed or in prospectuses published. These Guidelines are aimed at promoting the usefulness and transparency of the alternative performance measures included in regulated information or prospectuses that fall within the scope of application of Directive 2003/71/EC, in order to improve their comparability, reliability and comprehensibility.
In line with the aforementioned communications, the criteria used to construct these measures presented in this report are provided below.

Net Invested Capital (NIC): determined by the algebraic sum of non-current assets, other non-current assets (liabilities), net working capital, deferred tax assets (liabilities), provisions for risks, and employee benefits and assets (liabilities) held for sale.
For further details on the development of the individual items that make up the measure, please refer to the reconciliation statement, included in the annexes to the Consolidated Financial Statements, between the reclassified statement of financial position and the statement of financial position.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful measure for the purpose of measuring total net assets, both current and non-current, also through comparison between the period with which the report is concerned and previous periods or years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Net Financial Debt: calculated as the sum of non-current financial liabilities net of non-current financial assets and current financial liabilities net of current financial assets, excluding the fair value of commodity derivatives, and cash and cash equivalents.
For further details on the development of the individual items that make up the measure, please refer to the reconciliation statement, included in the annexes to the Consolidated Financial Statements, between the reclassified statement of financial position and the statement of financial position.
This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's financial structure, including by comparing the reporting period with that of the previous periods or years.

Non-current Assets: calculated as the sum of property, plant and equipment, investment property, intangible assets with finite life, goodwill, investments accounted for using the equity method and other investments.
For further details on the development of the individual items that make up the measure, please refer to the reconciliation statement, included in the annexes to the Consolidated Financial Statements, between the reclassified statement of financial position and the statement of financial position.

Other Non-current Assets (liabilities): calculated as the sum of other non-current assets net of sundry payables and other non-current liabilities and the non-current portion of the fair value of commodity derivatives.
For further details on the development of the individual items that make up the measure, please refer to the reconciliation statement, included in the annexes to the Consolidated Financial Statements, between the reclassified statement of financial position and the financial statements.

Net Working Capital (NWC): calculated as the algebraic sum of current and non-current contract assets and liabilities, current and non-current trade receivables, inventories, current tax assets and liabilities, sundry and other current assets, trade payables and sundry and other current liabilities and the current portion of the fair value of commodity derivatives.
For further details on the development of the individual items that make up the measure, please refer to the reconciliation statement, included in the annexes to the Consolidated Financial Statements, between the reclassified statement of financial position and the financial statements.
This APM is used by the Group in the context of both internal and external documents and represents a useful tool to assess the Group's operational efficiency, including by comparing the reporting period with those related to the previous periods or years.

Gross Operating Profit or Loss (EBITDA): calculated as the sum of pre-tax profit or loss, share of profit or loss from equity-accounted investees, impairment gains and losses on equity investments, financial income and expense, and amortisation, depreciation, provisions and impairment losses. EBITDA is explicitly shown as a subtotal in the financial statements.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful tool for assessing the Group's operating performance (both as a whole and at the individual Business Units level), including by comparing the operating results for the reporting period with those for previous periods or years. This indicator also makes it possible to carry out the analyses of operating trends and to measure performance in terms of operating efficiency over time.

Operating Profit or Loss (EBIT): calculated as the sum of pre-tax profit or loss, share of profit or loss of equity-accounted investees, impairment gains and losses on equity, investments and financial income and expense. Operating profit or loss is explicitly shown as a subtotal in the financial statements.

Investments: represent the sum of investments in property, plant and equipment, intangible assets and financial assets (equity investments), presented gross of grants related to assets.
This APM is used by the Group in both internal and external documents and represents a useful tool to assess the financial resources used for the purchase of durable goods during the period.

Capital expenditure: represent the sum of investments in property, plant and equipment and intangible assets net of increases resulting from decommissioning charges and right-of-use assets under IFRS 16.
This APM is used by the Group in both internal and external documents and represents a useful tool to assess the financial resources used for the purchase of durable goods during the period.

Cash Flow from Investing Activities: determined by the algebraic sum of cash flows related to capital expenditures, realisation of investments, changes in assets held for sale and dividends collected, as well as the effect on Net Financial Debt resulting from the acquisition of subsidiaries and non-controlling interests, as indicated in the Statement of Changes in Net Financial Debt.

Free Cash Flow: determined by the sum of net cash from operating activities and cash flow from investing activities as shown in the Statement of Changes in Net Financial Debt.

Gross operating profit or loss (EBITDA) margin: calculated by dividing the adjusted gross operating profit or loss by revenue.
This APM is used by the Group in both internal and external documents and is a useful tool to assess the Group's operating performance (both as a whole and for individual Business Units), also by comparison with previous periods or years.

Debt/Equity: determined as the ratio between net financial debt and equity including non-controlling interests.
This APM is used by the Group in the context of documents both internal to the Group and external and is a useful instrument for assessing the financial structure in terms of relative proportion of financing sources between third-party funds and own funds.

Investors should note that:
- these measures are not recognised as performance criteria under IFRS;
- they shall not be adopted as alternatives to operating profit, profit for the period, operating and investing cash flow, net financial position or other measures consistent with IFRS, Italian GAAP or any other generally accepted accounting principles; and
- they are used by management to monitor the performance of the business and its management, but are not indicative of historical operating results, nor are they intended to be predictive of future results.

Iren Group's financial position, financial performance and cash flows

Income statement

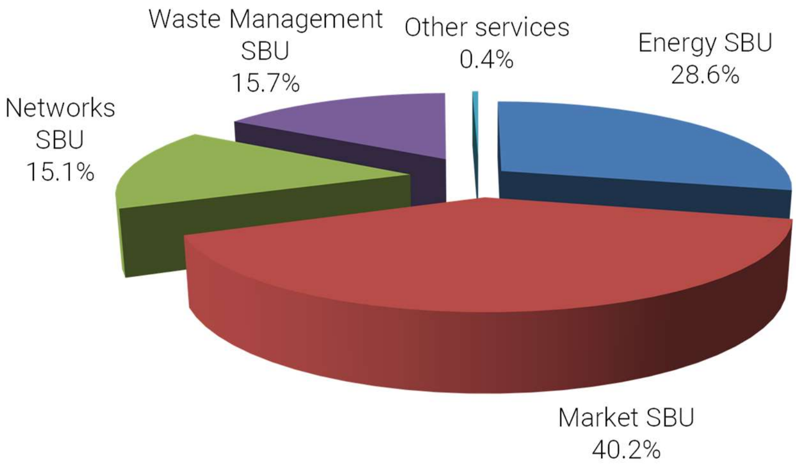
IREN GROUP INCOME STATEMENT

thousand euro

	First half of 2026	First half of 2025	Change %
Revenue			
Revenue from goods and services	3,106,832	3,357,047	(7.5)
Other income	150,195	128,554	16.8
Total revenue	3,257,027	3,485,601	(6.6)
Operating expenses			
Raw materials, consumables, supplies and goods	(1,223,700)	(1,387,289)	(11.8)
Services and use of third-party assets	(938,089)	(1,003,170)	(6.5)
Other operating expenses	(49,635)	(58,227)	(14.8)
Capitalised costs for internal work	28,067	28,025	0.1
Personnel expense	(341,566)	(338,703)	0.8
Total operating expenses	(2,524,923)	(2,759,364)	(8.5)
GROSS OPERATING PROFIT (EBITDA)	732,104	726,237	0.8
Depreciations, amortisations, provisions and impairment losses			
Amortisation/Depreciation	(362,586)	(350,009)	3.6
Impairment losses on loans and receivables	(46,641)	(44,774)	4.2
Other provisions and impairment losses	(4,400)	(5,144)	(14.5)
Total depreciation, amortisation, provisions and impairment losses	(413,627)	(399,927)	3.4
OPERATING PROFIT	318,477	326,310	(2.4)
Financial management			
Financial income	10,558	20,636	(48.8)
Financial expense	(64,014)	(79,913)	(19.9)
Net financial expense	(53,456)	(59,277)	(9.8)
Gains (losses) on equity-accounted investees	-	(87)	(100.0)
Share of profit or loss of equity-accounted investees, net of tax effects	6,595	8,561	(23.0)
Pre-tax profit	271,616	275,507	(1.4)
Income taxes	(82,840)	(82,650)	0.2
Profit from continuing operations	188,776	192,857	(2.1)
Profit (loss) from discontinued operations	-	-	-
Profit for the period	188,776	192,857	(2.1)
attributable to:	-	-	
- Profit for the period attributable to the owners of the parent	181,764	183,573	(1.0)
- Profit for the period attributable to non-controlling interests	7,012	9,284	(24.5)

Revenue

For the first half of 2026, the Group reported revenue of 3,257,0 million euro, down 6.6% compared to 3,485.6 million euro in the first half of 2025. The main factors contributing to the decrease are linked to the decline in energy revenues, which were influenced for more than 290 million euro by lower volumes of energy supplies, only partially offset by higher revenue resulting from the rise in commodity prices for more than 100 million euro. Energy efficiency activities also saw a decline of approximately 56 million euro due to the inapplicability of eco-bonus incentives.



Gross Operating Profit (EBITDA)

Gross Operating Profit amounted to 732.1 million euro, up 0.8% compared to 726.2 million euro in the first half of 2025.

The energy scenario was characterised by highly volatile commodity prices with diverging trends in individual months, but with an overall positive effect on production margins, partly limited by the high level of hedging on energy commodities carried out in advance during 2025. Price trends, for energy production margins, had positive effects in the amount of approximately +6 million euro.

Despite a positive energy scenario, the gross operating profit declined due to lower production volumes, particularly in hydroelectric generation (-25.7%), which was attributable to extraordinary maintenance work on the reservoirs, which required them to be completely emptied at the end of 2025 to which was added the poor water supply in the first months of the year. The reduction in hydroelectric volumes had a negative impact of 21 million euro compared to the first half of 2025, only marginally offset by increased photovoltaic production, also thanks to the commissioning of the Noto plant starting in September 2025 (+2 million euro).

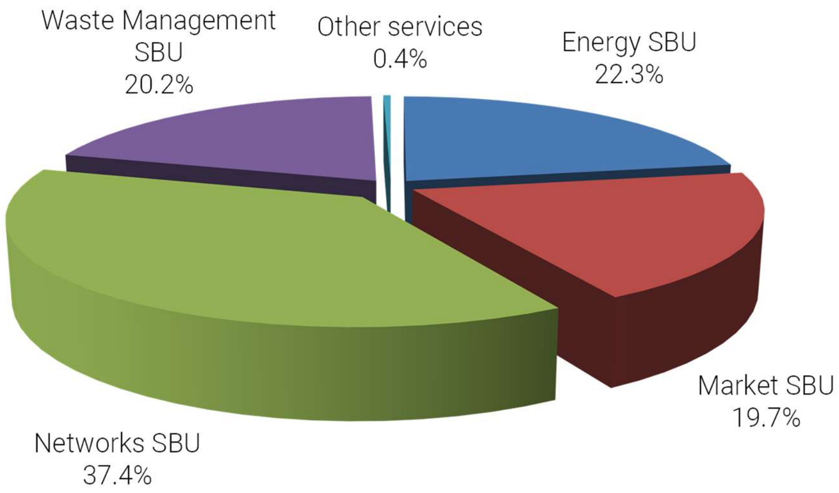
The contribution of the corresponding “Capacity Market” and the Dispatching Services Market (MSD) contributed positively to the gross operating profit.

The trading business for energy commodities saw a decline (-9 million euro) due to the anticipated reduction in margin from gas sales (-14 million euro, mainly due to lower volumes sold), only partially offset by electricity sales (+3 million euro) and the sale of other Iren Plus branded services (+2 million euro).

A positive contribution was generated by organic growth in the Integrated Water Service within the Networks BU (+7 million euro), mainly related to tariff awards as a result of investments made in recent years and the positive regulatory effects in the Networks sector overall (+3 million euro).

The Waste Management sector also improved. The 16 million euro increase is mainly attributable to the separate collection valorisation plants which, in addition to having recorded improvements in operating activity, also benefited from previous tariff adjustments.

The change in gross operating profit with reference to the individual business units is broken down as follows: Waste Management BU +12%, Networks BU +1.2%, Market BU -2.3% and Energy BU -5.9%.



Operating profit

Operating profit (EBIT) amounted to 318.5 million euro, down 2.4% compared to 326.3 million euro in the first half of 2025. The period saw higher depreciation and amortisation of 13 million euro due to the entry into service of new investments, the 2 million euro increase in the impairment losses on loans and receivables and higher impairment losses of 4 million euro, offset by lower provisions for risks and higher releases totalling 4 million euro.

Financial management

Net financial expense came to 53.5 million euro, with an overall decrease (-9.8%) compared to the figure for the first half of 2025.

In particular, financial income stood at 10.5 million euro compared to 20.6 million in the comparison period: their reduction (-10.1 million) is almost entirely attributable to the lower interest income on liquidity investments.

The change in financial expense (64.0 million in the first half of 2026 compared to 79.9 in the same period of 2025, -15.9 million) is mainly due to lower gross debt; it should also be noted that the figure for the comparative period included one-off items relating to liability management activities.

Gains/(losses) on equity-accounted investees

No amounts were recorded under this item in the first half of 2026. In the comparative period, the amount of -0.1 million euro related to the effect of the remeasurement at fair value, at the date of acquisition of control, of the prior interest in EGEA Holding.

Share of profit or loss of equity-accounted investees, net of tax effects

This item, which amounts to +6.6 million euro (+8.6 million in the first half of 2025), includes the share of the pro-rata profit or loss on the Group's associates and joint ventures, the most significant of which regard Asti Servizi Pubblici, Aguas de San Pedro, ASTEA and ACOS.

Pre-tax profit

As a result of the above trends, consolidated pre-tax profit amounted to 271.6 million euro, a slight decrease compared to 275.5 million euro in the comparative period.

Income taxes

Income taxes for the first half of 2026 amounted to 82.8 million euro, substantially in line with the figure for the first half of 2025. The tax rate, representing the estimated effective tax rate for the full year, was 30.5%, higher than the figure recorded in the comparative period (30.0%).

The higher tax rate is due in particular to the effects of Article 3 of the so-called "2026 Energy Bills Decree" (Decree-Law 21/2026, converted into Law No. 49 of 10 April 2026), which increased the IRAP rates by two percentage points for companies in the energy sector that mainly carry out the economic activities identified by specific ATECO codes. The increase applies to the 2026 and 2027 tax periods.

Profit for the period

As a result, the profit for the period totalled 188.8 million euro, (-2.1% compared to the first half of 2025).

Of this amount, 181.8 million euro is attributable to the owners of the parent (183.5 million euro in the first half of 2025), and 7.0 million euro is attributable to non-controlling interests (compared to 9.3 million euro in the comparative period).

Statement of Financial Position

RECLASSIFIED STATEMENT OF FINANCIAL POSITION OF IREN GROUP

thousand euro

	30.06.2026	31.12.2025	Change %
Non-current assets	8,867,666	8,818,759	0.6
Other non-current assets (liabilities)	(787,488)	(765,712)	2.8
Net working capital	289,016	241,417	19.7
Deferred tax assets (liabilities)	301,405	293,248	2.8
Provisions for risks and employee benefits	(794,332)	(740,798)	7.2
Assets held for sale (liabilities associated with assets held for sale)	91,271	85,397	6.9
Net invested capital	**7,967,538**	**7,932,311**	**0.4**
Equity	3,691,597	3,710,567	(0.5)
Non-current financial assets	*(140,423)*	*(148,393)*	*(5.4)*
Non-current financial debt	*4,588,841*	*4,490,480*	*2.2*
Non-current net financial debt	4,448,418	4,342,087	2.4
Current financial assets	*(342,214)*	*(239,280)*	*43.0*
Current financial debt	*169,737*	*118,937*	*42.7*
Current net financial position	(172,477)	(120,343)	43.3
Net financial debt	4,275,941	4,221,744	1.3
Own funds and net financial debt	**7,967,538**	**7,932,311**	**0.4**

For a reconciliation of the reclassified statement of financial position with that of the financial statements, please refer to the specific annex to the Notes to the Condensed Interim Consolidated Financial Statements.

The main changes in the statement of financial position are commented on below.

Non-current assets at 30 June 2026 amounted to 8,867.7 million euro, up compared to 31 December 2025, when they were 8,818.8 million euro. The increase (+48.9 million euro) is mainly due to the effect of the following:

- investments in property, plant and equipment and intangible assets (+408.7 million euro) and depreciation and amortisation (-362.6 million euro) in the period;
- the change in right-of-use assets in application of IFRS 16 – Leases for +4.1 million, largely relating to rental and leasing contracts for vehicles and buildings instrumental to operating activities

For more detailed information on the sector-specific breakdown of capital expenditure during the period, please refer to the following chapter, "Segment reporting".

Changes in "Other non-current assets (liabilities)" mostly refer to deferred income components related to grants received for investments, including those related to PNRR funds for network efficiency and the circular economy.

Net working capital stood at 289.0 million euro, against 241.4 million euro as at 31 December 2025 (+47.6 million). The increase is mainly attributable to the change in trade items, mitigated by the assignment of tax credits for Superbonus and the collection of the advance payment linked to the sale of the Integrated Water Service business unit in 43 municipalities of the ATO 4 in the Cuneo area.

Provisions for risks and employee benefits amounted to 794.3 million euro, an increase compared to the figure at the end of 2025, when they stood at 740.8 million (+53.5 million). The main change relates to the allocation for CO_2emission rights (Emission Trading System) still to be purchased for the 2026 obligation, net of the use of provisions for the period.

The change in Assets held for sale (liabilities associated with assets held for sale) relate to activities associated with the management of the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area, currently operating under an extended concession regime, pending the planned transfer to the successor operator, COGESI.

Equity amounted to 3,691.6 million euro, compared with 3,710.6 million at 31 December 2025 (-19.0 million). The change is due to the following:

- profit for the period (+188.8 million);
- dividends approved (-189.1 million);
- recognition of the coupons for the period relating to the perpetual hybrid bond, recognised as an equity component, net of the related tax effect (-17.1 million);
- change in the hedging reserve, related to interest rate and commodity hedging derivatives (-2.8 million);
- other minor changes (+1.2 million).

Net Financial Debt amounted to 4,275.9 million euro at 30 June 2026, an increase of 54.2 million compared to 31 December 2025 (+1.3%). For further details, please refer to the analysis of the statement of cash flows presented below.

CHANGE IN NET FINANCIAL DEBT OF IREN GROUP

The following table shows the changes in the Group's Net Financial Debt during the period.

thousand euro

	First half of 2026	First half of 2025	Change %
Opening net financial debt	(4,221,744)	(4,082,743)	3.4
Profit for the period	188,776	192,857	(2.1)
Non-monetary adjustments	653,273	641,627	1.8
Payment of employee benefits	(5,516)	(4,323)	27.6
Utilisations of provisions for risks and other charges	(17,797)	(14,290)	24.5
Change in other non-current assets and liabilities	22,968	84,587	(72.8)
Taxes paid	(49,717)	(1,207)	(*)
Other changes in equity	76	88	(13.6)
Cash flows from changes in NWC	(225,033)	(397,719)	(62.4)
Change in market exposure for commodity derivatives	(23,591)	22,194	(*)
Cash flows from operating activities	543,439	523,814	18.1
Investments in property, plant and equipment and intangible assets with a finite life	(408,702)	(392,765)	4.1
Investments in financial assets	(2,106)	(1,150)	83.1
Investments and change in assets held for sale	6,155	1,049	(*)
Acquisition and disposal of subsidiaries/business units and non-controlling interests	75,321	(520,902)	(100.0)
Dividends collected	1,141	1,830	(37.7)
Total cash flows used in investing activities	(328,191)	(911,938)	(55.8)
Free cash flow	215,248	(388,124)	(*)
Cash flows from own capital	(211,574)	311,598	(*)
Other changes	(57,871)	(68,889)	(16.0)
Change in Net financial debt	(54,197)	(145,415)	(62.7)
Closing Net financial debt	(4,275,941)	(4,228,158)	1.1

(*) Change of more than 100%

The change in Net Financial Debt compared to 31 December 2025 of +54.2 million euro is due to the following factors:

- *cash flows from operating activities* of +543,4 million (+523.8 million in the first half of 2025);
- *cash flows used in investing activities* of -328,2 million (-911.9 million in the first half of 2025), which include, in particular, capital expenditure for the period (408.7 million, slightly up on the comparative period) and the purchase of equity investments (2.1 million) net of the collection of the advance payment linked to the sale of the Integrated Water Service business unit in 43 Municipalities of the "Cuneo" ATO4 (under "Acquisition and disposal of subsidiaries/business units and non-controlling interests") for 75.4 million.
  It should be noted that in the first half of 2025, the item "Acquisition and disposal of subsidiaries/business units and non-controlling interests" included, for a total of -520.9 million euro, the acquisition of control over the EGEA Holding Group, including recognition of the call option and the net financial debt assumed (237.7 million) and the consideration paid for the acquisition of the non-controlling interest in Iren Acqua (283.2 million, including ancillary charges).
- *cash flows from own capital* of -211.6 million, related to dividends approved (-189.1 million) and the payment of coupons relating to the perpetual hybrid bond (-22.5 million). In the first half of 2025, the item (+311.6 million) included the issuance of the perpetual hybrid bond for +493.8 million, in addition to the related coupons and dividends paid;
- *other changes*, equal to -57.8 million (-68.9 million in the comparison period), mainly related to the effect of net financial expense, fair value gains on hedging derivatives and the recognition of IFRS 16 leases for the period.

Finally, the statement of cash flows prepared according to the model expressed as a change in cash and cash equivalents is presented at the beginning of the section "Condensed Interim Consolidated Financial Statements and Notes at 30 June 2026".

Segment reporting

Iren Group operates in the following operating segments:

- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection, treatment and disposal)
- Energy (Hydroelectric Production and production from other renewable sources, Combined Heat and Power, District Heating Networks, Thermoelectric Production, Public Street Lighting, Global services, Energy efficiency services)
- Market (Sale of electricity, gas and other customer services)
- Other services (Laboratories, Telecommunications and other minor services).

These operating segments are disclosed pursuant to IFRS 8, which requires the disclosure about operating segments to be based on the elements which management uses in making operational and strategic decisions.
For a proper interpretation of the income statements relating to individual businesses presented and commented on below, revenue and expense referring to general activities were fully allocated to the businesses based on actual usage of the services provided or according to technical and economic drivers.
Given the fact that the Group mainly operates in one area, the following segment reporting does not include a breakdown by geographical segment.
The following tables show the Net Invested Capital at 30 June 2026 compared to 31 December 2025 and the income statements for the first half of 2026 (up to operating profit or loss) by operating segment, compared to the figures for the first half of 2025.
At 30 June 2026, non-regulated activities contributed 27.2% to EBITDA (30.3% at 30 June 2025), while regulated activities accounted for 55.2% (up compared to 52.8% in the same period of 2025), and semi-regulated activities contributed 17.6% (16.9% in the first half of 2025).

Reclassified statement of financial position by operating segment at 30 June 2026

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Non-current assets	4,085	1,699	2,423	418	21	222	8,868
Net working capital	156	159	35	(64)	3	-	289
Other non-current assets and liabilities	(625)	(263)	(239)	(63)	1	-	(1,189)
Net invested capital (NIC)	3,616	1,595	2,219	291	25	222	7,968
Equity							3,692
Net financial debt							4,276
Own funds and net financial debt							7,968

Reclassified statement of financial position by operating segment at 31 December 2025

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Non-current assets	4,035	1,687	2,429	428	26	214	8,819
Net working capital	174	36	107	(79)	3		241
Other non-current assets and liabilities	(625)	(257)	(178)	(62)	(5)		(1,128)
Net invested capital (NIC)	3,584	1,466	2,357	287	24	214	7,932
Equity							3,710
Net financial debt							4,222
Own funds and net financial debt							7,932

Income statement by operating segment for the first half of 2026

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Total revenue and income	681	709	1,291	1,815	17	(1,256)	3,257
Total operating expenses	(407)	(561)	(1,128)	(1,671)	(14)	1,256	(2,525)
Gross operating profit (EBITDA)	274	148	163	144	3	-	732
Net amortisation, depreciation and impairment losses	(124)	(115)	(93)	(80)	(2.0)	-	(414)
Operating profit (EBIT)	150	33	70	64	1	-	318

Income statement by operating segment for the first half of 2025

thousand euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Total revenue and income	677	689	1,426	1,962	16	(1,284)	3,486
Total operating expenses	(406)	(557)	(1,253)	(1,814)	(14)	1,284	(2,760)
Gross operating profit (EBITDA)	271	132	173	148	2	-	726
Net amortisation, depreciation and impairment losses	(121)	(110)	(91)	(77)	(1)	-	(400)
Operating profit (EBIT)	150	22	82	71	1	-	326

Networks SBU

For the six-months ended 30 June 2026, the Networks operating segment, which includes the Gas Distribution, Electricity and Integrated Water Service businesses, reported revenue of 681.2 million euro, a marginal increase of +0.6% compared to 676.9 million euro in the first half of 2025.

Gross operating profit amounted to 273.8 million euro, an increase of +1.2% compared to 270.5 million euro in the first half of 2025, and is primarily attributable to organic growth linked to the increased tariff constraints of the Integrated Water Service following investments made in previous years.

Operating profit amounted to 150 million euro and was essentially in line with the first half of 2025 (-0.1%). The period was characterised by lower impairment losses on loans and receivables of 1 million euro and higher impairment losses of 2 million euro, while depreciation and amortisation were essentially stable.

			First half of 2026	First half of 2025	Changes %
Revenue		€/mln	681.2	676.9	0.6
Gross operating profit (EBITDA)		€/mln	273.8	270.5	1.2
% of revenue			*40.2%*	*40.0%*	
	from Electricity Networks	*€/mln*	56.2	50.6	11.0
	from Gas Networks	*€/mln*	51.8	61.6	(15.9)
	from Integrated Water Service	*€/mln*	165.8	158.3	4.7
Operating profit		€/mln	150.0	150.1	(0.1)
Investments		€/mln	176.5	182.4	(3.2)
	in Electricity Networks	*€/mln*	47.2	53.4	(11.5)
	in Gas Networks	*€/mln*	21.6	19.7	9.6
	in Integrated Water Service	*€/mln*	105.0	100.8	4.2
	Other	*€/mln*	2.6	8.5	(69.5)
Electricity distributed		GWh	1,900.5	1,737.4	9.4
Gas distributed		Mcm	635.1	641.6	(1.0)
Water sold		Mcm	92.0	92.9	(0.9)

Networks SBU - Electricity

The gross operating profit amounted to 56.2 million euro, up +11.0% compared to 50.6 million euro in the first half of 2025. The improvement is attributable to the increase in the revenue constraint and the efficiency of operating costs.

Investments made during the period amounted to 47.2 million euro, down -11.5% compared to 53.4 million euro in the first half of 2025 for different planning during the year and relate mainly to connections and activities to strengthen the resilience of the distribution network (construction of primary substations, modernisation and development of distribution lines).

Networks SBU - Gas Distribution

The gross operating profit amounted to 51.8 million euro, a decrease of -15.9% compared to 61.6 million euro in the first half of 2025. The decrease in the margin was generated by the absence of the effects generated on the 2025 financial year by the non-recurring contingency related to ARERA Resolution No. 570.

Investments amounted to 21.6 million euro, up +9.6% compared with 19.7 million euro in the first half of 2025, and involved mainly the maintenance, renewal and cathodic protection of the network and the installation of electronic meters.

Networks SBU - Integrated Water Service

The gross operating profit amounted to 165.8 million euro, up +4.7% compared to 158.3 million euro in the first half of 2025. The improvement is attributable to the organic growth of realised investments, the introduction of the new MTI-4 tariff method valid for the fourth regulatory period 2024-2029 and the recognition of inflation for 2025 , partially offset by the tariff adjustments and by the recognition on the commercial technical quality that had positively characterised the first half of 2025.

Investments amounted to 105 million euro, up +4.2% compared to 100.8 million euro in the first half of 2025. These activities relate to the construction, development and extraordinary maintenance of distribution networks and plants and of the sewerage network, as well as the installation of measuring units mainly with new technology involving remote reading, as well as the construction and modernisation of wastewater treatment plants.

Additionally, Investments of 2.6 million euro were recorded, a decrease from 8.5 million euro in the first half of 2025, mainly related to digitalisation projects and the renovation of operational buildings.

Waste management SBU

For the six-month period ended 30 June 2026, the segment revenue amounted to 708.8 million euro, up +2.9% from 688.7 million euro in the first half of 2025.

		First half of 2026	First half of 2025	Changes %
Revenue	€/mln	708.8	688.7	2.9
Gross Operating Profit (EBITDA)	€/mln	148.2	132.3	12.0
% of revenue		*20.9%*	*19.2%*	
Operating profit	€/mln	32.6	21.6	51.4
Investments	€/mln	67.5	74.4	(9.3)
Electricity sold	GWh	247.4	241.6	2.4
Thermal energy produced	GWht	234.4	232.1	1.0
Waste managed	tonnes	1,935,248	2,092,674	(7.5)
Sorted waste collection	%	71.4	69.3	

The gross operating profit amounted to 148.2 million euro, an increase of +12.0% compared to 132.3 million euro in the first half of 2025. This increase is characterised by improved results from the treatment and recovery of sorted waste collection, which, in addition to recording improvements in operational activity, also benefited from tariff adjustments from previous years. This was partially offset by the decline in the results of disposal activities, particularly with regard to landfills, due to the saturation of authorised volumes and the resulting lower quantities delivered.

The operating profit amounted to 32.6 million euro, up +51.4% compared to 21.6 million euro in the first half of 2025. The period saw higher depreciation and amortisation of 2 million euro, higher impairment losses of 2 million euro, and impairment losses on loans and receivables of 1 million euro, offset by lower provisions for risks of approximately 2 million euro.

Investments amounted to 67.5 million euro, a decrease of 9.3% compared to the 74.4 million euro of the first half of 2025 and refer to the purchase of waste collection vehicles and equipment and the construction of treatment plants. Among the latter, the completion of the OFMSW plant in La Spezia, the expansion of production capacity at the pallet plant in Vercelli, and the revamping of the boilers at the WtE TRM in Turin are particularly noteworthy.

Energy SBU

For the six-month period ended 30 June 2026, the revenue of the Energy SBU, which includes the production of electricity and heat, management of district heating, activities related to public lighting and energy efficiency, amounted to 1,290.8 million euro, a decrease of -9.5% compared to 1,426.4 million euro in the first half of 2025.
The decrease in revenue is mainly attributable to lower volumes of electricity generated, partially offset by higher electricity and heat sales prices. Revenue from energy efficiency activities decreased (approximately -56 million euro) in relation to the Superbonus incentive for non-profit organisation buildings, which ended at the end of 2025, only partially offset by public lighting activities.

			First half of 2026	First half of 2025	Changes %
Revenue		€/mln	1,290.8	1,426.4	(9.5)
Gross Operating Profit (EBITDA)		€/mln	163.3	173.5	(5.9)
% of revenue			*12.6%*	*12.2%*	
Operating profit		€/mln	69.7	82.1	(15.1)
Investments		€/mln	75.5	56.6	33.2
Electricity generated		GWh	4,498.7	4,466.5	0.7
	from hydroelectric sources	*GWh*	560.0	754.2	(25.7)
	from photovoltaic	*GWh*	161.5	154.5	4.5
	from cogeneration sources	*GWh*	2,553.6	2,554.7	(0.0)
	from thermoelectric sources	*GWh*	1,223.7	1,003.1	22.0
Heat produced		GWht	1,504.3	1,574.0	(4.4)
	from cogeneration sources	*GWht*	1,279.9	1,301.5	(1.7)
	from non-cogeneration sources	*GWht*	224.4	272.5	(17.6)
District heating volumes		Mcm	115.5	113.5	1.7

In the first half of 2026, electricity generated totalled 4,498.7 GWh, up 0.7% from 4,466.5 GWh in the first half of 2025.
Electricity production from cogeneration sources amounted to 2,553.6 GWh, substantially in line compared to 2,554.7 GWh in the first half of 2025, while thermoelectric production was equal to 1,223.7 GWh, an increase of 22.0% compared to 1,003.1 GWh in the first half of 2025.
Production from renewable sources amounted to 721.5 GWh, down 20.6% from 908.7 GWh in the first half of 2025. The decrease recorded relates to hydroelectric generation, which amounted to 560 GWh compared to 754.2 GWh in the first half of 2025 (-25.7%) due to the above-mentioned extraordinary maintenance work on the reservoirs, which required their emptying at the end of 2025, together with the poor water availability in the first half of 2026, while photovoltaic/wind generation amounted to 161.5 GWh, an increase of 4.5% compared to 154.5 GWh the previous year, also thanks to the commissioning of the Noto photovoltaic plant from September 2025.
The heat produced amounted to 1,504.3 GWht, a decrease of 4.4% compared to the 1,574 GWht of the first half of 2025 due to a less favourable thermal season that negatively offset the developments in the network, which brought the district heating volumes to 115.5 Mcm compared to 113.5 Mcm in the first half of 2025 (+1.7%).

The gross operating profit amounted to 163.3 million euro, down 5.9% compared to 173.5 million euro in the first half of 2025.

The trend in the energy scenario was characterised by a highly volatile trend in commodity prices, with a surge from February partly due to the international geopolitical situation, a cooling in April and May, and a rise in June due to climatic effects. Overall, this volatility had a positive impact on electricity production profits, which were partly limited by the high level of hedging carried out in 2025 to secure profits, but fully offset by the lower quantities produced, particularly in hydroelectric production (-25.7%), also due to the low level of reservoirs at the beginning of the year.
Revenue from the ‘capacity market’ service fee and revenue from the Dispatching Services Market (MSD) improved compared to the first half of 2025.
Heat production intended for district heating also shows improvement, due to a positive price effect that more than absorbed the economic effect of lower sales volumes.
Energy efficiency activities for the construction sites related to the so-called ‘Superbonus 110%’ of the non-profit organisations, which ended at 31 December 2025, decreased.

The operating profit amounted to 69.7 million euro, down 15.1% compared to 82.1 million euro in the first half of 2025. During the period, higher amortisation and depreciation of 4 million euro and a higher release of provisions of 2 million euro were recorded.

Investments amounted to 75.5 million euro, up 33.2% compared to 56.6 million euro in the first half of 2025. Major projects include the development of district heating networks, photovoltaic plants in the Emilia and Veneto areas and activities relating to the Turbigo aerothermal plant.

Market

For the six-month period ended 30 June 2026, the segment revenue amounted to 1,815.4 million euro, down 7.5% from 1,962.6 million euro in the first half of 2025. The decrease in turnover is mainly attributable to lower sales volumes, partially offset by the increase in electricity prices.

The gross operating profit amounted to 144.4 million euro, down 2.3% compared to 147.7 million euro in the first half of 2025.

The operating profit amounted to 64.4 million euro, down 9.7% compared to 71.4 million euro in the first half of 2025. During the period, impairment losses on loans and receivables increased for 3 million euro.

		First half of 2026	First half of 2025	Changes %
Revenue	€/mln	1,815.4	1,962.6	(7.5)
Gross Operating Profit (EBITDA)	€/mln	144.4	147.7	(2.3)
% of revenue		*8.0%*	*7.5%*	
from Electricity	*€/mln*	72.7	70.5	3.1
from Gas	*€/mln*	64.2	72.6	(11.6)
from Heat and other services	*€/mln*	7.5	4.6	62.0
Operating profit	€/mln	64.5	71.4	(9.6)
Investments		47.4	45.1	5.2
Electricity Sold	GWh	3,116.3	3,577.7	(12.9)
Gas Purchased	Mcm	1,237.5	1,235.6	0.1
Gas sold by the Group	*Mcm*	450.4	499.2	(9.8)
Gas for internal use	*Mcm*	765.8	732.2	4.6

Sale of electricity

The volumes of electricity sold amounted to 3,116.3 GWh, a decrease of 12.9% compared to 3,577.7 GWh in the first half of 2025.

The free market recorded sales of 3,077.7 GWh, a decrease of 13.0% compared to the 3,536.7 GWh of the first half of 2025. The decline in sales affected the retail and small business segment, which recorded sales of 1,747 GWh, down 8.2% compared to 1,902.5 GWh in the first half of 2025, and the wholesale segment, which recorded sales of 215.8 GWh, down -67.9% compared to 673.1 GWh in the previous year.
There was an increase in volumes for the business segment, which recorded sales of 1,114.9 GWh, up 16% from 961.1 GWh in the corresponding period of 2025.

Sales in the protected market amounted to 38.6 GWh, a decrease of 5.7% from 41 GWh in the first half of 2025, mainly due to the partial liberalisation of the market.

The gross operating profit from electricity sales is equal to 72.7 million euro, up 3.1% compared to 70.5 million euro in the first half of 2025. The improvement in unit margins, the efficiency of operating costs and some prior year income have allowed to absorb the effects of the lower quantities sold.

The table below shows the quantities sold by class of customer sector:

Market SBU – Sale of Electricity - GWh

	First half of 2026	First half of 2025	Changes %
Business	1,114.9	961.1	16.0
Retail and small business	1,747.0	1,902.5	(8.2)
Wholesalers	215.8	673.1	(67.9)
Free market	3,077.7	3,536.7	(13.0)
Protected market	38.6	41.0	(5.7)
Total Electricity sold	3,116.3	3,577.7	(12.9)

Sale of Natural Gas
Purchased volumes amounted to 1,237.5 Mcm, substantially in line (+0.1%) compared with 1,235.6 Mcm in the first half of 2025.
Gas sold to third parties by the Group amounted to 450.4 Mcm, down by 9.8% compared to 499.2 Mcm sold in the first half of 2025, while gas used for internal consumption within the Group amounted to 765.8 Mcm, an increase of 4.6% compared to 732.2 Mcm in the corresponding period of 2025.

The gross operating profit from the sale of gas amounted to 64.2 million euro, down 11.6% compared to 72.6 million euro in the first half of 2025. The decrease is attributable to lower unit margins and lower sales volumes due to lower consumption in the winter period. These negative factors were partially offset by the efficiency of operating costs.

Other sales services
Other sales services show a Gross Operating Profit of 7.5 million euro, an improvement on the 4.6 million euro of the first half of 2025, mainly due to increased sales of Iren Plus branded products and services.

Investments of the Market SBU amounted to 47.4 million euro, up 5.2% from the 45.1 million euro in the first half of 2025.

Other services

For the six-month period ended 30 June 2026, the revenue of the segment, which includes the activities of the analysis laboratories, telecommunications and other minor activities, was 17.2 million euro, up 8.7% compared to the 15.8 million euro in the first half of 2025.

		First half of 2026	First half of 2025	Changes %
Revenue	€/mln	17.2	15.8	8.7
Gross Operating Profit (EBITDA)	€/mln	2.6	2.0	27.5
% of revenue		*14.5%*	*12.4%*	
Operating profit	€/mln	1.5	1.1	39.5
Investments	€/mln	41.9	34.2	22.3

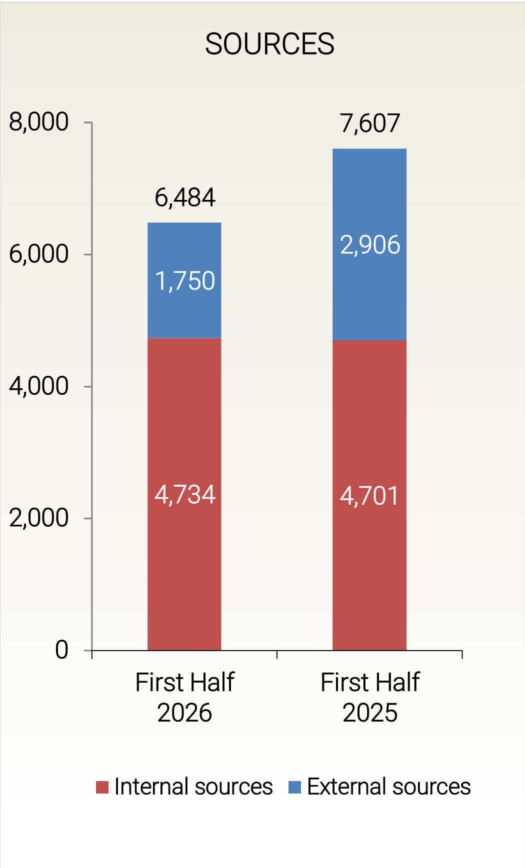
The gross operating profit amounted to 2.6 million euro, up compared to 2.0 million euro in the first half of 2025.

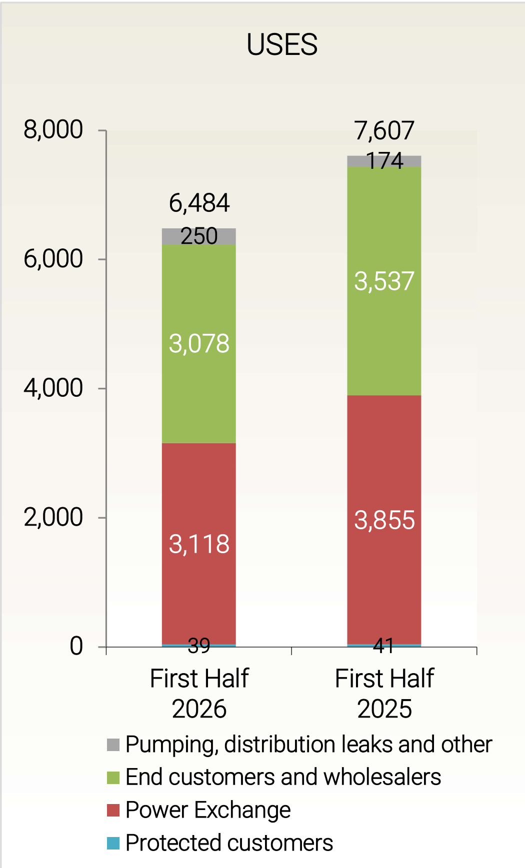
Investments in the period amounted to 41.9 million euro, up compared to 34.2 million euro in the first half of 2025 and mainly related to information systems.

