

Iren S.p.A. Shareholders' Meeting approves the 2020 Financial Statements, proposes dividends in the amount of 9.50 eurocents per share and appoints the new Board of Statutory Auditors and its Chairman

Reggio Emilia, 6 May 2021 - Iren S.p.A. Ordinary Shareholders' Meeting today approved Iren S.p.A.'s Financial Statements at 31 December 2020, the Management Report and the proposed allocation of the profit for the fiscal year in the amount of € 210,063,019.55 as resolved by the Board of Directors on 25 March 2021, as follows:

- € 10,503,150.98, equal to 5% of the profit for the fiscal year, to the legal reserve;
- € 123,588,480.82 as dividend to Shareholders, corresponding to € 0.095 for each of 1,300,931,377 ordinary shares constituting the Company's share capital, noting that own shares, will not benefit from the dividend. The dividend will be paid starting from 23 June 2021, with a validity date for dividend registration of 21 June 2021, and recording date of 22 June 2021;
- the carried forward profits in the amount of at least € 75,971,387.75 shall be allocated to special reserve.

Furthermore, with a wide majority, the Shareholders' Meeting: (i) approved the first section ("2021 Remuneration Policies") of the Report on 2021 Remuneration Policy and 2020 Remuneration Paid; (ii) voted in favour of "Section Two" ("Remuneration paid in 2020") of the Report on 2021 Remuneration Policy and 2020 Remuneration Paid; (iii) appointed the Board of Statutory Auditors and its Chairman for the three-year period 2021-2022-2023 and finally defined the annual remuneration to be paid to the standing members of the Board of Statutory Auditors.

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IREN GROUP: CONSOLIDATED RESULTS AT 31 DECEMBER 2020

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Consolidated **Revenues** for 2020 amounted to 3,725 million euros, down -12.8% compared to 4,275 million euros in FY 2019. The decrease in revenues is due mainly due to the drop in energy commodity prices, a reduction in electricity volumes sold partly as a result of the Covid-19 lockdown, lower sales of gas and heat for district heating due to the mild winter, as well as lower electricity generated by the Group's plants.

The **EBITDA** amounted to 927 million euros, an increase of +1.1% compared to 917 million euros in FY 2019. FY 2019 benefited from 59 million euros of extraordinary items: 14 million euros on Networks for water adjustments, 32 million euros on Energy for energy certificates and thermal adjustments and 13 million euros on the Market for accruals and adjustments. Extraordinary items that had an impact of 20 million euros in 2020 included mainly a water adjustment of 3 million euros for the Networks, a gas adjustment of 4 million euros for the Market and an award for green certificates related to previous years of 13 million euros for Energy. At net of the extraordinary items that characterised both periods, Ebitda would have increased by 5.7%. Therefore, the Group's multibusiness portfolio demonstrated resilience in the energy, climate and emergency context that characterised the year 2020. The improved margins of the Market (+33.1%), Environment (+9.6%) and Networks (+0.9%) business units completely offset the drop in the Energy business unit (-16.7%).

The **Operating Profit (Ebit)** amounted to 416 million euros, down -8.0% compared to 452 million euros in the corresponding period of 2019. In the fiscal year, there was an increase in depreciation and amortisation of approximately 37 million euros for new investments and the expansion of the consolidation scope, and an increase in accruals for the allowance for doubtful accounts of which 25 million euros, related to the increase in losses on receivables estimated for Covid-19 reasons. In addition, allowances for provisions for risks decreased, net of reversals, by about 9 million euros and write downs by about 8 million euros.

The **Group's Net Profit** attributable to shareholders was 235 million euros, down (-0.4%) from 236 million euros reported in 2019. The result is substantially in line with that of last year, benefiting from lower financial charges and a reduction in the tax rate for some extraordinary items.

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Net debt at 31 December 2020 was 2,948 million euros, an increase of approximately 242 million euros compared to 31 December 2019. Overall, the net debt increased by 8.9% as a result of high capital expenditure and consolidation operations (198 million euros). Net working capital dropped by about 124 million euros, following the trend in commercial and tax-related items, as well as the increase in provision for bad debts.

Gross technical investments made in the fiscal year amounted to 685 million euros up sharply (+31%) respect to 2019.

