Italian Investment Conference 2021

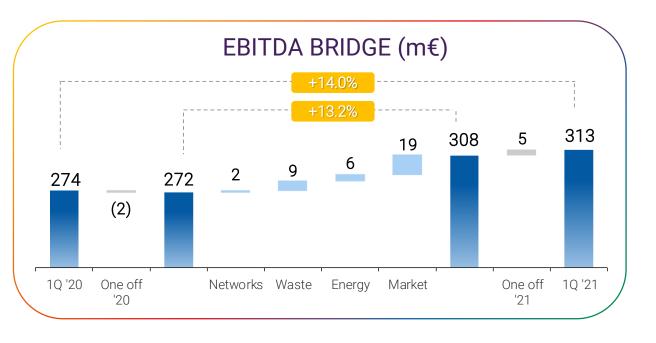
19th May 2021



Positive results in a recovery scenario



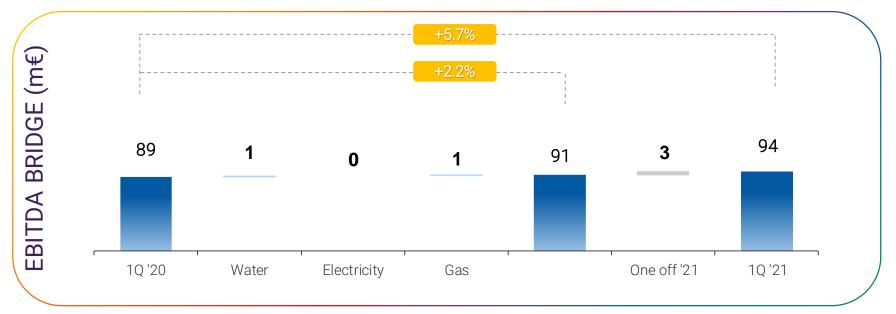
KPIs					
m€	1Q '20	1Q '21	Δ	Δ%	
Revenues	1,077	1,140	63	5.8%	
Ebitda	274	313	39	14.0%	
Ebit	145	184	39	26.7%	
Group net profit	84	121	37	44.2%	
Tech. Capex	130	122	-8	-6.2%	
NFP	2,948*	2,915	-33	-1.1%	
			* F	Y 2020 data	



- Revenues +5.8%: favoured by higher energy prices and consolidated companies (I.Blu & Unieco) partially offset by Covid effects
- Ebitda +14.0%: positive results thanks to energy prices recovery, favorable climate, I.Blu and Unieco's contribution for 8m€, despite the recognition of Covid costs for 3m€
- **Ebit +26.7%:** lower provisions to bad debt (of which 5m€ related to Covid) offset by higher depreciations
- Group net profit +44.2%: mainly due to the optimization of the Unieco debt for 13m€
- Tech. Capex -6.2%: lower investments in this quarter. We expect a ramp up of capex in the coming months
- NFP -1.1%: the cash flow generation offset the NWC increase and the cash out for the acquisition of 20% of Futura and the related debt consolidation (25m€)

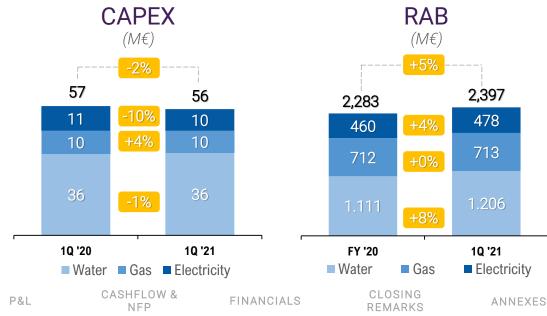
NETWORKS | Ebitda rise through organic growth and synergies

- + Increase led by higher allowed revenues (thanks to RAB growth) and synergies
- + Investments are in line with last year
- + Districtization activities continue by adding 28 more districts
- + Mass replacement of gas and water smart meters continues in line with targets
- Decrease in water taken from the environment (-0,3 mcm vs. 1Q2020)



OUTLOOK

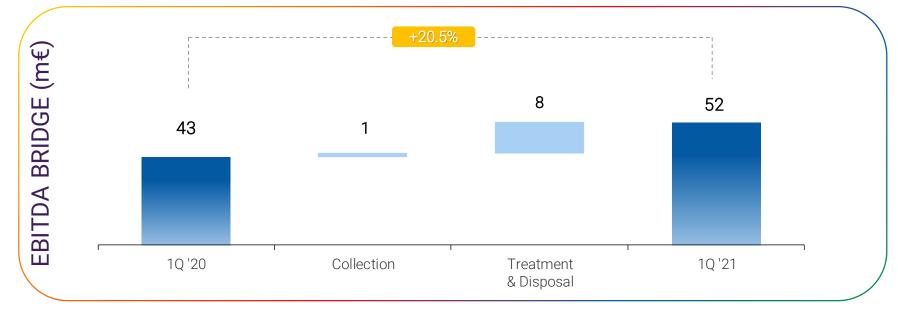
Despite the absence of the extraordinary elements, that positively characterized 2020, Ebitda '21 is expected to be in line with last year leveraging on the increase in allowed revenues