Energy Balances

Electricity balance

GWh	First half 2026	First half 2025	Changes %
SOURCES			
Group's gross production	4,734.0	4,700.9	0.7
a) Hydroelectric	560.0	754.2	(25.7)
b) Photovoltaic and wind	161.5	154.5	4.5
c) Cogeneration	2,553.6	2,554.7	-
d) Thermoelectric	1,223.7	1,003.1	22.0
e) Production from WTE	227.4	225.6	0.8
f) Biogas, biomass and other renewables	7.9	8.8	(10.2)
Purchases from Acquirente Unico [Single Buyer]	42.5	45.1	(5.8)
Energy purchased on the Power exchange	1,593.7	2,665.3	(40.2)
Energy purchased from wholesalers and imports	113.4	195.4	(42.0)
Total Sources	6,483.7	7,606.7	(14.8)
USES			
Sales to protected customers	38.6	41.0	(5.9)
Sales to end customers and wholesalers	3,077.7	3,536.7	(13.0)
Sales on the Power exchange	3,117.9	3,855.4	(19.1)
Pumping, distribution losses and other	249.5	173.6	43.7
Total Uses	6,483.7	7,606.7	(14.8)



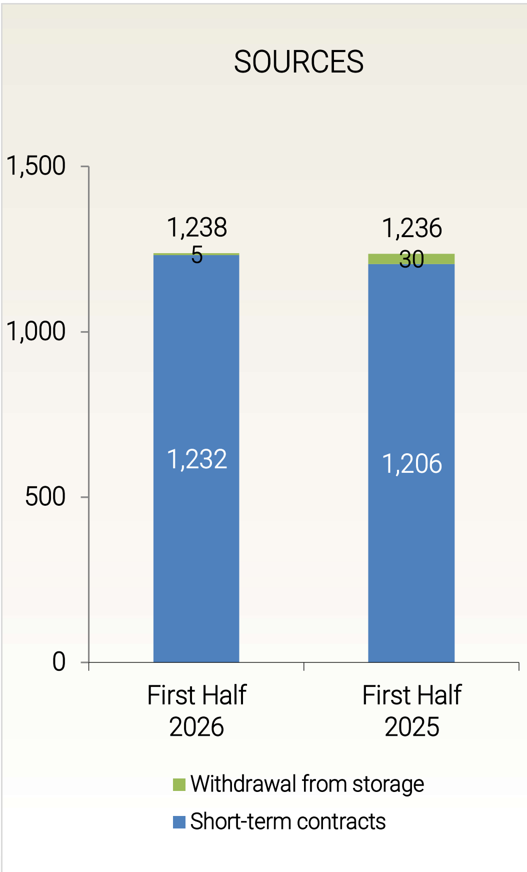


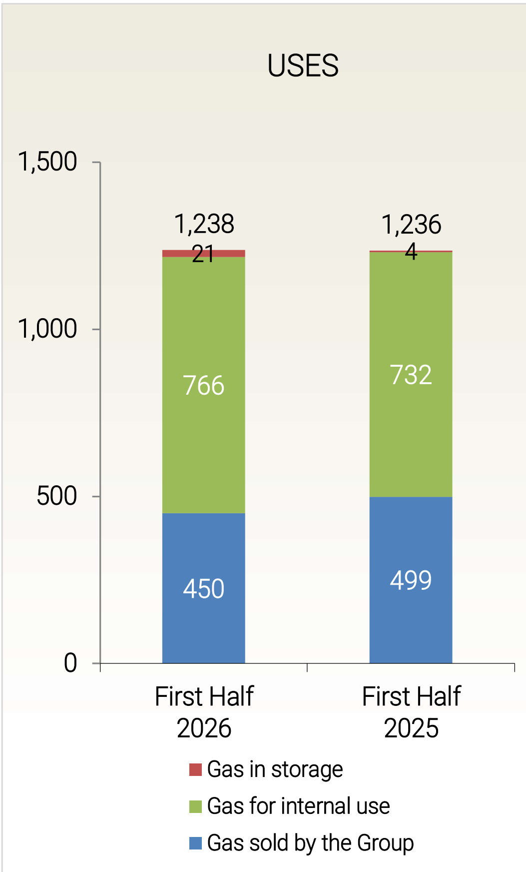
Gas balance

Millions of m³	First half 2026	First half 2025	Changes %
SOURCES			
Short-term market condition contracts	1,232.1	1,205.9	2.2
Withdrawals from storage	5.4	29.7	(81.8)
Total Sources	1,237.5	1,235.6	0.2
USES			
Gas sold by the Group	450.4	499.2	(9.8)
Gas for internal use (1)	765.8	732.2	4.6
Gas in storage	21.3	4.2	(*)
Total Uses	1,237.5	1,235.6	0.2

(*) Change of more than 100%

(1) Internal use concerns thermoelectric plants and use for heat services and internal consumption





Financial management

General framework
During the first half of 2026, the downward trend in the interest rate curve recorded in the first few months of the year underwent a sharp upward reversal following the outbreak of the Middle East crisis.
The ceasefire reached in mid-June led to a temporary reduction in the curve, while the subsequent resurgence of tensions in early July brought rates back to levels close to the highs recorded in the period following the start of the conflict.
The continuation of the geopolitical tensions continues to fuel uncertainty in the macroeconomic environment, with potential repercussions on interest rate trends and on growth and inflation prospects, which therefore remain subject to high volatility.
At its June meeting, the European Central Bank raised key interest rates by 25 basis points, bringing the official discount rate (Deposit Rate) to 2.25% and interrupting the cycle of reductions that began in June 2025.
Finally, examining the six-month Euribor rate, it is noted that the parameter is equal to 2.7%, while the prices of fixed rates, reflected in the IRS values, are positioned at levels around 3%-3.1%.

Activities performed
Throughout the period, efforts continued to strengthen the financial structure of Iren Group. Changes in financial requirements are monitored through careful planning, which makes it possible to forecast the need for new resources, taking into account the repayments of outstanding loans, changes in debt, investments, the trend in working capital and the balance of short-term and long- term sources.
The organisational model adopted by Iren Group, with the goal of financial optimisation of the companies, entails centralising with the parent treasury management, non-current loans and financial risk monitoring and management. Iren has relationships with leading Italian and international banks, for the purpose of procuring the types of loans best suited to its needs and at the best market conditions.

New financing agreement with the European Investment Bank (EIB)
At the end of 2025, the deliberative bodies of Iren S.p.A. and the EIB approved the subscription of a green loan for an amount of 225 million euro to support the Group’s investments in the areas of the circular economy and energy efficiency.
Specifically, funding is being provided for a series of projects relating to municipal waste collection infrastructure in the Group’s core areas, with the aim of promoting waste reduction, improving waste separation at source, and increasing waste traceability and separation rates. At the same time, the financing also includes investments in energy efficiency measures that will help reduce the energy consumption of buildings, thereby supporting the decarbonisation of the building stock.
The loan agreement was signed on 10 March 2026, further strengthening the relationship between Iren Group and the European Investment Bank.

Sustainability-Linked Term Loan Financing
On 13 April 2026, Iren signed a new Sustainability-Linked Term Loan of 150 million euro with Mediobanca, aimed at supporting the Group’s investment plan. The term of the loan is five years and provides for a mechanism to adjust the financial margin based on the achievement of specific sustainability targets outlined in the Business Plan.

Committed Revolving Credit Facility (RCF)
To further support its liquidity profile, on 28 April Iren signed a Revolving Credit Facility (RCF) with Intesa Sanpaolo for a total amount of €100 million, with a three-year term. The transaction is part of the Group’s liquidity optimisation strategy, ensuring greater flexibility in the management of financial resources and strengthening the ability to meet any cash requirements in the short and medium term.

Updating of the Sustainable Financing Framework
In May, Iren updated its Sustainable Financing Framework, a document that guides the Group’s access to sustainable finance instruments and supports the sustainability strategy, linking financing choices to the environmental and climate objectives of the Business Plan. The Framework regulates the guidelines for the issue and subscription of green, blue and sustainability-linked instruments, as well as the identification of the criteria for the selection, monitoring and reporting of projects and relevant indicators.

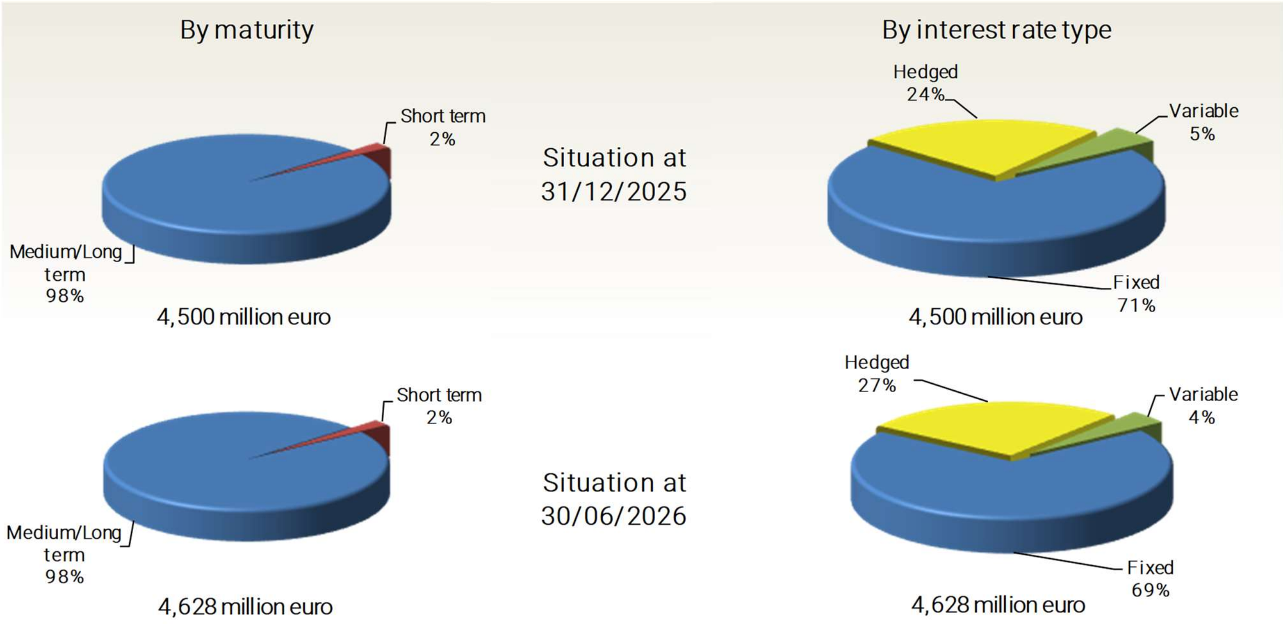
Liability Management Activities
As part of the proactive and efficient management of the existing debt portfolio, a loan amounting to 83 million euro was repaid early during the half year.
Within the Group, with a view to centralising debt as required by the intercompany policy, the rationalisation of the financing positions acquired in 2025 as a result of the consolidation of the EGEA Holding Group companies was completed, totalling 165 million euro. In fact, the last loan of 3.5 million euro held by EGEA Acque was repaid early.

Financial debt from loans, which does not include lease liabilities recorded in application of IFRS 16, at the end of the period consists of 35% loans and 65% bonds; it should also be noted that 84% of the total debt is financed by sustainable funds, consistent with the Iren Sustainable Finance Framework, such as Green Bonds, Use of Proceeds Sustainability-Linked loans, whose interest rate is linked to Key Performance Indicators of an ESG nature.

As regards financial risks, Iren Group is exposed to various types of risk, including liquidity risk, interest rate risk, and currency risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit risks of fluctuations in the interest rate.
Against this backdrop, during the first half of 2026, five new Interest Rate Swap contracts were finalised to hedge a total of 250 million of debt, effective from June and December 2026 and June 2027, with maturities in December 2026, June 2027 and June 2028.
At the end of the period, the portion of floating rate debt not hedged by derivatives was equal to 4% of financial debt from loans, in line with Iren Group's objective of maintaining adequate protection from significant increases in interest rates.

Overall, the activity carried out is aimed at refinancing debt with a view to improving the financial structure, with optimisation of the cost of capital and the average duration of financial debt.

The composition of financial debt from loans by maturity and rate type, compared with the situation at 31 December 2025, is shown in the chart below.



Rating

Iren Group holds the ratings:

- "BBB" with "Stable" Outlook for its long-term credit rating (Long-Term Issuer Credit Rating) from Standard & Poor's Global Ratings (S&P), a rating confirmed in July 2026 (Rating No Action). The rating is also given to senior unsecured bond debt ("BBB") and hybrid bond debt ("BB+");
- "BBB" with "Stable" Outlook for the long-term credit rating (Long-Term Issuer Default Rating - IDR) from the agency Fitch Ratings, rating confirmed in December 2025, following the presentation of the 2025-2030 Business Plan. The rating is also given to senior unsecured bond debt ("BBB+") and hybrid bond debt ("BBB-").

These ratings reflect the prudent strategy of Iren, which prioritises financial discipline and selective capital allocation. Thanks to the prevalence of regulated and semi-regulated activities, the business profile is characterised by high predictability of cash flows.
At ESG level, for both agencies, sustainability issues have a neutral or scarcely relevant impact from a lending point of view, both due to the nature of the business and the way in which the issue of sustainability is managed in Group dynamics.
At 30 June, to support the Group's liquidity profile and rating level, in addition to current and equivalent liquid assets available to service maturities over the next twelve months, Iren has medium/long-term credit lines agreed, available but not drawn down, totalling 500 million euro.

Significant events after the reporting date and outlook

Significant events after the reporting date

Renewal of the EMTN Programme

On 22 July 2026, the annual renewal of the EMTN Programme was finalised, with a ceiling of 5 billion euro, which constitutes the platform through which the Group will be able to carry out future bond issues aimed at institutional investors.
In line with last year's provisions under the Programme, the Base Prospectus has been approved by CONSOB and has been deemed eligible for listing on the MOT (Electronic Bond Market) by Borsa Italiana, with the possibility of passporting to another European market.

Outlook

Against a macroeconomic backdrop that remains complex and uncertain, being still affected by geopolitical tensions, the main risk factors for the Group's results relate to the volatility of gas and electricity commodity prices, potential inflationary effects and the related increase in interest rates.

Another area of focus will be regulatory risk, i.e., the possibility of the introduction of European or national regulations aimed at controlling energy prices.

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 Management 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.

Given current market conditions, the second half of 2026 is expected to see improved financial results compared to the second half of 2025, thanks both to organic growth in regulated sectors and the implementation of the ongoing efficiency plan. We expect the energy sector results to improve compared to last year due to higher energy prices, increased photovoltaic volumes, the expansion of the district heating network, and the contribution of the capacity market. These factors will be partially offset by reduced margins in supply activities due to increased market competition and lower hydroelectric production volumes due to limited spring and summer rainfall.

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

Risks and uncertainties

The management of corporate risks is an essential component of the Internal Control System of the Corporate Governance of a listed company, and the Corporate Governance Code of Listed Companies assigns specific responsibilities on this aspect. The Enterprise Risk Management model applied by the Group includes the methodological approach to integrated identification, assessment and management of the Group risks.
For each of the following risk types:

- Financial Risks (liquidity, interest rate, currency);
- Credit Risk;
- Energy Risks, attributable to the procurement of gas for thermoelectric generation and to the sale of electricity, heat and gas, and to the hedging derivative markets;
- Cyber Risks, linked to potential events related to the loss of confidentiality, integrity or availability of data or information after which negative impacts on the organisation, people, operations or other organisations could derive;
- Risks from Climate Change, which include risks due to the transition to a low carbon dioxide emission economy (transition risks) and risks of a physical nature (physical risks) that may result from catastrophic environmental events (acute risks) or from medium- to long-term changes in environmental patterns (chronic risks);
- Tax Risks, associated with potential transactions carried out in violation of tax regulations or in contrast with the principles or purposes of the tax system;
- Operational risks, associated with asset ownership, involvement in business activities, processes, procedures and information flows.

Specific "policies" have been defined with the primary goal of fulfilling strategic guidelines, organisational- managerial principles, macro processes and techniques necessary for the active management of the related risks.

The Group's Enterprise Risk Management model also regulates the roles of the various parties involved in the risk management process, which is governed by the Board of Directors, and calls for specific Commissions to manage the financial, tax, IT, credit, energy and climate risks.
The Cyber Risk Policy, the Climate Change Risk Policy and the Tax Control Model were adopted in 2020 following the approval of the Board of Directors of Iren S.p.A., while the other Policies have undergone some substantial revisions over time to adapt them to the current organisational models and to the evolution of risk factors.
The approach followed is also consistent with the commitments expressed in the Sustainability Policy: in fact, it takes into account the risks and opportunities associated with sustainability issues that are material to Iren Group, assessing, for each risk category envisaged in the Group's risk model, the environmental, social and governance (ESG) risk profiles, as also envisaged by EU Directive 2022/2464 - Corporate Sustainability Reporting Directive (CSRD).
As Iren Group pays particular attention also to maintaining trust and a positive image of the Group, the Enterprise Risk Management model manages also "reputational risks", which relate to the impacts on stakeholders of any malpractices.
The Risk Management Department operates within the Group, which reports to the Chief Executive Officer of the Company.
Within the scope and within the limits of the powers granted by the Board of Directors of Iren S.p.A., the Chief Executive Officer, in liaison with the Chair and the Deputy Chair, is in charge of overseeing the functionality of the internal control system by (i) supporting the Control, Risk and Sustainability Committee in identifying the main corporate risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and in periodically submitting them to the Board of Directors for review; (ii) implementing the guidelines defined by the Board of Directors by ensuring that the competent corporate structures design, implement and manage the internal control and internal auditing system, constantly verifying its overall adequacy, effectiveness and efficiency, and adapting it to the dynamics of the operating conditions and the legislative and regulatory framework.
The Risk Management Department deals with:

- the integrated management of the Group's Enterprise Risk Management (ERM) System: methodological approach, definition of policies and monitoring of the System;
- management of insurance policies.

A periodic assessment process is in place with regard to adverse events in the various sectors and across all Group's areas in order to describe in detail their causes and implement the most suitable methods for preventing and/or limiting the impacts of the events.
The Risk Management Department also oversees the Group's Business Continuity Management (BCM) model, the objective of which is to guarantee the resilience of the business in the face of unexpected events, ensuring the continuity of business processes deemed critical. The Group BCM includes the organisational and technological safeguards necessary to ensure continuity of processes, as well as a proactive and structured response to Emergency and/or Crisis events.

Below is a breakdown of the management methods active within the group for the different types of risk.

1. Financial Risks

Iren Group's business is exposed to various types of financial risks, including: liquidity risk, currency risk and interest rate risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit currency risk and interest rate risk.

a) Liquidity risk
Liquidity risk is the risk that financial resources available to the company will be insufficient to cover financial and trade commitments in accordance with the agreed terms and deadlines.
The procurement of financial resources has been centralised in order to optimise their use. In particular, centralised management of cash flows in Iren makes it possible to allocate the funds available at the Group level according to the needs that from time to time arise among the individual companies. Cash movements are recognised in intra-group accounts along with intra-group interest income and expense.
A number of investees have an independent financial management structure in compliance with the guidelines provided by the Parent.

b) Currency risk
Except as indicated in the section on energy risk, Iren Group is not significantly exposed to currency risk.

c) Interest rate risk
Iren Group is exposed to interest rate fluctuations especially with regard to the measurement of borrowing costs. Iren Group's strategy is to limit exposure to the risk of interest rate volatility, maintaining at the same time a low cost of funding.

Compliance with the limits imposed by the Policy is verified during the Financial Risk Commission meetings with regard to the main metrics, together with analysis of the market situation, interest rate trends, the value of hedges and confirmation that the conditions established in covenants have been met.

2. Credit risk

The Group's credit risk is mainly related to trade receivables deriving from the sale of electricity, district heating, gas and the provision of energy, water and waste management services. The receivables are spread across a large number of counterparties, belonging to non-uniform customer categories (retail and business customers and public bodies); some exposures are of a high amount and are constantly monitored. Iren Group's Credit Management units devoted to credit recovery are responsible for this activity.
In carrying on its business, the Group is exposed to the risk that assets may not be honoured on maturity with a consequent increase in their age and in insolvency up to an increase in assets subject to arrangement procedures or unenforceable. This risk reflects, among other factors, also the current economic and financial situation.
To limit exposure to credit risk, various tools are adopted. These include analysing the solvency of customers at the acquisition stage through careful assessment of their creditworthiness, transferring the receivables of discontinued and/or active customers to external credit recovery companies and introducing new recovery methods for managing legal disputes. In addition, numerous payment methods are offered to customers through channels, including digital channels, and appropriately monitored payment plans are proposed.
The credit management policy and creditworthiness assessment tools, as well as monitoring and recovery activities, are managed through automated processes and integrated with company applications and differentiated in relation to the different types of customers and the service provided, subject to monitoring and control activities by the administration.
Credit risk is hedged, for some types of business customers, with opportune forms of first-demand bank or insurance guarantees issued by subjects of leading credit standing.
An interest-bearing guarantee deposit is required for some types of services (water and natural gas sectors, and protected scheme for electricity) in compliance with regulations governing these activities. This deposit is reimbursed if the customer uses payment by direct debit from a current account.
The payment terms generally applied to customers are related to the legislation or regulations in force or in line with the standards of the free market; in the event of non-payment, default interest is charged for the amount indicated in the contracts or by the legislation.

Impairment losses on loans and receivables reflect, carefully and in accordance with the current legislation (applying the IFRS 9 method), the effective credit risks and are determined with reference to databases of trade receivables and, in general, assessing any changes in the said risk compared to the initial measurement and, estimating the related expected credit losses determined on a prospective basis, taking into due consideration the historical data.
The control of credit risks is also strengthened by the monitoring and reporting procedures, to identify promptly possible countermeasures. Furthermore, on a quarterly basis, the Credit Management Department provides the Risk Management Department and the Risk Commission with Group reporting on the evolution of the trade receivables of Group companies, in terms of customer type, contract status, business chain, and aging category. The assessment of credit risk is carried out both at consolidated level and at the level of Business Units and companies. Some of the above assessments are carried out at intervals of less than three months or when there is a specific need.

3. Energy risk

Iren Group is exposed to price risk on the energy commodities traded, these being electricity, natural gas, environmental emission certificates, etc., since both purchases and sales are affected by fluctuations in the price of these commodities directly, or through indexing formulae.
The Group's policy is oriented to a strategy of active management of the positions to stabilise the margin taking the opportunities offered by the markets; it is implemented by aligning the indexing of commodities purchased and sold, through vertical and horizontal use of the various business chains and operating on the financial markets.
For this purpose, the Group plans the production of its plants and purchases and sales of energy and natural gas, in relation to both volumes and price formulae. The objective is to achieve sufficient margin stability through a policy of indexed purchases and sales that achieves a high degree of natural hedging, with adequate recourse to futures and spot markets.

For a more detailed analysis of the risks dealt with up to now, reference should be made to the chapter "Group Financial Risk Management" in the Notes to the Financial Statements.

4. ESG and climate change risks

Iren Group has integrated ESG risk assessment into its Enterprise Risk Management system in order to manage the impacts deriving from environmental, social and governance risks and, in this context, has defined a specific Risk Policy dedicated to climate change risks, which are becoming increasingly important for organisations. Moreover, they affect the health of the planet, with estimates of significant effects already in the medium term. All companies, and in particular those operating in significantly exposed sectors such as Iren Group, must necessarily consider climate change risk analysis as an emerging and determining factor in the definition of their medium- and long-term strategies. The assessment of ESG risks, which includes climate change risks, is moreover one of the essential factors in defining the significance of the impacts generated and suffered, also in a medium- to long-term perspective.

The adoption of the Climate Change Risk Policy and the resulting risk analysis and management represent a process that will enable the Group to provide even more effective control over its exposure to damaging events and the opportunities that the external context and its changes may offer, as well as its contribution to the achievement of sustainable development objectives defined at national and international level.
The Policy analyses and regulates, focusing on the applicability to the individual Business Units, the risk factors related to climate change, distinguishing between physical risks and transition risks. Physical risks resulting from changing climatic conditions are divided into acute physical risks - if related to local catastrophic natural events (e.g. floods, heat waves, fires, etc.) - and chronic physical risks - if related to long-term climate change (e.g. global warming, rising sea levels, water scarcity, etc.).
The transition to a low-carbon economy could entail extensive changes in government policies, with consequent regulatory, technological and market changes. Depending on the nature and speed of these changes, transition risks may result in a varying level of financial and reputational risk for the Group.
The Policy requires the presence of a specific Risk Commission to periodically review the Group's risk profile, defining and proposing updates to the Chief Executive Officer on strategies for managing risk classes and reporting any emerging critical issues to the Delegated Bodies. The document also includes guidelines for reporting, aimed at ensuring transparency of information to all stakeholders.

As part of its Climate Change Risk Management Policy, Iren Group has long implemented a tool that supports its strategic decision-making process. This tool has seen the development and progressive updating of an assessment model based on three time horizons (2030, 2040, and 2050), identified in line with the Group's Strategic and Sustainability Plan objectives, and on the use of climate and socio-economic scenarios necessary to define evolutionary scenarios for the main variables underlying the analysis.

Climate data are based on scenarios published by the International Panel on Climate Change (IPCC) in the AR6 Assessment Report, the Shared Socioeconomic Pathways (SSPs) which represent five possible "climate futures" by 2100 compared to the pre-industrial period.
The climate scenarios taken into consideration in the analysis are the SSP3-70 scenario (classified as a "high-emission scenario", which envisages an increase in the global average temperature by 2100 of +3.6°C due to weak international cooperation and poor mitigation policies) and the SSP5-85 scenario (classified as a "very high-emission scenario", which envisages a temperature increase of +4.4°C due to limited climate policies).

Socio-economic data, on the other hand, are mainly based on the International Energy Agency's NetZero Emissions by 2050 Scenario (NZE) and Stated Policies Scenario (STEPS). The assessment model adopted by the Group allows to quantify the variation of the economic-financial variables, through specific KPIs, for those assets that are potentially more exposed to climate change risks.
The application of the model shows that the actions introduced in the 2030 Business Plan, in which asset-specific investments are outlined, have a mitigating effect on the impacts of climate change on the activities of Iren Group. Mitigation actions of a strategic nature, linked to investments, are flanked by others of an operational and insurance nature.

In addition, for the purpose of applying the European Taxonomy (EU Regulation 2020/852), the Group carried out an analysis specifically aimed at verifying the DNSH (Do No Significant Harm) criterion for the climate change adaptation target, which requires that, for each activity, a physical climate risk assessment (acute and chronic) be carried out and an adaptation plan implemented that presents possible solutions in the event of significant risk exposure. To this end, for the activities/assets managed by the Group, the relevant risk factors are identified, in the current and future scenarios with a time horizon of 2050, and an adaptation plan is defined, where necessary.

5. Tax risks

Iren Group has adopted a specific internal control and tax risk management system, understood as the risk of operating in violation of tax regulations or in contrast with the principles or aims of the legal system.
The tax risk control and management system, the "Tax Control Framework" (hereinafter "TCF"), enables the Group to pursue the objective of minimising its exposure to tax risk by identifying, updating, assessing and monitoring tax-related governance, processes, risks and controls.
The Group is committed to managing its tax affairs in accordance with all applicable laws and regulations.
For this reason, Iren has adopted the TCF as an internal control system that defines the governance for the management of taxation and related risk in line with the principles of the company strategy and, in particular, the Tax Strategy.
The Tax Control Framework adopted consists of a set of rules, guidelines, tools and models aimed at supporting the Group's employees in carrying out their daily activities, ensuring consistency on relevant tax matters.

Therefore, the TCF's structure provides for the presence of two pillars that outline its operating scheme: the Tax Strategy and the Tax Compliance Model.
The Tax Strategy defines the objectives and the approach adopted by the Group in managing the tax variable. The purpose of this document is to establish the Principles of conduct in tax matters in order to i) contain tax risk due to exogenous and endogenous factors, and ii) continue to guarantee over time the correct and timely determination and settlement of taxes due by law, and the performance of related obligations. The Tax Strategy has been approved and issued by the Board of Directors of Iren S.p.A.
The Tax Compliance Model is an element of the Internal Control and Risk Management System. This document contains the detailed description of the phases comprising the risk assessment, control and periodic monitoring processes carried out by Iren, and the subsequent reporting on tax issues to the Chief Executive Officer and the other relevant bodies and functions. It also aims to summarize the main responsibilities assigned to the various functions involved in tax-relevant processes. The Tax Compliance Model is prepared by the Tax and Compliance Function and is ultimately approved by the Board of Directors of Iren S.p.A.
The project for the creation of a TCF aligned with the best practices in the matter took shape with the presentation by Iren S.p.A. and Iren Energia of the application for access to the Collaborative Compliance institution, a regime between the Revenue Agency and the large companies introduced by Legislative Decree no. 128 of 5 August 2015 in order to promote the implementation of enhanced forms of communication and cooperation based on mutual trust between tax authorities and taxpayers, and to encourage, in the common interest, the prevention and resolution of tax disputes. The preliminary investigation for admission was successfully concluded in December 2021 with the admission of the two companies.

6. Operational risks

This category includes all the risks which, in addition to those already noted in the previous paragraphs, may influence achievement of the targets, i.e. relating to the effectiveness and efficiency of business transactions, levels of performance, profitability and protection of the resources against losses.
The objective of the Group's Enterprise Risk Management model is the integrated and synergistic management of risks.
For each business chain and operational area, the Group's risk management process provides for an analysis of the activities performed and the identification of the main risk factors related to the achievement of objectives. Following the identification activity, the risks are assessed qualitatively and quantitatively (in terms of magnitude and probability of occurrence), thus making it possible to identify the most significant risks. The analysis also involves an assessment of the current and prospective level of control of the risk, monitored by means of specific key risk indicators.
The phases mentioned above make it possible to structure specific plans to deal with each risk factor.
Along all the management phases, each risk is subjected on a continuous basis to a process of control and monitoring, which checks whether the treatment activities approved and planned have been correctly and effectively implemented, and whether any new operational risks have arisen. The process of managing operational risks is associated with a comprehensive and structured reporting system for presenting the results of the risk measurement and management activity. Each process stage is performed in accordance with standards and references defined at Group level. At least annually, the operational risk situation is updated, in which the dimension and level of control of the monitored risks are highlighted; financial, IT, credit and energy risk situations are updated quarterly.
Group risk reporting, updated every six months, is sent to top management and risk owners, who are involved in management activities. The risk analysis also supports the preparation of planning tools.
In this regard, Iren has equipped itself with a very detailed risk map that corresponds to the reality of the Group, with qualitative and quantitative assessments of each individual risk and with details of the controls and mitigation actions in place or planned. For each risk identified, the relevant ESG (Environmental, Social and Governance) impacts are associated.

Of particular note are:

a. Legal and regulatory risks
The legislative and regulatory framework is subject to possible future changes and, therefore, is a potential risk. In this regard Departments operate, dedicated to continual monitoring of the relevant legislation and regulations in order to assess their implications, guaranteeing their correct application in the Group.

b. Plant-related risks
In relation to the size of the Group's production assets, plant-related risks are managed with the methodological approach described above in order to correctly allocate resources in terms of control and preventive measures (preventive/predictive maintenance, control and supervisory systems, emergency and continuity plans, etc.). The Risk Management Department periodically performs surveys on the most important facilities, through which it can accurately detail the events to which these facilities could be exposed, and the consequent preventive actions. The risk is also hedged by insurance policies designed considering the situation of the single plants.

c. Cyber Risks
Cyber risks are defined as the set of internal and external threats which can compromise business continuity or cause civil liability damage to third parties in the event of loss or disclosure of sensitive data. From an internal point of view, the operational risks regarding information technology are closely related to the business of Iren Group, which operates network infrastructures and plants, including through remote control, accounting operational management and invoicing systems and energy commodity trading platforms. Iren Group is, in fact, one of the leading Italian operators on the Energy Exchange and any accidental unavailability of the system could have considerable economic consequences, connected with the non-submission of energy sale or purchase offers. At the same time, problems related to supervision and data acquisition on physical systems could cause plant shutdowns and collateral and even serious damage. A breakdown of invoicing systems could also determine delays in issuing bills and the related collections, as well as damage to reputation.
To mitigate such risks, specific measures have been adopted, such as redundancies, highly reliable systems and appropriate emergency procedures, which are periodically subject to simulations, to ensure their effectiveness. Iren Group is also exposed to the risk of cyber attacks aimed both at acquiring sensitive data and at stopping operations, causing damage to plants and networks and compromising service continuity. Market benchmarks also show that attacks aimed at the acquisition of one's own and third parties' data, resulting in civil liability actions and even serious penalties, and the acquisition of trade secrets are becoming increasingly frequent.
In this regard, the Group Cyber Risk Policy is in force, approved by the Board of Directors of Iren S.p.A., which - like the other main risk policies - provides for the convening of specific Risk Commissions, the monitoring of performance indicators and dedicated reporting.
The operational risk management process also aims to optimise the Group's insurance programmes.

7. Strategic risks

In the development of the Business Plan, the Group has structured three distinct areas of analysis: a qualitative-quantitative risk assessment, a specific focus on investments and a focus on climate change risks.
The qualitative risk assessment was based on an analysis of industry trends, the Group's exposure to related strategic risks and the related ability of the Business Plan to mitigate these risks. Consequently, for the risk categories and related elementary risks mapped as part of the Group's Risk Map, which also integrates the ESG impacts for each risk, a detailed analysis of the quantitative drivers relating to the risks with an impact in the years of the Plan was carried out. Once these risks have been identified, the relative impacts, probability of occurrence and mitigation actions have been quantified in order to calculate both the inherent and residual risk value. This assessment leads to the enhancement of the Plan's stress test and related rating indices.
With regard to the Plan investment analysis, the mitigating effect on risks and execution risks of the capital expenditure categories and major initiatives are identified.
Finally, an analysis of the risk factors from climate change impacting the Group was carried out, with modelling of the most significant assets and risk factors for different climate scenarios and time horizons. Model results were analysed and investments to mitigate Climate Change risks were evaluated.
M&A transactions and other initiatives of a strategic nature, which were assessed during the period, were also subject to detailed analysis, with a particular focus on the impact of these transactions on the Group's sustainability objectives (environmental indicators, where significant, and social indicators relating, for example, to compliance with labour, health and safety regarding the target and governance policies) and consistency with the EU Taxonomy.

Transactions with related parties

The Procedure on Related Party Transactions ("RPT Procedure"), published on the Iren website (www.gruppoiren.it) was approved and adopted by the Board of Directors, then in office, on 28 June 2021, effective 1 July 2021, subject to the favourable opinion of the Related Party Transactions Committee ("RPTC", entirely composed of Independent Directors). Pursuant to Article 16 of the RPT Procedure, the previous Board of Directors in office during the 2022-2024 term, having obtained the positive opinion expressed in this regard by the RPTC in office during the same three-year period, approved the update of the same RPT Procedure with a resolution passed on 18 December 2024, setting the effective date as of 1 January 2025. This update, it is noted, was functional, on the one hand, to implementing the provision contained in the aforementioned Article 16 of the RPT Procedure (which, inter alia, provides for such a procedure to be carried out at least every three years, a term that expires in 2024) and, on the other hand, to constantly improve the efficiency of Iren management and supervision of related-party transactions. Lastly, it should be noted that the (updated) text of the RPT Procedure, dated 4 February 2025, was refined with certain clarifications of a non-substantial nature, applying the relevant Article 16.2.

The above document was prepared implementing:
- the provisions regarding transactions with related parties set out in section 2391-*bis* of the Italian Civil Code;
- the Regulation containing provisions on related party transactions, adopted by Consob by Resolution no. 17221 of 12 March 2010 and subsequent amendments and additions ("Consob Regulation"), in the version in force from time to time, taking into account the indications of Consob Communication No. DEM/10078683 of 24 September 2010;
- the provisions of art. 114 of Legislative Decree no. 58 of 24 February 1998 ("Testo Unico della Finanza"/ TUF - Consolidated Law on Finance) as amended and the provisions of Regulation (EU) no. 596/2014 on market abuse.

The corporate documents adopted in accordance with the legislation on transactions with related parties, defined in coordination with the provisions of the administrative and accounting procedures pursuant to art. 154-*bis* TUF, aim specifically to:
(i) regulate the performance of transactions with related parties by Iren, directly or through subsidiaries, identifying internal procedures and rules capable of ensuring the substantial and procedural transparency and correctness of such transactions, and
(ii) establish the methods for fulfilling the related disclosure obligations, including those provided for in legal and regulatory measures in force and applicable.

These, very briefly, provide for:
a) the identification of the scope of related parties as per the IFRS adopted in accordance with the procedure set out in section 6 of EC Regulation 1606/2002 in the version in force at the time;
b) the definition of a "related-party transaction";
c) the identification of cases of exclusion, among which transactions "for small amounts";
d) the procedures applicable to minor and major transactions, as the case may be;
e) the persons responsible for the paperwork on related-party transactions;
f) the transactions on which the Shareholders must resolve;
g) forms of publicity and information flows.

Iren and its subsidiaries carry out transactions with related parties in accordance with the principles of transparency and fairness. These transactions mainly concern services provided to customers in general (gas, water, electricity, heat, etc.) or following concessions and awards of services, in particular for the waste management sector, and are governed by the contracts applied in such situations.
Where the services provided are not the above, the transactions are governed by specific agreements whose terms are established, where possible, in accordance with normal market conditions. If these references are not available or significant, the contractual conditions are defined also in consultation with independent experts and/or professionals.

Information on transactions with related parties is included in the Notes to the Condensed Interim Consolidated Financial Statements at 30 June 2026 in sections "VI. Information on transactions with related parties" and "XIII. Annexes to the Condensed Interim Consolidated Financial Statements", an integral part thereof.

Legislative and regulatory framework

This chapter reports the main legislative and regulatory provisions (new rules or amendments to pre-existing rules) that occurred in the first half of 2026 in relation to the sectors of operation.

European Framework

Regulation on climate targets for 2040
Regulation 2026/667 amending Regulation 2021/1119 (Climate Law) was published in the Official Journal of the European Union on 18 March 2026. The measure establishes a binding Union-wide target for 2040 regarding greenhouse gas emissions, consisting of a net reduction in greenhouse gas emissions (emissions net of removals) of 90% compared to 1990 levels by 2040.
The Regulation provides for several flexibility mechanisms, including:
- the possibility of using carbon credits purchased outside the Union to cover up to 5% of the emission reduction target;
- the use of permanent national CO2 removals to offset emissions from hard-to-abate sectors covered by the Emission Trading System (ETS).

In addition, the entry into force of the ETS2 system for buildings and road transport is postponed by one year, from 2027 to 2028.

Regulation on switching suppliers in the electricity market
On 16 April 2026, Commission Implementing Regulation (EU) 2026/855 of 14 April 2026 on interoperability requirements and on non-discriminatory and transparent procedures for access to data required for switching suppliers was published in the Official Journal. This regulation defines, among other measures, the technical process for changing electricity supplier, which by 2026 must not take more than 24 hours and must be possible on any working day.

National Framework

GAS

Gas Networks

The gas distribution regulation in force for 2026 was updated by ARERA decisions published during 2025. In particular, the following are noted:
- Res. 130/2025/R/com, with which the revision of the criteria for revaluation of capital costs for infrastructure services in the electricity and gas sectors was approved;
- Res. 476/2025/R/com, which confirmed for 2026 the same rate of return on capital applied in 2025 (5.9%);
- Res. 532/2025/R/gas, which extended the Consolidated Gas Distribution Act (RTDG, RQDG) already valid for the period 2020-2025 to the years 2026-2027, with the simultaneous update of the X-factor tariff parameter (set at zero for all classes of distribution companies).

Gas market

Storage Filling Thermal Year 2026-2027
The Storage MD of 12 March 2026 regulates the methods of offering and allocating storage capacity for the contractual year from 1 April 2026 to 31 March 2027: it provides for a priority peak modulation capacity of approximately 7,961 million Sm³ and a share of approximately 1 million Sm³ as multi-year services (2–5 years).
ARERA Resolution 112/2026 introduces, for the Thermal Year 2026/27, an incentive mechanism (storage premium) associated with the allocated storage capacities, aimed at supporting the filling of storage facilities during the injection campaign: the premium applies to stocks at 31 October 2026 until a capacity is reached that is useful for achieving a 90% fill level, with the possibility of revision or removal for capacities not yet allocated depending on market developments and

the EU context. The value is determined as the difference between the financial charges related to the immobilisation of gas and the winter/summer spread at the time of allocation, with a maximum ceiling to limit its impact on the system; furthermore, in continuity with the previous Thermal Year, the integration of fees for non-filling is confirmed, with the application at the end of October of the higher of the fee provided for by the RAST (Regulation of Access to Storage Services) and 1.5 €/MWh in the event of storage below the minimum levels.

Gas transport

DCO 165/26, relating to the tariff regulation of the gas transportation and metering service for the 7th regulatory period – 7PRT.

The following significant elements emerge in the aforementioned DCO:

- firstly, ARERA is considering the introduction of a discount on LNG entry points. At European level, the possibility of extending similar mechanisms to the entry points for renewable gas and biomethane also remains open; however, this option is not developed in the DCO, although it has already been raised by operators in other contexts;
- in terms of flexibility, a review of the mechanisms applied to exit points is planned, which could also affect the treatment of interim capacity bookings, with possible specific impacts on combined cycle production plants (CCGT);
- with reference to the CVFC component, the Authority's position is geared towards mitigating tariff volatility by stabilising increases: in particular, the recovery of shortfalls would be spread over several years.

Finally, there is a strengthening of selectivity on recognised investments: only costs deemed efficient will be allowed and the incentive system will be reviewed, with the elimination of incentives on fully depreciated pipeline sections. Alternatively, these incentives could be limited to only those sections still actually in use or replaced by recognition mechanisms for extraordinary maintenance work necessary to ensure their operation.