APPOINTMENT OF THE BOARD OF STATUTORY AUDITORS

With approval of the financial statements at 31 December 2020 the term of office of the Board of Statutory Auditors expired. Therefore, the Shareholders' Meeting appointed the new Board of Statutory Auditors for the company that shall remain in office for the fiscal years 2021/2022/2023 (expiry date: date of approval of the financial statements for the fiscal year 2023).

The members of the new Board of Statutory Auditors are: Dr. Ugo Ballerini, Dr. Cristina Chiantia and Dr. Simone Caprari (standing members) and Dr. Lucia Tacchino (alternate member), appointed from list No. 1 submitted by Finanziaria Sviluppo Utilities Srl, FCT Holding SpA and the Municipality of Reggio Emilia and voted by the majority; Prof. Michele Rutigliano and Dr. Sonia Ferrero (standing members) and Dr. Fabrizio Riccardo Di Giusto (alternate member) appointed from list No. 2 submitted by Amundi Asset Management SGR S.p.A., fund manager for Amundi Dividendo Italia, Amundi Accumulazione Italia PIR 2023, Amundi Valore Italia PIR, Amundi Risparmio Italia, Amundi Sviluppo Italia; ANIMA SGR S.p.A., fund manager for Anima Iniziativa Italia and Anima Crescita Italia; Arca Fondi SGR S.p.A., fund manager for Fondo Arca Economia Reale Bilanciato Italia 30, Fondo Arca Azioni Italia, Fondo Arca Economia Reale Bilanciato Italia 55; Bancoposta Fondi S.p.A. SGR manager of the Bancoposta Rinascimento fund; Eurizon Capital SGR S.p.A, fund manager for Eurizon PIR Italia 30, Eurizon Progetto Italia 20, Eurizon Progetto Italia 70, Eurizon Azioni Italia, Eurizon Azioni PMI Italia, Eurizon Progetto Italia 40, Eurizon PIR Italia Azioni; Eurizon Capital S.A. manager of the following Eurizon Fund sub-funds: Equity Italy Smart Volatility and Italian Equity Opportunities; Fidelity Funds - SICAV; Fideuram Asset Management Ireland, manager of the Fonditalia Equity Italy fund; Fideuram Intesa Sanpaolo

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Private Banking Asset Management SGR S.p.A., fund manager for Fideuram Italia, Piano Azioni Italia, Piano Bilanciato Italia 50, Piano Bilanciato Italia 30; Interfund Sicav - Interfund Equity Italy; Generali Investments Luxembourg S.A., fund manager for GSmart PIR Valore Italia, GSmart PIR Evoluzione Italia and Gis Euro Future Leaders; Kairos Partners SGR S.p.A. as Management Company of Kairos International Sicav - Key segment; Mediobanca SGR S.p.A., fund manager for: Fondo Mediobanca Mid & Small Cap Italy and Fondo Mediobanca ESG European Equity; Mediobanca Sicav - Euro Equities; Mediolanum International Funds Limited - Challenge Funds - Challenge Italian Equity; Mediolanum Gestione Fondi SGR S.p.A. fund manager for Mediolanum Flessibile Futuro Italia and Mediolanum Flessibile Sviluppo Italia; Pramerica SGR S.p.A. fund manager for MITO 25 and MITO 50, voted by the minority shareholders.

The Shareholders' Meeting also appointed Prof. Michele Rutigliano as Chairman of the Board of Statutory Auditors for the fiscal years 2021/2022/2023.

The Shareholders' Meeting set the compensation payable to the members of the Board of Statutory Auditors as follows: EUR 45,000 gross per year for the Chairman and EUR 30,000 gross per year for the standing members.

All members of the new Board of Statutory Auditors meet the independence requirements established in the applicable laws and regulations.

The documentation called for by the current regulations related to today's Shareholders' Meeting is made available to the public at the Company's registered office, at Borsa Italiana S.p.A., on the website www.gruppoiren.it and on the authorised storage mechanism 1Info (www.1info.it) as per terms and conditions established by the law.

The summary report of the voting as per Art. 125-quater, paragraph 2, T.U.F. will be made available on the company's website www.gruppoiren.it within five days. The minutes of the Shareholders' Meeting will be made available to the public in the manner and within the deadline established by law.

As required by Article 154 bis, Section 2, of the Harmonised Financial Code, Massimo Levrino, in his capacity as Corporate Accounting Documents Officer, declares that the accounting information provided in this press release is consistent with the information in the supporting documents and in the Company's accounting books and records.

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