ELECTRICITY

Electricity market

Decree-Law no. 21/2026 ("DL Bollette" - Energy Bills Decree-Law)

Converted into law in April 2026, it introduces a comprehensive package of measures aimed at containing energy prices and supporting households and businesses, intervening at all stages of the supply chain (fiscal, retail and wholesale) and affecting both generation costs and price formation mechanisms. In particular:

- Taxation: an increase in the IRAP rate (equal to +2%) is envisaged for operators who mainly carry out activities in the electricity and gas supply chains, for redistributive purposes and to cover the initiatives;
- Retail market: the tools for protecting end customers are strengthened, including the extension of the social bonus also to district heating customers and further protection and transparency measures in the sales segment, including through disclosure and accountability obligations for operators;
- Wholesale market: the measure introduces a structural measure, with effect from 2027, aimed at reducing the PUN through a mechanism for reimbursing gas-fired thermoelectric producers for the main costs that are currently reflected in the electricity price, in particular (i) certain variable components of the gas transportation tariff and (ii) ETS costs relating to efficient plants; these reimbursements are financed through components applied to consumption (general system charges), avoiding the incorporation of these costs in the formation of the wholesale price and leading to a consequent adjustment of the Capacity Market parameters (strike price).
  In parallel, as early as 2026, ARERA's role in supervising the bidding behaviour of operators (in particular, opportunity cost bidding practices and capacity withholding) is strengthened, also in implementation of the REMIT framework;
- "Spalma-incentivi" Energy Account (voluntary measure 2026–2027): the possibility is introduced for owners of photovoltaic plants to adhere to a remodulation of the incentives, with a reduction of 15% or 30% in return for an extension of the duration (by 3 or 6 months respectively), or to opt for early exit from the incentive scheme with payment of a fee up to a maximum of 90% of the discounted value of the remaining incentives; payment is made in deferred instalments (10 annual instalments starting from 2028, with a rate of up to 6%) and is subject to the implementation of refurbishment/repowering measures by 31 December 2030, within the limit of an indicative quota of 10 GW;

With regard to the main measures on the wholesale market, in particular those relating to the sterilisation of ETS costs, they are conditional or in any case subject to discussion with the European Commission for the purposes of compatibility with the State aid framework (Article 6), with the timing and methods of implementation still subject to the relevant "approval".

European Commission Communication on State Aid – 29 April 2026

The EC Communication clarifies that extraordinary aid is permitted only until 31 December 2026, provided that it is:

- limited in time;
- refers, in the case of gas-fired plants, to mechanisms for controlling the cost of fuel;
- not extended to ETS costs.

In light of these criteria, the provisions of the Energy Bills Decree relating to gas plants (Article 6) therefore appear to present profiles of inconsistency/doubtful compatibility with the EU framework, as they apply beyond 31 December 2026, are not temporary in nature and also provide for benefits on ETS costs, while the Communication allows them only on the fuel cost side.

Res. 171/2026 - initiation of the procedure for the implementation of Article 6.3 of the Energy Bills Decree-Law
As part of the aforementioned measures, the procedure for the implementation of Article 6.3 of the Energy Bills Decree introduces an emergency measure to reduce the wholesale electricity price by making changes to the variable cost of CCGTs. Implementation is subject to the European Commission's green light and requires a regulatory revision of the same Article 6.3:

- the mechanism provides for ex post compensation managed by the GSE aimed at reimbursing part of the cost of the gas used in electricity generation;
- the reimbursement criteria will be defined by ARERA and linked to the PUN-foreign prices spread, with possible caps on ETS costs and definition of the frequency of updating the parameters;
- Terna's role is defined for the validation of quantities, for the coverage of charges through fees in bills, for the monitoring of the transfer of the benefit in sales offers and for the adjustment of the Capacity Market strike price;

The process is expected to be concluded by 30 September 2026, with application limited to the fourth quarter of 2026.

TIDE Updates – Integrated Electricity Dispatch Text
Access to recognition of Lost Production from Non-Programmable Renewable Sources - MPRIN - In March, the GSE published the Technical Rules for the recognition of MPRIN, in implementation of ARERA resolution 128/2025, which extends from 1 April 2025 to all non-programmable Renewable Energy Sources (RES) (other than wind power) the right to remuneration for production not carried out due to Terna modulation orders and for the purpose of remuneration in the cases provided for by the transitional MD FER X; from 31 March 2026, it is possible to submit applications on the GSE portal with the possibility of retroactive access from the same date.

Res. 190/2026 approval of A.83 on the Frequency Containment Reserve (FCR) procurement mechanism and postponement of the start of the first phase
With this resolution, the start of market procurement of the FCR is postponed to 3 June 2026 (previously scheduled for 1 February 2026). The experimental phase ends on 30 November 2026 (with monthly monitoring); in addition, the mandatory bands are to be progressively reduced until they are eliminated after 2027, and capacity netting (including FCR) is to be introduced, which reduces the amount that can be nominated on DAM/IM for Capacity Market obligations.
Finally, participation in the mechanism is optional for all units enabled for the service and the obligation to offer, for units that are mandatorily enabled, applies from 1 September 2026.

European Balancing Platforms
Terna's June communication - connection to the European platform for the exchange of balancing energy from the Manual Frequency Restoration Reserve (mFRR) developed as part of the MARI project, with operational participation scheduled for 25 November 2026.

MACSE Regulation - Mechanism for the Procurement of Electricity Storage Capacity
With reference to the MACSE Regulation, the following updates should be noted:

- publication by Terna of the proposed requirement for new electricity storage capacity by 2029 as approved by the Ministerial Decree of 20 May 2026 - concerns new storage capacity (batteries and non-reference technologies) relating to the delivery year 2029;
- the requirement will be adjusted downwards before the auction to take into account the storage capacity already in operation and the capacity procured through the Capacity Market (between the publication of the requirement and the definition of quotas);
- the next battery auction, with delivery in 2029, is scheduled for 24 November 2026.

Capacity Market (CM) Regulation and Adequacy
2025 Adequacy Report – Terna
The adequacy analysis for 2030-2035, conducted with the Economic Viability Assessment (EVA), assesses the economic sustainability of thermoelectric units in a context of strong growth in renewables and storage, factors that reduce operating hours and therefore plant revenue. In a reference scenario that includes the capacity already contracted in the Capacity Market and development consistent with the DDS24 scenario, with no further decommissioning beyond that already planned, the system is adequate (53.9 GW available and LOLE – Loss of Load Expectation – less than 3 hours/year). However, considering the decommissioning of the economically unsustainable units identified by the EVA (about 26-27 GW), the system becomes highly inadequate, with LOLE exceeding 150 hours/year in 2030 and over 200 in 2035, even taking into account the development of storage. This worsening is amplified by the growth in peak demand (electrification and data centres) and by the phenomenon of "missing money" for thermoelectric power.
In summary, the Report highlights that in the absence of forward mechanisms, the market does not guarantee adequacy, making the Capacity Market essential to avoid critical divestments;
In this context, Terna indicates the need to evaluate auctions even beyond the 2028 horizon, within the limits indicated by EC Decision C(2019)4509 of 14 June 2019, which allows auctions to be held until the year 2028 with the last delivery year 2032, with the submission of analyses to ARERA and MASE regarding the possible use of further auctions by 31 December 2026.
The auction for the Capacity Market (CM) 2028 is scheduled for summer 2026.

Connections to Terna's Protection and Control system – Update of the Network Code annexes
Res. 160/2026 follows Terna's September 2025 consultation, which initiated the process of updating the Network Code, which covers both new methods of connecting Generation Units to the Protection System (through upgrades following the obsolescence of telecommunications equipment) and the preparation, with specific requirements for peripheral protection and monitoring equipment (UPDM), to receive generation disconnection and modulation commands from the Terna central protection system.
In particular, Terna plans to extend the requirement for UPDM with output limitation functionality via signals to wind and photovoltaic (PV) plants connected at high and extra-high voltage.
Res. 160/2026 positively verifies the updates to the annexes to Terna's Network Code regarding connection to Terna's Protection System and Control System in force from 14 May 2026.

ARERA Wholesale Market Monitoring Activities
In March 2026, the Authority established an Energy Supervision Unit dedicated to monitoring the gas and electricity markets. The main elements are outlined below:
1. Enhanced monitoring of energy prices: ARERA will monitor the trend in wholesale and retail gas and electricity prices in real time and publish daily indicators. This implies a higher level of regulatory attention to market dynamics and possible effects on prices charged to end customers;
2. Gas supply situation: the Authority reports that, at present, there are no critical issues in supplies at least until April (storage in line with seasonality and regular LNG flows), while maintaining oversight of the prices applied by operators with respect to the actual availability of the commodity;
3. Fixed-price contracts and business practices: ARERA reiterates the prohibition on unilateral modification of fixed-price electricity supply contracts and announces a strengthening of supervisory activities on commercial practices vis-à-vis end customers.

Sending thermoelectric data to Terna at ARERA's request
- hourly data on natural gas consumed by thermoelectric plants in the years 2023-2024-2025 was requested pursuant to the TIMM (Integrated Text on the Monitoring of the Wholesale Market and the Dispatch Service Market);
- the information set of plant data requested pursuant to Res. 302/25 (fact-finding investigation into the outcomes of DAM prices in the two-year period 2023-2024, to investigate possible behaviour of economic withholding of capacity, in breach of the REMIT Regulation).

Res. 155/2026 – monitoring of the wholesale gas market pursuant to Article 7 of Decree-Law 21/22
The resolution initiates the collection of information on gas supply contracts with volumes injected into the National Network through allocation at entry points (Entry).
The measure concerns the "holders of contracts for the supply of gas volumes for the Italian market", meaning contracts for the purchase of natural gas or LNG with delivery to a point (even indirectly) interconnected with the national system. The objective of the monitoring is to assess the historical and prospective cost of gas imports for the country system.
ARERA points out that the update also serves to improve the quality/consistency of the data, in particular with respect to misalignments found, since 2022, between quantities allocated to users at entry points and quantities reported by the same users for monitoring purposes, and also because prices/volumes can be adjusted even after several months.
Both long-term and short-term contracts are monitored.

REMIT Regulation - Transparency and Integrity in Energy Markets

The Package of documents following the ACER (European Union Agency for the Cooperation of Energy Regulators) consultation of September 2025 has been published.

New REMIT Implementing Regulation IR (EU) 2026/256 in force from 29 April 2026, repealing the previous IR (EU) 1348/2014. The relevant elements are as follows:
- from 29 April 2026, new reporting timings are introduced;
- periodic reports are introduced (Article 4);
- there are new rules for reporting product trading positions (Article 6).

New Delegated Regulation 2026/255
Completes and strengthens the ACER supervision/authorisation framework for third-party operators of the Inside Information Platform (IIP) and RRM (Registered Reporting Mechanism, as defined by the European REMIT Regulation).

Retail

Legislative Decree No. 3 of 7 January 2026 – Implementation of the Electricity Market Directive
The legislative decree introduces a series of measures aimed at strengthening the rights of end customers, increasing the transparency of offers and introducing new obligations for operators. In particular, contractual flexibility is extended for customers, who are formally granted the right to enter into multiple supply contracts relating to the same supply point. The measure also strengthens protections for customers in conditions of energy poverty, providing specific safeguards against the risk of supply disruption, and encourages the active participation of customers in market mechanisms, including demand

management, flexibility and energy sharing. In this context, tools are also introduced for the enhancement of shared energy, with recognition in the bill of the amount of energy that is shared.

On the operator side, the decree provides for risk management obligations, requiring suppliers to adopt appropriate hedging strategies to mitigate exposure to wholesale price volatility. It also provides for the completion by 2026 of measures to accelerate the switching process, with the aim of changing supplier within 24 hours of the request, and the strengthening of services of last resort through transparent and non-discriminatory award procedures. Further requirements are also provided for on the commercial side, such as the obligation to propose at least one fixed-price electricity supply offer with a duration of at least one year, in addition to the prohibition on making unilateral changes to the contractual conditions for the same type of offer.

Based on the regulatory provisions, ARERA has supplemented the sector regulation (Res. 189/2026/R/com) by introducing a formal prohibition on changing the economic conditions in fixed-price, fixed-term electricity contracts. The obligation to send the summary form has also been introduced in cases of extension of the economic conditions.

Decree-Law No. 21 of 20 February 2026 (Energy Bills Decree) – Measures on the retail energy market
In terms of specific focus with respect to what has already been explained, it should be noted that the decree in question introduces a package of measures aimed at strengthening the protection of end customers and transparency in the retail market, acting both to combat energy poverty and with regard to unfair commercial practices.

With regard to the first point, there is an increase in the social electricity bonus for vulnerable families (up to about 315 euro/year in total), accompanied by a new contribution of up to 60 euro for domestic customers with ISEE up to 25,000 euro, including those who are not bonus holders, on a voluntary basis by sellers.

On the commercial front, the measure introduces a ban on contacting or soliciting prospective or recently departed customers by phone or SMS, unless specifically consented to or requested, and requires the use of clearly identifiable telephone numbers. Transparency of information is also strengthened, with an obligation to communicate in electronic format the identity of the person or intermediary who concluded the contract.

The decree assigns operators (energy and telecommunications) full responsibility for the fairness, transparency and adequacy of contractual proposals, also extended to activities carried out through agents and commercial partners, while at the same time introducing the pre-contractual obligation to ascertain the customer's needs and verify their consistency with the proposed offer. Finally, economic transparency measures are envisaged, with ARERA being given the task of collecting information on operators' margins in order to strengthen control over the functioning of the retail market.

For the purposes of fully transposing the regulatory provisions, ARERA has initiated a procedure (Resolution 188/2026/R/com) aimed at revising and supplementing the Code of Business Conduct, which should be concluded by December 2026.

Resolution 58/2026/R/eel - Reform of the supplier switching process (24h switching)
In compliance with the provisions of EU legislation, the resolution introduces a comprehensive review of the supplier switching process, aimed at implementing switching within 24 hours of the operator's request. The measure regulates the roles and responsibilities of the parties involved, providing that the request for switching can be submitted by both the commercial counterparty and the dispatching user.

The new process, which will be implemented from 1 December 2026, will consist of a preliminary data verification phase (the "POD check") and the subsequent preliminary check, aimed at validating the correspondence between the POD and the customer's data and gathering the main technical and contractual information of the supply point.
After this phase, it will be possible to proceed with a fast request or with an ordinary request to change supplier, lasting a maximum of one or ten working days respectively. The fast request, applicable only to cases of domestic electricity supplies for which there are no outstanding credit issues, must be submitted within 10 working days of the outcome of the preliminary check and allows the switching to be completed in an extremely short time, up to one working day. For all other cases, however, the ordinary request will apply, which must also be submitted within 10 working days.

DCO 130/2026/R/eel - Evolution of the Gradual Protection Service post-2027
The consultation outlines the new structure of the Gradual Protection Service (STG), providing for the introduction from 1 April 2027 of a single service of last resort aimed at all types of users who have not chosen a supplier in the free market, with the aim of strengthening the price signal and encouraging informed migration to the market. The scope will include customers without a supplier, new activations and entries into the STG in the period January–March 2027.

The provision of the service will be awarded through competitive procedures on a local basis, with minimum access requirements of at least 50,000 POD/PDR and awarding through single-round auctions based on the economic parameter β defined in €/POD/year, which will also constitute the main remuneration component for operators.

The economic conditions applied to customers will reflect a regulated structure (procurement, dispatching and charges) supplemented by a marketing component initially aligned (for the first few months) with the PCV of the enhanced protection category and subsequently determined by the β parameter. The contractual conditions will be uniform and based on the PLACET model, with obligations to inform the customer by certified email or registered letter when the service is activated.

The model also provides for a structured path for the exit from the service of customers who have remained inactive: all supplies activated in the STG before January 2027 and which on 31 March 2027 are still supplied in the same service will continue to be supplied by the same operator within the free market offer identified as "most convenient" on the basis of the estimated annual expenditure. Vulnerable customers, for whom an automatic transition to greater protection is provided, and users activated after 1 January 2027, for whom the continuation of supply in the STG with the new assigned operator is envisaged from 1 April 2027, are excluded from this "transition".

District Heating Bonus
Res. 185/2026/R/COM
ARERA has initiated a procedure with the aim of extending the social bonus protection measures already in place for electricity and gas to district heating users as well. The process aims to define the criteria for access to the economic benefit, allowing access in line with the ISEE thresholds and the vulnerable categories already adopted for the other regulated sectors, and the identification of the operational modalities of disbursement, evaluating coordination with the existing information systems and the involvement of the district heating operators themselves. The mechanisms for covering costs and the financing methods will also be analysed, together with the disclosure obligations towards beneficiary customers.

Electricity networks

Electricity distribution concessions
In the event of ministerial approval of the Extraordinary Investment Plans by the DSOs, they may obtain a reshaping of the existing concessions in terms of duration with a maximum limit of 20 years, against their payment of remodulation charges, included in the invested capital subject to amortisation and remuneration.
Res. 77/2026 postponed the deadline of 31 March 2026 (defined by Res. 237/2025) for ARERA to define the rules for the inclusion of this charge in the tariff: the new deadline will be 8 months from the date of publication of the MASE MD containing the criteria for the definition and amount of the concession charges.

Technical and commercial quality
Downstream of DCO 332/2025, Res. 199/2026/R/eel updated some provisions of the output-based and commercial quality regulations for electricity distribution and metering services, making provision:

- from 2028, for possible new windows for the submission of requests for Development Plan initiatives worthy of bonuses;
- confirmation of the current return of fees paid in the last 24 months as a bonus for the installation of reactive energy compensation devices;
- the confirmation – until 2027 – of the bonus mechanism for areas with the best service continuity;
- new compensation – from 2028 – for the number of interruptions beyond the standard, also for LV users;
- from January 2027, a reduction in the limit for considering an interruption significant and consequent communications to ARERA and in the Output Report;
- the referral of the update of the Period of Disrupted Conditions (PCP) to subsequent technical meetings;
- the new compensation from 1 July 2026 for the maximum time for providing the user with the verification of weekly disconnections of small-scale plants for high grid voltages;
- stricter communications of the LV network adjustment times in the event of excessive disconnections of small-scale plants.

Finally, it should be noted that the tariff regulation of electricity distribution in force for 2026 has been updated by a number of ARERA decisions published during 2025. In particular, the following are noted:

- Res. 130/2025/R/com, with which the revision of the criteria for revaluation of capital costs for infrastructure services in the electricity and gas sectors was approved;
- Res. 476/2025/R/com, which confirmed for 2026 the same rate of return on capital applied in 2025 (5.6%);
- Res. 575/2025/R/eel, which, in addition to updating the tariffs for the use of infrastructure for electricity distribution and metering services for the year 2026, also confirmed the specific levels of continuity for MV users for the year 2026 and extended the validity of the rules for the replacement of 2G Smart Metering systems to 2028.

WASTE

Decision No. 1/DTAC/2026 of 13 April 2026
The decision approves the standard outlines of the acts constituting the tariff proposal in the third regulatory period (2026-2029) for "minimum" and "intermediate" treatment plants and the relevant modalities for the transmission to the Authority.

Res. 138/2026 - Initiation of the procedure regarding new protection measures for users holding bonuses
The resolution opens a procedure, to be concluded by 31 December 2026, aimed at introducing enhanced protection measures for users holding social bonuses and extending to the waste management sectors certain protections already provided for in the energy sectors; the possible publication of consultation documents is envisaged.
For the Waste sector, the profiles of greatest interest concern the methods of managing the payment in instalments and the management of arrears of bonus recipients in line with the need to ensure a higher level of protection for economically disadvantaged households (such as, for example, automatic compensation in the event of delays in the disbursement of bonuses).

Ministerial Decree of 26 March 2026 - new regulations for Collection Centres
In force from 14 May 2026, the Decree of the Ministry of the Environment and Energy Security on the "Regulation of collection centres for separately collected municipal waste" repeals the previous Ministerial Decrees of 8 April 2008 and 13 May 2009 and introduces an updated regulation of collection centres, defining their technical and structural characteristics, the requirements for management and operation, the waste that can be delivered and the management procedures.
Existing collection centres continue to operate and comply with the provisions of the new decree by 14 May 2027 (a period of twelve months from the entry into force of the Ministerial Decree of 26 March 2026).

ANCI-CONAI Agreement (2026–2029)
In this regard, the new agreement was signed with validity from 1 May 2026 to 31 December 2029.

WATER SERVICE

Resolution 138/2026 Initiation of the procedure regarding new protection measures for users holding bonuses
The resolution opens a procedure, to be concluded by 31 December 2026, aimed at introducing enhanced protection measures for users holding social bonuses and extending to the waste management sectors certain protections already provided for in the energy sectors; the possible publication of consultation documents is envisaged.
For the IWS (integrated water service), the profiles of greatest interest concern, in particular, the possible revision of the rules on information to users, application and disbursement of the bonus, management of arrears and containment of charges related to late payment, consistent with the need to ensure a higher level of protection for economically disadvantaged households.
In operational terms, the procedure appears to be aimed at evaluating measures that increase users' awareness of contractual choices and relations with the operator, simplifying the mechanisms for recognising and using benefits, strengthening enforcement tools against defaulting operators and introducing elements of further protection in cases of arrears relating to water utilities, while taking into account the need to minimise the impact of the intervention in terms of costs for the operator.

Res. 39/2026 and 40/2026 Initiation of the procedure for quantitative evaluations, relating to the two-year period 2024-2025, envisaged by the incentive mechanism for contractual quality and technical quality respectively
The resolutions constitute procedural acts of a fact-finding and assessment nature, in preparation for the subsequent quantification of bonuses and penalties to be borne by IWS operators for the two-year period 2024-2025, within the regulatory architecture built by ARERA over the last decade.
The Authority indicates the causes of exclusion from the incentive mechanism (including the failure of the Area Governing Body -EGA- to validate the data and the lack of comparability over time of the management quality data) and from the bonuses (including the failure to submit the tariff preparation documents pursuant to the tariff method in force at the time by 31 October, the failure to pay equalisation components to CSEA and the failure to comply with the mandatory deadlines set by any requests for additional documentation made by the Authority during the investigation).
The procedures are expected to be closed by 30 June 2027.

GENERAL MATTERS

Incentives - RES development

FER-X fully operational
In the first half of 2026, the most significant development was the European Commission's green light for the fully operational FER-X. The new scheme provides for a maximum quota of 37.15 GW of new renewable capacity, of which 10 GW is reserved for plants up to 1 MW and 27.15 GW is allocated to larger plants through competitive procedures. The mechanism covers photovoltaic, wind, hydropower and plants powered by residual gases from wastewater treatment processes, confirming its position as the main instrument for supporting new mature renewable electricity capacity.

Compared to the framework outlined at 31 December 2025, the transition to the fully operational FER-X therefore represents an element of greater regulatory certainty, although the full publication of the implementing acts, the update of the GSE Operating Rules, the definition of operating prices and the schedule of the first procedures are still to be monitored. For the Group, the mechanism remains central for the purpose of assessing the bankability of new renewable investments, also in light of the results already recorded in the competitive procedures of the transitional regime.

PNRR (National Recovery and Resilience Plan) CACER Facility

During the first half of 2026, the implementation of the PNRR CACER Facility continued, relating to the support of renewable energy plants included in configurations of collective self-consumption and Renewable Energy Communities. The measure is part of the CACER Decree, which continues to apply insofar as it is not expressly modified by the PNRR regulations, and aims to promote the diffusion of distributed renewable plants serving energy communities and self-consumer groups.

During the half-year, the operational framework was updated following the redefinition of the PNRR measure, with the GSE being assigned the role of implementing body for the subsidy programme. The new structure provides that the GSE shall enter into concession agreements with the beneficiaries by 30 June 2026, up to the amount of the available resources, which is 795.5 million euro. If the financial allocation is exceeded, eligible but non-fundable applications are placed on a reserve list in chronological order of submission.

A relevant element of the new structure is the distinction between the grant award phase and the subsequent implementation phase of the initiatives. The deadline of 30 June 2026 is relevant for the conclusion of the concession agreements, while the plants must enter into operation within 24 months of the notification of the agreement and in any case in compliance with the conditions laid down in the applicable regulations.

For the Group, the CACER Facility presents potential opportunities in relation to the development of widespread self-consumption models, regional partnerships, energy services and distributed-scale RES initiatives. At the same time, the measure requires a careful assessment of the applicable subjective, ocal, technical and administrative constraints, as well as of the economic sustainability of the configurations, also in relation to the coordination between the capital contribution, the incentive tariff on shared energy and the rules on cumulation.

OIERT - Obligation to Increase Renewable Thermal Energy

In the first half of 2026, the implementation framework for the obligation to increase renewable thermal energy in energy supplies was completed through the publication of the MASE MD of 15 April 2026, which governs the methods for fulfilling the obligation provided for in Article 27 of Legislative Decree 199/2021.

The mechanism applies to entities that sell thermal energy to third parties in quantities exceeding 500 TOE per year, with particular relevance for operators active in the district heating and heat supply sector. The obligation starts in 2026 and is divided into two regulatory periods: 2026-2028 and 2029-2030. The obligation for the first period must be fulfilled by 31 March 2029, while that for the second period must be fulfilled by 31 March 2031.

For the purposes of compliance, the decree provides for the valuation of the share of renewable thermal energy sold to end users, including through the use of specific certificates, including Guarantees of Origin for heat and cold from renewable sources, GOs relating to renewable electricity used to power heat pumps and certificates relating to waste heat and cold. There is also the possibility of carrying over any surpluses to the next obligation period.

From an operational point of view, by 30 September 2026, the obliged parties must register on the OIERT Portal and notify the GSE of the data relating to the thermal energy sold and the renewable share for the three-year period 2022-2024. From 2027, these reports must be made annually by 31 March.

In the event of non-compliance, a compensatory contribution is to be paid, the value of which will be defined by a subsequent ministerial decree. The related resources will flow into a fund at CSEA for the promotion of thermal renewable sources, strengthening the link between OIERT and the future FER-T mechanism.

RES-T – Renewable thermal energy sources (large-scale plants)

In the first half of 2026, the publication of the OIERT MD strengthened the prospective relevance of the FER-T mechanism. As seen, the decree in fact established at CSEA the Fund for the promotion of renewable thermal energy sources, funded by the compensatory contributions paid by the obligated parties in the event of failure to fulfil the obligation to increase renewable thermal energy. The Fund’s resources are intended to promote the use of renewable thermal energy through the competitive mechanism for incentivising large-scale thermal energy production from renewable sources, with particular reference to district heating systems and industrial applications, i.e. the future FER-T.

In light of the launch of the OIERT, the FER-T therefore assumes a central role as the main instrument intended to make new investments in large-scale thermal renewables bankable, also in line with the needs for the progressive decarbonisation of district heating systems and industrial thermal consumption. An initial evolution of the scheme is therefore expected in 2026, including through the preparation of a draft decree or further implementing acts, which will have to precisely define eligible technologies, access criteria, incentive levels, competitive procedures and coordination with other support instruments, in particular Thermal Account 3.0 and OIERT.

At 30 June 2026, the FER-T is not yet operational, but it represents one of the most relevant elements of the new support framework for renewable thermal sources. For the Group, monitoring the mechanism remains a priority, both for the possible investment opportunities in renewable and waste heat, and for the connection with the OIERT obligations and with the decarbonisation strategies of the district heating networks.

PNRR measure M7 I.17

The first half of 2026 saw the continued implementation of the PNRR M7 I.17 measure, relating to the energy efficiency of public residential buildings. The measure is aimed at incentivising private investments for the energy retrofitting of the public residential building stock (ERP), with the aim of achieving an average reduction in primary energy demand of at least 30%,

through the involvement of ESCOs and specialised operators. In April 2026, the GSE updated the operational framework of the measure, providing for the extension of the deadline for the submission of applications for admission from 31 May to 30 June 2026 and introducing a new type of initiative called “multi-intervention”, with a fixed incentive equal to 65% of the eligible costs. This update expands the flexibility of application of the instrument and allows for the promotion of integrated works on ERP buildings, instead of individual one-off efficiency measures. The measure is important because it combines the leverage of the public contribution with the involvement of private entities in the implementation of the works, according to a model aimed at promoting investments of a significant size. In this context, the correct structuring of relations between entities that own or manage ERP assets, ESCOs and financing entities is central, as is the verification of the technical, economic and documentary requirements for access to the subsidy. Particular attention must be paid to coordinating the measure with other support instruments, in particular with the Thermal Account 3.0, taking into account the applicable limits on cumulation and the prohibition of double financing for the same expenses. The evaluation of the initiatives therefore requires a precise analysis of the cost structure, the sources of funding, the reporting methods and the obligations related to compliance with the PNRR milestones and targets.
For the Group, M7 I.17 represents a potential area of development for energy efficiency initiatives, energy services and ESCo models applied to public residential assets.

PPA Notice Board – GSE Consultation pursuant to the Energy Bills Decree-Law
The first half of 2026 saw the launch of the process of implementing the provisions of the Energy Bills Decree relating to the promotion of long-term contracts for the purchase of electricity from renewable sources, i.e. Power Purchase Agreements. In fact, Article 4 of Decree-Law 21/2026 provides for the adaptation of the PPA Notice Board, with sections dedicated to the signing of contracts with a duration of not less than three years, including in aggregate form, and with the aim of encouraging the contracting of renewable energy by businesses, including SMEs.
In this context, in June 2026, the GSE launched a public consultation aimed at defining the operational aspects of the mechanism, with particular reference to the “Qualified Announcements” section, the GSE’s support in the contracting phase and its role as guarantor of last resort for parties that meet the requirements of the regulations.

The consultation is important as it aims to strengthen the bankability and uptake of PPAs, reducing the risk of counterparty default and facilitating the matching of long-term renewable energy supply and demand. The mechanism is part of the broader process of stabilising energy prices and decoupling, at least partially, the cost of electricity from the dynamics of fossil fuels.

For the Group, the issue has potential impacts both on the production side, in relation to the long-term development of renewable energy, and on the procurement side, with reference to price risk hedging and the structuring of multi-year contracts. The outcome of the consultation, the approval of the operating rules and the coordination of the new instrument with the regulations of the PPA Notice Board managed by the GME and with the other support mechanisms for renewable sources are still to be monitored.

Concessions and Assignments of Iren Group

HYDROPOWER GENERATION

The following is a summary of the major concessions for hydroelectric use and the related expiry dates for Iren Energia's plants.

Region	Facility	Average rated concession power (MW)	Expiry
Piedmont	Po Stura - San Mauro	5.58	31 December 2010
Piedmont	Pont Ventoux – Susa	45.64	13 December 2034
Piedmont	Agnel - Serrù – Villa	12.53	31 December 2010
Piedmont	Bardonetto – Pont	8.92	31 December 2010
Piedmont	Ceresole – Rosone	32.92	31 December 2010
Piedmont	Telessio - Eugio – Rosone	26.10	31 December 2010
Piedmont	Rosone – Bardonetto	9.71	31 December 2010
Piedmont	Valsoera – Telessio	1.76	31 December 2010
Campania	Tusciano	8.49	31 March 2029
Campania	Tanagro	12.85	31 March 2029
Campania	Bussento	17.06	31 March 2029
Campania	Calore	3.27	31 March 2029

In relation to the aforementioned concessions expiring on 31 December 2010, concerning Valle Orco (Agnel - Serrù – Villa, Bardonetto – Pont, Ceresole – Rosone, Telessio - Eugio – Rosone, Rosone – Bardonetto, Valsoera – Telessio) and Po Stura-San Mauro, a project financing proposal was submitted to the Piedmont Region.
With Resolution of the Piedmont Regional Council of 17 April 2023 no. 17/6747, the feasibility of the two project financing proposals presented by Iren Energia was resolved, pursuant to Article 183, paragraph 15 of Legislative Decree 50/2016, concerning, respectively, the expired Concessions for large hydroelectric derivations on the Torrente Orco and the expired Concession for large hydroelectric derivations of the Po Stura - San Mauro plant.
By Resolutions No. 28-6999 and 29-7000 of the Regional Council of 5 June 2023, the Piedmont Region resolved, pursuant to Articles 3 and 4 of Regional Law 26/2020, that "*there was no overriding public interest in a different use of the derived waters, incompatible with the maintenance of the use for hydroelectric purposes, and the definition of the public evidence procedure for the relative assignment*".
With Regional Council Resolution no. 7387 of 3 August 2023 and Executive Resolution no. 578 of 7 August 2023, the Region then verified the correctness of the 'end-of-concession reports' of expired large hydroelectric derivations and ordered their publication on its institutional website.
Finally, the Piedmont Region has entrusted the Regional Contracting Company SCR Piemonte S.p.A with the activities of preparing the tender specifications and documentation and the consequent management for the search for professionals qualified to verify, pursuant to art. 26 of Legislative Decree no. 50/2016, the project related to the project financing proposals submitted by Iren Energia.

With Executive Resolution No. 955/A1604C of 2 December 2025, the Technical and Economic Feasibility Plan, prepared pursuant to Articles 17 et seq. of Presidential Decree 207/2010, as amended, to support the project financing proposal submitted by Iren Energia for the Po-Stura-San Mauro Torinese hydroelectric power plant, was validated by the Region's Sole Project Manager (RUP), pursuant to and for the purposes of Article 42, paragraph 4 of Legislative Decree 36/2023 as amended and supplemented.
With Executive Resolution to Contract No. 1045/A1604C of 4 December 2025, the Piedmont Region decided to proceed with the assignment of the concession for the large hydroelectric derivation relating to the Po-Stura-San Mauro plant through project financing, pursuant to Article 193 of the same Legislative Decree, on a private initiative basis, to be carried out via the single award procedure set out in Regional Regulation No. 2 of 27 April 2023, by means of a public tender procedure, and also approved the technical tender documentation.
Finally, on 29 December 2025, SCR published the call for tenders, setting 16 February 2026 as the deadline for the receipt of applications to participate in the pre-qualification stage.

In its judgement of 5 February 2026 in Case C-810/2024, the Court of Justice of the European Union ruled that "*Article 3(1) of Directive 2014/23/EU of the European Parliament and of the Council of 26 February 2014 on the award of concession contracts, in conjunction with Article 49 TFEU, Articles 30 and 41, and recital 68 of that directive, must be interpreted as meaning that: it precludes a Member State from granting the promoter of a project finance procedure a right of pre-emption which allows it, in the event that the contract in question was not initially awarded to it, to adapt its tender to that of the initially selected successful tenderer and thus to be awarded that contract, provided that it reimburses the costs incurred by the initial successful tenderer in preparing its tender, without that reimbursement exceeding 2.5% of the estimated value of the investment expected by the successful tenderer on the basis of the feasibility project on which the tender was based*".

On 23 April 2026, SCR Piemonte published a new notice of invitation to tender for a "*Public evidence procedure for the assignment under concession of the large hydroelectric derivation relating to the Po Stura – San Mauro plant, pursuant to Regional Law 26/2020 and Regional Regulation 2/2023 through project finance on private initiative*", which takes into account the aforementioned ruling of the Court of Justice of the European Union, and set 8 June 2026 as the deadline for receipt of requests to participate in the pre-qualification phase. Iren Energia submitted a request to participate and challenged the aforementioned notice and related documents before the Regional Administrative Court of Piedmont, challenging how the tender was called in light of the loss of the promoter's right of pre-emption. The Piedmont Regional Administrative Court rejected the application for interim measures with Order No. 238/2026 and assessments for the appeal are in progress.

With regard to the Valle Orco concession, on the other hand, the Technical and Economic Feasibility Project is awaiting validation, followed by the subsequent decision to enter into a contract.

NATURAL GAS DISTRIBUTION

IRETI Gas operates the natural gas distribution service in the Group's historical operating areas: the Genoa 1, Parma, Reggio Emilia, Piacenza 2 and Savona 1 areas, under an extended regime.

<u>Liguria area</u>

As far as ATEM Genova1 is concerned, Ireti Gas provided the Contracting Authority, at the latter's request, with the data referred to in Article 5 MD 226/2011 updated to 31 December 2023, necessary for the preparation of the tender for the award of the new concession.
As far as ATEM Genova2 "Provincia" is concerned, the new call for tenders was published on 27 February 2026, with the deadline for the submission of bids on 21 September 2026. Preparatory activities for participation are ongoing.
Finally, IRETI Gas is the operator of the gas distribution service in the municipalities of Albenga and Ceriale in the Province of Savona, within the ATEM Savona 1 Sud Ovest area, for which the tender notice was published on 29 December 2025.

<u>Emilia Area</u>

In the Reggio Emilia ATEM, IRETI Gas provided the Contracting Authority, at the latter's request, with the documentation necessary for the preparation of the tender notice, in compliance with the information obligations set out in Article 4 MD 226/2011, '*Regulations on the tender criteria and the evaluation of bids for the award of the natural gas distribution service*', updated as at the reference date of 31 December 2024.

<u>Piedmont Area</u>

The Contracting Authority asked ASM for the data needed to prepare the tender for the award of the new concession, which were provided updated to 31 December 2023.
In ATEM Cuneo 3, through Reti Metano Territorio (100% controlled by IRETI Gas), the Group is present in the Municipality of Alba and 42 other municipalities in the Province of Cuneo, which are managed under an extension regime, while waiting for the Contracting Authority to start the procedure for the assignment of the new concession.

<u>Other geographical areas</u>

Also through Reti Metano Territorio, the Group operates in gas distribution in the following ATEM:
- ATEM Lecco 1 - Municipality of Calolziocorte;
- ATEM Milan 3 - Municipality of Casarile;
- ATEM Monza and Brianza 1 - Municipalities of Burano di Molgora and Vimercate;
- ATEM Monza and Brianza 2 - Municipality of Besana in Brianza;
- ATEM Alessandria 3 - Municipality of Acqui Terme (Acqui Rete Gas, 50% owned by Reti Metano Territorio).
- ATEM Alessandria 1 - Municipality of Valenza (Valenza Gas, 50% owned by Reti Metano Territorio).

ELECTRICITY

The ministerial electricity concessions expire on 31 December 2030; Iren manages the public electricity distribution service in the cities of Turin and Parma (through IRETI) and Vercelli (through ASM Vercelli).

Iren is also present with DEA S.p.A., part of the group of the related party ASTEA, which manages the electricity distribution service in some municipalities in the Marche region (Agugliano, Magliano di Tenna, Montelupone, Offida, Osimo, Polverigi, Recanati, Santa Maria Nuova) and in the Abruzzo region (Ortona, San Vito Chietino), as well as in Sanremo (Liguria, Province of Imperia) and, through its subsidiary ASPM, in the municipality of Soresina (Lombardy, Province of Cremona).

The existing concessions were defined with Legislative Decree 79/1999, Article 9 of which stipulated that distribution companies operating at the date of entry into force of the measure would continue to provide the service on the basis of concessions issued by the competent Ministry (at the time the Ministry of Industry, Trade and Crafts, now the MASE) and expiring by 31 December 2030.
Legislative Decree 79/99 also provided that, no later than five years prior to the same expiry date (31 December 2025), the competent Minister, having consulted the Unified Conference and the Authority, should define the terms, conditions and criteria, including remuneration for the investments made by the previous operator, for the new concessions to be granted on the expiry of 31 December 2030, subject to the delimitation of the area, in any event not less than the municipal area and not more than one quarter of all end customers, and that that service be entrusted on the basis of tenders to be called, in accordance with national and Community legislation on public procurement.
With Law No. 207 of 30 December 2024 (Budget Law 2025), in Article 1, paragraphs 50 to 53, the legislator provided that a decree of the Ministry of the Environment and Energy Security (MASE), in agreement with the Ministry of the Economy and Finance (MEF), upon the proposal of ARERA, shall define the terms and procedures for the presentation by the operators of the electricity distribution service of extraordinary multi-year investment plans, detailing the minimum goals and objectives that the aforementioned plans must pursue.
With the Budget Law 2025, the awarding of concessions starting on 1 January 2031 by means of tenders will therefore be limited to cases in which extraordinary multi-year investment plans are not submitted or not approved: in such cases, in fact, the prerequisites for remodelling of the duration of concessions do not exist.

With Resolution No. 392/2025/R/EEL of 5 August 2025, ARERA resolved to submit to the Ministry the proposal setting out the terms and procedures for extraordinary multi-year investment plans.

DISTRICT HEATING

Iren Energia manages the district heating distribution service through concession, award or authorisation to install networks in the Municipalities of Turin, Nichelino (Province of Turin), Beinasco (Province of Turin), Rivoli (Province of Turin), Collegno (Province of Turin), Grugliasco (Province of Turin), Reggio Emilia, Parma, Piacenza and Genoa.

In addition, through TLRNet (which took over from EGEA Holding on 1 January 2026 by virtue of the latter's partial demerger) and its subsidiaries, it manages the district heating service in the municipalities of Alba, Canale, Bra, Cortemilia and Narzole (Province of Cuneo), Piossasco and Carmagnola (Metropolitan City of Turin), Alessandria and Acqui Terme in the same province, Nizza Monferrato (Province of Asti) and Cairo Montenotte (Province of Savona).

Lastly, the Group, through Dogliani Energia, holds the concession for the district heating service in the municipality of Dogliani (CN). In this regard, the district heating system went into service in October 2025 for the first batch of connected customers.

It is noted that, following a public evidence procedure concluded with Municipality of Moncalieri decision No. 2727 of 20 December 2024, Iren Mercato is the operator of the public district heating service in the Municipality of Moncalieri for five years as from 1 January 2025.
In this regard, Iren Energia, which supplies heat to Iren Mercato, owns the existing production plants and network infrastructure and is party to an agreement with the municipality for the occupation of public land, which expired in 2021 and continued uninterruptedly under an extension arrangement.
By Resolution of the Municipal Council no. 137 of 27 March 2026 and Resolution of the Municipal Council no. 44 of 8 April 2026, the Municipality approved the new outline of the agreement aimed at regulating the concession for the occupation of public land and subsoil for the district heating network and at redefining relations with Iren Energia. As of today, the signing of the aforementioned new agreement is pending.

INTEGRATED WATER SERVICE

Liguria Area

IRETI holds the management assignment for the Integrated Water Service in the 67 municipalities of the Province of Genoa. The assignment was granted by Decision no. 8 of the Genoa ATO Authority on 13 June 2003 and will expire in 2032.
The Integrated Water Service in some municipalities of the Province of Genoa is managed by IRETI through the safeguarded operating manager Iren Acqua Tigullio, 66.55% owned by IRETI.

IRETI also directly operates the drinking water distribution service in the municipalities of Camogli, Rapallo, Coreglia, Zoagli, Sestri Levante, Casarza Ligure and Moneglia, and the Integrated Water Service in the municipalities of Né and Carasco, in the Genoa ATO.
The company manages only the segment of the water service also in the following ATO:

- Savona Centre West 1, in the municipalities of Albissola Marina, Albissola Superiore, Quiliano, Vado Ligure, Celle Ligure, Noli, Spotorno, Bergeggi, Savona, Stella, Varazze;
- Savona Centre West 2 - Municipalities of Altare, Cairo Montenotte, Carcare, Cengio.

With regard to the municipalities managed by the Savona Centre West 2 Optimal Local Area, it should be noted that on 30 June 2025, notification was received of the start of the takeover procedure by the sole in-house manager, CIRA.

As regards the Province of Imperia, the company Rivieracqua S.p.A., the sole operator of the Area, took over from IRETI on 1 July 2025 for the water service in the municipalities of Camporosso, San Biagio della Cima, Perinaldo, Soldano, Vallebona, Isolabona, Vallecrosia, Dolceacqua, Seborga, Bordighera and Ventimiglia. The payment of the adjustment amount at the effective date of the takeover is currently being finalised.

Finally, in La Spezia and its Province, in 31 municipalities, Iren Group manages (through ACAM Acque) the water service with a concession valid until 31 December 2033.

Emilia Area

The Group manages the Integrated Water Service in the provinces of Reggio Emilia, Piacenza and Parma.

In the aforementioned areas, the ownership of the assets and networks relating to the water sector is held by companies wholly owned by public bodies, so-called "equity companies", respectively for the Municipality of Parma - Parma Infrastrutture, for the ATO of Piacenza - Piacenza Infrastrutture (for the capital Municipality, Consorzio Val d'Arda and Consorzio Val Nure for other municipalities in the Province of Piacenza) and AGAC Infrastrutture for the ATO of Reggio Emilia. These companies made their networks and assets available to Iren Group on the basis of a rental contract and against the payment of an annual fee.

Reggio Emilia Local Basin - the management of the Integrated Water Service for the Province of Reggio Emilia, excluding the Municipality of Toano, is the responsibility of the "Azienda Reggiana per la Cura dell'Acqua", or ARCA for short, 60% owned by the public partner AGAC Infrastrutture and 40% by IRETI, private operating partner for the assignment of the service in ATO3 Reggio Emilia until 31 December 2043.
ARCA, by means of a specific agreement, on the basis of the provisions of the tender deeds, entrusted the management of the operating tasks to the local operating company (SOT) Iren Acqua Reggio, which was set up for this purpose by the private operating partner (IRETI).

Piacenza Local Basin – the management of the Integrated Water Service for the Province of Piacenza is the responsibility of the company Iren Acqua Piacenza S.r.l., effective as of 1 January 2025 and expiring on 31 December 2040, following the award of the tender called by the Area Authority in 2022.

Parma Local Basin - the Convention agreed with the ATO of Parma set the expiry date of the assignment at 30 June 2025. The aforementioned deadline was extended by Emilia-Romagna Regional Law No. 14/21 until 31 December 2027.

Piedmont Area

The Group manages, through ASM Vercelli, the services related to the integrated water cycle in Piedmont ATO2 "Biellese Vercellese, Casalese". The services provided by the company extend beyond the city of Vercelli to 14 municipalities in the province.
Management expired on 31 December 2023. In this regard, the Conference of the Area Governing Body (EGATO2) was unable to resolve on the choice of the management model due to the lack of a quorum, and therefore the same Body was subject to a Commissioner's order by the Piedmont Region. The Commissioner's appointment ended on 28 February 2025 with the publication of Decree no. 1 of the same date and having as its object the "Choice of the management model and start of the procedure for assignment of the Integrated Water Service for the Optimal Local Area 2 Piedmont to the in-house Company BCV S.p.A.", which provides:

- the approval of "in-house" assignment as the IWS management model in the ATO 2 Piedmont;

- to initiate the path and the procedures described in detail in the time schedule for the entrusting of the IWS within the Optimal Local Area 2 "Biellese, Vercellese, Casalese" to the sole operator of the area pursuant to Article 149-bis of Legislative Decree no. 152 of 2006, identified in BCV S.p.A;
- the failure to comply with the milestones "conferment of networks - phase 1 and phase 2 - resolution", "elaboration of the sworn PEF" and "updating of the organisational model of the PoA" and the possible failure to approve the Report pursuant to Art. 17 (2), of Legislative Decree No. 201 of 2022 within the terms set forth in the time schedule shall entail the immediate activation, by the Area Governing Body, of the procedures necessary to resort to the model of awarding the service through a public procedure or to a joint company whose private partner is selected through a public procedure and the simultaneous definitive setting aside of the solution consisting in the "in-house" assignment of the service. Among the fulfilments of the time schedule is the signing of the financing contract and the acquisition of the availability of resources for the liquidation of ASM Vercelli.

In 2025, the management of the IWS by ASM Vercelli was therefore operated under an extension regime, which will reasonably continue until the completion of the path undertaken by EGATO2, aimed at definitively appointing the sole operator, both with the in-house model and in the event that other models should be used with public evidence procedures.
Following the adoption of the aforementioned commission measure, ASM Vercelli and IRETI, on 8 April 2025, filed an appeal with the Regional Administrative Court of Piedmont - Turin in order to obtain the annulment of the aforementioned decree, concerning the "Choice of the management model and start of the procedure for assignment of the Integrated Water Service for the Optimal Local Area 2 Piedmont to the in-house Company BCV S.p.A.", as well as for the annulment of any prior, preparatory, connected, consequent act.
An appeal to the Regional Administrative Court was also filed by the Municipality of Vercelli and some other municipalities belonging to ATO2 "Biellese, Vercellese, Casalese".
Additional pleadings were filed on 1 July 2025, 7 October 2025 and 5 December 2025, and a hearing to discuss the merits of the case has been scheduled for 21 May 2026. At the hearing, the case was reserved for decision.

The Group also manages, operationally through IRETI, the integrated water cycle services in the municipalities of Nizza Monferrato and Canelli; the operational management contract expired in 2023 and the grantor Acquedotto Valtiglione S.p.A., with a "Public Notice" dated 24 October 2025, initiated a procedure pursuant to Article 193, paragraph 16, of Legislative Decree No. 36 of 31 March 2023, aimed at "urging interested private parties to become promoters of initiatives aimed at obtaining, through a public-private partnership, the revamping and management of the treatment plants located in the municipalities of Canelli and Nizza Monferrato and the capital necessary to redeem the residual value to be paid to the outgoing operating manager".
Within the deadline, extended to 12 February 2026, IRETI submitted its proposal, which was admitted to the evaluation phase by order of the Sole Project Manager on 23 February 2026. On 14 April 2026, IRETI was notified of the order of the Sole Project Manager of 13 April 2026, concerning "Approval of the minutes of the committee for the evaluation of the best proposal for the revamping of Nizza Monferrato and the management of the sewage treatment plants located in the municipalities of Canelli and Nizza Monferrato", in which it is indicated that "the proposal with the best overall score is that submitted by the company A2A Ciclo Idrico S.p.A." and that it will (therefore) be subject to the evaluation procedure governed by Article 193, paragraph 6 of Legislative Decree No. 36/2023. As a result of this outcome, IRETI filed an appeal with the Regional Administrative Court of Piedmont on 28 May 2026, which was subsequently supplemented on 17 June with additional grounds, and is awaiting the setting of a hearing.

Finally, the Group manages, through EGEA Acque (a subsidiary of IRETI), services related to the integrated water cycle in 43 Municipalities belonging to the ATO 4 in the Cuneo area.
These managements have expired and the Conference of Area has entrusted the management of the integrated water service to Consorzio Gestori Servizi Idrici S.c.a.r.l. (COGESI), wholly publicly owned company. EGEA Acque is currently continuing its management under an extension regime pending the liquidation of the residual industrial value by COGESI. To date, agreements are being drawn up to determine the date of takeover by the sole operator.
EGEA Acque is currently continuing its management under an extension arrangement pending the takeover by COGESI. On 14 May 2026, EGEA Acque, COGESI, ALAC., Alpi Acque, SISI and IRETI signed the Preliminary Agreement for the transfer of a business unit, under which, inter alia, the terms and procedures for the takeover of the management of the IWS by the incoming Operator were defined, as well as the related takeover value and the scope of the complex to be transferred on the effective date thereof.
At the same time as the Preliminary Agreement was signed, the incoming Operator paid the Residual Value updated at 31 December 2024. The Residual Value relating to 2025 and until the date of the effective takeover will be settled within 60 days of the publication of the EGATO update measure(s). The Preliminary Agreement provides that the signing of the Final Deed of sale of the business unit shall take place on 1 October 2026, unless otherwise agreed in writing between the parties.

Sicily Area (Enna)

AcquaEnna manages the Integrated Water Service in ATO 5 Sicily, relating to the Province of Enna, with the concession expiring on 19 November 2034.

The table below therefore summarises the data on the existing agreements in the Group's main areas of operation:

ATO	REGIME	SIGNING DATE	EXPIRY DATE
Genoa Area	ATO/operator agreement	16 April 2004/05 October 2009	31 December 2032
Reggio Emilia	ATO/operator agreement	20 December 2023	31 December 2043
Parma	ATO/operator agreement	27 December 2004	31 December 2027
Piacenza	ATO/operator agreement	19 December 2024	31 December 2040.
Vercelli	ATO/operator agreement	13 March 2006	31 December 2023 (*)
La Spezia	ATO/operator agreement	20 October 2006	31 December 2033
Enna	ATO/operator agreement	19 November 2004	19 November 2034

(*) Under an extension arrangement

WASTE MANAGEMENT SERVICES

IREN Group provides waste management services on the basis of specific assignments from the local authorities, governed by agreements signed with the provincial ATO. The table below contains details of existing agreements in the Group's main areas of operation:

ATO	REGIME	SIGNING DATE	EXPIRY DATE
Reggio Emilia	ATO/operator agreement	10 June 2004	31 December 2011 (*)
Parma	ATO/operator agreement	28 December 2022	31 December 2037
Piacenza	ATO/operator agreement	28 December 2022	31 December 2037
Turin (Municipality)	ATO/operator agreement	04 December 2013	30 April 2034 (**)
Vercelli (municipality)	Municipality/operator agreement	22 January 2003	31 December 2028
COVeVaR Consortium (Vercelli municipalities)	Tender contract with COVeVaR /ASM Vercelli - San Germano - RIMECO	1 January 2022	31 December 2029 extendable for a further 12 months (***)
ATO waste province of La Spezia (Municipality of La Spezia)	Municipality/operator agreement	10 June 2005	31 December 2028 (collection and sweeping) 30 January 2043 (waste disposal)
ATO Toscana Sud	ATO/operator agreement	28 March 2013	31 December 2033
Consorzio Ecologico Cuneese	Contract with San Germano	1 March 2024 start of service (contract signed on 19 November 2025)	28 February 2031 (renewable for a further 2 years + 1)
Municipality of Selargius (Sardinia, CA)	San Germano - Environmental hygiene services	24 January 2023	28 February 2028 with possible renewal until 31 January 2031 (36 months)
Municipality of Iglesias (Sardinia, SU)	Urban and environmental hygiene services	1 September 2018	extended until 31 August 2028
Consorzio SEA	San Germano tender - Urban and environmental hygiene services Bagnolo Piemonte-Barge-Bellino-Brondello-Brossasco-Cardè-Casteldelfino-Castellar-Cavallerleone-Crissolo-Envie-Faule-Fossano-Frassino-Gambasca-Isasca-Martiniana Po-Melle-Monasterolo di Savigliano-Moretta-Murello-Oncino-Ostana-Paesana-Pagno-Polonghera-Pontechianale-Revello-Rifreddo-Ruffia-Saluzzo-Sampeyre- Sanfront-Savigliano-Scarnafigi-Torre San Giorgio-Valmala (now merged with Busca) Venasca-Villanova-Solaro-Sant'Albano Stura-Trinità-Genola	16 May 2018	Terminated on 28 February 2026

Consorzio Bacino Rifiuti Astigiano (CBRA)	CBRA/ATI Consortium tender contract (38% San Germano, 62% Asti Servizi Pubblici)	22 March 2024	6 October 2026 renewable for a further 12 + 6 months (tot. 18 months) (****)
Municipality of Ussana (Sardinia, SU)	San Germano tender contract Urban hygiene services	22 May 2024	21 August 2032
Metropolitan City of Genoa	Tender contract San Germano Urban hygiene services	12 September 2023	30 November 2028
Municipality of Assemini (Cagliari)	Tender contract San Germano Urban hygiene services	29 April 2019	31 October 2024, extended to 31 October 2026
Municipality of Decimomannu	Tender contract San Germano Urban hygiene services	28 November 2022	31 December 2029, with option for 2-year technical extension
Association of the Municipalities of Fonni – Oliena – Orgosolo – Nuoro	Tender contract San Germano Urban hygiene services	22 February 2023	Terminated on 18 June 2026 due to the sale of a business unit
Municipality of Stintino (Sassari)	Tender contract San Germano Urban hygiene services	04 May 2026 final award following new assignment	7 years from the start date of the service (presumably 31 October 2033) currently being extended
Municipality of Padru (Sassari)	Tender contract San Germano Urban hygiene services	03 March 2021	Terminated due to sale of business unit on 18 June 2026
Metalla e il Mare Municipal Authority (South Sardinia)	Tender contract San Germano Urban hygiene services	31 October 2021	12 July 2028
Gerrei Municipalities Union (South Sardinia)	Tender contract San Germano Urban hygiene services	25 October 2023	30 June 2030
Lower Novara Wide Area Consortium	San Germano tender contract-Service for the collection, transport and transfer to disposal plants of municipal waste, manual and mechanised sweeping, cleaning of market areas, management of recycling areas in the following Municipalities: Barengo-Bellinzago Novarese-Biandrate-Borgolavezzaro-Briona-Caltignaga-Cameri-Casalbeltrame-Casaleggio-Casalino-Casalvolone-Castellazzo-Cerano-Galliate-Garbagna-Granozzo-Landiona-Mandello-Marano-Mezzomerico-Momo-Nibbiola-Oleggio-Recetto-Romentino-S. Nazzaro Sesia-S.Pietro Mosezzo-Sillavengo-Sozzago-Terdobbiate- Tornaco-Trecate-Vaprio-Vespolate-Vicolungo-Villata-Vinzaglio	18 September 2020	30 September 2029 with option for 6-year technical extension
Consorzio Covar 14	Sub-tender contract Teknoservice srl /San Germano Urban hygiene services Moncalieri-La Loggia-Villastellone	28 January 2022	31 January 2025 (extended to 31 January 2028) with option for 6-year technical extension

STR (Consortium of Langhe and Roero Municipalities)	Iren Ambiente tender contract (formerly EGEA Ambiente ******)/Municipality of Alba (CN)	9 March 2026 publication of the tender. Pending award. The subsidiary San Germano is first in the ranking	4 years renewable from the date of award, plus a 6-month technical extension option
CSEA (consortium of Fossano Municipalities)	ATI tender contract (S. Germano, Coop Proteo and Iren Ambiente) (formerly EGEA Ambiente ******)/4 municipalities in the Cuneo area (EGEA share 12.86%)	1 January 2020	Terminated on 28 February 2026
Province of Imperia	Iren Ambiente (formerly EGEA Ambiente ******) tender contract with some municipalities in the Imperia area (Andora, Cervo, Cesio, Chiusanico, Diano Arentino, Diano Castello, Diano Marina, Diano San Pietro, San Bartolomeo Al Mare, Stellanello, Testico, Villa Faraldi)	1 January 2021	Extension to 9 January 2027
Municipality of S. Giuliano Milanese	Tender contract ATI (AMSA, Iren Ambiente - formerly EGEA Ambiente ******) (Iren Ambiente share 16%)	19 October 2021 (effective from 1 October 2020)	30 September 2027
ATO Toscana Costa (Authority for the municipal waste management service in the provinces of Livorno, Lucca, Massa Carrara and Pisa) Municipality of Lucca	Service contract between the Municipality of Lucca and Sistema Ambiente (36.5% owned by Iren Ambiente) for waste collection	27 February 2001	31 December 2029
Turin (Wide area consortium)	ATO/operator agreement (SETA) (waste collection service in 31 municipalities in the Turin area)	24 May 2024	27 November 2029 (*****)
Turin (Wide area consortium)	ATO/operator agreement (SETA) (market areas of the Municipalities of Borgaro Torinese – Caselle – Chivasso – Settimo Torinese – glass collection in Settimo Torinese)	1 March 2025	28 February 2030

(*) Service extended by law until new agreements are defined.
(**) the duration is 20 years starting from the day following the end of the provisional operation of the waste-to-energy plant of TRM on 31 August 2014
(***) ASM Vercelli 60.01%; San Germano 20.78%; RIMECO soc. coop. 19.21%.
(****) The local area covered by the contract is made up of 114 municipalities belonging to the Consorzio Bacino Rifiuti Astigiano/ATO Astigiano (excluding the municipality of Asti which, although a member of the consortium, is currently subject to autonomous contractual regulations).
(*****) the service is carried out by SETA (48.65% owned by Iren Ambiente), which manages the waste collection service in 31 municipalities in the Turin area (Torrazza Piemonte, San Benigno Canavese, Brandizzo, Rivalba, Verolengo, Cavagnolo, Brozolo, Monteu Da Po, Castagneto Po, San Sebastiano Da Po, Lauriano, Brusasco, Verrua Savoia, San Mauro Torinese, Casalborgone, Borgaro Torinese, Castiglione Torinese, Montanaro, Gassino Torinese, Cinzano, San Raffaele Cimena, Sciolze, Volpiano, Rondissone, Mappano, Lombardore, Chivasso, Caselle Torinese, Leinì, Foglizzo and Settimo Torinese).
(******) EGEA Ambiente was merged into Iren Ambiente with effect from 1 January 2026.

As outlined in the table, the contracting authority Agenzia Territoriale dell'Emilia-Romagna per i Servizi Idrici e Rifiuti (ATERSIR) signed with Iren Ambiente the contracts for the concession of the public service for waste management in the Parma and Piacenza local area for a duration of 15 years, starting from 1 January 2023.
The two concessions - awarded following public tenders - cover 89 municipalities: 43 in the Parma area and 46 in the Piacenza area. The respective management companies are Iren Ambiente Parma and Iren Ambiente Piacenza, which took over the operational management of the service from Iren Ambiente.

ACAM Ambiente, controlled by Iren Ambiente and active in La Spezia and its Province, manages the integrated waste cycle service in 32 municipalities belonging to the Optimal Area of the Levante (including the municipality of La Spezia).

It should be noted that SEI Toscana is the owner, by virtue of an agreement with the ATO Toscana Sud, of the integrated waste management in 98 municipalities in the provinces of Grosseto, Siena, and Arezzo, expiring on 27 March 2033, and in six municipalities in the province of Livorno (Piombino, San Vincenzo, Sassetta, Suvereto, Castagneto Carducci, and Campiglia Marittima).

For COVeVaR, the Mandatory Consortium of Municipalities of Vercelli and Valsesia for the management of urban waste, which concerns other Municipalities of Vercelli (except Borgosesia), in particular the Municipalities of Albano Vercellese, Alice Castello, Arborio, Balocco, Borgo D'Ale, Buronzo, Carisio, Casanova Elvo, Collobiano, Crova, Formigliana, Gattinara, Ghislarengo, Greggio, Lenta, Lozzolo, Moncrivello, Olcenengo, Oldenico, Quinto Vercellese, Roasio, Rovasenda, Salasco, San Germano Vercellese, San Giacomo Vercellese, Santhià, Tronzano Vercellese, Villarboit, the tender was awarded to the temporary consortium (RTI) composed of ASM Vercelli (60.01%, group leader), San Germano (20.78%) and RIMECO Soc. Coop. (19.21%), with 8-year validity from 1 January 2022 with possibility of extension of a further 12 months.

San Germano carries out its main activity as a collection operator as a contractor in several areas, including Sardinia, Lombardy, Piedmont and Emilia-Romagna.

SERVICES FOR MUNICIPALITIES

A) Services for Partner Municipalities

Municipality of Turin
Iren Smart Solutions is party to the following agreements with the municipality of Turin for the provision of public services:
- Agreement for the management of the public lighting and traffic light service, expiring on 31 December 2036;
- Agreement, entered into following a project financing proposal submitted by the Company pursuant to Article 183, paragraph 15 of Legislative Decree 50/2016, for the awarding of services for the design and implementation of technological and construction upgrading, operation, maintenance (including the supply of energy vectors) of municipal thermal, electrical and special plants, with a duration of 27 years from the signing of the Take-over Notice of the Plants (30 June 2049).

Municipality of Genoa
- GEN-IUS Programme: Concession for the rehabilitation and energy maintenance services of 32 buildings in the Municipality of Genoa;
- Matitone of Genoa: service concession through public/private partnership, concerning energy performance, upgrading, management and maintenance services under guaranteed energy performance regime of the building called "Il Matitone", seat of the Genoa City Council offices. The duration is 15 years (maturity 14 April 2035).

B) Services to other municipalities
Iren Smart Solutions manages the public lighting service, also by means of plant efficiency upgrades, in Piedmont (Cuneo and some municipalities in the Biella area), Emilia-Romagna (Ventasso, Fidenza, Fiorenzuola, Rivergaro and Tizzano Val Parma) and Lombardy (Morbegno)
The Company provides energy efficiency services in some municipalities in Veneto (including Treviso, Cortina, San Donà di Piave, Monselice, Maserà, Casale sul Sile, Mortegliano, Musile, Noventa, Casier, Borgo Valbelluna, Scorzè, Martellago, Longarone, Ponte nelle Alpi, Limana, Codognè, Gradisca d'Isonzo, Manzano, Porpetto, Amaro, Cavazzo, Pasian di Prato, Tolmezzo, Verzegnis), Piedmont (including Cuneo, some municipalities in the Metropolitan City of Turin), Emilia-Romagna (Castelnovo ne' Monti, Sorbolo Mezzani, Montechiarugolo, Medesano), Lombardy (Morbegno, Sulbiate, Ronco, Mezzago, Bellusco, Agrate, Burago) and Liguria (S. Margherita Ligure, Rapallo, Cogoleto, Sarzana, Santo Stefano Magra, Arcola). In addition, the Group manages public lighting in Vercelli (through ASM Vercelli) and Asti (through Asti Energia e Calore).
Finally, through Ardea (a wholly-owned subsidiary of Iren Energia), the public lighting service is managed, including by means of plant efficiency upgrades, in some municipalities in Piedmont (Savigliano, Alba, Santo Stefano Belbo, Nizza Monferrato, Canale, Verzuolo, Cherasco, Treiso, Centallo, Sommariva, Fossano, Envie, Chiusa Pesio, Govone, Priocca, Mondovì, Racconigi and Marene) and Liguria (Camporosso).

ELECTRICITY GRADUAL PROTECTION SERVICE

Gradual Protection Auction for domestic customers
Iren Mercato and Salerno Energia Vendite (SEV) were the assignees, through auctions held in 2024, of two lots of the gradual protection service for non-vulnerable domestic customers in the electricity sector, for a total of about 300 thousand POD. The relevant customers will be managed by SEV itself for the period from 1 July 2024 to 31 March 2027:
- Southern Area 6: Brindisi, Matera, Potenza, Salerno and Taranto;
- Southern Area 7: Barletta-Andria-Trani, Campobasso, Cosenza, Foggia and Isernia.

Gradual Protection Auction for SME customers
Similarly to the above, the auction for the assignment of the gradual protection service for small businesses was held in 2024, and saw the award to Iren Mercato of three lots below, for a total of approximately 38,000 POD, which will be managed by it for the similar period from 1 July 2024 to 31 March 2027:
- Lot 1: Tuscany and Calabria;
- Lot 4: Emilia-Romagna and Piedmont;
- Lot 7: Apulia, Abruzzo, Basilicata, Molise, Umbria and Sicily.

Personnel

At 30 June 2026, Iren Group had 11,598 employees, down compared to 11,908 employees at 31 December 2025, as the table below shows, divided by the parent Iren S.p.A., Business Units and EGEA Holding S.p.A..
With regard to the latter, it should be noted that at 31 December 2025, the data included, in addition to the staff of EGEA Holding S.p.A., also those of the companies of the relevant group, whose companies were allocated to the respective Business Units as of 1 January 2026.

Company	Workforce at 30.06.2026	Workforce at 31.12.2025
Iren S.p.A.	1,150	1,147
IRETI and subsidiaries	2,422	2,425
Iren Ambiente and subsidiaries	5,857	5,868
Iren Energia and subsidiaries	1,291	1,260
Iren Mercato and subsidiaries	835	784
EGEA Holding S.p.A.	43	424
Total	11,598	11,908

The changes in the workforce compared to 31 December 2025 were mainly ascribable to:
- the continuation of the generational turnover plan;
- the initiation/conclusion of waste collection services contracted out as part of the Waste Management BU.

Condensed Interim Consolidated Financial Statements

3

Statement of Financial Position

thousand euro

	Notes	30.06.2026	of which related parties	31.12.2025	of which related parties
ASSETS					
Property, plant and equipment	(1)	4,595,714		4,613,575	
Investment property	(2)	2,855		2,885	
Intangible assets with a finite useful life	(3)	3,775,064		3,715,489	
Goodwill	(4)	272,464		272,464	
Equity-accounted investments	(5)	210,168		204,951	
Other equity investments	(6)	11,401		9,395	
Non-current contract assets	(7)	463,105		353,313	
Non-current trade receivables	(8)	37,512	34,935	34,430	29,125
Non-current financial assets	(9)	142,163	35,740	148,395	36,610
Other non-current assets	(10)	101,381	1,095	107,003	1,086
Deferred tax assets	(11)	400,760		386,352	
Total non-current assets		10,012,587	71,770	9,848,252	66,821
Inventories	(12)	82,919		68,215	
Current contract assets	(13)	41,838		40,719	
Trade receivables	(14)	1,263,523	115,417	1,363,596	101,379
Current tax assets	(15)	15,220		8,045	
Sundry assets and other current assets	(16)	334,300	5,502	429,612	150
Current financial assets	(17)	52,157	12,240	59,513	9,292
Cash and cash equivalents	(18)	305,650		205,765	
Assets held for sale	(19)	109,528		103,746	
Total current assets		2,205,135	133,159	2,279,211	110,821
TOTAL ASSETS		12,217,722	204,929	12,127,463	177,642

thousand euro

	Notes	30.06.2026	of which related parties	31.12.2025	of which related parties
EQUITY					
Equity attributable to the owners of the parent					
Share capital		1,300,931		1,300,931	
Reserves and retained earnings		1,961,657		1,857,573	
Profit for the period/year		181,764		300,546	
Total equity attributable to the owners of the parent		3,444,352		3,459,050	
Equity attributable to non-controlling interests		247,245		251,517	
TOTAL EQUITY	(20)	3,691,597		3,710,567	
LIABILITIES					
Non-current financial liabilities	(21)	4,589,726		4,490,987	
Employee benefits	(22)	76,759		80,467	
Provisions for risks and charges	(23)	323,813		338,120	
Deferred tax liabilities	(24)	99,355		93,104	
Sundry liabilities and other non-current liabilities	(25)	889,724	65	872,210	125
Total non-current liabilities		5,979,377	65	5,874,888	125
Current financial liabilities	(26)	191,044	6,299	126,382	5.207
Trade payables	(27)	1,482,307	46,186	1,655,446	32,757
Current contract liabilities	(28)	1,307		28,541	
Sundry liabilities and other current liabilities	(29)	407,697	281	364,770	251
Current tax liabilities	(30)	44,612		18,025	
Provisions for risks and charges - current portion	(31)	401,524		330,495	
Liabilities associated with assets held for sale	(32)	18,257		18,349	
Total current liabilities		2,546,748	52,766	2,542,008	38,215
TOTAL LIABILITIES		8,526,125	52,831	8,416,896	38,340
TOTAL EQUITY AND LIABILITIES		12,217,722	52,831	12,127,463	38,340

Income statement

thousand euro

	Notes	First half of 2026	of which related parties	First half of 2025	of which related parties
Revenue					
Revenue from goods and services	(33)	3,106,832	191,608	3,357,047	199,334
Other income	(34)	150,195	6,194	128,554	4,881
Total revenue		3,257,027	197,802	3,485,601	204,215
Operating expenses					
Raw materials, consumables, supplies and goods	(35)	(1,223,700)	(790)	(1,387,289)	(904)
Services and use of third-party assets	(36)	(938,089)	(25,576)	(1,003,170)	(19,905)
Other operating expenses	(37)	(49,635)	(4,772)	(58,227)	(5,532)
Capitalised expenses for internal work	(38)	28,067		28,025	
Personnel expense	(39)	(341,566)		(338,703)	
Total operating expenses		(2,524,923)	(31,138)	(2,759,364)	(26,341)
GROSS OPERATING PROFIT		732,104		726,237	
Depreciation, amortisation, provisions and impairment losses					
Amortisation/Depreciation	(40)	(362,586)		(350,009)	
Impairment losses on financial assets	(41)	(46,641)		(44,774)	
Other provisions and impairment losses	(41)	(4,400)		(5,144)	
Total depreciation, amortisation, provisions and impairment losses		(413,627)		(399,927)	
OPERATING PROFIT		318,477		326,310	
Financial income and expense	(42)				
Financial income		10,558	405	20,636	332
Financial expense		(64,014)	(11)	(79,913)	(1)
Net financial expense		(53,456)	394	(59,277)	331
Gains/(losses) on equity-accounted investees	(43)	-		(87)	
Share of profit of equity-accounted investees, net of tax effects	(44)	6,595		8,561	
Pre-tax profit		271,616		275,507	
Income taxes	(45)	(82,840)		(82,650)	
Profit from continuing operations		188,776		192,857	
Profit (loss) from discontinued operations	(46)	-		-	
Profit for the period		188,776		192,857	
attributable to:				-	
- owners of the parent		181,764		183,573	
- non-controlling interests	(47)	7,012		9,284	
Earnings per share	(48)				
- basic (euro)		0.14		0.14	
- diluted (euro)		0.14		0.14	

Statement of comprehensive Income

thousand euro

	First half of 2026	First half of 2025
Profit for the period - Group and non-controlling interests (A)	188,776	192,857
Other comprehensive income that will be subsequently reclassified to profit or loss		
- effective portion of fair value gains/(losses) on cash flow hedges	(5,042)	34,017
- fair value gains/(losses) on financial assets	-	-
- share of other gains/(losses) on equity-accounted investees	(135)	(318)
- change in translation reserve	1,479	(3,509)
Tax effect of other comprehensive income	2,413	(8,766)
Other comprehensive income/(expense) that will be subsequently reclassified to profit or loss, net of tax effect (B1)	(1,285)	21,424
Other comprehensive income that will not be subsequently reclassified to profit or loss		
- actuarial gains/(losses) on employee defined benefit plans (IAS19)	-	-
- share of other actuarial gains/(losses) of equity-accounted investees related to employee defined benefit plans (IAS 19)	-	-
Tax effect of other comprehensive income	-	-
Other comprehensive income/(expense) that will not be subsequently reclassified to profit or loss, net of tax effect (B2)	-	-
Comprehensive income (A)+(B1)+(B2)	187,491	214,281
attributable to:		
- Profit for the period attributable to the owners of the parent	180,509	205,187
- Profit for the period attributable to non-controlling interests	6,982	9,094

Statement of changes in equity

	Share capital	Share premium reserve	Legal reserve	Hedging reserve	Equity instruments reserve	Other reserves and retained earnings
31/12/2024	1,300,931	133,019	119,707	(32,301)	-	1,086,197
Owner transactions						
Dividends to shareholders						
Retained earnings			10,625			93,227
Repurchase of treasury shares						-
Perpetual hybrid bonds					495,279	
Hybrid perpetual bond coupons						(4,218)
Changes in consolidation scope						-
Change in equity interests						(76,497)
Other changes						234
Total owner transactions	-	-	10,625	-	495,279	12,746
Comprehensive income for the period						
Profit for the period						
Other comprehensive income/(expense)				25,123		(3,509)
Total comprehensive income/(expense) for the period	-	-	-	25,123	-	(3,509)
30/06/2025	1,300,931	133,019	130,332	(7,178)	495,279	1,095,434

	Share capital	Share premium reserve	Legal reserve	Hedging reserve	Equity instruments reserve	Other reserves and retained earnings
31/12/2025	1,300,931	133,019	130,332	3,697	495,282	1,095,243
Owner transactions						
Dividends to shareholders						
Retained earnings			10,924			111,788
Repurchase of treasury shares						-
Perpetual hybrid bonds					-	
Hybrid perpetual bond coupons						(17,100)
Changes in consolidation scope						
Change in equity interests						-
Other changes						(273)
Total owner transactions	-	-	10,924	-	-	94,415
Comprehensive income for the period						
Profit for the period						
Other comprehensive income/(expense)				(2,734)		1,479
Total comprehensive income/(expense) for the period	-	-	-	(2,734)	-	1,479
30/06/2026	1,300,931	133,019	141,256	963	495,282	1,191,137

thousand euro

	Total reserves and Retained earnings	Profit for the period	Total equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
31/12/2024	1,306,622	268,471	2,876,024	467,673	3,343,697
Owner transactions					
Dividends to shareholders	-	(164,619)	(164,619)	(12,022)	(176,641)
Retained earnings	103,852	(103,852)	-		-
Repurchase of treasury shares	-		-		-
Perpetual hybrid bonds	495,279		495,279		495,279
Hybrid perpetual bond coupons	(4,218)		(4,218)		(4,218)
Changes in consolidation scope	-		-	65,626	65,626
Change in equity interests	(76,497)		(76,497)	(281,662)	(358,159)
Other changes	234		234	1	235
Total owner transactions	518,650	(268,471)	250,179	(228,057)	22,122
Comprehensive income for the period					
Profit for the period		183,573	183,573	9,284	192,857
Other comprehensive income/(expense)	21,614		21,614	(190)	21,424
Total comprehensive income/(expense) for the period	21,614	183,573	205,187	9,094	214,281
30/06/2025	1,846,886	183,573	3,331,390	248,710	3,580,100

thousand euro

	Total reserves and Retained earnings	Profit for the period	Total equity attributable to the owners of the parent	Equity attributable to non-controlling interests	Total equity
31/12/2025	1,857,573	300,546	3,459,050	251,517	3,710,567
Owner transactions					
Dividends to shareholders		(177,834)	(177,834)	(11,240)	(189,074)
Retained earnings	122,712	(122,712)	-		-
Repurchase of treasury shares	-		-		-
Perpetual hybrid bonds	-		-		-
Hybrid perpetual bond coupons	(17,100)		(17,100)		(17,100)
Changes in consolidation scope	-		-	-	-
Change in equity interests	-		-	-	-
Other changes	(273)		(273)	(14)	(287)
Total owner transactions	105,339	(300,546)	(195,207)	(11,254)	(206,461)
Comprehensive income for the period					
Profit for the period		181,764	181,764	7,012	188,776
Other comprehensive expense	(1,255)		(1,255)	(30)	(1,285)
Total comprehensive income/(expense) for the period	(1,255)	181,764	180,509	6,982	187,491
30/06/2026	1,961,657	181,764	3,444,352	247,245	3,691,597

Statement of cash flows

thousand euro

	First half of 2026	First half of 2025
A. Opening cash and cash equivalents	205,765	326,568
Cash flows from operating activities		
Profit for the period	188,776	192,857
Adjustments:		
Income taxes for the period	82,840	82,650
Share of profit (loss) of associates and joint ventures	(6,595)	(8,561)
Net financial expense (income)	53,456	59,277
Amortisation and depreciation	362,586	350,009
Net impairment losses (reversals of impairment losses) on assets	3,789	88
Impairment losses on financial assets	46,641	44,774
Net provisions for risks and other charges	109,928	111,976
Capital (gains) losses	628	1,414
Payment of employee benefits	(5,516)	(4,323)
Utilisations of provisions for risks and other charges	(17,797)	(14,290)
Change in other non-current assets	5,622	37,445
Change in sundry liabilities and other non-current liabilities	17,346	47,142
Taxes paid	(49,717)	(1,207)
Other changes in equity	76	88
Change in inventories	(15,263)	14,771
Change in contract assets	(46,738)	(47,981)
Change in trade receivables	(9,404)	277,252
Change in current tax assets and other current assets	81,342	(101,059)
Change in trade payables	(173,139)	(443,349)
Change in contract liabilities	(27,234)	(86,070)
Change in current tax liabilities and other current liabilities	34,597	(11,283)
Change in market exposure for commodity derivatives	(23,591)	22,194
B. Net cash and cash equivalents generated by operating activities	543,439	523,814
Cash flows from/(used in) investing activities		
Investments in property, plant and equipment and intangible assets	(408,702)	(392,765)
Investments in financial assets	(2,106)	(1,150)
Investment realisation	6,155	1,049
Acquisition of subsidiaries net of cash acquired	-	13,112
Sale of subsidiaries and business units net of cash sold	75,321	-
Dividends collected	1,141	1,830
C. Net cash and cash equivalents used in investing activities	(328,191)	(377,924)
Cash flows from/(used in) financing activities		
Dividends paid	(186,680)	(177,018)
Issuance of hybrid bonds	-	493,789
Coupons paid to holders of hybrid bonds	(22,500)	(5,550)
Purchase of interests in consolidated companies	-	(169,739)
New non-current loans	200,000	70,000
Repayment of non-current loans	(108,465)	(451,879)
Repayment of lease liabilities	(8,333)	(10,767)
Change in other financial liabilities	38,446	(3,917)
Change in loan assets	(1,179)	9,879
Interest paid	(33,522)	(45,799)
Interest received	6,870	18,657
D. Net cash and cash equivalents used in financing activities	(115,363)	(272,344)
E. Cash flow for the period (B+C+D)	99,885	(126,454)
F. Closing cash and cash equivalents (A+E)	305,650	200,114

Notes

Introduction

Iren S.p.A. is an Italian multi-utility company, listed on the Italian Stock Exchange (Borsa Italiana) and established on 1 July 2010 through the merger of IRIDE and ENÌA. The Company's registered office is in Italy, in Reggio Emilia, Via Nubi di Magellano 30. There were no changes in the company name in the first half of 2026.

The Group is structured according to a model which provides for an industrial holding company and four companies responsible for the single business lines operating in the main operating bases in Alba, Genoa, La Spezia, Parma, Piacenza, Reggio Emilia, Turin and Vercelli.

The business segments in which the Group operates are:
- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection and disposal)
- Energy (Hydroelectric Production and production from other renewable sources, Combined Heat and Power, District Heating Networks, Thermoelectric Production, Public Street Lighting, Global services, Energy efficiency services)
- Market (Sale of electricity, gas, heat)
- Other services (Laboratories, Telecommunications and other minor services).

Paragraph XIII, Segment reporting, includes the information required by IFRS 8.

The company's condensed interim consolidated financial statements as at and for the six months ended 30 June 2026 include the financial statements of the Parent and of its subsidiaries, (collectively referred to as the "Group" and, individually, as "Group companies") and the Group's equity interest in jointly-controlled companies and in associates, measured using the equity method.
It should be noted that the financial statements of the fully consolidated companies are prepared at the end of the reporting period.

I. Basis of presentation

The Interim Financial Report of Iren Group at 30 June 2026 has been prepared pursuant to article 154-ter, paragraph 2 of Legislative Decree no. 58 of 24 February 1998, as amended by Legislative Decree no. 195 of 6 November 2007.

The condensed interim consolidated financial statements at 30 June 2026 have been prepared in accordance with the International Financial Reporting Standards (IFRS Accounting Standards) issued by the International Accounting Standards Board and endorsed by the European Union, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005. "IFRS Accounting Standards" also includes the revised International Accounting Standards ("IAS") and all interpretations issued by the International Financial Reporting Interpretations Committee ("IFRC"), previously known as the Standing Interpretations Committee ("SIC").
In particular, these condensed interim consolidated financial statements, having been prepared in accordance with IAS 34 - Interim Financial Reporting, do not include all the information required for the annual financial statements and must be read together with the annual financial statements at 31 December 2025 and available at the company's registered office, at Borsa Italiana S.p.A. and on the website www.gruppoiren.it.

The accounting standards applied in the preparation of the condensed interim consolidated financial statements are the same as those adopted for the preparation of the previous year's financial statements, to which reference should be made for a discussion of them, with the exception of the standards and interpretations adopted for the first time as from 1 January 2026 and illustrated in the following section "Accounting standards, amendments and interpretations applied as from 1 January 2026".

These condensed interim consolidated financial statements are drawn up on the basis of the historical cost principle, with the exception of certain financial instruments measured at fair value, potential fees deriving from a business combination (i.e. put options to non-controlling investors), and assets held for sale, which are measured at fair value, as well as on the going concern assumption. The Group did not detect any particular risks connected with its business and/or any uncertainties that might cast doubt on its ability to continue as a going concern.

These condensed interim consolidated financial statements are expressed in euro, the company's functional currency. All amounts expressed in euro are rounded to the nearest thousand in these financial statements. Due to rounding, there could be cases in which the detailed tables contained in this document show a difference of around one thousand euro. It is believed that these cases do not alter the reliability and informative value of these financial statements.

Financial statement formats

The financial statement formats adopted by Iren Group in preparing these condensed interim consolidated financial statements are the same as those applied in preparing the consolidated financial statements at 31 December 2025.
In line with what was previously published, in the statement of financial position, assets and liabilities are classified as "current/non-current". Assets and liabilities classified as discontinued or held for sale are shown separately. Current assets, which include cash and cash equivalents, are those that will be realised, transferred or consumed during the Group's ordinary operating cycle or during the twelve months following the end of the year. Current liabilities are those for which settlement is envisaged during the Group's ordinary operating cycle or during the twelve months following the end of the period.
The Income Statement is classified on the basis of the nature of the costs. In addition to the Operating Profit (EBIT), the Income Statement also shows the interim total of Gross Operating Profit (EBITDA) obtained by deducting total operating expense from total revenue.
The indirect method is used in the Statement of Cash Flows. The cash configuration analysed in the Statement of Cash Flows includes cash on hand and cash in current accounts.

Publication of the condensed interim consolidated Financial Statements

The condensed interim consolidated financial statements were authorised for publication by the Board of Directors of Iren S.p.A. in its meeting of 30 July 2026.

Use of estimates and assumptions by management

Preparation of the condensed interim consolidated financial statements entails making estimates, opinions and assumptions that have an effect on the amounts of revenue, costs, assets and liabilities, including contingent liabilities, and on the information provided. These estimates and assumptions are based on past experience and other factors considered reasonable in the case in question, particularly when the value of assets and liabilities is not readily apparent from comparable sources.
Management's significant judgements in the application of the Group's accounting policies and the main sources of estimation uncertainty are unchanged from those already explained in the latest annual report.

It should also be noted that certain complex valuation processes, such as the determination of any impairment losses on non-current assets, are generally carried out in full only at the time of preparing the annual financial statements, when all the information that may be needed is available, except in cases when there is evidence of impairment that requires an immediate measurement of any losses.
In accordance with IAS 36, during the first half of 2026, the Group verified the non-existence of specific impairment triggers with particular reference to goodwill. Furthermore, no indicators of impairment emerged in respect of equity investments and assets.

In the same way, the actuarial valuations necessary to determine provisions for employee benefit are normally carried out on the occasion of preparing the annual financial statements.

Seasonality

Iren Group does not operate in sectors characterised by seasonality with reference to the end markets of the goods and services provided. It should be noted, however, that the sectors of gas sales, hydroelectric production and heat production and sales are affected by the weather and the cyclicality of the thermal season.
The sale of electricity and the waste cycle show more consistent results for the year, albeit with a trend linked to the temporary situation. On the other hand, linear results are typical of regulated network businesses (gas distribution, electricity distribution and Integrated Water Service).

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED AS FROM 1 JANUARY 2026

As of 1 January 2026, the following accounting standards and amendments to accounting standards, issued by the IASB and endorsed by the European Union, are mandatory:

Amendments to IFRS 9 and IFRS 7 - Amendments to the classification and measurement of financial instruments
Issued in May 2024, in response to questions on the derecognition of financial liabilities, the classification of financial assets and related disclosures.

Amendments to IFRS 9 and IFRS 7 – Contracts referencing nature-dependent electricity
On 18 December 2024, the IASB issued amendments to improve the reporting by companies of the financial effects of contracts referencing nature-dependent electricity, often structured as power purchase agreements (PPAs).

The application of the aforementioned amendments to the International Financial Reporting Standards did not have any material consequences with regard to the recognition, measurement, classification and derecognition of the items described or, in any case, any material effects on the Group's financial position and financial performance.

In the first half of 2026, analysis and preparation activities continued with a view to the future adoption of IFRS 18 – *Presentation and Disclosure in Financial Statements*. In continuity with what was indicated in the 2025 financial statements, the project concerned the in-depth study of the disclosure requirements of the new standard and their implementation, with particular reference to the structure of the financial statements, performance measures and the definition of the criteria for the aggregation and disaggregation of financial statement items.
It is confirmed that the analyses conducted during the half-year did not reveal any significant impacts on the administrative-accounting processes or on the structure of the chart of accounts. However, further checks are underway to precisely define the effects of the application of IFRS 18, also in relation to the disclosure of performance measures and reconciliation with the items of the future income statement format.
The project will continue in the second half of 2026, with the aim of completing the impact assessment and ensuring timely implementation of the new standard in view of its mandatory application.

II. Basis of consolidation

The consolidation scope includes subsidiaries, joint ventures and associates.

Subsidiaries
Entities controlled by the Group are considered subsidiaries, as defined by IFRS 10 – *Consolidated Financial Statements*. Control exists when the Parent has all of the following:
- power over the investee, i.e. the current ability to direct the relevant activities of the investee that significantly affect the investee's returns;
- exposure, or rights, to variable returns from its involvement with the investee;
- the ability to use its power over the investee to affect the amount of the investor's returns.

The financial statements of subsidiaries are included in the consolidated financial statements beginning on the date when control is acquired until the time when control ceases.
Equity and the profit/loss attributable to non-controlling interests are identified separately in the consolidated statement of financial position and income statement.
Subsidiaries are consolidated on a line-by-line basis, where intra-group balances, transactions, unrealised income and expenses are eliminated in full.
Furthermore: a) all changes in the equity interest that do not constitute a loss of control are treated as equity transactions and, therefore, feature a balancing item under net equity; b) when a parent transfers control to one of its investees, but still continues to hold an interest in the company, it measures the equity investment retained at fair value and recognises any gains or losses deriving from loss of control in the income statement.

Joint ventures
These are companies over whose activity the Group has joint control, in virtue of contractual agreements. Joint control, as defined by IFRS 11 – *Joint Arrangements, is the "contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control"*.
With reference to entities jointly owned by mixed public and private companies, given the objective possibility for the public shareholder to influence the company not only by means of governance agreements, but also because of its nature as public entity, the existence of joint control is ascertained on the basis of contractual agreements, assessing the actual possibility for the private partner to jointly control strategic decisions regarding the joint venture.
Joint arrangements are divided into 2 types:
- a Joint Venture (JV) is an arrangement whereby the parties have rights to the net assets of the arrangement. Joint Ventures are measured using the equity method;
- a Joint Operation (JO) is an arrangement whereby the parties are not limited exclusively to participating in the company's net profit or loss, but have rights to its assets and obligations for its liabilities. In this case the assets/revenue on which the joint operator exercises such rights and the liabilities/costs of which the joint operator assumes the obligations are fully consolidated.

Associates (accounted for using the equity method)
An associate is a company over which the Group has significant influence, but not control or joint control over its financial and operating policies. The consolidated financial statements include the Group's share of the associates' profit or loss recognised using the equity method from the date that significant influence commences until the date that significant influence ceases.
Equity investments valued at equity are accounted for an amount equal to the corresponding fraction of equity resulting from the latest available financial statements, adjusted to take into account the differences between the price paid and equity at the date of purchase and for any intra-group transactions, if significant.

The investor's share of profit or loss arising from application of the equity method is recognised as a "Share of profit or loss of equity-accounted associates and joint ventures", while the share of other comprehensive income is recognised in the statement of comprehensive income.
The difference between the purchase cost and the value, pertaining to owners of the Parent, of the identifiable current and potential assets and liabilities of the associate or joint venture at the acquisition date, is recognised as goodwill, included in the carrying amount of the investment, and tested for impairment using the same procedures described in the section above.
The risk deriving from losses which exceed the investor's share of equity is provided for in provisions for risks to the extent that the company has a legal or constructive obligation with the investee or is committed to covering its losses.

Dividends on equity investments are recognised when the right to receive payment is established. This usually coincides with the resolution passed by the Shareholders' Meeting.

Business combinations
The Group accounts for business combinations by applying the acquisition method when the set of assets and property acquired meets the definition of a business and the Group obtains control. In determining whether a particular set of activities and assets constitutes a business, the Group assesses whether that set includes, at a minimum, a substantial input and process and whether it has the capacity to create output.
The Group has the option to carry out a 'concentration test', which enables it to ascertain through a simplified procedure that the acquired set of activities and assets is not a business. The optional concentration test is positive if almost all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or a group of identifiable assets with similar characteristics.
The consideration transferred and the identifiable net assets acquired are usually recognised at fair value. The carrying amount of any goodwill that arises is tested annually for impairment. Any gain from a bargain purchase is recognised immediately in the Income Statement under Value Adjustment of Investments, while costs related to the combination, other than those related to the issuance of debt or equity instruments, are recognised as an expense in profit/(loss) for the year when incurred.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Normally, these amounts are recognised in profit/(loss) for the year.

The potential consideration is booked at fair value on the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

If share-based payment awards (replacement awards) are required to be exchanged for awards held by the acquiree's employees (acquiree's awards), then all or a portion of the amount of the acquirer's replacement awards is included in measuring the consideration transferred in the business combination. This determination is based on the market-based measure of the replacement awards compared with the market-based measure of the acquiree's awards and the extent to which the replacement awards relate to pre-combination service.

Loss of control
When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity related to the subsidiary. Any profit or loss deriving from the loss of control is recognised in profit/(loss) for the year. Any interest retained in the former subsidiary is measured at fair value when control has been lost.

Transactions eliminated on consolidation
Intra-group balances and significant transactions and any unrealised gains and losses arising from intra- group transactions are all eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. The related tax effect is calculated for all consolidation adjustments.

III. Consolidation scope

The consolidation scope includes companies directly or indirectly controlled by the Parent, in addition to joint ventures and associates.

Parent:
Iren S.p.A.

Companies consolidated on a line-by-line basis
The four companies responsible for the individual business lines and their direct and indirect subsidiaries, as well as EGEA Holding, are fully consolidated subject to the clarifications set out after point 5).

1) Iren Ambiente and subsidiaries:
    - ACAM Ambiente
    - AMIAT V and subsidiary:
        - AMIAT
    - Bonifiche Servizi Ambientali
    - Bonifica Autocisterne
    - CSAI and subsidiary:
        - Agricola Riofi
    - Futura
    - I.Blu
    - Iren Ambiente Parma
    - Iren Ambiente Piacenza
    - Manduriambiente
    - Olmo Bruno
    - ReCos
    - Rigenera Materiali
    - San Germano
    - Scarlino Energia
    - SEI Toscana and subsidiary:
        - Ekovision
    - Semia Green
    - Siena Ambiente
    - Sisea
    - Territorio e Risorse
    - TRM
    - Uniproject
    - Valdarno Ambiente and subsidiary:
        - CRCM

2) Iren Energia and subsidiaries:
    - Ardea
    - Asti Energia e Calore
    - Dogliani Energia
    - EGEA New Energy
    - Iren Smart Solutions and subsidiary:
        - Alfa Solutions and subsidiary:
            - Cierre
    - Maira and subsidiary:
        - Formaira
    - Iren Green Generation and subsidiaries:
        - Agrovoltaica
        - Capo dell'Acqua
        - Iren Green Generation Tech and subsidiary
            - Edis
        - Limes 1
        - Limes 2
        - Limes 20

- TLRNet and subsidiaries:
  - Acqui Energia
  - Alessandria Calore
  - Bra Energia
  - Carmagnola Energia
  - Monferrato Energia
  - SEP
  - Telenergia
  - Valbormida Energia
- Valle Dora Energia

3) Iren Mercato and subsidiaries:
   - Atena Trading
   - Salerno Energia Vendite

4) IRETI and subsidiaries:
   - ACAM Acque
   - Acquaenna
   - ASM Vercelli
   - GPO consortium
   - EGEA Acque and subsidiary:
     - Tecnoedil Lavori
   - Iren Laboratori
   - Iren Acqua Piacenza
   - Iren Acqua Reggio
   - Iren Acqua Tigullio
   - IRETI Gas and subsidiary:
     - Reti Metano Territorio
   - Nord Ovest Servizi

5) EGEA Holding

It should be noted that during the period certain corporate transactions became effective which, although not resulting in changes to the consolidation scope, led to a modification of the Group's ownership structure.

On 1 January 2026, EGEA Holding was in fact involved in a series of demerger transactions for organisational purposes, aimed at allocating its investments to the lead companies or in any case to the individual business lines.
In this context, from the point of view of ownership structures:

- EGEA Ambiente (the parent of Sisea and Olmo Bruno) was transferred to Iren Ambiente;
- Ardea, EGEA New Energy and TLRNet (the parent of Acqui Energia, Alessandria Calore, Bra Energia, Carmagnola Energia, Monferrato Energia, SEP, Telenergia and Valbormida Energia) were transferred to Iren Energia;
- Edis was transferred to Iren Green Generation Tech, indirectly controlled by Iren Energia;
- EGEA Energie was transferred to Iren Mercato;
- EGEA Acque (the parent of Tecnoedil Lavori) was transferred to IRETI;
- Reti Metano Territorio was transferred to IRETI Gas, controlled by IRETI.

On the same date and as a result of the transactions described above, EGEA Energie and EGEA Ambiente were merged into their respective parents, Iren Mercato and Iren Ambiente.
In addition, the merger of Alegas into Iren Mercato took effect on 1 January 2026.
Finally, on 1 May 2026, the mergers of Iren Ambiente Toscana and Remat into Iren Ambiente took effect.

For details of the subsidiaries, joint ventures and associates, please see the lists in paragraph XIII. Annexes to the condensed interim consolidated financial statements.

IV. Business combinations

During the first half of 2026, Iren Group did not carry out any acquisition transactions that qualify as business combinations in accordance with IFRS 3.
At the beginning of 2025, Iren Group had acquired control of the Egea Holding Group and for this acquisition, the final fair value of the identifiable assets acquired and liabilities assumed was determined at the end of 2025, without substantially changing the provisional values recognised at 30 June 2025. Therefore, it was not necessary to restate the comparative balances for the first half of 2025.
At 30 June 2026, assessments are still in progress to definitively determine the fair value of the identifiable assets acquired and liabilities assumed relating to the acquisition of control of CSAI and its subsidiary Agricola Riofi at the end of 2025. The provisional amounts recognised at 31 December 2025 have not been changed in these condensed interim consolidated financial statements.

V. Group Financial Risk Management

A summary of the risk management and control methods is shown below with respect to financial instruments (liquidity risk, currency risk, interest rate risk, credit risk) and *commodity* price risk related to fluctuations in the prices of energy *commodities*.

1. FINANCIAL RISKS
Iren Group's business is exposed to various types of financial risks, including: liquidity risk, currency risk and interest rate risk. As part of its Risk Management activities, the Group uses non-speculative hedging contracts to limit exchange rate risk and interest rate risk.

a) Liquidity risk
Liquidity risk is the risk that financial resources available to the group will be insufficient to cover financial and trade commitments in accordance with the agreed terms and deadlines. The procurement of financial resources has been centralised in order to optimise their use. In particular, centralised management of cash flows in Iren makes it possible to allocate the funds available at the Group level according to the needs that from time to time arise among the individual Companies. Cash movements are recognised in intra-group accounts along with intra-group interest income and expense. A number of investees have an independent financial management structure in compliance with the guidelines provided by the Parent.
The financial position, both current and forecast, and the availability of adequate credit facilities are constantly monitored, and no critical points have emerged regarding the coverage of short-term financial commitments. At the end of the period short-term, bank credit facilities used by the Parent totalled 46 million euro, while a usable ceiling of 752 million euros remains.

In addition, having assessed the convenience and advisability from time to time in the context of optimising available financial resources, the Group carries out non-recourse factoring of trade receivables and tax assets, benefiting from the liquidity advance arising therefrom.
In this context, to support the Group's liquidity profile and rating level, in addition to current liquid assets, Iren has medium/long-term credit lines agreed and/or committed, available but not drawn down, totalling 500 million euro.

The nominal cash flows expected for the settlement of financial liabilities to lenders and the contractual terms of existing loans are substantially unchanged from those reported in the Notes to the Consolidated Financial Statements at 31 December 2025 in section "a) Liquidity Risk" of the chapter "Group Financial Risk Management". Similarly, with regard to the liabilities relating to the application of IFRS 16 on leases, the expected cash flows shown at 31 December 2025 remain basically unchanged by shifting the analysis to the date of this document, taking into account any changes resulting from the consolidation of new entities.

Cash flows required to settle other financial liabilities, other than those to lenders and those related to the application of IFRS 16 on leases, do not differ significantly from the carrying amount.

Among the factors that define the risk perceived by the market, the creditworthiness, assigned to Iren by the rating agencies, plays a decisive role since it influences its ability to access sources of financing and the related economic conditions. A substantial worsening of this credit rating could constitute a limitation to access to the capital market and/or an increase in the cost of financing sources, with possible negative effects on the Group's financial position and performance.

As detailed in the "Financial Management" section of the Directors' Report, Iren holds a "BBB" rating with a "Stable" outlook for long-term creditworthiness from Standard & Poor's Global Ratings (S&P), which maintained its rating unchanged in July 2026 (No Action Rating), and from Fitch Ratings, with confirmation on 22 December 2025.

Iren has relations with the leading Italian and international banks, for the purpose of searching for the types of loans most suited to its needs, and the best market conditions.
Details of the activities performed in this area and of the individual transactions are shown in the "Financial Management" section of the Directors' Report.

Financial debt at the reporting date consisted of 35% loans and 65% bonds; it is also noted that:

- the fixed-rate portion accounts for 69%, the hedged portion for 27%, and the remaining floating-rate portion for 4%;
- 84% of total debt is financed by sustainable funds, consistent with the Iren Sustainable Finance Framework, such as Green Bonds and loans whose interest rate is linked to ESG Key Performance Indicators - see also Note 21 "Non-current financial liabilities".

With regard to the liquidity risk potentially deriving from contractual clauses allowing counterparties to withdraw financing should certain events occur (*default* risk and *covenants*), it is noted that the clauses in Iren's loan agreements are complied with. Specifically, for certain medium/long-term loan agreements Iren is committed to observing financial *covenants* (such as Debt/gross operating profit, gross operating profit/borrowing costs) verified on a yearly basis. Moreover, other covenants have been provided for the Change of Control clause, which states that Iren Group should be kept under the direct and indirect control of public shareholders. In addition, Negative Pledge clauses exist whereby the company undertakes not to grant collateral beyond a specific limit, and the *Pari Passu* clause, which reserves an equal treatment for lending banks with respect to the treatment related to other unsecured creditors.

b) Currency risk
Except as indicated in the section on energy risk, the Group is not significantly exposed to currency risk.

c) Interest rate risk
Iren Group is exposed to interest rate fluctuations especially with regard to the measurement of borrowing costs. Iren Group's strategy is to limit exposure to the risk of interest rate volatility, maintaining at the same time a low cost of funding.
For non-speculative purposes, the risks associated with the increase in interest rates are monitored and, if necessary, reduced or eliminated by *swap* and *collar* contracts with financial high credit *standing* counterparties, for the sole purpose of hedging. At the end of the period, all contracts entered into meet the requirement to limit exposure to interest rate risk and also meet the formal requirements for hedge accounting.

The fair value of the aforementioned interest rate hedging contracts at 30 June 2026 relates to the position of the parent (positive 16,061 thousand euro) and Siena Ambiente (positive 675 thousand euro).
The hedging contracts entered into, together with fixed-rate loans, hedge 96% of loans against interest rate risk, in line with Iren Group's target of maintaining adequate protection against significant increases in the interest rate.

In order to provide a complete understanding of the risks of interest rate fluctuations to which the Group is exposed, every year, at December 31, a sensitivity analysis of net financial expenses and valuation items of derivatives was conducted as a result of interest rate fluctuations.

2. CREDIT RISK
The Group's credit risk is mainly related to trade receivables deriving from the sale of electricity, district heating, gas and the provision of energy, water and waste management services. The receivables are spread across a large number of counterparties, belonging to non-uniform customer categories (retail and business customers and public bodies); some exposures are of a high amount and are constantly monitored. Iren Group's Credit Management units devoted to credit recovery are responsible for this activity.

In carrying on its business, the Group is exposed to the risk that assets may not be honoured on maturity with a consequent increase in their age and in insolvency up to an increase in assets subject to arrangement procedures or unenforceable. This risk reflects, among other factors, also the current economic and financial situation.
To limit exposure to credit risk, various tools are adopted. These include analysing the solvency of customers at the acquisition stage through careful assessment of their creditworthiness, transferring the receivables of discontinued and/or active customers to external credit recovery companies and introducing new recovery methods for managing legal disputes.
In addition, numerous payment methods are offered to customers through channels, including digital channels, and appropriately monitored payment plans are proposed.

The credit management policy and creditworthiness assessment tools, as well as monitoring and recovery activities, are managed through automated processes and integrated with company applications and differ in relation to the various categories of customers and types of service provided, subject to monitoring and control activities by the administrative structures.
Credit risk is hedged, for some types of business customers, with opportune forms of first-demand bank or insurance guarantees issued by subjects of leading credit standing.
An interest-bearing guarantee deposit is required for some types of services (water and natural gas sectors, and protected scheme for electricity) in compliance with regulations governing these activities. This deposit is reimbursed if the customer uses payment by direct debit from a current account.
The payment terms generally applied to customers are related to the legislation or regulations in force or in line with the standards of the free market; in the event of non-payment, default interest is charged for the amount indicated in the contracts or by the legislation.

The control of credit risks is also strengthened by the monitoring and reporting procedures, in order to identify promptly possible countermeasures. Furthermore, on a quarterly basis, the Credit Management Department provides the Risk Management Department and the Risk Commission with Group reporting on the evolution of the trade receivables of Group companies, in terms of customer type, contract status, business chain, and aging category. The assessment of credit risk is carried out both at consolidated level and at the level of Business Units and companies. Some of the above assessments are carried out at intervals of less than three months or when there is a specific need.
With reference to Trade Receivables and their breakdown by Business Unit and ageing bracket, please refer to the contents of Note 14 "Trade Receivables" in chapter IX. "Notes to the Statement of financial position".

Impairment losses on loans and receivables reflect, carefully and in accordance with the current legislation (applying the IFRS 9 method), the effective credit risks and are determined with reference to databases of trade receivables and, in general, assessing any changes in the said risk compared to the initial measurement and, estimating the related expected credit losses determined on a prospective basis, taking into due consideration the historical data.
In this regard, a breakdown by financial statements item of the estimated expected credit losses recognised in the year is provided.

	thousand euro
Trade receivables	46,641
Total to IS impairment losses on loans and receivables	46,641

Also with reference to "Trade Receivables", in the related Note to the Statement of Financial Position, the specific loss allowance is reported by sector, with evidence of the average loss percentages by ageing bracket.

Lastly, with reference to credit concentration we can note the transactions between the subsidiaries Iren Smart Solutions and AMIAT and the municipality of Turin. For further details, see in particular the Note to "Non-current financial assets" of the Notes to the statement of financial position.

3. ENERGY RISK
Iren Group is exposed to price risk, on the energy commodities traded, these being electricity, natural gas, CO_2 emission quotas, etc., as both purchases and sales are impacted by fluctuations in the price of such commodities directly or through indexing formulae. Currently no exposure to currency risk, typical of oil-based commodities, is present, thanks to the development of the European organised markets that trade the gas commodity in the euro currency and no longer indexed to oil products.
The Group has a formal procedure that provides for the measurement of residual risk, the definition of a maximum acceptable risk limit and the implementation of hedging transactions through the use of derivative contracts on regulated markets (e.g. European Energy Exchange - EEX) and on Over The Counter (OTC) markets involved in bilateral exchanges. The commodity risk control process makes it possible to limit the impact of unforeseen changes in market prices on margins and, at the same time, provides an adequate margin of flexibility to seize opportunities in the short term.

In this context, the Group's policy is in fact oriented to a strategy of active management of the positions to stabilise the margin taking the opportunities offered by the markets; it is implemented by aligning the indexing of commodities purchased and sold, through vertical and horizontal use of the various business chains, and operating on the financial markets.
For this purpose, the Group plans the production of its plants and purchases and sales of energy and natural gas, in relation to both volumes and price formulae. The objective is to achieve sufficient margin stability through a policy of indexed purchases and sales that achieves a high degree of natural hedging, with adequate recourse to futures and spot markets.
In relation to the energy sold, the Group may use fixed-price contracts, through physical bilateral agreements (e.g. Power Purchase Agreements -PPA-, etc.) or financial contracts (e.g. Contracts for Difference, Virtual Power Purchase Agreements -VPP-, etc.).

In addition to normal activity with physical contracts, derivative transactions are in place to hedge the energy portfolio:

- Over the Counter (OTC) on commodities (commodity swaps on TTF, PSV and PUN indices) totalling 4.0 TWh. The fair value of these instruments as at 30 June 2026 was positive overall by 545 thousand euro (depending on the different positions, of which 14,276 thousand euro of positive fair value and 13,731 thousand euro of negative fair value);
- on the regulated platform European Energy Exchange - EEX, on PUN for a total net notional equal to 2.1 TWh. The Fair Value of these instruments (the so-called "Variation Margin") as at 30 June 2026 is negative overall for 925 thousand euro, with daily settlement on a specific current account: these instruments are not in fact specifically valued in the financial statements as they are already expressed in terms of "higher/lower" liquidity.

In the first half of 2025, there were two Block Deals for a volume of 15 MW each (maturing 31 December 2026) aimed at neutralising the position on EEX, with simultaneous reopening of the OTC position. This strategy made it possible, with a view to containing liquidity risk and for low fees, to eliminate the Initial Margin and to freeze the Variation Margin at the execution date for the neutralised EEX transaction.

In addition, under the Emission Trading Scheme, Iren Group purchases Emission Unit Allowances (EUA) to meet its obligations arising from CO_2 emissions caused by the production of electricity and heat.
Purchases of EUA take place either Spot (with immediate payment and physical delivery) or forward via Future/Forward (with deferred payment and physical delivery); in addition, they may be concluded either on the OTC market (bilateral contracts with third parties) or directly on the regulated EEX market. The annual domestic requirement to be covered is 2.9 million CO_2 allowances/tonnes.
At 30 June 2026, there were outstanding Future/Forward transactions:

- Over the Counter (OTC) for a total of 2,070 thousand tonnes. The Fair Value of these instruments totalled a negative 5,404 thousand euro;
- on the regulated platform European Energy Exchange - EEX for a total net notional equal to 3,559 thousand tonnes. The Fair Value of these instruments is negative overall for 19,027 thousand euro, with daily settlement on a specific current account: these instruments are not specifically valued in the financial statements as they are already expressed in terms of "higher/lower" liquidity.

At 30 June 2026, there were 29 electricity sales contracts (Power Purchase Agreements) in place, with an average remaining term of two years and seven months and a total remaining volume of about 450 GWh.

RECOGNITION OF DERIVATIVES

Financial derivatives are measured at fair value, determined on the basis of market values or, if unavailable, according to an internal measurement technique, which is always carried out with reference to publicly verifiable or observable data sources. In order to recognise derivatives, it is necessary to distinguish between transactions that meet all of the IFRS 9 requirements to account for them in compliance with the hedge accounting rules and transactions that do not fulfil all of the aforesaid requirements.

Transactions recognised in compliance with hedge accounting rules
These transactions may include:

- fair value hedges: the derivative and the hedged item are recognised at fair value in the statement of financial position and the change in their fair values is recognised directly in the income statement;
- cash flow hedges: the derivative is recognised at fair value with a balancing entry in a specific equity reserve for the effective portion of the hedge and in the income statement for the ineffective portion; when the hedged item arises, the amount suspended in equity is reversed to the income statement.

Classification in the income statement of the ineffective portion and the deferred amount transferred from equity is based on the nature of the underlying instrument; in the case of commodity derivatives, this amount is accounted for in the gross operating profit, while in the case of interest rate risk hedges it is recognised in financial income and expense.

Transactions not recognised in compliance with hedge accounting rules
The derivative is recognised at fair value in the statement of financial position. The change in the fair value of the derivative and the realised portion are recognised in the income statement according to the following classification:

- in the case of derivative instruments on commodities for which there is a relationship with a cost or revenue component, in the gross operating profit; in particular, the realised component is accounted for as an adjustment to the cost or revenue component to which it refers;
- in the case of interest rate risk hedges, in financial income or expenses.

Finally, in the case of derivative instruments for which there is no longer a relationship with a cost or revenue component, the change in the fair value of the derivative is recognised in financial income and expense, as they are considered instruments with purely financial characteristics and do not have the characteristics to manage exposures arising from particular risks that could affect the profit for the year.

With regard to the valuation of the derivative among statement of financial position items, it should be noted that the fair value of the derivative is recorded under non-current financial assets/liabilities if the underlying is a non-current item, vice versa it is recorded under current financial assets/liabilities if the underlying is settled within the reporting period.
In the case of derivative instruments for which there is no relationship to a cost or revenue component, the fair value of the derivative is recorded under current or non-current financial assets/liabilities depending on whether the portion is due within or beyond twelve months of the reporting date.

FAIR VALUE

The following table shows, for each financial asset and liability:

- the carrying amount, including the method of accounting;
- the fair value, including the Level in the relative hierarchy.

In this regard, the various levels were defined as shown below:

- Level 1: Quoted prices (unadjusted) on active markets for identical assets or liabilities;
- Level 2: Inputs other than Level 1 quoted prices which are observable for the asset or liability, either directly (as in the case of prices), or indirectly (i.e. derived from prices);
- Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable data).

Loans and bonds

The fair value of loans, level 2, is determined as the sum of estimated future cash flows associated with assets or liabilities, including the related component of financial income or expense, discounted with reference to the reporting date. This present value is determined by applying the forward interest rate curve at the reporting date.
With regard to bonds, the relative fair value (level 1) is derived from the quotation on the regulated markets of the Irish Stock Exchange (Euronext Dublin) and on the ExtraMOT Pro market of Borsa Italiana.

Derivative hedging contracts (rate and commodities)

All the Group's hedging instruments have a fair value which can be classified at level 2, thus measured through valuation techniques, that take, as a reference, parameters that can be observed on the market (e.g. interest rates, commodity prices) and are different from the price of the financial instrument, or in any case that do not require a significant adjustment based on data which cannot be observed on the market. Their fair value is equal to the present value of estimated future cash flows.
In particular:

- with regard to financial instruments hedging interest rate risk, estimates of variable-rate future cash flows are based on quoted swap rates, futures prices and interbank rates, from which the yield curve used to discount the estimated cash flows is also obtained. The fair value thus obtained is subject to Credit Risk Adjusted (CRA) to incorporate the Group's and counterparty's credit risk, with calculation parameters (probability of default and percentage of loss in the event of default) valued in accordance with best market practice;
- with regard to financial instruments hedging commodity risk, estimates of variable future cash flows are based on electricity, gas and EUA price quotations extracted from the main market platforms. Cash flows are discounted and adjusted for the credit risk component, similar to interest rate risk hedging instruments.

Put Options

Financial liabilities for put options relate to the fair value measurement of put options granted to non-controlling investors of I.Blu, Nord Ovest Servizi and Cierre.
With reference to I. Blu and Nord Ovest Servizi, their nominal value, contractually defined between the parties and discounted to take into account the time component with respect to the exercise date, is the directly observable input for the Level 2 fair value measurement.
With regard to Cierre, the fair value of the put option, which is also subject to discounting, is calculated according to the contractual terms based on the best estimate of the company's expected profitability in a given timeframe: the relative fair value is therefore hierarchically entered in level 3.

Finally, it should be noted that there have been no transfers between the various levels of the fair value hierarchy and that information on the fair value of financial assets and liabilities not measured at fair value is excluded when their carrying amount is reasonably representative of their fair value.

The following tables do not include assets and liabilities relating to derivatives on the EEX market (used for Cash Flow Hedges), which have a daily adjustment of their fair value on a specific current account: they are not specifically valued in the financial statements as they are already expressed in "higher/lower" cash balances.

In order to provide a disclosure as complete as possible, the corresponding figure from the previous year is also indicated.

thousand euro	Carrying amount				
30.06.2026	Fair value of hedging instruments	Fair Value Through Profit & Loss	Financial assets measured at amortised cost	Other financial liabilities	TOTAL
Financial assets measured at fair value					
Derivative hedging contracts (rate)	19,531				19,531
Derivative hedging contracts (commodities)	17,333				17,333
Assets for variable portion of transfer price OLT Offshore LNG Toscana		21,642			21,642
Other equity investments		11,401			11,401
Total Financial assets measured at fair value	36,864	33,043	-	-	69,907
Financial assets not measured at fair value					
Trade receivables			1,301,035		1,301,035
Loan assets			135,814		135,814
Sundry assets and other assets (*)			380,652		380,652
Cash and cash equivalents			305,650		305,650
Total Financial assets not measured at fair value	-	-	2,123,151	-	2,123,151
Financial liabilities measured at fair value					
Derivative hedging contracts (rate)	(2,794)				(2,794)
Derivative hedging contracts (commodities)	(22,192)				(22,192)
Put options		(7,361)			(7,361)
Total Financial liabilities measured at fair value	(24,986)	(7,361)	-	-	(32,347)
Financial liabilities not measured at fair value					
Bonds				(3,000,818)	(3,000,818)
Loans				(1,581,441)	(1,581,441)
Sundry financial liabilities (**)				(111,633)	(111,633)
Trade payables				(1,482,307)	(1,482,307)
Sundry liabilities and other liabilities (*)				(485,554)	(485,554)
Total Financial liabilities not measured at fair value	-	-	-	(6,661,753)	(6,661,753)
TOTAL	11,878	25,682	2,123,151	(6,661,753)	(4,501,042)

(*) Prepaid expenses and deferred income are excluded

(**) Lease liabilities recognised in accordance with IFRS 16 are excluded

thousand euro	Fair value			
30.06.2026	Level 1	Level 2	Level 3	TOTAL
Financial assets measured at fair value				
Derivative hedging contracts (rate)		19,531		19,531
Derivative hedging contracts (commodities)		17,333		17,333
Assets for variable portion of transfer price OLT Offshore LNG Toscana			21,642	21,642
Other equity investments				-
Total Financial assets measured at fair value	-	36,864	21,642	58,506
Financial assets not measured at fair value				
Trade receivables				-
Loan assets				-
Sundry assets and other assets (*)				-
Cash and cash equivalents				-
Total Financial assets not measured at fair value	-	-	-	-
Financial liabilities measured at fair value				
Derivative hedging contracts (rate)		(2,794)		(2,794)
Derivative hedging contracts (commodities)		(22,192)		(22,192)
Put options		(7,117)	(244)	(7,361)
Total Financial liabilities measured at fair value	-	(32,103)	(244)	(32,347)
Financial liabilities not measured at fair value				
Bonds	(2,931,109)			(2,931,109)
Loans		(1,620,311)		(1,620,311)
Sundry financial liabilities (**)				-
Trade payables				-
Sundry liabilities and other liabilities (*)				-
Total Financial liabilities not measured at fair value	(2,931,109)	(1,620,311)	-	(4,551,420)
TOTAL	(2,931,109)	(1,615,550)	21,398	(4,525,261)

The non-current portion of “Financial assets at fair value” includes at Level 3 the asset relating to the variable portion of the sale price of OLT Offshore LNG Toscana, amounting to 21,642 thousand euro as at 30 June 2026, the fair value of which is determined on the basis of the application of the price formula provided for in the contract, taking into account the expected profitability of the company and the discount rate inferred from its financial statements. In this regard, a sensitivity on the fair value of this item is reported, expressing the change in it when the expected profitability and discount rate increase/decrease by one percentage point.

		thousand euro
	+1%	-1%
Profitability (flows)	984	(984)
Discount rate	(241)	249

The fair value level of “Other equity investments” (which refer to companies not listed on regulated markets) is not reported, since the related carrying amount is a reasonable approximation.

thousand euro	Carrying amount				
31.12.2025	Fair value of hedging instruments	Fair Value Through Profit & Loss	Financial assets measured at amortised cost	Other financial liabilities	TOTAL
Financial assets measured at fair value					
Derivative hedging contracts (rate)	17,266				17,266
Derivative hedging contracts (commodities)	26,000				26,000
Assets for variable portion of transfer price OLT Offshore LNG Toscana		21,642			21,642
Other equity investments		9,395			9,395
Total Financial assets measured at fair value	43,266	31,037	-	-	74,303
Financial assets not measured at fair value					
Trade receivables			1,398,026		1,398,026
Loan assets			143,000		143,000
Sundry assets and other assets (*)			512,390		512,390
Cash and cash equivalents			205,765		205,765
Total Financial assets not measured at fair value	-	-	2,259,181	-	2,259,181
Financial liabilities measured at fair value					
Derivative hedging contracts (rate)	(5,957)				(5,957)
Derivative hedging contracts (commodities)	(7,952)				(7,952)
Put options		(7,294)			(7,294)
Total Financial liabilities measured at fair value	(13,909)	(7,294)	-	-	(21,203)
Financial liabilities not measured at fair value					
Bonds				(2,998,177)	(2,998,177)
Loans				(1,485,818)	(1,485,818)
Sundry financial liabilities (**)				(53,556)	(53,556)
Trade payables				(1,655,446)	(1,655,446)
Sundry liabilities and other liabilities (*)				(445,954)	(445,954)
Total Financial liabilities not measured at fair value	-	-	-	(6,638,951)	(6,638,951)
TOTAL	29,357	23,743	2,259,181	(6,638,951)	(4,326,670)

(*) Prepaid expenses and deferred income are excluded

(**) Lease liabilities recognised in accordance with IFRS 16 are excluded

thousand euro	Fair value			
31.12.2025	Level 1	Level 2	Level 3	TOTAL
Financial assets measured at fair value				
Derivative hedging contracts (rate)		17,266		17,266
Derivative hedging contracts (commodities)		26,000		26,000
Assets for variable portion of transfer price OLT Offshore LNG Toscana			21,642	21,642
Other equity investments				-
Total Financial assets measured at fair value	-	43,266	21,642	64,908
Financial assets not measured at fair value				
Trade receivables				-
Loan assets				-
Sundry assets and other assets (*)				-
Cash and cash equivalents				-
Total Financial assets not measured at fair value	-	-	-	-
Financial liabilities measured at fair value				
Derivative hedging contracts (rate)		(5,957)		(5,957)
Derivative hedging contracts (commodities)		(7,952)		(7,952)
Put options		(7,053)	(241)	(7,294)
Total Financial liabilities measured at fair value	-	(20,962)	(241)	(21,203)
Financial liabilities not measured at fair value				
Bonds	(2,903,279)			(2,903,279)
Loans		(1,533,418)		(1,533,418)
Sundry financial liabilities (**)				-
Trade payables				-
Sundry liabilities and other liabilities (*)				-
Total Financial liabilities not measured at fair value	(2,903,279)	(1,533,418)	-	(4,436,697)
TOTAL	(2,903,279)	(1,511,114)	21,401	(4,392,992)

(*) Prepaid expenses and deferred income are excluded

(**) Lease liabilities recognised in accordance with IFRS 16 are excluded

VI. Information on transactions with related parties

As indicated in the Director's Report, the information on transactions with related parties is provided below.

Transactions with owners
We present, for the Group's subsidiaries, the main transactions directly carried out with the owner Municipalities which have been classified as related parties (Municipality of Turin, Municipality of Reggio Emilia, Municipality of Parma, Municipality of Piacenza and Municipality of Genoa) where the Group operates.

Through Iren Smart Solutions, the Group operates services awarded by the municipality of Turin, i.e. public street lighting and traffic light services, management of heating and electrical systems of buildings used as administrative offices or to provide services to the community. The services rendered by Iren Smart Solutions are governed by specific long-term contracts. In this context, there is an agreement for the plant and building upgrading aimed at improving the energy efficiency of over eight hundred buildings in the Municipality, which is added to the work carried out in recent years on the city's public lighting systems and the heating systems of numerous municipal-owned buildings.
In this regard, an onerous current account contract is in place between the City of Turin and Iren Smart Solutions for management of the past-due amounts related to the above activities.

IRETI and Iren Acqua Piacenza provide water services to the municipalities of Genoa, Parma, and Piacenza, respectively, through supply contracts similar to those in place with their general customers.

Iren Ambiente, Iren Ambiente Parma and Iren Ambiente Piacenza are in charge of the waste collection and disposal service in the municipalities of Reggio Emilia, Parma and Piacenza, respectively, according to the conditions set out in the existing awards.

Again in the context of the sector, for the Municipality of Turin the waste management and snow clearing services, and post-operative management of the "Basse di Stura" landfill site are provided by AMIAT in accordance with the Service Contract in place.
In this regard, an onerous current account contract is in place between the Municipality of Turin and AMIAT for management of the past-due amounts related to the above activities.

Transactions with associates
Among the main transactions carried out by the Group with associates, the following are noted:
- the operational management services of the Integrated Water Service of the Province of Reggio Emilia provided by Iren Acqua Reggio to ARCA, holder of the relevant concession;
- sale of electricity to Asti Servizi Pubblici and gas to GAIA;
- waste collection and disposal services, including special waste, for GAIA, SETA and Asti Servizi Pubblici, which operate in the waste management services sector;
- remediation work related to the Barricalla landfill;
- delivery of waste to the plants of GAIA and the purchase of sorted fractions from GAIA and SETA for treatment;
- maintenance services to ASA S.c.p.a. and the delivery of waste to its landfill;
- waste collection and transport services from Etambiente.

Transactions with other related parties
On the basis of the RPT Procedure, companies controlled, directly or indirectly, by one of the following Municipalities have been identified as related parties: Parma, Piacenza, Reggio Emilia, Turin and Genoa.
The transactions with these companies are mainly of a commercial nature and regard services provided to all other customers and regard, in particular, district heating and water services.
In addition, the Group provides waste treatment services to AMIU, a subsidiary of the Municipality of Genoa, and waste disposal services to SMAT, a subsidiary of the Municipality of Turin (the latter also supplies, for some companies of the Group, services relating to the water service).

Lastly, it should be noted that, in order to provide the Integrated Water Service in the provinces of Parma and Piacenza and in the province of Reggio Emilia, IRETI, Iren Acqua Piacenza and Iren Acqua Reggio respectively, in exchange for the payment of an annual fee, use the assets owned by the companies Parma Infrastrutture, Piacenza Infrastrutture and AGAC Infrastrutture, controlled by the relevant Municipalities.
Quantitative information on financial transactions with related parties is provided in chapter "XIII. Annexes to the "Condensed Interim Consolidated Financial Statements", considered an integral part of these notes.

Lastly and as regards the Directors and Statutory Auditors of Iren, with the exception of payment of the fees envisaged for the performance of duties in the management or control bodies of the Parent or of other Group companies, it should be noted that there are no significant economic/equity/financial transactions between them and the Group.

Transactions that consist of assigning remunerations and economic benefits, in any form, to members of the management and control bodies of Iren and Executives with Strategic Responsibilities of the Group are also subject to the provisions of the RPT Procedure.

Disclosure pursuant to Art. 5.8 and 5.9 CONSOB Regulation

During the first half of 2026, Iren (including through its subsidiaries) did not enter into “major” or “minor” related-party transactions, as per the RPT Procedure.

Without prejudice to the foregoing, it should be noted that, within the information flows provided for by the RPT Procedure, in the first half of 2026, the RPTC received information regarding transactions falling within the exclusion categories pursuant to the RPT Procedure.

Lastly, with regard to the regulations in question, reference is made to Article 13, paragraph 1-bis, of Decree-Law No. 95/2025 (converted, with amendments, into Law No. 118/2025, in force as of 10 August 2025) which, on the subject of related-party transactions, stipulates the following: “*For the purposes of Article 2391-bis of the Italian Civil Code, no related-party relationships exist between public administrations that do not exercise management and coordination powers and companies that have shares listed on regulated markets and in which they hold an interest, including indirectly*.” The actual impact of this provision on the relevant procedures within the Group is currently being examined in detail.

With regard to the Remuneration and Appointments Committee (“RAC”), during the first half of 2026, it was tasked, within its remit pursuant to the Corporate Governance Code, with reference to proposals for remuneration adjustments expressed by the Company’s Executive Deputy Chair for certain Executives with Strategic Responsibilities of Iren Group. The aforementioned transactions benefited from the cause for exclusion from the application of the RPT Procedure (see paragraph 6.1(f) thereof), as these adjustments are fully consistent with the remuneration policy described in Section One of the Report on the 2025 Remuneration Policy and on Compensation Paid in 2024, approved by the Shareholders’ Meeting of 24 April 2025.

VII. Significant events after the reporting date

Renewal of the EMTN Programme

On 22 July 2026, the annual renewal of the EMTN Programme was finalised, with a ceiling of 5 billion euro, which constitutes the platform through which the Group will be able to carry out future bond issues aimed at institutional investors.

In line with last year's provisions under the Programme, the Base Prospectus has been approved by CONSOB and has been deemed eligible for listing on the MOT (Electronic Bond Market) by Borsa Italiana, with the possibility of passporting to another European market.

VIII. Other information

Significant non-recurring events and transactions

In the first half of 2026, Iren Group was not affected by "non-recurring" events and did not carry out significant transactions identified as such on the basis of the definitions contained in the Communication. In particular, it was not affected by events which do not reoccur frequently during the normal performance of the business.

Positions or transactions deriving from atypical and/or unusual transactions

It is noted that in the first half of 2026, the Group did not engage in any atypical and/or unusual transactions, as defined in the Communication. Atypical and/or unusual transactions are transactions that, due to their significance/relevance, nature of the counterparties, the purpose of the transaction, the method by which the sales price is calculated and the timing of the event (proximity to the reporting date) may give rise to doubts as to the correctness/completeness of the information given in the financial statements, conflict of interest and safeguarding the Group's assets or the protection of non-controlling investors.

IX. Notes to the statement of financial position

Unless otherwise stated, the tables below are in thousands of euro.

ASSETS

NON-CURRENT ASSETS

NOTE 1_PROPERTY, PLANT AND EQUIPMENT

The breakdown of property, plant and equipment, including right-of-use assets and divided between historical cost, accumulated depreciation and carrying amount, is shown in the following table:

thousand euro

	Cost as at 30/06/2026	Accumulated depreciation as at 30/06/2026	Carrying amount as at 30/06/2026	Cost as at 31/12/2025	Accumulated depreciation as at 31/12/2025	Carrying amount as at 31/12/2025
Land	187,159	(11,350)	175,809	185,953	(10,979)	174,974
Buildings	1,129,588	(469,071)	660,517	1,108,147	(450,271)	657,876
Plant and machinery	7,404,498	(4,160,340)	3,244,158	7,280,009	(4,023,724)	3,256,285
Industrial and commercial equipment	366,493	(223,616)	142,877	353,003	(211,717)	141,286
Other assets	524,519	(358,743)	165,776	526,736	(349,379)	177,357
Assets under construction and payments on account	206,577	-	206,577	205,797	-	205,797
Total	9,818,834	(5,223,120)	4,595,714	9,659,645	(5,046,070)	4,613,575

The variation in the historical cost of property, plant and equipment, including right-of-use assets, is as follows:

thousand euro

	31/12/2025	Increases	Decreases	Impairment losses	Reclassifica-tions	30/06/2026
Land	185,953	846	(419)	-	779	187,159
Buildings	1,108,147	10,384	(2,131)	-	13,188	1,129,588
Plant and machinery	7,280,009	90,564	(1,087)	(1,500)	36,512	7,404,498
Industrial and commercial equipment	353,003	10,504	(3,459)	-	6,445	366,493
Other assets	526,736	15,660	(16,861)	-	(1,016)	524,519
Assets under construction and payments on account	205,797	57,192	(1,951)	-	(54,461)	206,577
Total	9,659,645	185,150	(25,908)	(1,500)	1,447	9,818,834

The change in accumulated depreciation of property, plant and equipment, including right-of-use assets, is as follows:

thousand euro

	31/12/2025	Depreciation of the period	Decreases	Reclassifications	30/06/2026
Land	(10,979)	(436)	50	15	(11,350)
Buildings	(450,271)	(20,367)	1,773	(206)	(469,071)
Plant and machinery	(4,023,724)	(136,135)	779	(1,260)	(4,160,340)
Industrial and commercial equipment	(211,717)	(14,715)	2,642	174	(223,616)
Other assets	(349,379)	(24,850)	14,703	783	(358,743)
Total	(5,046,070)	(196,503)	19,947	(494)	(5,223,120)

The balance in the "reclassifications" column mainly refers to net transfers of assets outside the scope of IFRIC 12 from finite-life intangible assets to Property, Plant and Equipment.

Land and buildings

This item primarily includes industrial buildings connected with Group plants and related land.

Plant and machinery

This item refers to costs for electricity production plants, heat production plants, electricity distribution networks, gas distribution networks, heat distribution networks and plants related to waste disposal services not operated under concessions as per IFRIC 12. Freely transferable assets are included in the assets of electricity production plants.

Industrial and commercial equipment

This item includes costs related to the purchase of supplementary or auxiliary assets for plants and machinery, such as rubbish bins, laboratory and other equipment.

Other assets

This item refers to costs for the purchase of office furniture and machines and vehicles.

Assets under construction and payments on account

The itemincludes all the charges incurred for investments in progress and not yet in operation. This mainly refers to photovoltaic parks (26,944 thousand euro), the extension of the district heating transport network (24,936 thousand euro), thermoelectric production plants (60,047 thousand euro), hydroelectric production plants (8,719 thousand euro), the electricity distribution and metering network (26,534 thousand euro), the gas distribution and metering network not under concession (2,117 thousand euro), energy efficiency (18,859 thousand euro) and waste collection and disposal (32,894 thousand euro).

Increases

The increases in the period, of 185,150 thousand euro, mainly refer to:
- investments in thermoelectric and hydroelectric plants and photovoltaic plants for 43,790 thousand euro;
- development of the district-heating network and new connections to the network, including heat exchange substations, meters and remote reading appliances, for 17,611 thousand euro;
- investments in the electricity distribution grids, including primary substations, of 46,533 thousand euro;
- investments in the gas networks not in a concession arrangement in accordance with the provisions of IFRIC 12 of 6,199 thousand euro;
- investments for collection and disposal in the waste management sector for 35,878 thousand euro;
- investments in corporate and energy efficiency activities for 20,705 thousand euro.

Depreciation

Ordinary depreciation for the first half of 2026, amounting to 196,503 thousand euro, was calculated on the basis of the rates indicated in the 2025 annual financial statements and deemed representative of the residual useful life of the assets.

Finally, no assets are pledged against liabilities.

Right-of-use assets IFRS 16

IFRS 16 provides for recognition in the statement of financial position of the assets and related financial liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. The leases in which Iren Group plays the role of lessee refer mainly to property leases and long-term hires of cars and other motor vehicles.

The breakdown of right-of-use assets, divided between historical cost, accumulated depreciation and carrying amount, is as follows:

thousand euro

	Cost as at 30/06/2026	Accumulated depreciation as at 30/06/2026	Carrying amount as at 30/06/2026	Cost as at 31/12/2025	Accumulated depreciation as at 31/12/2025	Carrying amount as at 31/12/2025
Land	12,128	(5,058)	7,070	12,260	(4,687)	7,573
Buildings	51,103	(23,165)	27,938	51,561	(20,863)	30,698
Plant and machinery	4,125	(2,572)	1,553	4,587	(2,519)	2,068
Industrial and commercial equipment	1,498	(592)	906	1,441	(486)	955
Other assets	33,273	(17,649)	15,624	32,369	(16,127)	16,242
Total	102,127	(49,036)	53,091	102,218	(44,682)	57,536

The variation in the historical cost of right-of-use assets, is as follows:

thousand euro

	31/12/2025	Increases	Decreases	30/06/2026
Land	12,260	317	(449)	12,128
Buildings	51,561	1,462	(1,920)	51,103
Plant and machinery	4,587	2	(464)	4,125
Industrial and commercial equipment	1,441	57	-	1,498
Other assets	32,369	3,396	(2,492)	33,273
Total	102,218	5,234	(5,325)	102,127

The change in accumulated depreciation of right-of-use assets is as follows:

thousand euro

	31/12/2025	Depreciation for the period	Decreases	30/06/2026
Land	(4,687)	(437)	66	(5,058)
Buildings	(20,863)	(3,858)	1,556	(23,165)
Plant and machinery	(2,519)	(517)	464	(2,572)
Industrial and commercial equipment	(486)	(106)	-	(592)
Other assets	(16,127)	(3,659)	2,137	(17,649)
Total	(44,682)	(8,577)	4,223	(49,036)

NOTE 2_INVESTMENT PROPERTY

The following table highlights the breakdown of the item:

thousand euro

	Cost as at 30/06/2026	Accumulated depreciation as at 30/06/2026	Carrying amount as at 30/06/2026	Cost as at 31/12/2025	Accumulated depreciation as at 31/12/2025	Carrying amount as at 31/12/2025
Land	546	(6)	540	546	(6)	540
Buildings	4,450	(2,135)	2,315	4,450	(2,105)	2,345
Total	4,996	(2,141)	2,855	4,996	(2,111)	2,885

This item consists mainly of properties whose fair value is not lower than their carrying amount.

NOTE 3_ INTANGIBLE ASSETS WITH A FINITE USEFUL LIFE

The breakdown of intangible assets, divided between historical cost, accumulated amortisation and carrying amount is as follows:

thousand euro

	Cost as at 30/06/2026	Accumulated amortisation as at 30/06/2026	Carrying amount as at 30/06/2026	Cost as at 31/12/2025	Accumulated amortisation as at 31/12/2025	Carrying amount as at 31/12/2025
Development costs	47,522	(29,977)	17,545	46,067	(27,384)	18,683
Industrial patents and intellectual property rights	571,100	(405,618)	165,482	530,189	(369,207)	160,982
Concessions, licences, trademarks and similar rights	4,929,772	(2,103,235)	2,826,537	4,831,462	(2,023,489)	2,807,973
Other intangible assets	1,044,451	(633,136)	411,315	1,009,148	(588,969)	420,179
Assets under development and payments on account	354,185	-	354,185	307,672	-	307,672
Total	6,947,030	(3,171,966)	3,775,064	6,724,538	(3,009,049)	3,715,489

The change in the historical cost of intangible assets is as follows:

thousand euro

	31/12/2025	Increases	Decreases	Reclassifica-tions	30/06/2026
Development costs	46,067	1,168	-	287	47,522
Industrial patents and intellectual property rights	530,189	36,977	(31)	3,965	571,100
Concessions, licences, trademarks and similar rights	4,831,462	74,746	(158)	23, 722	4,929,772
Other intangible assets	1,009,148	38,772	(3,308)	(161)	1,044,451
Assets under development and payments on account	307,672	76,085	(312)	(29,260)	354,185
Total	6,724,538	227, 748	(3,809)	(1, 447)	6,947,030

Changes in accumulated amortisation of intangible assets are shown in the following table:

thousand euro

	31/12/2025	Amortisation for the period	Decreases	Reclassifica-tions	30/06/2026
Development costs	(27,384)	(2,593)	-	-	(29,977)
Industrial patents and intellectual property rights	(369,207)	(36,440)	31	(2)	(405,618)
Concessions, licences, trademarks and similar rights	(2,023,489)	(79,442)	16	(320)	(2,103,235)
Other intangible assets	(588,969)	(47,578)	2,595	816	(633,136)
Total	(3,009,049)	(166,053)	2,642	494	(3,171,966)

The balance of the "reclassifications" column mainly relates to the net reclassification of assets not falling within the scope of IFRIC 12 from finite-life intangible assets to Property, Plant and Equipment.

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The increases in other intangible assets mainly refer to the capitalisation of costs for the commercial development of customers.
The carrying amount of other intangible assets at year end includes 192,832 thousand euro in assets recognised in relation to costs incurred for the commercial development of customers.

Industrial patents and intellectual property rights
This item mainly relates to the total costs borne for the purchase and internal production of in-house software and the acquisition of rights for the exclusive use of technical studies on the statistical trend of network losses, amortised over three to five years.

Concessions, licences, trademarks and similar rights
This item consists mainly of:
- assets recognised in application of IFRIC 12, related to natural gas distribution, the Integrated Water Service, district heating and waste treatment and disposal;
- the right of use of pipeline networks by virtue of the concessions granted by the municipality of Genoa and other neighbouring municipalities;
- the right of use of penstocks, not owned, of hydroelectric plants;
- concessions for the operation and management of photovoltaic systems.

Other intangible assets
This item consists mainly of:
- rights to use telecommunication infrastructure owned by third parties;
- costs for the commercial development of customers;
- the valuation of the customer list that took place during the purchase price allocation for the acquisition of control of Atena Trading, Salerno Energia Vendite, Alfa Solutions, Spezia Energy Trading, Sidiren, Alegas and Egea Energie;
- the valuation of the environmental authorisations for the operation of the biodigester and recovery plants which took place during the purchase price allocation for the acquisition of control of Ferrania Ecologia, Territorio e Risorse, I.Blu, Manduriambiente and TB;
- the valuation of the single authorisation for photovoltaic plants and the value of the incentive tariff recognised for the energy produced and fed into the grid that took place during the purchase price allocation for the acquisition of control of Iren Green Generation Group (formerly Puglia Holding);
- the valuation of the concession for the derivation of water for hydroelectric plants that took place during the purchase price allocation for the acquisition of control of Valle Dora Energia;
- the valuation of the ATO Toscana Sud integrated urban waste management service concession that took place during the purchase price allocation for the acquisition of control of SEI Toscana.
- the valuation of the concessions relating to waste management plants, which occurred during the purchase price allocation for the acquisition of control of Siena Ambiente.

Assets under development and payments on account
This item mainly consists of investments for concession services governed by IFRIC 12, in addition to software licences and related implementation costs.

NOTE 4_GOODWILL

Goodwill amounted to 272,464 thousand euro, unchanged compared to 31 December 2025. At 30 June 2026, the accounting for the business combination of CSAI and its subsidiary Agricola Riofi was incomplete and, as allowed by IFRS 3, the fair value of the identifiable assets acquired, identifiable liabilities assumed and goodwill was recognised on a provisional basis.

Goodwill is considered an intangible asset with an indefinite useful life and, therefore, is not amortised, but is tested for impairment at least once a year to verify the recoverability of its carrying amount. Since goodwill does not generate independent cash flows and cannot be sold on its own, the impairment test on the goodwill recognised in the financial statements is carried out making reference to the unit or Cash Generating Units ("CGU") to which the same can be allocated. The table below shows the allocation of goodwill to the CGUs.

thousand euro

	30/06/2026	31/12/2025
Waste Management	35,236	35,236
Electricity distribution	67,631	67,631
Gas distribution	2,903	2,903
Integrated Water Service	44,271	44,271
Power and Heat Generation	9,764	9,764
Photovoltaic and Wind Generation	33,796	33,796
Market	78,863	78,863
Total	272,464	272,464

Waste Management CGU
Goodwill, of 35,236 thousand euro refers mainly to the:
- acquisition of control over CSAI in December 2025 (123 thousand euro – provisional accounting pending completion of the purchase price allocation process);
- acquisition of control over EGEA Holding Group in January 2025 (6,321 thousand euro);
- acquisition of control over Siena Ambiente in January 2024 (2,296 thousand euro);
- acquisition of control over Semia Green in October 2023 (447 thousand euro);
- acquisition of control over ReMat in May 2023 (1,752 thousand euro);
- acquisition of control over CRCM in April 2022 (277 thousand euro);
- acquisition of control over Futura in March 2021 (4,115 thousand euro);
- acquisition of control over the companies operating in the waste management sector acquired from Unieco in November 2020 (9,385 thousand euro);
- acquisition of control over Ferrania Ecologia s.r.l. in July 2019 (7,048 thousand euro).
- acquisition of control over a business unit from SMC S.p.A. consisting of a 48.85% stake in the share capital of Società Ecologica Territorio Ambiente (SETA) S.p.A. and the activities of closure and post-closure management of the Chivasso 0 landfill site in October 2018 (894 thousand euro);
- acquisition of control of ACAM Ambiente (ACAM group) in April 2018 (2,572 thousand euro).

Electricity Distribution CGU
Goodwill, of 67,631 thousand euro refers mainly to the:
- acquisition in 2000 from ENEL of the business unit related to the distribution and sale of electrical energy to non-eligible customers in the municipality of Turin, in which the positive difference between the purchase cost and the fair value of acquired and identifiable assets and liabilities was recognised as goodwill for 64,608 thousand euro;
- acquisition in 2000 by ENEL of the BU related to electricity users of the city of Parma, for an amount of 3,023 thousand euro.

Gas Distribution CGU
Goodwill, of 2,903 thousand euro refers mainly to the:
- acquisition of control over EGEA Holding Group in January 2025 (1,265 thousand euro);
- acquisition of control of Busseto Servizi in January 2019 (1,638 thousand euro);

Integrated Water Service CGU
Goodwill, of 44,271 thousand euro refers mainly to the:
- acquisition of control of Acquaenna in May 2023 (479 thousand euro);
- acquisition of control of Amter in March 2023 (2,179 thousand euro);
- acquisition of control of Società dell'Acqua Potabile in July 2022 (880 thousand euro);
- acquisition of control over ACAM Acque (ACAM group) in April 2018 (15,442 thousand euro);

- acquisition of control over Acquedotto di Savona in July 2015 (1,907 thousand euro);
- the acquisition of control of Acqua Italia S.p.A in 2005 (now Iren Acqua S.p.A.), where the positive difference between the purchase cost and the fair value of acquired and identifiable assets and liabilities was recognised as goodwill of 23,202 thousand euro.

Power and Heat Generation CGU
Goodwill, of 9,764 thousand euro refers mainly to the:
- acquisition of control over Cierre in July 2025 (230 thousand euro);
- acquisition of control over EGEA Holding Group in January 2025 (2,203 thousand euro);
- acquisition of control in May 2020 of a business unit called “SEI Energia” which includes the district heating network in the municipalities of Rivoli and Collegno, and 49% of the company NOVE, then operator of the district heating network in the municipality of Grugliasco (2,068 thousand euro);
- acquisition of control over Iren Rinnovabili in 2017 following the expiry of the governance agreements entered into with the other shareholder CCPL S.p.A. which made Iren Rinnovabili a joint venture (3,544 thousand euro);
- the Heat Service Management business unit transferred in 2017 from the Market Cash Generating Unit to the Energy Cash Generating Unit (948 thousand euro).

Photovoltaic and Wind CGU
Goodwill, of 33,796 thousand euro refers mainly to the:
- acquisition of control over EGEA Holding Group in January 2025 (2,385 thousand euro);
- acquisition of control over WFL in October 2023 (2,154 thousand euro);
- acquisition of control over the Puglia Holding Group (now Iren Green Generation) in February 2022 (29,257 thousand euro).

Market CGU CGU
Goodwill, of 78,863 thousand euro refers mainly to the:
- acquisition of control over EGEA Holding Group in January 2025 (12,798 thousand euro);
- acquisition of control over Alegas in April 2022 (15,072 thousand euro);
- acquisition of control over Sidiren in July 2021 (18,533 thousand euro);
- acquisition of control of Spezia Energy Trading in September 2018 (2,694 thousand euro);
- acquisition in 2012 of the business unit from ERG Power & Gas related to the marketing and sale of electricity (3,401 thousand euro);
- the equity interest in Enìa Energia (now merged into Iren Mercato), acquired from SAT Finanziaria S.p.A. and Edison in 2008 (16,761 thousand euro);
- business unit acquired from ENEL in 2000 and referred to electricity users of the city of Parma (7,421 thousand euro).

As mentioned in section I “Basis of presentation” of this report, during the first half of 2026, in accordance with IAS 36, the Group verified the non-existence of specific impairment triggers with particular reference to goodwill. This review took into consideration the discount rate trend (WACC) recorded during the first half of 2026 and the comparison of the financial results recorded during the first half of 2026 with the forecast prices used in the impairment test at 31 December 2025.
Based on the verifications performed, there was no indication that the assets recognised at 30 June 2026 were impaired, and therefore no impairment test was performed at the end of the period.

NOTE 5_EQUITY-ACCOUNTED INVESTMENTS

Equity-accounted investments are investments in companies in which the Group has joint control or exercises a significant influence. It should be noted that measurement at equity is carried out on the basis of the latest available financial statements (consolidated if prepared) of the investees.
The list of Group companies measured using the equity method at 30 June 2026 is annexed.
The item amounted to a total of 210,168 thousand euro (204,951 thousand euro at 31 December 2025). Changes for the first half of 2026 are shown in the following tables.

Equity investments in joint ventures

thousand euro

	31/12/2025	Decreases	Changes in profit or loss	Changes in Equity	Dividend distribution	30/06/2026
Acque Potabili	8,326	-	138	-	-	8,464
Acqui Rete Gas	229	-	44	-	-	273
Enerbrain	870	-	(852)	-	-	18
Vaserie Energia	971	-	67	-	(67)	971
TOTAL	10,396	-	(603)	-	(67)	9,726

Finally, it should be noted that Acque Potabili is in liquidation, effective as of 31 May 2021.

Equity investments in associates

thousand euro

	31/12/2025	Decreases	Changes in profit or loss	Changes in Equity	Dividend distribution	30/06/2026
3A	35	-	6	-	-	41
A2A Alfa	-	-	-	-	-	-
Acos	17,054	-	1,210	(14)	-	18,250
Acos Energia	1,319	-	207	-	-	1,526
AETA	10	(10)	-	-	-	-
Agrinord Energia	142	-	53	-	-	195
Aguas de San Pedro	20,065	-	1,524	1,154	(632)	22,111
Aiga	-	-	-	-	-	-
Amat	-	-	-	-	-	-
Arca	78	-	26	-	-	104
Arienes	21	-	-	-	-	21
Asa	50,210	-	22	(79)	-	50,153
Asa scpa	1,197	-	-	-	-	1,197
Astea	25,507	-	1,257	(127)	-	26,637
Asti Servizi Pubblici	21,854	-	1,865	-	(763)	22,956
Barricalla	14,385	-	25	47	-	14,457
BI Energia	143	-	4	-	-	147
Calore Verde	332	-	(40)	-	-	292
Centro Corsi S.r.l.	22	-	23	-	-	45
CSA	365	-	-	-	-	365
E.G.U.A.	829	-	183	-	(295)	717
Eta Ambiente	2,003	-	25	-	-	2,028
Fingas	-	-	-	-	-	-
Fratello Sole Energie Solidali	247	-	2	-	-	249
G.A.I.A.	14,938	-	148	-	(90)	14,996
Iniziative Ambientali	431	-	3	-	(243)	191
OMI Rinnovabili	4	-	-	-	-	4
Rimateria	-	-	-	-	-	-
SETA	14,014	-	630	-	-	14,644
Sistema Ambiente	3,167	-	(56)	-	(259)	2,852
STU Reggiane	5,552	-	-	-	-	5,552
Tanaro Servizi Acque	145	-	12	-	-	157
Tirana Acque	-	-	-	-	-	-
Valenza Rete Gas	486	-	69	-	-	555
TOTAL	194,555	(10)	7,198	981	(2,282)	200,442

The amounts related to the column Change in Equity are due mainly to the exchange difference (Aguas de San Pedro) and to changes in the hedging reserve and actuarial reserve pursuant to IAS 19.

NOTE 6_OTHER EQUITY INVESTMENTS

This item relates to equity investments in companies over which the Group has neither control, nor joint control, nor significant influence. These equity investments are measured at fair value but, as the most recent information available for measuring the fair value is insufficient and the cost represents the best estimate of the fair value, they are carried at cost.
The list of other Group equity investments at 30 June 2026 is provided in the annex.
The breakdown of this item is as follows:

thousand euro

	31/12/2025	Increases	Decreases	30/06/2026
AISA Impianti	992	-	-	992
Atlas AI VB Fund I	-	1,834	-	1,834
Autostrade Centro Padane	881	-	-	881
CIDIU Servizi	2,655	-	-	2,655
Environment Park	1,243	-	-	1,243
MiTo Tech	844	237	-	1,081
Tech4Planet	2,093	35	-	2,128
Others	687	-	(100)	587
TOTAL	9,395	2,106	(100)	11,401

On 5 March 2026, Iren made a payment of 1,834 thousand euros as a subscription to a share of the investment fund called Atlas AI VB Fund I, which invests mainly in equity investments and financial instruments issued by small and medium-sized enterprises or innovative start-ups.

NOTE 7_NON-CURRENT CONTRACT ASSETS

Non-current contract assets, net of the related loss allowance, total 463,105 thousand euro (353,313 thousand euro at 31 December 2025) and mainly refer to:

- assets of the integrated water service for tariff adjustments and for lower volumes supplied with respect to the constraint of revenue due to the operator; the current tariff method provides generally (unless the fee growth limit is reached) for their recovery through fees after two years (353,737 thousand euro at 30 June 2026, 322,852 thousand euro at 31 December 2025);
- assets of the electricity transmission, distribution, and metering services deriving from the rules issued in AEEGSI Resolution no. 654/2015 on tariff regulation for the period 2016-2023 which entailed the recognition of revenue from electricity transport and of the related assets (23,871 thousand euro at 30 June 2026, 21,070 thousand euro at 31 December 2025) which will be recovered until 2030;
- assets arising from the Capacity Market regulations relating to the variable fees (17,091 thousand euro at 30 June 2026, 9,098 thousand euro at 31 December 2025) that Terna will collect upon completion of certain improvement works at the Moncalieri and Turbigo thermal power plants, as set out in the tender participation specifications for the three-year period 2025–2027. The variable consideration was determined as the sum of the probability-weighted amounts within a range of possible consideration amounts
- waste management service assets relating to tariff adjustments recognised by the competent local authorities (67,576 thousand euro at 30 June 2026), but which may be invoiced to users only after they have been included in the Economic and Financial Plans in order to determine the waste tariffs to ensure full economic coverage of the service.

The following table summarises the contract assets (non-current and current) and liabilities in order to provide information on the net position.

thousand euro

	30/06/2026	31/12/2025
Non-current contract assets	463,105	353,313
Current contract assets	41,838	40,719
Current contract liabilities	(1,307)	(28,541)
Total	503,636	365,491

NOTE 8_NON-CURRENT TRADE RECEIVABLES

Receivables, which are affected by discounting, amounted to 37,512 thousand euro (34,430 thousand euro at 31 December 2025) and mainly refer to receivables from the Municipality of Turin for the waste management service and the technological renewal and efficiency upgrading of the heating systems at some municipal buildings (28,655 thousand euro at 30 June 2026, 28,440 thousand euro at 31 December 2025). For more information on the overall position of Iren Group in relation to the Municipality of Turin please see Note 9 "Non-current financial assets".

NOTE 9_NON-CURRENT FINANCIAL ASSETS

The item of 142,163 thousand euro (148,395 thousand euro at 31 December 2025) mainly consists of loan assets and derivatives. These are as follows:

thousand euro

	30/06/2026	31/12/2025
Non-current loan assets with associates	6,019	5,931
Non-current loan assets with owners	29,531	29,672
Non-current loan assets with others	51,882	56,433
Fair value of derivatives – non-current portion	21,271	17,268
Securities other than equity investments	11,818	17,449
Other financial assets	21,642	21,642
Total	142,163	148,395

Non-current loan assets with associates
They mainly refer to the amounts due from ACOS and BI Energia.

Non-current loan assets with owners
Amounting to 29,531 thousand euro (29,672 thousand euro at 31 December 2025), these refer to amounts due from the Municipality of Turin, and relate to the application of the financial asset model provided for in IFRIC 12 to the energy efficiency project ("Turin LED") associated with the Public Lighting service performed under concession by Iren Smart Solutions in the city of Turin, for the non-current portion. Recognition of the discounted financial asset is a result of the vesting of the current unconditional right to receive the contractually-agreed cash flows, which coincided with completion of the installation of the related LED devices.

These assets form part of an overall position, totalling 104,544 thousand euro, and are divided among various accounting items according to their classification by type and expiry date: Non-current trade receivables (Note 8), Non-current financial assets (this Note 9), Trade receivables (Note 14) and Current financial assets (Note 17), as shown in the table presented below.
Financial assets were divided by the directors between current portion and non-current portion on the basis of a forecast of their collection times also following the results of the agreement signed by the Municipality of Turin and Iren Group during 2018.

thousand euro

	30/06/2026	31/12/2025
Non-current trade receivables	28,655	28,440
Invoices issued for services	15,271	9,319
Invoices to be issued for services	25,841	15,343
Supply of heat and other	4	27
Loss allowance - trade receivables	(52)	(52)
Total current trade receivables	41,064	24,637
Non-current portion of current account assets	-	141
Non-current portion of service concession financial assets	29,721	29,721
Impairment losses - non-current financial assets	(190)	(190)
Total non-current financial assets	29,531	29,672
Current portion of current account assets	61	-
Current portion of accrued interest income	16	16
Current portion of financial assets for services in concession	5,219	4,068
Impairment losses - current financial assets	(2)	(2)
Total current financial assets	5,294	4,082
Total	104,544	86,831

Non-current financial assets with others
Non-current financial assets with others include the non-current portion of assets arising from the application of the financial asset model provided for by IFRIC 12 to efficiency-boosting projects related to the Public Lighting service provided under concession in several cities, including Vercelli, Fidenza and some municipalities in the Cuneo area, and finance leases related to air-conditioning systems.

Fair value of derivatives – non-current portion
The fair value of derivatives refers to instruments in the portfolio for hedging the risk of changes in rates.

Securities other than equity investments
These amounted to 11,818 thousand euro (17,449 thousand euro at 31 December 2025) and included 7,918 thousand euro in investments in government securities and bonds issued by leading Italian credit institutions and 3,900 thousand euro in units of a closed-end alternative investment fund, which were subscribed through the contribution of past due trade receivables.

Other financial assets
The item amounted to 21,642 thousand euro (unchanged compared to 31 December 2025) and is represented by the variable portion of the sale price of the investment in OLT Offshore LNG Toscana and the related loan. This asset is measured at fair value and any changes are recognised in profit or loss.

NOTE 10_OTHER NON-CURRENT ASSETS

These are as follows:

thousand euro

	30/06/2026	31/12/2025
Security deposits	11,949	11,527
Non-current tax assets	49,224	55,727
Other non-current assets	36,215	35,728
Non-current accrued income and prepaid expenses	3,993	4,021
Total	101,381	107,003

Non-current tax assets refer mainly to deductions on work done in order to improve the energy efficiency of buildings (ecobonus) and to VAT assets for which claims for refund have been made. Tax assets for deductions on work carried out

to improve the energy efficiency of buildings (ecobonus) classified as non-current will be used by the Group to offset taxes due for the next years.
Other non-current assets include assets arising from the 2018 and 2019 settlement agreements signed to define the consideration for the years 2014 - 2018 due to the subsidiary Sei Toscana in relation to the waste collection service in the ATO Toscana Sud. This amount will be collected at the end of the concession (31 December 2033).
Prepaid expenses mainly include the non-current portion of prepaid costs for energy service contracts of the subsidiary Iren Smart Solutions.

NOTE 11_DEFERRED TAX ASSETS

They amounted to 400,760 thousand euro (386,352 thousand euro at 31 December 2025) and refer to deferred tax assets arising from income components deductible in future years.

CURRENT ASSETS

NOTE 12_INVENTORIES

Inventories, measured at weighted average cost, primarily comprise natural gas and consumables intended for maintenance and construction of the Group plants. The table below summarises the amounts of the item in the years in question:

thousand euro

	30/06/2026	31/12/2025
Gas storage	11,563	2,466
Consumables and spare parts	79,082	73,402
Inventory write-down provisions	(7,726)	(7,653)
Total	82,919	68,215

The change in gas storage follows the increase in existing stocks at 30 June 2026 compared to 31 December 2025.
The inventory write-down provision was set aside and is used to take into consideration inventories that are technically obsolete and slow-moving.
At 30 June 2026 no inventories were pledged against liabilities.

NOTE 13_CURRENT CONTRACT ASSETS

Current contract assets amounted to 41,838 thousand euro (40,719 thousand euro at 31 December 2025) and mainly related to activities performed to improve the energy efficiency of buildings.

NOTE 14_TRADE RECEIVABLES

These are as follows:

thousand euro

	30/06/2026	31/12/2025
Trade receivables from customers	1,466,625	1,578,916
Trade receivables from joint ventures	128	99
Trade receivables from associates	54,983	58,540
Trade receivables from owners	54,294	36,997
Trade receivables from other related parties	6,012	5,743
Total gross trade receivables	1,582,042	1,680,295
Loss allowance	(318,519)	(316,699)
Total	1,263,523	1,363,596

At 30 June 2026, there are no factoring transactions with derecognition of the receivable, while it amounted to 14,770 thousand euro at 31 December 2025.

The table below shows the credit risk exposure with reference to trade receivables, together with the related expected losses (loss allowance), broken down by due date range:

thousand euro

	Gross trade receivables	Loss allowance - trade receivables	Average loss percentage
Not past due	918,622	(23,926)	2.6%
Past due from 0 to 3 months	173,279	(31,891)	18.4%
Past due from 3 to 12 months	159,131	(66,244)	41.6%
Past due for more than 12 months	331,010	(196,458)	59.4%
Total	1,582,042	(318,519)	

Trade receivables not past due include invoices to be issued of 657,338 thousand euro (737,361 thousand euro at 31 December 2025) which include the estimate of revenue earned for services supplied between the date of the last reading of effective consumption and the reporting date.

Trade receivables from customers
They mainly relate to the supply and distribution of electricity, gas and heat, energy efficiency services, of the waste management sector, and the Integrated Water Service.

Total receivables from Associates and Joint Ventures
This item includes amounts due from the Group's associates and joint ventures, consolidated using the equity method. These relate to normal trade transactions performed at arm's length and related to the business segments listed above.

Trade receivables from owners
They refer to trade transactions performed at arm's length, related to the segments listed above. with local authorities classified as related parties (Municipalities of Genoa, Parma, Piacenza, Reggio Emilia and Turin).

Trade receivables from other related parties
These mainly regard amounts due from the companies controlled by the local body owners (municipalities of Genoa, Parma, Piacenza, Reggio Emilia and Turin) and refer to normal commercial transactions carried out at arm's length, related to the segments listed above.

For more details on business relations with related parties, please refer to the chapter "Notes to transactions with related parties" and the related table in the annex.

The following table shows gross trade receivables broken down by segment:

thousand euro

	Networks	Waste Management	Energy	Market	Other services	Total
Not past due	207,744	244,175	192,606	273,965	132	918,622
Past due from 0 to 3 months	37,896	31,033	11,847	92,482	21	173,279
Past due from 3 to 12 months	37,306	20,351	9,336	91,585	553	159,131
Past due for more than 12 months	72,445	47,733	10,139	199,835	858	331,010
Total gross trade receivables	355,391	343,292	223,928	657,867	1,564	1,582,042

Loss allowance - trade receivables
The table below shows the changes in the loss allowance:

thousand euro

	31/12/2025	Increases	Decreases	30/06/2026
Loss allowance - trade receivables	316,699	46,641	(44,821)	318,519

The increases in the period were recognised to adjust the loss allowance to the amount of expected credit losses on the basis of the simplified approach provided for by IFRS 9, where "loss" means the present value of all future cash shortfalls, considering forward looking information. The decreases for the period refer mostly to utilisations to fully impair non-collectable amounts.

The following table shows the loss allowance broken down by segment:

thousand euro

	Networks	Waste Management	Energy	Market	Other services	Total
Not past due	(11,315)	(5,895)	(1,906)	(4,805)	(5)	(23,926)
Past due from 0 to 3 months	(4,198)	(10,260)	(1,768)	(15,662)	(3)	(31,891)
Past due from 3 to 12 months	(17,003)	(6,244)	(1,654)	(41,271)	(72)	(66,244)
Past due for more than 12 months	(59,827)	(36,305)	(9,027)	(90,630)	(669)	(196,458)
Total loss allowance - trade receivables	(92,343)	(58,704)	(14,355)	(152,368)	(749)	(318,519)

NOTE 15_CURRENT TAX ASSETS

These amounted to 15,220 thousand euro (8,045 thousand euro at 31 December 2025) and include IRES and IRAP assets.

NOTE 16_SUNDRY ASSETS AND OTHER CURRENT ASSETS

These are as follows:

thousand euro

	30/06/2026	31/12/2025
Government land tax /UTIF	12,210	6,260
assets	17,951	68,904
Other tax assets	44,206	189,390
Current tax assets	74,367	264,554
Cassa Servizi Energetici e Ambientali (CSEA)	70,197	30,513
Green certificates	18,855	16,835
Advances to suppliers	15,492	12,301
Other current assets	104,147	84,971
Other current assets	208,691	144,620
Accrued income and prepaid expenses	51,242	20,438
Total	334,300	429,612

The increase in government land tax/UTIF is due to pre-payments and settlement payments which are influenced by invoicing volumes for the current year and the previous year.
Other tax assets include 23,779 thousand euro for deductions on work carried out to improve the energy efficiency of buildings (ecobonus). Beginning in 2021, part of these assets is recognised under current assets, if the business model calls

for the financial asset to be realised through transfers to financial intermediaries. The decrease compared to 31 December 2025 of 141.018 thousand euro is mainly attributable to the disposals made during the first half of 2026.

In September 2019, Iren S.p.A. exercised the option for establishment of the VAT Group, with effect from 1 January 2020. The companies that take part in the VAT Group for 2026, in addition to the Parent Iren S.p.A., are as follows: Iren Energia, IRETI, Iren Mercato, Iren Ambiente, AMIAT, Iren Smart Solutions, Iren Acqua Tigullio, Iren Acqua Reggio, Iren Laboratori, Bonifica Autocisterne, ASM Vercelli, ATENA Trading, ACAM Ambiente, ACAM Acque, ReCos, Alfa Solutions, TRM, San Germano, Maira, Formaira, Territorio e Risorse, Rigenera Materiali, Bonifiche Servizi Ambientali, Uniproject, Manduriambiente, Futura, I.Blu., Iren Ambiente Parma, Iren Ambiente Piacenza, Asti Energia e Calore, IRETI Gas, SEI Toscana, Valdarno Ambiente, Iren Green Generation Tech, Valle Dora Energia, Dogliani Energia, Ekovision, Limes 1, Limes 2, Acquaenna, Iren Acqua Piacenza, Semia Green, Agrovoltaica, CRCM, EGEA Acque, EGEA Ambiente, Alessandria Calore, Sisea, SEP, Tecnoedil Lavori, Olmo Bruno, Acqui Energia, Valbormida Energia, Carmagnola Energia, Monferrato Energia, Bra Energia, Telenergia, TLRNet, EGEA Holding e Scarlino Energia, as well as EGEA Energie (merged into Iren Mercato), ReMat and Iren Ambiente Toscana (merged into Iren Ambiente), Limes 20, Edis and Capo dell'Acqua (merged into Iren Green Generation Tech effective as of 1 July 2026), EGEA New Energy and Ardea (merged into Iren Energia effective as of 1 July 2026) and Reti Metano Territorio (merged into IRETI Gas effective as of 1 July 2026).

Amounts due from the Cassa Servizi Energetici e Ambientali (CSEA) relate to Energy Efficiency Certificates for 25,848 thousand euro (20,145 thousand euro as at 31 December 2025). It should be noted that a portion of the amounts due from the Cassa Servizi Energetici e Ambientali may not be collectable within the next 12 months.
Other current assets mainly refer to security deposits, RAI fees, suppliers for penalties, the previous waste management tariff (TIA), and reimbursements of the provincial surcharge on electricity.

NOTE 17_CURRENT FINANCIAL ASSETS

These are as follows:

thousand euro

	30/06/2026	31/12/2025
Loan assets with joint ventures	3,297	2,121
Loan assets with associates	3,647	4,644
Loan assets with owners	5,294	4,082
Securities other than equity investments and loans assets with others	24,326	22,668
Current portion of derivative financial instruments	15,593	25,998
Total	52,157	59,513

All loan assets recognised in this item are due within 12 months. The carrying amount of these assets approximates their *fair value* as the impact of discounting is negligible.

Loan assets with joint ventures
The item refers to loans to Acqui Rete Gas (2,143 thousand euro) and Enerbrain (1,154 thousand euro).

Loan assets with associates
This item refers mainly to loans to Agrinord (525 thousand euro), Valenza Rete Gas (125 thousand euro) and BI Energia (108 thousand euro). The remainder relates mainly to dividends to be collected.
For further details, please see the schedule of related party transactions shown in the annex.

Loan assets with owners
These relate to amounts due from the Municipality of Turin and primarily concern the application of the financial asset model provided for by IFRIC 12 to the energy efficiency project ('Torino LED') associated with the Public Lighting service provided under concession.
For details of the overall position of Iren Group with the municipality of Turin please see Note 8 "Non-current financial assets".

Securities other than equity investments and loan assets with others
This item refers for 12,490 thousand euro to investments in government securities and bonds issued by leading Italian credit institutions, and for 3,475 thousand euro to deposits paid as security for transactions on commodities futures markets. The remaining balance consists of accrued income and deferred charges of a financial nature and finance lease assets.
At 31 December 2025, the item also included 6,160 thousand euro relating to amounts arising from the application of the financial asset model provided for by IFRIC 12 to the water purification service provided in the Marche region.

Current portion of derivative financial instruments
These relate to the positive *fair value* of derivative contracts on commodities.

NOTE 18_CASH AND CASH EQUIVALENTS

This item is made up as follows:

thousand euro

	30/06/2026	31/12/2025
Bank and postal deposits	305,543	205,653
Cash and similar on hand	106	112
Total	305,650	205,765

Cash and cash equivalents consist of available bank and postal deposits. The Group does not hold cash equivalents, intended as short-term and highly liquid investments readily convertible into known amounts of cash and subject to an insignificant risk of changes in value.
Please refer to the Statement of Cash Flows for details of the changes during the period.

NOTE 19_ASSETS HELD FOR SALE

Assets held for sale are measured at the lower of their carrying amount and fair value less costs to sell. They amounted to 109,528 thousand euro (103,746 thousand euro at 31 December 2025). This item relates to:
- 99,434 thousand euro (93,652 thousand euro at 31 December 2025) for assets relating to the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area, currently operating under an extension regime, pending the planned transfer to the incoming operator, COGESI. Specifically, this item refers to property, plant and equipment and intangible assets amounting to 91,662 thousand euro, assets amounting to 6,346 thousand euro, and inventories amounting to 1,426 thousand euro;
- 9,462 thousand euro (unchanged compared to 31 December 2025) refers to a property located in the Municipality of Genoa, used until February 2025 as the Company's head office, the carrying amount of which will be recovered primarily through a sale transaction rather than through its continued use;
- 632 thousand euro (unchanged from 31 December 2025) refers to the net assets related to the concessions of the integrated water service of four municipalities of the province of Alessandria for which the takeover of the new operator is being defined.

In addition, assets held for sale include the equity investments in Fata Morgana and Piana Ambiente, fully impaired.

LIABILITIES

NOTE 20_EQUITY

Equity may be analysed as follows:

thousand euro

	30/06/2026	31/12/2025
Share capital	1,300,931	1,300,931
Reserves and Retained Earnings	1,961,657	1,857,573
Profit for the period/year	181,764	300,546
Total equity attributable to the owners of the parent	3,444,352	3,459,050
Capital and reserves attributable to non-controlling interests	240,233	235,803
Profitattributable to non-controlling interests	7,012	15,714
Total equity attributable to non-controlling interests	247,245	251,517
Total consolidated equity	3,691,597	3,710,567

Share capital
The share capital, unchanged compared to 31 December 2025 amounts to 1,300,931,377 euro, which is fully paid-up and comprises 1,300,931,377 ordinary shares with a nominal value of 1 euro each.
In 2020 and 2021, following the relative shareholders' resolutions, the parent repurchased treasury shares for a total of 17,855,645 shares for a total price of 38,690 thousand euro recognised as a reduction of equity in the item "Reserves and Retained Earnings".

Reserves and Retained Earnings
The breakdown of this item is as follows:

thousand euro

	30/06/2026	31/12/2025
Treasury shares	(38,690)	(38,690)
Perpetual hybrid bonds	495,282	495,282
Share premium reserve	133,019	133,019
Legal reserve	141,256	130,332
Hedging reserve	963	3,697
Other reserves and retained earnings	1,229,827	1,133,933
Total reserves	1,961,657	1,857,573

<u>Perpetual hybrid bonds</u>
This reserve includes the nominal value, net of transaction costs and the related tax effect, of non-convertible subordinated hybrid perpetual bonds.
On 16 January 2025, Iren SpA placed a "Hybrid Bond" with a nominal value of 500 million euro, issued in a single tranche for the entire amount with a settlement date of 23 January 2025. The fixed annual coupon, payable annually in arrears in April starting from April 2025 upon the occurrence of certain conditions, is equal to 4.5% and will be paid until the first reset date of 23 April 2030. From that date, unless fully redeemed, the bond will bear interest at the five-year Euro Mid Swap rate plus an initial margin of 221.2 basis points. The margin will increase by 25 basis points from 2035, and by a further 75 basis points from 2050, for a total cumulative increase of 100 basis points.
The issue price was set at 99.448%, resulting in an effective yield of 4.625% per annum at the first *reset date*.
During the first half of 2026, the Group paid coupons to holders of hybrid perpetual bonds in the amount of 22,500 thousand euro.

<u>Hedging reserve</u>
Changes in the fair value of effective hedging derivatives are recognised with a corresponding balancing item directly in equity under the hedging reserve. These contracts were entered into to hedge exposure to the risk of interest rate fluctuations on floating rate loans and to the risk of price changes in electricity and gas purchase contracts.

Other reserves and retained earnings
These comprise mainly the goodwill arising on the merger of AMGA into AEM Torino and the subsequent merger of Enìa into Iride, from retained earnings, and the actuarial reserve consisting of actuarial gains and losses on the measurement of post-employment benefits.
The decrease is mainly due to the carry forward of the profits for 2025 not distributed (111,788 thousand euro) and the payment of coupons to holders of perpetual hybrid bonds (22,500 thousand euro), net of the related tax effect.

Dividends
At their Ordinary Meeting on 21 May 2026, the Shareholders of Iren S.p.A. approved the Parent's separate financial statements at 31 December 2025 and the Directors' Report, and resolved to distribute a dividend of 0.1386 euro per ordinary share, confirming the proposal made by the Board of Directors. The dividend was paid starting from 24 June 2026, with an ex-dividend date of 22 June 2026 and a record date of 23 June 2026. At the ex-dividend date, the number of outstanding shares was 1,283,075,732 and, consequently, the total amount of dividends distributed was 177,834,296 euro.

For further details, reference should be made to the statement of changes in equity.

CAPITAL MANAGEMENT
The capital management policies of the Board of Directors involve maintaining a high level of capital to uphold relations of trust with investors, creditors and the market, and also allowing future business development.
The Board of Directors monitors the return on capital, the level of dividends to be distributed to equity holders and the cash flows to be distributed to hybrid instrument holders and aims to maintain a balance between obtaining higher returns through the use of debt and the benefits and security offered by a solid financial position.

NON-CURRENT LIABILITIES

NOTE 21_NON-CURRENT FINANCIAL LIABILITIES

The item amounted to a total of 4,589,726 thousand euro (4,490,987 thousand euro at 31 December 2025).

Bonds
These amounted to 3,000,817 thousand euro due after 12 months (2,998,177 thousand euro at 31 December 2025). The item consisted of positions of the parent referred to Public and Private Bond issues, accounted for at amortised cost, against a total nominal value outstanding at 30 June 2026 of 3,024,000 thousand euro (unchanged compared to 31 December 2025).
The details of Bonds with maturity after 12 months are as follows:
- Green Bonds maturing October 2027, coupon 1.5%, amount 500 million euro, all outstanding (amount at amortised cost 498,575 thousand euro);
- Green Private Placement maturing August 2028, coupon 2.875%, outstanding amount 40 million euro (amount at amortised cost 39,854 thousand euro);
- Green Bonds maturing October 2029, coupon 0.875%, amount 500 million euro, all outstanding (amount at amortised cost 498,152 thousand euro);
- Bonds maturing July 2030, coupon 1%, outstanding amount 484 million euro (amount at amortised cost 479,613 thousand euro).
- Green Bonds maturing January 2031, coupon 0.25%, amount 500 million euro, including TAP issue of October 2021, all outstanding (amount at amortised cost 492,818 thousand euro);
- Green Bonds maturing July 2032, coupon 3.875%, amount 500 million euro, all outstanding (amount at amortised cost 496,594 thousand euro);
- Green Bonds issued maturing September 2033, coupon 3.625%, amount 500 million euro, all in outstanding (amount at amortised cost 495,211 thousand euro);

The bonds were subscribed by Italian and foreign institutional investors, are listed on the Irish Stock Exchange and were assigned Fitch and S&P ratings.
The change in the total carrying amount compared to 31 December 2025 is due to the recognition of accrued interest expense, calculated using the amortised cost method.

Non-current bank loans

The item amounted to a total of 1,533,650 thousand euro (1,431,849 thousand euro at 31 December 2025).

The following table shows the portions with maturity beyond 12 months relating to medium-long term loans/credit lines granted by banks, which amount to 1,339,855 thousand euro (1,242,284 thousand euro at 31 December 2025). Non-current bank loans can be analysed by interest rate type (with respective indications of minimum and maximum rates applied) and by maturity date (related to the portion after 12 months), as shown in the table below:

thousand euro

	fixed rate	floating rate	TOTAL
min/max rate	n.a.	2.881% - 3.447%	
maturity	n.a.	2027-2043	
2027	0	213,122	213,122
2028	0	315,763	315,763
2029	0	75,791	75,791
2030	0	223,554	223,554
Subsequent	0	511,625	511,625
Total after 12 months at 30/06/2026	0	1,339,855	1,339,855
Total after 12 months at 31/12/2025	3,185	1,239,099	1,242,284

All loans are denominated in euro.

The changes in non-current loans during the period are summarised as follows:

thousand euro

	31/12/2025 Total after 12 months	Increases	Changes in consolidation scope	Decreases	Change in amortised cost	30/06/2026 Total after 12 months
- fixed rate	3,185	-	-	(3,185)	-	-
- floating rate	1,239,099	200,000	-	(99,102)	(142)	1,339,855
TOTAL	1,242,284	200,000	-	(102,287)	(142)	1,339,855

Total non-current loans at 30 June 2026 increased compared to 31 December 2025, as a combined result of:

- increase of 200,000 thousand euro in medium/long-term loans for disbursements on CEB (Council of Europe Development Bank) and bank lines held by Iren Spa;
- reduction of 102,287 thousand euro, owing to the reclassification to short term of the portions of loans maturing within the next 12 months and for the early repayment of existing positions;
- decrease of 142 thousand euro due to recognition of the loans at amortised cost.

Non-current financial liabilities also include the deferred portion of the amount relating to the acquisition by IRETI S.p.A. of the entire investment in Iren Acqua, which at 30 June 2026, amounted to 193,795 thousand euro.

Other financial liabilities

These amount to 55,257 thousand euro (60,961 thousand euro at 31 December 2025) and refer:

- for 3,680 thousand euro (6,464 thousand at 31 December 2025) to the fair value of derivative contracts entered into as hedges against the interest rate fluctuation risk on floating rate loans and the price of commodities (please see the paragraph "Group Financial Risk Management" for comments);
- for 40,017 thousand euro (43,237 thousand euro at 31 December 2024) to lease liabilities;
- for 3,334 thousand euro (3,267 thousand euro at 31 December 2025) to the liabilities related to the fair value measurement of the put options granted to non-controlling interests on their shares. This item refers to the option to sell the non-controlling interest in Nord Ovest Servizi S.p.A., equal to 25% of the share capital, held partly by SMAT and partly by GTT, and in Cierre, equal to 20% of the share capital;

- for 8,226 thousand euro (7,993 thousand euro at 31 December 2025) to loans from others, the most significant amounts of which refer to the liability for the portion of the price deferred to 2029 relating to the purchase of 47.23% of the subsidiary Egea Holding.

NOTE 22_EMPLOYEE BENEFITS

Changes during the first half of 2026 were as follows:

thousand euro

	31/12/2025	Disbursements during the period	Bonds accrued during the period	Financial expenses	Reclassifications	30/06/2026
Post-employment benefits	72,094	(5,011)	554	1,138	(76)	68,699
Additional salary payments (seniority bonus)	2,787	(267)	28	46	-	2,594
Loyalty bonus	1,901	(24)	37	30	-	1,944
Tariff discounts	2,672	(90)	-	37	-	2,619
Premungas fund	1,013	(124)	-	14	-	903
Total	80,467	(5,516)	619	1,265	(76)	76,759

The column "Reclassifications" refers to the post-employment benefits accrued in the half-year relating to the set of assets and liabilities for the management of the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area, classified under assets and liabilities held for sale pending the planned transfer to the incoming operator.

The tariff discounts include benefits related to the supply of natural gas for domestic use. Following the signing of specific agreements with the trade unions, the "Energy discount" awarded up to 30 September 2017 to employees in service was converted into other forms of employee benefits. The "Energy discount" awarded up to 30 September 2017 to retired employees was revoked unilaterally and replaced with lump sums included in provisions for former employee benefits.

Actuarial assumptions

The above-mentioned liabilities are measured by independent actuaries. The liability relating to the defined benefit plans is calculated in accordance with actuarial assumptions and is recognised on an accruals basis in line with the service necessary to obtain benefits.

For the purpose of defining the present value of the obligations, the future service is estimated based on assumptions related to changes in the total number of employees and employee remuneration. Future service represents the amount that would be paid out to each employee in the event of continuing working activity with another company, retirement, death, resignation or a request for an advance.

The following factors were considered in deciding which discount rate to adopt in the measurement approach provided by IAS 19:

- stock market of reference;
- the measurement date;
- expected average term of the liabilities.

The average residual term of liabilities was obtained as the weighted average residual term of liabilities related to all benefits and all Group companies.

The economic and financial assumptions adopted in the calculations are the following:

Annual discount rate	3.37%
Annual inflation rate	2.00%
Annual increase rate of post-employment benefits	3.00%

NOTE 23_PROVISIONS FOR RISKS AND CHARGES

The item, which represents the non-current portion of the “Provisions for risks and charges”, amounted to 323,813 thousand euro (338,120 thousand euro at 31 December 2025).
These are detailed in the following table, and refer to all provisions, both to the current and non-current portions, present in this item:

amounts in euro

	31/12/2025	Increases	Decreases	(Gains) losses	30/06/2026
Provision for restoration of third-party assets	31,349	420	-	-	31,769
“Post-closure” provisions	115,085	981	(4,044)	2,564	114,586
Provisions for dismantling and reclaiming sites	48,695	161	(37)	1,352	50,171
Provision for early retirement	11,927	-	(1,036)	89	10,980
ETS cancellation obligation	234,325	87,367	(16,530)	-	305,162
Other provisions for risks and charges	227,234	4,971	(19,754)	218	212,669
TOTAL	668,615	93,900	(41,401)	4,223	725,337

If the effect of discounting the value of money is significant, the provisions are discounted using a pre-tax discount rate which, on the basis of the time period envisaged for the future cash flows, does not exceed 4.7%.

Provision for restoration of third-party assets
This item is made up to include the charges related to the restoration of the group of assets and equipment pertaining to the management of the Integrated Water Service in the province of Parma owned by Parma Infrastrutture: this group of assets is used to provide the service against the payment of a fee. The relevant provision is estimated on the basis of the depreciation of the assets themselves and will be deducted from the consideration to be paid to the Group by any new incoming operator or in accordance with the terms and conditions of the concession award.

“Post-closure” provisions
These are mainly provisions for future expense for environmental remediation of controlled landfill plants which also include costs for post-operating management until the sites involved have been completely converted into green areas. These provisions are supported by specific appraisals periodically updated in order to adjust the existing provisions to the estimate of the future costs to be incurred. The decreases refer, in fact, to the utilisation of the provision to cover costs incurred in the post-operating phase until the mineralisation of waste and the conversion of landfills are completed.

Provisions for dismantling and reclaiming sites
The “Provision for dismantling and reclaiming sites” represents the estimated costs associated with the future decommissioning of waste-to-energy plants and, to a lesser extent, the Group’s photovoltaic parks.

Provision for early retirement
The provision refers to expenses associated with early retirement of some personnel that provide for retirement incentives for some employees, on a voluntary basis among the Group’s personnel who are potentially involved. The transaction should be seen in the wider context of professional and demographic rebalancing of Iren Group’s personnel, in view of a plan to recruit young individuals.
The incentive, completely chargeable to Iren Group (in application of Art. 4 of Law no. 92/2012), will enable the personnel who meet the legal requisites to retire ahead of the date of eligibility.
The provisions represent the estimated payment to the employees involved in the Plan, through the Pensions Agency, of a benefit of an amount equal to the pension that would be payable on the basis of the current rules (“early retirement”) with payment to the Pensions Agency of the contribution until the minimum requirements for retirement are reached (in accordance with the aforementioned Law 92/2012), and a sum, for each of the employees involved, as a one-off payment as an incentive.

ETS cancellation obligation
This item refers to obligations related to carbon dioxide emission rights under the Emission Trading Scheme. The increase concerns the estimated costs, observable on the basis of market quotations at the end of the year, related to the rights still to be acquired in order to fulfil the obligation of the year, according to the schedule. The decreases refer to the purchase of securities pertaining to the previous year’s obligation.

<u>Other provisions for risks and charges</u>
The amount of the provisions mainly refers to the probable risks of higher charges pertaining to the Group's businesses, the allocation of the charge related to the two-way compensation mechanism for electricity prices as per Decree-Law Sostegni Ter, the estimated IMU property tax to be paid on the value of the systems of the power plants calculated as provided for by Decree-Law No. 44/2005, charges for environmental offsets, tax, employment and regulatory risks and probable charges related to various disputes.
The provisions mainly concern the allocation of sums relating to long-term personnel incentives, expenses in the energy efficiency sector and disputes relating to the environmental supply chain. The decreases are largely related to charges in the energy efficiency and gas sales sectors.

The current portion referring to the provisions described above was presented under "Provisions for risks and charges - current portion" (Note 31).

NOTE 24_DEFERRED TAX LIABILITIES

Deferred tax liabilities of 99,355 thousand euro (93,104 thousand euro at 31 December 2025) are due to the temporary difference between the carrying amount and the tax base of assets and liabilities recognised in the financial statements.
Deferred taxation is calculated with reference to the expected tax rates applicable when the temporary differences will reverse.

NOTE 25_SUNDRY LIABILITIES AND OTHER NON-CURRENT LIABILITIES

This item can be broken down as follows:

thousand euro

	30/06/2026	31/12/2025
Due after 12 months	121,979	124,063
Deferred income for grants related to assets – non-current	764,470	744,124
Non-current accrued liabilities and deferred income	3,275	4,023
Total	889,724	872,210

The item "Due after 12 months" refers for 58,578 thousand euro to the long-term portion of the tax liability relating to the settlement formulated with the Revenue Agency as part of the negotiated resolution of the crisis pursuant to the "Crisis Code" of the EGEA group. This item also includes balances relating to advances paid by users to guarantee the supply of water and to payables to users entitled to reimbursement of the purification tariff of the Integrated Water Service following the Supreme Court ruling of 14 July 2023.
Deferred income for grants related to assets, non-current portion, includes the amounts relating to connection grants of 212,810 thousand euro and the Fo.N.I. component (Provision for New Investments), amounting to 80,920 thousand euro, provided for by the tariff method for the Integrated Water Service, which will be reversed to profit or loss after 12 months from the reporting date. The portion that will be taken to profit or loss in the 12 months following the reporting date amounts to 10,550 thousand and 4,083 thousand euro, respectively, and is included in the item "Sundry liabilities and other current liabilities under deferred income" for grants related to assets.

CURRENT LIABILITIES

NOTE 26_CURRENT FINANCIAL LIABILITIES

All financial liabilities recognised in this item are due within 12 months. The carrying amount of these liabilities approximates their fair value as the impact of discounting is negligible.
Current financial liabilities can be analysed as follows:

thousand euro

	30/06/2026	31/12/2025
Bank loans	137,210	76,802
Financial liabilities with associates	577	235
Financial liabilities with owners	5,722	4,971
Lease liabilities	14,514	15,379
Financial liabilities with others	11,714	21,550
Current liabilities for derivatives	21,307	7,445
Total	191,044	126,382

Bank loans

Current bank loans may be broken down as follows:

thousand euro

	30/06/2026	31/12/2025
Loans - current portion	47,790	53,969
Other current bank loans	45,602	1,180
Accrued financial expenses and deferred financial income	43,818	21,653
Total	137,210	76,802

Financial liabilities with associates

They refer to amounts due to Arienes of 577 thousand euro.

Financial liabilities with owners

This item relates to dividends of the company TRM still to be paid to the municipality of Turin.

Financial liabilities with others

They amounted to 11,714 thousand euro (21,550 thousand euro at 31 December 2025) and refer for 4,026 thousand euro to the fair value measurement of the put option on the non-controlling interest in IBlu S.r.l., equal to 20% of the quota capital, held by Idealservice; the item also includes amounts due to factors (555 thousand euro).

Current liabilities for derivatives

These relate to the *fair value* of derivative contracts entered into to hedge the exposure to the risk of fluctuating commodity prices.

NOTE 27_TRADE PAYABLES

All trade payables are due within 12 months. The carrying amount of these payables approximates their fair value as the impact of discounting is negligible.

thousand euro

	30/06/2026	31/12/2025
Trade payables to suppliers	1,406,115	1,590,359
Trade payables to joint ventures	83	149
Trade payables to associates	27,932	20,848
Trade payables to owners	9,281	3,734
Trade payables to other related parties	8,888	8,025
Advances due within 12 months	5,005	5,357
Guarantee deposits due within 12 months	6,016	6,030
Trade payables for reimbursements within 12 months	18,987	20,944
Total	1,482,307	1,655,446

Trade payables for reimbursements within 12 months refer to the liability recognised in respect of users entitled to reimbursement of the purification tariff of the Integrated Water Service following the Supreme Court ruling of 14 July 2023, which established that the tariff is not payable by users to whom secondary purification treatment is not provided.

NOTE 28_CURRENT CONTRACT LIABILITIES

The item amounts to 1,307 thousand euro (28,541 thousand euro at 31 December 2025). The decrease compared to 31 December 2025 mainly refers to the derecognition of the sums paid by customers as an advance payment for the sale of electricity.

NOTE 29_SUNDRY LIABILITIES AND OTHER CURRENT LIABILITIES

All amounts recognised in this item are due within 12 months. The carrying amount of these liabilities approximates their fair value as the impact of discounting is negligible.

thousand euro

	30/06/2026	31/12/2025
VAT liability	4,068	2,771
Government land tax/UTIF	11	1,116
IRPEF liability	1,532	3,215
Other tax liabilities	28,041	35,630
Current tax liabilities	33,652	42,732
Amounts due to employees	80,877	77,762
Amounts due to Cassa Servizi Energetici e Ambientali (CSEA)	36,761	40,817
Amounts due to social security institutions within 12 months	34,909	37,294
Other current liabilities	176,779	123,920
Current sundry liabilities	329,326	279,793
Accrued expenses and deferred income	44,719	42,245
Total	407,697	364,770

The change in liabilities for Government land tax is due to prepayments and settlement payments, which are influenced by the invoicing volumes of the relevant year and the previous year.
The change in amounts due to Cassa per i Servizi Energetici e Ambientali (the Energy and Environmental Services Fund) in the period is related to the estimates of negative equalisation of electricity and gas.

Other current liabilities mainly refer to the cost estimates for the obligations relating to energy efficiency certificates, liabilities for tariff components of electricity distribution to be paid to the GSE, liabilities for purification fees, liabilities for RAI fees collected in the bill. The increase in this item compared to 31 December 2025 is mainly due to the liability arising from the payment of the advance made by Cogesi in relation to the management of the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area (75,321 thousand euro).

NOTE 30_CURRENT TAX LIABILITIES

The item "Current tax liabilities" amounting to 44,612 thousand euro (18,025 thousand euro at 31 December 2025) is made up of IRES and IRAP liabilities, comprising the estimate of taxes for the current period.

NOTE 31_PROVISIONS FOR RISKS AND CHARGES - CURRENT PORTION

This item amounted to 401,524 thousand euro (330,495 thousand euro at 31 December 2025) and refers to the current portion of the provisions, divided as follows:

- post-closure provisions and the provision for dismantling and reclaiming sites totalling 6,633 thousand euro;
- provision for early retirement of 3,337 thousand euro;
- provision for ETS cancellation obligation of 305,162 thousand euro;
- other provisions for risks of 86,392 thousand euro.

For further details on the breakdown of and changes in provisions for risks and charges see Note 23.

NOTE 32_LIABILITIES ASSOCIATED WITH ASSETS HELD FOR SALE

Liabilities associated with assets held for sale, amounting to 18,257 thousand euro (18,349 thousand euro at 31 December 2025), relate to all liabilities for managing the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area, pending the planned transfer to the incoming operator. In particular, they relate to deferred income components (deferred income for grants related to assets and connection grants) for 15,928 thousand euro, payables for security deposits for 1,117 thousand euro, provisions for risks and charges for 1,004 thousand euro, and post-employment benefits for 208 thousand euro.

FINANCIAL POSITION

Net financial debt, calculated as the difference between current and non-current financial debt and current and non-current financial assets, can be broken down as follows:

thousand euro

	30/06/2026	31/12/2025
Non-current financial assets	(140,423)	(148,393)
Non-current financial debt	4,588,841	4,490,480
Medium-/long-term net financial debt	**4,448,418**	**4,342,087**
Current financial assets	(342,214)	(239,280)
Current financial debt	169,737	118,937
Current net financial position	**(172,477)**	**(120,343)**
Net financial debt	**4,275,941**	**4,221,744**

It is specified that, in the calculation of net financial debt, the fair value of commodity derivatives is excluded from short-, medium- and long-term borrowings and financial assets.

Net Financial position with related parties

Non-current financial assets include 29,531 thousand euro due from the municipality of Turin and 6,019 thousand euro due from associates.
Current financial assets include 5,294 thousand euro due from the Municipality of Turin and 6,912 thousand euro due from associates and joint ventures.
Current financial liabilities include 5,722 thousand euro due to the Municipality of Turin for dividends and 577 thousand euro due to associates.

The net financial position according to the structure proposed by ESMA in the document of 04 March 2021 *Guidelines on disclosure requirements under the Prospectus Regulation and* implemented by Consob with *Attention Reminder No. 5/21 of 29 April 2021* is shown below.

thousand euro

	30/06/2026	31/12/2025
A. Cash	(305,650)	(205,765)
B. Cash equivalents	-	-
C. Other current financial assets	(3,475)	(2,683)
D. Liquidity (A) + (B) + (C)	**(309,125)**	**(208,448)**
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	107,433	49,589
F. Current portion of the non-current financial payable	62,304	69,348
G. Current financial debt (E + F)	**169,737**	**118,937**
H. Net current financial debt (G - D)	**(139,388)**	**(89,511)**
I. Non-current financial debt (excluding current portion and debt instruments)	1,588,024	1,492,303
J. Debt instruments	3,000,817	2,998,177
K. Commercial and other non-current debt	-	-
L. Non-current financial debt (I + J + K)	**4,588,841**	**4,490,480**
M. Total financial debt (H + L)	**4,449,453**	**4,400,969**

The annexes to the consolidated financial statements include the reconciliation statement between “total financial debt”, calculated according to the structure proposed by ESMA, and “net financial debt”, calculated according to Iren Group’s policy and reported at the beginning of this section.

The table below shows the changes in the period in current and non-current financial liabilities.

	thousand euro
Current and non-current financial liabilities 31.12.2025	4,609,417
Monetary changes as reported in the statement of cash flows	
New non-current loans	200,000
Repayment of non-current loans	(108,465)
Repayment of finance leases	(8,333)
Change in other financial liabilities	38,446
Interest paid	(33,522)
Dividends paid	186,680
Non-monetary changes	
Liabilities acquired following change in consolidation scope	-
Liabilities for purchase of investments in consolidated companies	-
New finance leases	4,132
Fair value change in derivatives	(3,163)
Interest and other financial expense	57,672
Dividends declared	(184,286)
Current and non-current financial liabilities 30.06.2026	4,758,578

X. Notes to the Income Statement

Unless otherwise stated, the following comments and tables show the figures in thousands of euro.
The Group's consolidated income statement for the period includes the financial figures of Cierre and CSAI, acquired during the second half of 2025; the financial results for the first half of 2026 are therefore influenced by the inclusion of these figures in the consolidation scope.

REVENUE

NOTE 33_REVENUE FROM GOODS AND SERVICES

This item amounted to 3,106,832 thousand euro (3,357,047 thousand euro in the first half of 2025) as follows.

thousand euro

	First half of 2026	First half of 2025
Electricity revenue	1,371,903	1,482,204
Heat revenue	157,503	176,394
Gas revenue	447,650	511,030
Integrated water service revenue	304,570	296,777
Revenue from waste collection and disposal	524,888	522,251
Revenue from asset construction services under concession	135,755	133,905
Revenue from other services	164,563	234,486
Total	3,106,832	3,357,047

The following table shows the reconciliation between the item Revenue from goods and services and the segment reporting in chapter below "Segment reporting".

thousand euro

	Networks	Waste Management	Energy	Market	Other services	Elisions	Total
Revenue from goods and services	595,608	643,732	1,152,256	1,759,579	15,049	(1,059,392)	3,106,832
Other revenue	85,572	65,061	138,510	55,907	2,150	(197,005)	150,195
Total	681,180	708,793	1,290,766	1,815,486	17,199	(1,256,397)	3,257,027

The table below provides a breakdown of revenue from goods and services by business segment.

thousand euro

	Networks	Waste Management	Energy	Market	Other services	Elisions	Total
Electricity revenue	84,828	29,270	896,845	863,220	-	(502,260)	1,371,903
District heating revenue	-	8,787	166,146	-	-	(17,430)	157,503
Gas revenue	69,999	2,867	-	879,144	-	(504,360)	447,650
Integrated water service revenue	312,204	1,814	-	-	-	(9,448)	304,570
Waste management revenue	32	532,823	-	-	-	(7,967)	524,888
Revenue from asset construction services under concession - IFRIC 12	108,835	23,225	3,695	-	-	-	135,755
Revenue from other services	19,710	44,946	85,570	17,215	15,049	(17,927)	164,563
Total Revenue from goods and services	595,608	643,732	1,152,256	1,759,579	15,049	(1,059,392)	3,106,832

The nature and timing of the performance obligations contained in customer contracts are described below:

Sale and distribution of electricity and gas and sale of heat to end customers
Contracts for the sale of energy carriers to end customers include fees that relate to both the sale and distribution of the relevant commodities, identified as a single, indistinct performance obligation. This obligation is fulfilled upon delivery at the redelivery point or heat exchange substation.
These contracts relate to continuous supplies, which imply the fulfilment of the related obligations in an over-time manner, given that the end customer simultaneously receives and uses the benefits deriving from the service provided as the latter is rendered.
This revenue includes the estimated disbursements made but not yet invoiced. This estimate is based on the customer's historical consumption profile, adjusted to reflect weather conditions or other factors that may affect consumption.
In this context, revenue from the electricity and gas distribution service, supplied through the Group's networks to third-party sellers, is recognised on the basis of tariffs determined by the competent Authorities to reflect the remuneration recognised for investments made, taking into account the equalisation mechanisms provided for. They, too, refer to services aimed at fulfilling the relevant obligations on an ongoing basis, with a view to the continuity of the service provided characteristic of network businesses.

Integrated Water Service
Similarly to the other network businesses mentioned above, aqueduct (water collection, drinking water, lifting and distribution), sewerage and wastewater treatment services relate to obligations fulfilled over time. They, too, are entered on the basis of the tariffs determined by the competent authorities to reflect the remuneration paid for the investments made.
Waste management revenue
Revenue generated by the waste management supply chain mainly relates to:
- collection and urban sanitation, where performance obligations are fulfilled continuously over time on the basis of existing contracts;
- the treatment of municipal and special waste, including its disposal and resuse. In this regard, the Group assesses the relevant services as provided over time, particularly with regard to the continuous disposal of homogeneous waste units, also within the framework of existing agreements with the competent authorities.

It should also be noted that in this context there are, to a residual extent, services provided punctually and pertaining to obligations arising from events (e.g. snow clearing service).

Revenue from other services
The revenue included under this heading refers in particular:
- to services related to the management of energy services, including maintenance services, and to orders for the energy efficiency of plants and buildings. Both refer to obligations fulfilled over time. In particular, revenue relating to contracts for efficiency upgrading is recognised on the basis of the stage of completion of the contract work, inferred from the total estimated costs incurred, by means of the recognition of a contract asset until the obligation has been fully met.
- to products/services ancillary to the sale of commodities, which are distinctly identified, and which concern performance obligations that are fulfilled punctually upon the transfer of the product/service to the customer;
- miscellaneous and ongoing revenue relating to, inter alia, information systems, real estate services and laboratory analyses.

NOTE 34_OTHER INCOME

Other income totalled 150,195 thousand euro (128,554 thousand euro in the first half of 2025) and refers to grants, revenue for energy certificates and sundry income. The tables below show the details of the individual items.

Grants

thousand euro

	First half of 2026	First half of 2025
Grants related to assets	11,519	9,633
Connection grants	6,251	6,467
Other grants	8,564	4,132
Total	**26,334**	**20,232**

The grants related to assets and connection grants represent the relevant portion of grants calculated in proportion to the depreciation rates of the plants to which they refer.
The connection grants include amounts received for connection to the Group's electricity, water, gas and heat distribution networks.

Revenue from energy certificates

thousand euro

	First half of 2026	First half of 2025
Revenue from the sale of ETS certificates (Emission Trading Certificates)	66,235	40,423
Revenue from incentive as per Green Certificates	6,644	10,722
Revenue from Energy Efficiency Certificates (White Certificates)	7,803	6,806
Total	80,682	57,951

Other income

thousand euro

	First half of 2026	First half of 2025
Service contracts	3,412	2,821
Lease income	1,535	1,250
Capital gains on sale of assets	1,034	475
Insurance settlements	7,968	2,811
Sundry reimbursements	3,556	3,532
Other FV commodities revenue	-	-
Other revenue and income	25,674	39,482
Total	43,179	50,371

The decrease in "Other revenue and income" is due to the recognition of premiums for the technical and commercial quality of the integrated water service (2022-2023 period) recognised by ARERA in the first half of 2025.

COSTS

NOTE 35_RAW MATERIALS, CONSUMABLES, SUPPLIES AND GOODS

This item is broken down as follows:

thousand euro

	First half of 2026	First half of 2025
Purchase of electricity	238,911	390,279
Purchase of gas	718,309	739,406
Purchase of heat	3,162	4,438
Purchase of other fuels	31	159
Purchase of water	4,715	4,517
Other raw materials and materials in stock	86,199	89,183
Emission trading	181,621	139,994
White Certificates	5,705	4,528
Change in inventories	(14,953)	14,785
Total	1,223,700	1,387,289

Costs for raw materials, consumables, supplies and goods decreased by 163,589 thousand euro. The reduction is mainly due to lower volumes of electricity purchased, only partially offset by the increase in commodity prices.
The purchase of raw materials and materials in stock is in connection with the marketing to retail customers of products in the area of home automation, energy saving and maintenance of domestic installations and, to a lesser extent, fuels for operating vehicles. The change in inventories was partly due to gas storages.

NOTE 36_SERVICES AND USE OF THIRD-PARTY ASSETS

Costs for services amounted to 918,400 thousand euro (983,056 thousand euro in the first half of 2025), as follows:

thousand euro

	First half of 2026	First half of 2025
Electricity transport and electricity system expenses	330,425	337,153
Gas transmission	63,386	59,430
Third-party works, maintenance and industrial services	189,519	225,176
Collection and disposal, snow clearing, public parks	189,304	188,253
Expenses related to personnel (meal allowance, training, business travel)	9,525	9,356
Technical, administrative and commercial consulting and advertising expenses	38,118	48,221
Legal and notary fees	1,313	2,116
Insurance	14,780	14,966
Bank expenses	5,445	6,649
Telephone expenses	3,527	3,746
IT expenses	33,367	35,472
Reading and invoicing services	9,278	8,936
Board of Statutory Auditors compensation	911	946
Other purchases of services	29,502	42,636
Total costs for services	918,400	983,056

Costs for third-party works mainly relate to operating and maintenance costs of plants and networks.
“Other costs for services” includes residual costs for internal consumption, back office, transport and other services: this item increased largely as a result of higher transport costs and the closure of estimates from previous years.

Costs for the use of third-party assets amounted to 19,689 thousand euro (20,112 thousand euro in the first half of 2025). The item included mainly fees paid to the sole operator of the Genoa Area and the fees paid to the companies that own the assets of the integrated water service of the municipalities of Parma, Piacenza, and Reggio Emilia.
Secondarily, this item includes short-term leases or when the underlying asset is of low value, which the group has decided to exclude from the scope of IFRS 16.

NOTE 37_OTHER OPERATING EXPENSES

Other operating expenses amounted to 49,635 thousand euro (58,227 thousand euro in the first half of 2025), as follows:

thousand euro

	First half of 2026	First half of 2025
General expenses	13,667	23,191
Instalments and higher instalments for water shunting	15,687	16,065
Taxes and duties	13,284	14,237
Capital losses on sale of assets	672	765
Other sundry operating expenses	6,325	3,969
Total	49,635	58,227

General expenses include, among other things, operating fees to various entities and penalties on the quality of services and from suppliers. The reduction compared to the first half of the comparative period is attributable to the penalties incurred by the Group for the technical and commercial quality of the integrated water service (2022-2023 period) charged by ARERA in the first half of 2025.
The item "Taxes and duties" relates mainly to expenses for IMU property tax on the Group's plants and buildings and expenses for occupying and reclaiming public land.
The item "Other sundry operating expenses" includes adjustments of revenue pertaining to previous years.

NOTE 38_CAPITALISED EXPENSES FOR INTERNAL WORK

Capitalised expenses for internal work amounted to 28,067 thousand euro (28,025 thousand euro in the first half of 2025), and regard increases in capital assets made with internal resources and production factors.

thousand euro

	First half of 2026	First half of 2025
Capitalised personnel expense	(22,916)	(20,199)
Capitalised inventory materials	(5,151)	(7,826)
Total	(28,067)	(28,025)

NOTE 39_PERSONNEL EXPENSE

Personnel expense amounted to 341,566 thousand euro (338,703 thousand euro in the first half of 2025), as follows:

thousand euro

	First half of 2026	First half of 2025
Gross remuneration	244,719	241,878
Social security contributions	74,938	74,655
Post-employment benefits	554	512
Other long-term employee benefits	65	75
Other personnel expense	20,033	20,379
Directors' fees	1,257	1,204
Total	341,566	338,703

As specified in Note 38, 22,916 thousand euro of costs related to employees directly employed in the construction or acquisition of items of property, plant and equipment and in the development and implementation of software were capitalised.

Other personnel expense includes social security and recreational contributions, the contribution paid to the supplementary health care fund, insurance for accidents occurring outside working hours, the portion of post-employment benefits, and contributions to be paid by the employer to supplementary pension funds.

The composition of personnel is shown in the following table.

	30.06.2026	31.12.2025	Average for the period
Executives	113	118	114
Junior managers	404	392	408
White collar workers	4,901	4,934	4,908
Blue collar workers	6,180	6,464	6,206
Total	11,598	11,908	11,636

The changes in the workforce compared to 31 December 2025 were mainly ascribable to:
- the continuation of the generational turnover plan;
- the initiation/conclusion of waste collection services contracted out as part of the Waste Management BU.

NOTE 40_AMORTISATION AND DEPRECIATION

Amortisation and depreciation for the period amounted to 362,586 thousand euro (350,009 thousand euro in the first half of 2025).

thousand euro

	First half of 2026	First half of 2025
Property, plant and equipment and investment property	196,533	200,829
Intangible assets with a finite life	166,053	149,180
Total	362,586	350,009

For further details on depreciation/amortisation, refer to the tables of changes in property, plant and equipment and intangible assets with a finite life.

NOTE 41_PROVISIONS AND IMPAIRMENT LOSSES

This item amounted to a total of 51,041 thousand euro (49,918 thousand euro in the first half of 2025) as follows:

thousand euro

	First half of 2026	First half of 2025
Impairment losses on loans and receivables	46,641	44,774
Provision for restoration of third-party assets	420	420
Provision for post-closure	981	1,281
Provisions for risks and others	1,345	4,205
Release of provisions	(2,136)	(762)
Net impairment losses	3,790	-
Total net other provisions and impairment losses	4,400	5,144
Total	51,041	49,918

The accruals for in period were made to adjust the amount of the balance to the amount of expected credit losses on the basis of the simplified model provided for in IFRS 9, where "loss" means the present value of all cash shortfalls considering forward looking information.
Provisions for risks largely concern the waste management sector, while releases refer to the elimination of charges in the electricity production sector. Details of changes in provisions are provided in the note to the Statement of financial position item "Provisions for risks and charges".
The item "Net impairment losses" relates to the adjustment to fair value of the carrying amounts of the assets held for sale relating to the Integrated Water Service in 43 municipalities of the ATO 4 in the Cuneo area, currently operating under an extended concession regime, pending the planned transfer to the successor operator, COGESI (2,289 thousand euro), and of a waste treatment plant (1,500 thousand euro).

NOTE 42_FINANCIAL INCOME AND EXPENSE

Financial income

Financial income amounted to 10,558 thousand euro (20,636 thousand euro in the first half of 2025). The details are shown in the following table:

thousand euro

	First half of 2026	First half of 2025
Dividends	12	23
Bank interest income	397	2,854
Interest income from loans and receivables	3,004	10,807
Interest income from customers	3,445	3,806
Fair value gains on derivatives	298	-
Capital gain on disposal of financial assets	651	-
Other financial income	2,751	3,146
Total	10,558	20,636

Interest income on loans and receivables mainly refers to interest accrued on sums tied up in bank deposits, on credit relating to current account relationships between the Group and the Municipality of Turin and to interest on loans granted to associates. The decrease compared to the first half of 2025 is mainly due to the lower amounts tied up in the first six months of 2026 compared to the same period of the previous year.
Other financial income consists mainly of income for the discounting of provisions.

Financial expense

The item amounted to 64,014 thousand euro (79,913 thousand euro in the first half of 2025). The breakdown of financial expense is shown in the following table:

thousand euro

	First half of 2026	First half of 2025
Interest expense on loans	23,958	32,817
Interest expense on bonds	30,716	35,770
Hedging effect of derivatives	(1,318)	(4,613)
Interest expense on bank current accounts	1,525	602
Other interest expense	1,961	5,081
Capitalised borrowing costs	(821)	(701)
Fair value losses on derivatives	37	209
Capital losses on disposal of financial assets	4	-
Interest cost – Employee benefits	1,265	1,292
Financial expense on lease liabilities	832	858
Other financial expense	5,855	8,598
Total	64,014	79,913

Interest expense on loans and bonds includes the expense relating to the measurement at amortised cost.
Other interest expense includes charges related to factoring transactions performed during the period.
Other financial expense mainly consist of charges for discounting provisions and charges arising from payment extensions to suppliers.

NOTE 43_GAINS/(LOSSES) ON EQUITY-ACCOUNTED INVESTEES

The item is not present in the first half of 2026, while it was negative for 87 thousand euro in the first half of 2025 and referred to the effect of the remeasurement at fair value, at the date of acquisition of control, of the previous interest in EGEA Holding.

NOTE 44_SHARE OF PROFIT OR LOSS OF EQUITY-ACCOUNTED INVESTEES

The share of profit of equity-accounted companies amounted to 6,595 thousand euro (a profit of 8,561 thousand euro in the first half of 2025). For more details please see Note 5 "Equity-accounted investments".

NOTE 45_INCOME TAXES

The item Income taxes amounts to 82,840 thousand euro and includes the estimated income taxes for the first half of 2026, while in the comparative period it amounted to 82,650 thousand euro.

The estimate of income tax for the first half of 2026 is the result of the best estimate of the average expected tax rate for the full year, applied to the pre-tax profit for the period, adjusted to reflect the tax effect of certain items recognised entirely in the period. The tax rate for the first half of 2026 is equal to 30.5%, while in the first half of 2025, it was equal to 30%.
The increase in the tax rate is due in particular to the effects of Article 3 of the so-called "2026 Energy Bills Decree" (Decree-Law 21/2026, converted into Law No. 49 of 10 April 2026), which increased the IRAP rates by two percentage points for companies in the energy sector that mainly carry out the economic activities identified by specific ATECO codes. The increase applies to the 2026 and 2027 tax periods.

NOTE 46_ PROFIT/(LOSS) FROM DISCONTINUED OPERATIONS

This item n has a nil balance in both the first half of 2026 and the comparative period.

NOTE 47_ PROFIT FOR THE PERIOD ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

Profit attributable to non-controlling interests, which amounted to 7,012 thousand euro (9,284 thousand euro in the first half of 2025), relates to the share of profit of non-controlling interests in companies fully consolidated but not wholly owned by the Group.

NOTE 48_EARNINGS PER SHARE

For the purpose of calculating basic and diluted earnings per share, it should be noted that the number of shares in the first half of 2026 represents the weighted average number of shares outstanding during the reporting period in accordance with IAS 33.20. The Company has not issued any financial instruments that have the potential to dilute its common stock, therefore diluted earnings per share is equal to basic earnings per share.

	First half of 2026	First half of 2025
Profit (loss) (thousands of euro)	181,764	183,573
Weighted average number of shares outstanding over the year (thousand)	1,283,076	1,283,076
Basic earnings/(loss) per share (euro)	0.14	0.14

NOTE 49_OTHER COMPREHENSIVE INCOME/(EXPENSE)

Other comprehensive expense amounted to 1,285 thousand euro (other comprehensive income of 21,424 thousand euro in H1 2025) and included other comprehensive income items that will be subsequently reclassified to profit or loss. In detail they refer to:

- the effective portion of fair value losses on cash flow hedges, 5,042 thousand euro, which refers to derivatives hedging changes in interest rates and derivatives hedging changes in commodity prices (for the Group, this concerns electricity and gas).
- the share of other losses of equity-accounted investees, 135 thousand euro, which refers to fair value losses on cash flow hedges of associates;
- the change in the translation reserve, amounting to a positive 1,479 thousand euro, due to the change in the exchange rate used to translate the financial statement balances of associates that prepare their financial statements in currencies other than the euro;
- the tax effect of other comprehensive income, for 2,413 thousand euro.

XI. Guarantees, commitments and contingent liabilities

GUARANTEES

Guarantees provided concern sureties and other guarantees for own commitments of 727,164 thousand euro (805,805 thousand euro at 31 December 2025); the most significant items refer to sureties issued in favour of:

- the Electricity Market Operator (GME) for 90,100 thousand euro to guarantee the energy market participation contract;
- ATERSIR for 59,639 thousand euro for agreements and tenders in progress relating to the Integrated Water Service and the Urban Waste Management Service;
- the Turin Provincial/Metropolitan City Governments, for 59,300 thousand euro for waste transfer and post-closure management of plants subject to Integrated Environmental Authorisation;
- Tuscany Region for 51,009 thousand euro to guarantee landfill and plant authorisations;
- ATO-R, for 44,335 thousand euro, as definitive guarantees in the Amiat/TRM acquisition;
- Municipality of Turin, for 31,844 thousand euro, definitive guarantee in the AMIAT/TRM acquisition;
- ARPAE for 31,395 thousand euro for waste conferment and operations and post-closure management of plants subject to Integrated Environmental Authorisation (I.E.A.);
- Province of La Spezia for 30,232 thousand euro for waste transfer and management of plants;
- Ministry of the Environment, for 28,742 thousand euro for various authorisations;
- SNAM Reti Gas for 26,536 thousand euro to guarantee contracts and network codes;
- Customs Authority, for 25,935 thousand euro to guarantee the regular payment of customs tax and additional local and provincial duties on electricity consumption and gas excise;
- Piedmont Region for 17,777 thousand euro as guarantee for project financing for the concession of large water derivation plants for hydroelectric purposes;
- Apulia Region for 15,862 thousand euro to guarantee landfill and plant authorisations;
- Revenue Agency for 11,444 thousand euro for a VAT refund request;
- Terna, for 9,904 thousand euro to guarantee injection and withdrawal dispatching contracts and to guarantee the electricity transport service contract;
- Aisa Impianti for 7,800 thousand euro as guarantee for the contract of transfer at the plants;
- Basin Consortium of Basso Novarese for 6,989 thousand euro to guarantee the contract for the collection and disposal of urban waste;

COMMITMENTS

Commitments to suppliers

In the course of its operations, the Group entered into contracts for the purchase of a specific quantity of commodities at a certain future date, having the characteristics of own use and therefore falling within the so-called "own use exemption" under IFRS 9. These commitments are represented by:

- contracts for the purchase of natural gas at a fixed price, with a countervalue of 148 thousand euro;
- contracts for the purchase of methane gas at an indexed price, for a forecast quantity of the equivalent of 15.18 TWh;
- power purchase agreements, with a countervalue of 9,549 thousand euro.

CONTINGENT LIABILITIES

Iren Mercato S.p.A. / Azienda Sanitaria Locale Roma 1 - Iren Mercato S.p.A. / Local Health Authority Rome 4

Two proceedings are pending before the Court of Rome, initiated by certain local health authorities in Lazio and relating to the transactions between them and Iren Mercato, in its own right and as a member of the temporary joint venture entrusted under the Agreement of 4 August 2006 entered into with the Lazio Region for the "Technological multi-service and provision of energy carriers - Lot D"; in particular:

- claim form dated 10 April 2020 by ASL ROMA 1 (contract of 13 December 2007) with the aim of ascertaining the undue receipt of the fee for the supply of hot water and steam for the period from 01 July 2007 to 28 February 2017, contesting the incorrect application of the tariff, and the consequent repayment of the sum; the plaintiff has quantified this amount as 8 million euro; Following the appointment of the technical expert by the Court, the expert investigation operations were initiated.
- claim form dated 12 April 2022 by ASL ROMA 4 (contract of 08 June 2007) with the aim of ascertaining the undue receipt of the fee for the supply of hot water and steam for the period from 01 April 2007 to 19 February 2017, contesting the incorrect application of the tariff, and the consequent repayment of the sum; the plaintiff has quantified this amount as 7.5 million euro; Following the appointment of the technical expert by the Court, the expert investigation operations were initiated.

With regard to the above, it should be noted that no significant events occurred during the first six months of 2026.

The risk of losing the case has been cautiously estimated as possible, given the uncertainty connected with expert appraisals involving highly technical services completed many years ago.

Iren Mercato S.p.A. / Local Health Authority Viterbo

On 27 March 2025, the Viterbo Local Health Authority filed a request for arbitration to determine whether Iren Mercato improperly collected the fee for the supply of domestic hot water and steam for the period from 1 April 2007 to 19 February 2017, contesting the incorrect application of the tariff, and the consequent recovery of the sum; the plaintiff quantified this amount at 8.9 million euro. The parties have appointed their own arbitrator, while the Chair of the Arbitration Board has not yet been appointed.

With regard to the above, it should be noted that no significant events occurred during the first six months of 2026.

The risk of losing the case has been cautiously estimated as possible, given the uncertainty connected with arbitration operations involving highly technical services completed many years ago.

Claim for damages for occupational illness

It should be noted that during 2025, Iren received a claim for damages from the heirs of a former AMGA employee, for a total amount of approximately 2 million euro, related to the death of the same due to an occupational disease allegedly attributable to the period of employment at AMGA.

The case was filed with the Court of Reggio Emilia. At the first hearing on 10 October 2025, the Judge granted the appellant a period of 40 days to take a position on the preliminary objections raised by Iren and, subsequently, the latter a period of 20 days to file replies, reserving the case.

Upon the dissolution of the reserve, the Judge, by order – considering that the dispute can be settled at the current stage of the proceedings in relation to the all-important question of the capacity for Iren to be sued – set a hearing for discussion, to be held in paper form, originally for 10 March 2026 and subsequently postponed to 17 May 2026 for scheduling reasons.

By judgement of 8 June 2026, the Court of Reggio Emilia dismissed the appeal filed by the heirs of the former AMGA employee, with the costs of the litigation to be shared between the parties. Iren will, in the coming days, serve notice of the same in order to start the short deadline for the appeal.

The risk of losing the case, already assessed as possible, remains so at this stage as well, considering that there is a real possibility that the counterparty will consider appealing against the first-instance judgement in which it was unsuccessful.

Contract A.Li.Sa – Azienda Ligure Sanitaria

The subsidiary Iren Smart Solutions, as the parent company and agent of a Temporary Grouping of Companies (RTI) with a 42% stake, operates in support of the Ligurian regional health system, hospitals and local facilities, ensuring the operational and technical-administrative management of technological systems and building components.

During the execution of the contract, and more generally during the management of the job, disputes arose between the RTI and the customer with reference to full compliance with the obligations assumed between the parties. In February 2026, some Local Health Authorities (ASL), in particular ASL 1, 2 and 3, which in the meantime had been merged by incorporation into the Azienda Sanitaria Ligure (ATS), which is the parent company of other healthcare facilities, initiated a dispute procedure concerning penalties of approximately 9 million euro. Invoices and disputes that have already seen the timely reply of the RTI, through, respectively, the rejection of all claims and the due counter-arguments. No provision has been set aside for this further dispute as the Company, in agreement with the opinion received from its external legal advisors involved, considers the risk of losing the case to be possible.

With regard to the above, it should be noted that no significant events occurred during the first six months of 2026.

Iren Energia S.p.A. / Engie Servizi S.p.A. and Engie Produzione S.p.A.

Engie Servizi S.p.A. and Engie Produzione S.p.A. initiated legal proceedings against Iren Energia S.p.A. in relation to the Collaboration Agreement entered into on 2 March 2021 for the implementation of capital investments and the provision of district heating supply services. Through the writ of summons, Engie Servizi and Engie Produzione seek a declaration that Iren Energia has failed to fulfil its contractual obligations and request that the Company be ordered to perform the obligations assigned to it under the Collaboration Agreement. They also seek compensation for the damages allegedly suffered by Engie Produzione because of the delay in the execution of the Agreement, to be determined with reference to the revised date for the commencement of compulsory performance. Following the joint request submitted by the parties on 30 June 2026, the hearing scheduled for 7 July 2026 was postponed to 10 November 2026.

Consistent with the opinion provided by its external legal counsel, Iren considers the risk of an unfavourable outcome to be possible, but not probable.

XII. Segment reporting

Segment reporting, based on the Group's management and internal reporting structure, is given below in accordance with IFRS 8.
Given the nature of the activity performed by Group companies, a geographical segment analysis is not relevant.

The operating segments in which the Group operates are:
- Networks (Electricity distribution networks, Gas distribution networks, Integrated Water Service)
- Waste Management (Waste collection and disposal)
- Energy (Hydroelectric Production and production from other renewable sources, Combined Heat and Power, District Heating Networks, Thermoelectric Production, Public Street Lighting, Global services, Energy efficiency services)
- Market (Sale of electricity and gas)
- Other services (Laboratories, Telecommunications and other minor services).

These operating segments are disclosed pursuant to IFRS 8. Under this standard, the disclosure about operating segments should be based on the elements which management uses in making operational and strategic decisions.

For a proper interpretation of the results relating to individual businesses, revenue and expense referring to joint activities were fully allocated to the businesses based on actual usage of the services provided or according to technical and economic drivers.

Given the fact that the Group mainly operates in one area, the following segment reporting does not include a breakdown by geographical segment.

The following tables show the Net Invested Capital at 30 June 2026 compared to 31 December 2025 and the income statements for the first half of 2026 (up to the Operating Profit) by operating segment, compared to the figures for the first half of 2025.

It should be noted that there is no revenue from transactions with a single customer equal to or exceeding 10% of total revenue.

In the segment reporting tables below, the following quantities are presented:

Net invested capital (NIC): determined by the algebraic sum of non-current assets, other non-current assets (liabilities), net working capital, deferred tax assets (liabilities), provisions for risks, and employee benefits and assets held for sale (liabilities associated with assets held for sale).

Net financial debt: calculated as the sum of non-current financial liabilities, net of non-current financial assets and current financial liabilities, net of current financial assets and cash and cash equivalents.

Net Working Capital (NWC): determined as the algebraic sum of current and non-current contract assets and liabilities, current and non-current trade receivables, inventories, current tax assets and liabilities, sundry assets and other current assets, trade payables and sundry liabilities and other current liabilities.

Non-current assets: determined by the sum of Property, Plant and Equipment, Investment Property, Intangible Assets with a finite life, Goodwill, equity-accounted investments and Other equity Investments.

Gross operating profit or loss: calculated as the sum of pre-tax profit or loss, share of profit/(loss) of equity-accounted investees, impairment gains and losses on equity investments, financial income and expense, and amortisation, depreciation, provisions and impairment losses.

Operating profit or loss: calculated as the sum of pre-tax profit or loss, share of profit/(loss) of equity-accounted investees, impairment gains and losses on equity investments and financial income and expense.

Reclassified statement of financial position by operating segment at 30 June 2026

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Non-current assets	4,085	1,699	2,423	418	21	222	8,868
Net Working Capital	156	159	35	(64)	3	-	289
Other non-current assets and liabilities	(625)	(263)	(239)	(63)	1	-	(1,189)
Net invested capital (NIC)	3,616	1,595	2,219	291	25	222	7,968
Equity							3,692
Net financial debt							4,276
Own funds and net financial debt							7,968

Reclassified statement of financial position by operating segment at 31 December 2025

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Non-current assets	4,035	1,687	2,429	428	26	214	8,819
Net Working Capital	174	36	107	(79)	3	-	241
Other non-current assets and liabilities	(625)	(257)	(178)	(62)	(5)	-	(1,128)
Net invested capital (NIC)	3,584	1,466	2,357	287	24	214	7,932
Equity							3,710
Net financial debt							4,222
Own funds and net financial debt							7,932

Income statement by operating segment for the first half of 2026

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Total revenue and income	681	709	1,291	1,815	17	(1,256)	3,257
Total operating expenses	(407)	(561)	(1,128)	(1,671)	(14)	1,256	(2,525)
Gross Operating Profit	274	148	163	144	3	-	732
Net amortisation, depreciation and impairment losses	(124)	(115)	(93)	(80)	(2)	-	(414)
Operating profit	150	33	70	64	1	-	318

Income statement by operating segment for the first half of 2025

millions of euro

	Networks	Waste Management	Energy	Market	Other services	Non-allocable	Total
Total revenue and income	677	689	1,426	1,962	16	(1,284)	3,486
Total operating expense	(406)	(557)	(1,253)	(1,814)	(14)	1,284	(2,760)
Gross Operating Profit	271	132	173	148	2	-	726
Net amortisation, depreciation and impairment losses	(121)	(110)	(91)	(77)	(1)	-	(400)
Operating profit	150	22	82	71	1	-	326

XIII. Annexes to the Condensed Interim Consolidated Financial Statements

LIST OF FULLY CONSOLIDATED COMPANIES

Company	Registered office	Currency	Share/quota capital	% interest	Investor
Iren Ambiente S.p.A.	Piacenza	Euro	63,622,002	100	Iren
Iren Energia S.p.A.	Turin	Euro	918,767,148	100	Iren
Iren Mercato S.p.A.	Genoa	Euro	61,356,220	100	Iren
IRETI S.p.A.	Genoa	Euro	196,832,103	100	Iren
IRETI Gas S.p.A.	Parma	Euro	120,000	100	IRETI
ACAM Acque S.p.A.	La Spezia	Euro	24,260,050	100	IRETI
ACAM Ambiente S.p.A.	La Spezia	Euro	1,000,000	100	Iren Ambiente
Acquaenna S.c.p.a.	Enna	Euro	3,000,000	50.87	IRETI
Acqui Energia S.p.A.	Alba (CN)	Euro	1,800,000	100	TLRNet
Alessandria Calore S.r.l.	Alba (CN)	Euro	1,000,000	100	TLRNet
Agrovoltaica	Turin	Euro	1,000	100	Iren Green Generation
Alfa Solutions S.p.A.	Reggio Emilia	Euro	100,000	86	Iren Smart Solutions
AMIAT S.p.A.	Turin	Euro	46,326,462	80	AMIAT V
AMIAT V. S.p.A.	Turin	Euro	1,000,000	93.06	Iren Ambiente
Ardea S.r.l.	Cuneo	Euro	500,000	100	Iren Energia
ASM Vercelli S.p.A.	Vercelli	Euro	120,812,720	59.97	IRETI
Asti Energia e Calore S.p.A.	Asti	Euro	120,000	62	Iren Energia
Atena Trading S.r.l.	Vercelli	Euro	556,000	59.97	Iren Mercato
Azienda Agricola Riofi	Terranuova Bracciolini (AR)	Euro	100,000	89.36	CSAI
Bonifica Autocisterne S.r.l.	Piacenza	Euro	595,000	51	Iren Ambiente
Bonifiche Servizi Ambientali S.r.l.	Reggio Emilia	Euro	3,000,000	100	Iren Ambiente
Bra Energia S.p.A.	Alba (CN)	Euro	200,000	80	TLRNet
Capo dell'Acqua S.r.l.	Bari	Euro	10,000	100	Iren Green Generation
Carmagnola Energia S.r.l.	Alba (CN)	Euro	200,000	100	TLRNet
CIERRE S.r.l.	Arezzo	Euro	75,000	80	Alfa Solutions
GPO consortium	Reggio Emilia	Euro	20,197,260	62.35	IRETI
C.R.C.M. S.r.l.	Terranuova Bracciolini (AR)	Euro	3,062,000	85.65 7.15	Valdarno Ambiente Siena Ambiente
CSAI S.p.A.	Terranuova Bracciolini (AR)	Euro	1,610,511	40.32	Iren Ambiente
Dogliani Energia S.r.l.	Cuneo	Euro	10,000	100	Iren Energia
Edis S.r.l.	Alba (CN)	Euro	277,514	100	Iren Green Generation Tech
EGEA Acque S.p.A.	Alba (CN)	Euro	1,033,000	100	IRETI
EGEA Holding S.p.A.	Alba (CN)	Euro	52,941	100	Iren
EGEA New Energy S.p.A.	Alba (CN)	Euro	2,200,000	100	Iren Energia
Ekovision S.r.l.	Prato	Euro	1,485,000	100	SEI Toscana
Formaira S.r.l.	San Damiano Macra (CN)	Euro	40,000	100	Maira

Company	Registered office	Currency	Share capital	% interest	Investor
Futura S.p.A.	Grosseto	Euro	3,660,955	80	Iren Ambiente
				20	Sei Toscana
I. Blu S.r.l.	Tavagnacco (UD)	Euro	9,001,000	80	Iren Ambiente
Iren Acqua Piacenza S.r.l.	Piacenza	Euro	3,000,000	100	IRETI
Iren Acqua Reggio S.r.l.	Reggio Emilia	Euro	5,000,000	100	IRETI
Iren Acqua Tigullio S.p.A.	Chiavari (GE)	Euro	979,000	66.55	IRETI
Iren Ambiente Parma S.r.l.	Parma	Euro	4,000,000	100	Iren Ambiente
Iren Ambiente Piacenza S.r.l.	Piacenza	Euro	4,000,000	100	Iren Ambiente
Iren Green Generation S.r.l.	Turin	Euro	10,000	100	Iren Energia
Iren Green Generation Tech S.r.l.	Turin	Euro	80,200	100	Iren Green Generation
Iren Laboratori S.p.A.	Genoa	Euro	2,000,000	90.89	IRETI
Iren Smart Solutions S.p.A.	Reggio Emilia	Euro	2,596,721	60	Iren Energia
				20	Iren Ambiente
				20	Iren Mercato
Limes 1 S.r.l.	Turin	Euro	20,408	51	Iren Green Generation
Limes 2 S.r.l.	Turin	Euro	20,408	51	Iren Green Generation
Limes 20 S.r.l.	Turin	Euro	10,000	100	Iren Green Generation
Maira S.p.A.	San Damiano Macra (CN)	Euro	596,442	82	Iren Energia
Manduriambiente S.p.A.	Manduria (TA)	Euro	4,111,820	95.289	Iren Ambiente
Monferrato Energia S.p.A.	Alba (CN)	Euro	400,000	90	TLRNet
Nord Ovest Servizi S.p.A.	Turin	Euro	7,800,000	45	IRETI
				30	Amiat
Olmo Bruno S.r.l.	Alba (CN)	Euro	20,000	100	Iren Ambiente
ReCos S.p.A.	La Spezia	Euro	1,000,000	99.51	Iren Ambiente
Reti Metano Territorio S.r.l.	Alba (CN)	Euro	20,200,000	100	IRETI Gas
Rigenera Materiali S.r.l.	Genoa	Euro	3,000,000	100	Iren Ambiente
Salerno Energia Vendite S.p.A.	Salerno	Euro	3,312,060	50	Iren Mercato
San Germano S.p.A.	Turin	Euro	1,425,000	100	Iren Ambiente
Scarlino Energia S.p.A.	Scarlino (GR)	Euro	1,000,000	100	Iren Ambiente
SEI Toscana S.r.l.	Siena	Euro	45,388,913	41.78	Iren Ambiente
				16.37	Valdarno Ambiente
				20.62	Siena Ambiente
				0.2	C.R.C.M.
Semia Green S.r.l.	Siena	Euro	3,300,000	50.909	Iren Ambiente
				49.091	Siena Ambiente
S.E.P. S.p.A.	Alba (CN)	Euro	200,000	100	TLRNet
Siena Ambiente S.p.A.	Siena	Euro	2,866,575	40	Iren Ambiente
SISEA S.r.l.	Sommariva del bosco (CN)	Euro	750,000	51	Iren Ambiente
Tecnoedil lavori S.r.l.	Alba (CN)	Euro	410,000	100	EGEA Acque

Company	Registered office	Currency	Share capital	% interest	Investor
Telenergia S.r.l.	Alessandria	Euro	3,700,000	97.08	TLRNet
				0.22	EGEA Holding
Territorio e Risorse S.r.l.	Turin	Euro	2,510,000	65	Iren Ambiente
				35	ASM Vercelli
TLRNet S.r.l.	Alba (CN)	Euro	1,000,000	100	Iren Energia
TRM S.p.A.	Turin	Euro	86,794,220	80	Iren Ambiente
Uniproject S.r.l.	Maltignano (AP)	Euro	91,800	100	Iren Ambiente
Valbormida Energia S.p.A.	Alba (CN)	Euro	800,000	60	TLRNet
Valdarno Ambiente S.r.l.	Terranuova Bracciolini (AR)		22,953,770	56.016	Iren Ambiente
				43.984	CSAI
Valle Dora Energia S.r.l.	Turin	Euro	537,582	74.5	Iren Energia

LIST OF JOINT VENTURES

Company	Registered office	Currency	Share/quota capital	% interest	Investor
Acque Potabili S.p.A. (1)	Turin	Euro	7,633,096	47.546	IRETI
Acqui Rete Gas S.r.l.	Alba (CN)	Euro	10,000	50	Reti Metano Territorio
Enerbrain S.r.l.	Turin	Euro	50,000	49.69	Iren Smart Solutions
Vaserie Energia S.r.l.	Siena	Euro	10,000	69	Siena Ambiente

LIST OF ASSOCIATES

Company	Registered office	Currency	Share/quota capital	% interest	Investor
A2A Alfa S.r.l. (1)	Milan	Euro	100,000	30	Iren Mercato
Acos S.p.A.	Novi Ligure	Euro	17,075,864	25	IRETI
Acos Energia S.p.A.	Novi Ligure	Euro	150,000	25	Iren Mercato
Agrinord Energia S.r.l.	Alba (CN)	Euro	50,000	40	EGEA New Energy
Aguas de San Pedro S.A. de C.V.	S.Pedro Sula (Honduras)	Lempiras	159,900	39.34	IRETI
Aiga S.p.A. (1)	Ventimiglia	Euro	104,000	49	IRETI
Amat S.p.A. (1)	Imperia	Euro	5,435,372	48	IRETI
Arca S.r.l.	Reggio Emilia	Euro	100,000	40	IRETI
Arienes S.c.a.r.l.	Reggio Emilia	Euro	50,000	42	Iren Smart Solutions
ASA S.p.A.	Livorno	Euro	28,613,406	40	IRETI
ASA S.c.p.a.	Castel Maggiore (BO)	Euro	1,820,000	49	Iren Ambiente
Astea S.p.A.	Recanati (MC)	Euro	76,115,676	21.32	GPO consortium
Asti Servizi Pubblici S.p.A.	Asti	Euro	7,540,270	45	Nord Ovest Servizi
Barricalla S.p.A.	Turin	Euro	2,066,000	35	Iren Ambiente
BI Energia S.r.l.	Reggio Emilia	Euro	100,000	47.5	Iren Energia
Calore Verde S.r.l.	Ormea (CN)	Euro	30,000	20.81	TLRNet
Centro Corsi S.r.l.	Reggio Emilia	Euro	12,000	33	Alfa Solutions
CSA S.p.A. (1)	Terranuova Bracciolini (AR)	Euro	1,369,502	47.97	Iren Ambiente
EGUA S.r.l.	Cogorno (GE)	Euro	119,000	49	IRETI
Etambiente S.p.A.	Florence	Euro	2,300,000	33.91	Iren Ambiente
Fata Morgana S.p.A. (2)	Reggio Calabria	Euro	2,225,694	25	IRETI
Fin Gas S.r.l.	Milan	Euro	10,000	50	Iren Mercato
Fratello Sole Energie Solidali Impresa Sociale S.r.l.	Genoa	Euro	350,000	40	Iren Energia
G.A.I.A. S.p.A.	Asti	Euro	5,539,700	45	Iren Ambiente
Iniziative Ambientali S.r.l.	Novellara (RE)	Euro	100,000	40	Iren Ambiente
OMI Rinnovabili S.c.a.r.l.	Reggio Emilia	Euro	10,000	40.15	Alfa Solutions
Piana Ambiente S.p.A. (2)	Gioia Tauro	Euro	1,719,322	25	IRETI
Rimateria S.p.A. (3)	Piombino (LI)	Euro	4,589,273	30	Iren Ambiente
Seta S.p.A.	Turin	Euro	12,378,237	48.85	Iren Ambiente
Sistema Ambiente S.p.A.	Lucca	Euro	2,487,657	36.56	Iren Ambiente
STU Reggiane S.p.A.	Reggio Emilia	Euro	16,770,080	30	Iren Smart Solutions
3A S.c.a.r.l.	Alba (CN)	Euro	10,000	40	Tecnoedil Lavori
Tanaro Servizi Acque S.r.l.	Alba (CN)	euro	100,000	48.62	Egea Acque
Tirana Acque S.c. a r.l. (1)	Genoa	Euro	95,000	50	IRETI
Valenza Rete Gas S.p.A.	Valenza (AL)	Euro	200,000	50	Reti Metano Territorio

LIST OF EQUITY INVESTMENTS IN OTHER COMPANIES

Company	Registered office	Currency	Share capital	% interest	Investor
Acque Potabili Siciliane S.p.A. (3)	Palermo	Euro	5,000,000	9.83	IRETI
Aeroporto di Reggio Emilia S.p.A.	Reggio Emilia	Euro	2,177,871	0.11	Alfa Solutions
AISA S.p.A. (1)	Arezzo	Euro	3,867,640	3	Iren Ambiente
AISA Impianti S.p.A.	Arezzo	Euro	6,650,000	3	Iren Ambiente
ACQUEDUEO S.c.a.r.l.	Biella	Euro	40,000	20	ASM Vercelli
ATLAS AI VB Fund I	Milan				Iren
Aurora S.r.l.	S. Martino in Rio (RE)	Euro	514,176	0.1	Alfa Solutions
Autostrade Centro Padane S.p.A.	Cremona	Euro	30,000,000	1.46	IRETI
CCC-Consorzio cooperative costruzioni	Bologna	Euro	15,637,899	0.06	Bonifiche Servizi Ambientali
CIDIU Servizi S.p.A.	Collegno (TO)	Euro	10,000,000	17.9	Amiat
Consorzio CIM 4.0 s.c.a.r.l.	Turin	Euro	232,000	4.3	Iren
Consorzio Topix	Turin	Euro	1,600,000	0.3	Iren Energia
C.R.P.A. S.p.A.	Reggio Emilia	Euro	2,201,350	2.27	IRETI
EGEA S.p.A.	Alba (CN)	Euro	58,167,200	0.47	SEI Toscana
Environment Park S.p.A.	Turin	Euro	11,406,780	3.39	Iren Energia
				7.41	AMIAT
GAL Langhe Roero S.c.a.r.l.	Bossolasco (CN)	Euro	23,000	0.43	Egea Acque
L.E.A.P. S.c. a r.l.	Piacenza	Euro	263,721	14.21	Iren Ambiente
MiTo Tech Ventures SLP SICAV-RAIF	Luxembourg	Euro			Iren
Parma Servizi Integrati S.c. a r.l.	Parma	Euro	20,000	11	Iren Smart Solutions
Restart	Ascoli Piceno	Euro	13,685,586	0.07	Uniproject
Serchio Verde Ambiente S.p.a. (1)	Castelnuovo di Garfagnana (LU)	Euro	1,128,950	5.93	Iren Ambiente
Società di Biotecnologie S.p.A.	Turin	Euro	50,000	2.93	Iren Smart Solutions
Tech4Planet	Rome	Euro	354,735	8.93	Iren
T.I.C.A.S.S. S.c. a r.l.	Genoa	Euro	136,000	2.94	IRETI

(1) Company in liquidation

(2) Company in liquidation classified under assets held for sale

(3) Company in bankruptcy

RELATED PARTY TRANSACTIONS

	Trade Receivables	Financial receivables	Sundry assets	Trade Payables	Financial liabilities
OWNERS					
Municipality of Genoa	2,814	-	-	5,690	-
Municipality of Parma	8,658	-	415	632	-
Municipality of Piacenza	770	-	-	1,825	-
Municipality of Reggio Emilia	1,620	-	540	726	-
Municipality of Turin	69,771	35,017	83	409	5,722
Finanziaria Sviluppo Utilities	-	-	41	-	-
JOINT VENTURES					
Acque Potabili	84	-	-	(2)	-
Acqui Rete Gas	44	2,143	-	(18)	-
Enerbrain	-	1,154	-	105	-
Vaserie Energia	-	-	-	-	-
ASSOCIATES					
3A	9	-	-	-	-
ACOS	7	4,691	-	-	-
ACOS Energia	1	-	-	-	-
Agrinord Energia	17	633	-	-	-
Aguas de San Pedro	-	787	-	-	-
AIGA	340	-	-	-	-
AMAT	1	-	-	-	-
ARCA	15,794	-	-	149	-
Arienes	33,937	-	-	20,642	577
ASA	138	-	-	-	-
ASA Livorno	822	-	12	(7)	-
ASTEA	4	-	-	1	-
Asti Servizi Pubblici	221	382	-	117	-
Barricalla	2,229	1,015	-	346	-
BI Energia	-	1,232	-	-	-
Calore Verde	2	-	-	-	-
Centro Corsi	-	30	-	-	-
EGUA	454	244	-	10	-
Etambiente	24	-	-	4,142	-
Fingas	-	175	-	-	-
Fratello Sole Energie Solidali	681	-	-	-	-
GAIA	848	90	5,133	2,205	-
Omi Rinnovabili	-	-	-	-	-
Piana Ambiente in liquidation	70	-	-	-	-
SETA	4,723	-	-	340	-
Sistema Ambiente	86	259	-	-	-
STU Reggiane	107	-	-	-	-
Valenza Rete Gas	66	128	-	(13)	-
OTHER RELATED PARTIES					
Subsidiaries of Municipality of Turin	568	-	35	531	-
Subsidiaries of Municipality of Genoa	1,249	-	13	3,210	-
Subsidiaries of Municipality of Parma	1,054	-	237	1,514	-
Subsidiaries of Municipality of Piacenza	281	-	-	672	-
Subsidiaries of Municipality of Reggio Emilia	2,858	-	88	2,960	-
Others	-	-	-	-	-
TOTAL	150,352	47,980	6,597	46,186	6,299

thousand euro

	Sundry liabilities	Revenue and income	Costs and other charges	Financial income	Financial expense
OWNERS					
Municipality of Genoa	-	1,212	3,798	-	-
Municipality of Parma	-	292	769	-	1
Municipality of Piacenza	-	239	641	-	-
Municipality of Reggio Emilia	-	129	825	-	-
Municipality of Turin	-	126,558	4,672	215	-
Finanziaria Sviluppo Utilities	-	-	-	-	-
JOINT VENTURES					
Acque Potabili	-	30	-	-	-
Acqui Rete Gas	-	20	23	43	-
Enerbrain	-	(35)	230	-	-
Vaserie Energia	-	3	-	-	-
ASSOCIATES					
3A	-	6	-	-	-
ACOS	-	34	-	-	-
ACOS Energia	-	3	-	-	-
Agrinord Energia	-	27	-	16	-
Aguas de San Pedro	-	-	-	-	-
AIGA	(84)	-	37	-	-
AMAT	-	-	-	-	-
ARCA	376	46,811	957	110	-
Arienes	-	212	-	-	-
ASA	-	147	1	-	-
ASA Livorno	(15)	628	99	6	-
ASTEA	-	4	24	-	-
Asti Servizi Pubblici	-	1,000	81	-	-
Barricalla	-	1,989	532	-	-
BI Energia	-	-	-	-	-
Calore Verde	-	-	-	-	-
Centro Corsi	-	4	63	-	-
EGUA	-	135	10	-	-
Etambiente	-	30	7,176	-	-
Fingas	-	-	-	4	-
Fratello Sole Energie Solidali	-	(9)	-	-	-
GAIA	-	1,419	3,176	-	-
Omi Rinnovabili	-	-	83	-	-
Piana Ambiente in liquidation	-	-	-	-	-
SETA	-	6,493	436	-	-
Sistema Ambiente	-	95	-	-	-
STU Reggiane	-	72	-	-	-
Valenza Rete Gas	-	42	35	3	-
OTHER RELATED PARTIES					
Subsidiaries of Municipality of Turin	4	2,166	1,333	1	3
Subsidiaries of Municipality of Genoa	65	3,110	1,491	7	7
Subsidiaries of Municipality of Parma	-	1,143	1,629	-	-
Subsidiaries of Municipality of Piacenza	-	416	672	-	-
Subsidiaries of Municipality of Reggio Emilia	-	3,377	2,345	-	-
Others	-	-	-	-	-
TOTAL	346	197,802	31,138	405	11

RECONCILIATION OF IFRS FINANCIAL STATEMENTS WITH RECLASSIFIED FINANCIAL STATEMENTS (Consob Communication no. 6064293 of 26 July 2006)

thousand euro

IFRS STATEMENT OF FINANCIAL POSITION		RECLASSIFIED STATEMENT OF FINANCIAL POSITION	
Property, plant and equipment	4,595,714	Property, plant and equipment	4,595,714
Investment property	2,855	Investment property	2,855
Intangible assets	3,775,064	Intangible assets	3,775,064
Goodwill	272,464	Goodwill	272,464
Equity-accounted investments	210,168	Equity-accounted investments	210,168
Other equity investments	11,401	Other equity investments	11,401
Total (A)	8,867,666	Fixed Assets (A)	8,867,666
Other non-current assets	101,381	Other non-current assets	101,381
Sundry liabilities and other non-current liabilities	(889,724)	Sundry liabilities and other non-current liabilities	(889,724)
		+ Fair value liabilities commodity derivatives	855
Total (B)	(788,343)	Other non-current assets (Liabilities) (B)	(787,488)
Inventories	82,919	Inventories	82,919
Non-current contract assets	463,105	Non-current contract assets	463,105
Current contract assets	41,838	Current contract assets	41,838
Non-current trade receivables	37,512	Non-current trade receivables	37,512
Trade receivables	1,263,523	Trade receivables	1,263,523
Current tax assets	15,220	Current tax assets	15,220
Sundry assets and other current assets	334,300	Sundry assets and other current assets	334,300
Trade payables	(1,482,307)	Trade payables	(1,482,307)
Contract liabilities	(1,307)	Contract liabilities	(1,307)
Sundry liabilities and other current liabilities	(407,697)	Sundry liabilities and other current liabilities	(407,697)
Current tax liabilities	(44,612)	Current tax liabilities	(44,612)
		+ Fair value liabilities commodity derivatives	(5,714)
		+ Environmental compensation charges	(7,764)
Total (C)	302,494	Net working capital (C)	289,016
Deferred tax assets	400,760	Deferred tax assets	400,760
Deferred tax liabilities	(99,355)	Deferred tax liabilities	(99,355)
Total (D)	301,405	Deferred tax assets (Liabilities) (D)	301,405
Employee benefits	(76,759)	Employee benefits	(76,759)
Provisions for risks and charges	(323,813)	Provisions for risks and charges	(323,813)
Provisions for risks and charges - current portion	(401,524)	Provisions for risks and charges - current portion	(401,524)
		- Environmental compensation charges	7,764
Total (E)	(802,096)	Provisions and employee benefits (E)	(794,332)
Assets held for sale	109,528	Assets held for sale	109,528
Liabilities associated with assets held for sale	(18,257)	Liabilities related to assets held for sale	(18,257)
Total (F)	91,271	Assets (Liabilities) held for sale (F)	91,271
		Net invested capital (G=A+B+C+D+E+F)	7,967,538
Equity (H)	3,691,597	Equity (H)	3,691,597
Non-current financial assets	(142,163)	Non-current financial assets	(142,163)
Non-current financial liabilities	4,589,726	Non-current financial liabilities	4,589,726
		- Fair value asset commodity derivatives	855
Total (I)	4,447,563	Non-current financial debt (I)	4,448,418
Current financial assets	(52,157)	Current financial assets	(52,157)
Cash and cash equivalents	(305,650)	Cash and cash equivalents	(305,650)
Current financial liabilities	191,044	Current financial liabilities	191,044
		- Fair value asset commodity derivatives	(5,714)
Total (L)	(166,763)	Current financial position (L)	(172,477)
		Net financial debt (M=I+L)	4,275,941
		Own funds and net financial debt (H+M)	7,967,538

RECONCILIATION BETWEEN TOTAL FINANCIAL DEBT (ESMA COMMUNICATION OF 4 MARCH 2021) AND NET FINANCIAL DEBT

thousand euro

	30/06/2026	31/12/2025
A. Cash	(305,650)	(205,765)
B. Cash equivalents	-	-
C. Other current financial assets	(3,475)	(2,683)
D. Liquidity (A) + (B) + (C)	(309,125)	(208,448)
E. Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	107,433	49,589
F. Current portion of the non-current financial debt	62,304	69,348
G. Current financial debt (E + F)	169,737	118,937
H. Net current financial position (G - D)	(139,388)	(89,511)
I. Non-current financial debt (excluding current portion and debt instruments)	1,588,024	1,492,303
J. Debt instruments	3,000,817	2,998,177
K. Commercial and other non-current debt	-	-
L. Non-current financial debt (I + J + K)	4,588,841	4,490,480
M. Total financial debt (H + L)	4,449,453	4,400,969
(-) C. Other current financial assets	3,475	2,683
(+) Non-current financial assets (statement of financial position item)	(140,423)	(148,393)
(+) Current financial assets (statement of financial position item net of fair value of commodity derivatives)	(36,564)	(33,515)
Net financial debt	4,275,941	4,221,744

Statement regarding the condensed interim consolidated financial statements pursuant to article 154-bis of Legislative Decree 58/1998

1. The undersigned Gianluca Bufo, Chief Executive Officer, and Giovanni Gazza, Financial Reporting Manager of IREN S.p.A., taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree 58 of 24 February 1998, hereby certify:

   - the adequacy in relation to the characteristics of the group and

   - the effective application of the administrative and accounting procedures for the preparation of the condensed interim consolidated financial statements at 30 June 2026.

2. It is also hereby certified that:

   2.1 the condensed interim consolidated financial statements:

   a) are prepared in compliance with the applicable IFRS Accounting Standards endorsed by the European Community pursuant to Regulation (EC) 1606/2002 of the European Parliament and Council, of 19 July 2002;

   b) correspond to the figures in the ledgers and accounting records;

   c) give a true and fair view of the financial position and financial performance of the issuer and the group companies included in the consolidation scope.

   2.2 the Directors' Report contains a reliable analysis of the key events that took place during the first six months of the year and of their impact on the condensed interim consolidated financial statements, together with a description of the main risks and uncertainties for the remaining six months of the year. The Directors' Report also contains a reliable analysis of disclosures on significant transactions with related parties.

30 July 2026

Chief Executive Officer	The Financial Reporting Manager under Law 262/05
Gianluca Bufo	Giovanni Gazza

(signed on the original)

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Iren Group

Condensed interim consolidated financial statements as at and for the six months ended 30 June 2026

(with independent auditors' report thereon)

KPMG S.p.A.

31 July 2026

KPMG S.p.A.
Revisione e organizzazione contabile
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Report on review of condensed interim consolidated financial statements

To the shareholders of
Iren S.p.A.

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the Iren Group, comprising the statement of financial position as at 30 June 2026, the income statement and the statements of comprehensive income, changes in equity and cash flows for the six months then ended and notes thereto.
The directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the IFRS Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the Iren Group as at and for the six months ended 30 June 2026 have not been prepared, in all material respects, in accordance with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34), endorsed by the European Union.

Turin, 31 July 2026

KPMG S.p.A.

(signed on the original)

Fabio Monti
Director of Audit

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