WASTE

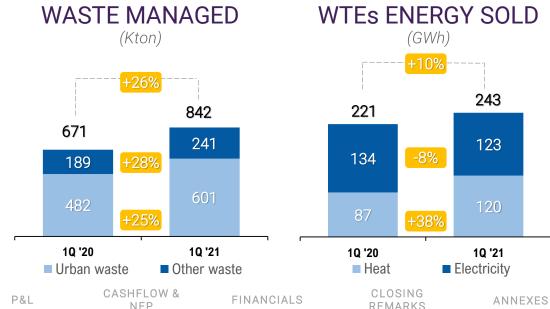
I.Blu and Unieco consolidation positive impact

- **+** Higher margins on collection activities
- + I.Blu and Unieco positive contribution for 8m€
- + Higher PUN price supported the electricity sold for 3m€
- Increase in waste managed (+26%) compared to 1Q 2020 mainly for the impact of I.Blu and Unieco
- contribution from landfill. The extension capacity will be available from 2022
- **Sorted waste** at **68.5%** (vs 68.2% in 1Q 2020)



OUTLOOK

Result slightly increase compared to last year, owing to consolidation that will offset the collection reduction, due to tenders participation, and minor use of REI landfill

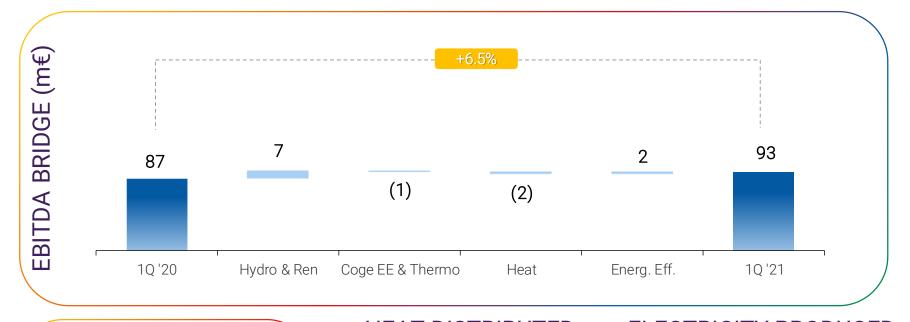


ENERGY

Increase driven by the hydro sector

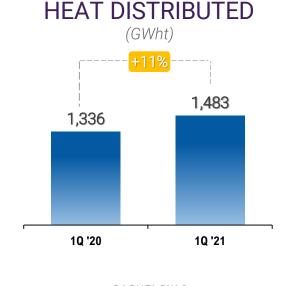
Iren

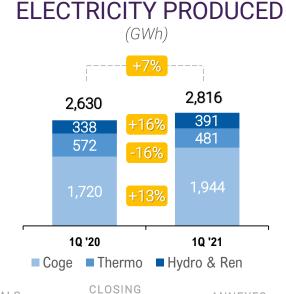
- + Higher hydro volumes and prices benefitting also of higher GCs
- + Increase in heat volumes
 distributed due to cold
 temperatures and networks
 expansion
- + Higher rebuilding activities
- + MSD in line with 1Q 2020 (16m€)
- + Clean spark spread in line with last year
- Lower heat spark spread due to energy scenario dynamic
- Production increase from renewable and high efficiency sources at 81.3%



OUTLOOK

The hydro contribution, thanks to higher volumes, prices and GCs (extra contribution in 4Q), along with the energy efficiency business will drive the growth

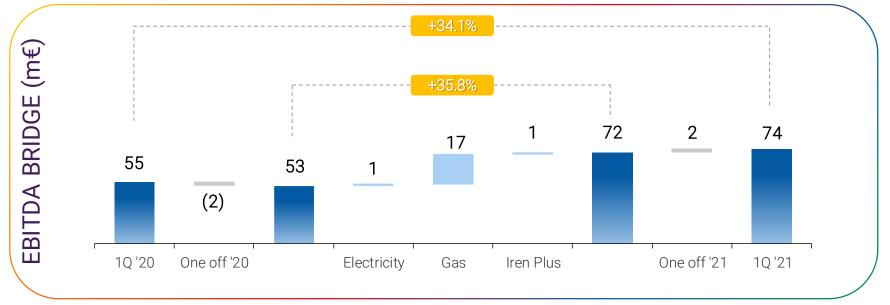




MARKET

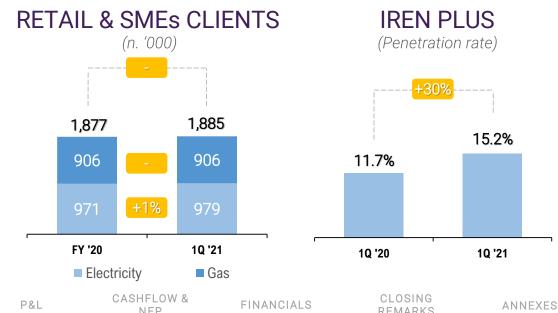
Growth led by higher margins in the gas sector

- + Lower costs of procurement and use of gas stored in 2020, led to margin growth (13m€)
- + Margins' enhancement thanks to commercial policy
- + Higher gas volumes thanks to favourable climatic conditions
- **Iren Plus** positive contribution
- Structural emerging costs (5m€) related to digitalization commercial activities
- Lower electricity & gas volumes in the SME sector due to the pandemic
- Over 200 GWh of green energy sold to end clients



OUTLOOK

The results will be slightly higher than 2020 if we exclude the extra return on commodity prices for over 10m€ reported last year



WASTE

Profit and loss

Iren

FROM EBITDA TO GROUP NET PROFIT (m€)

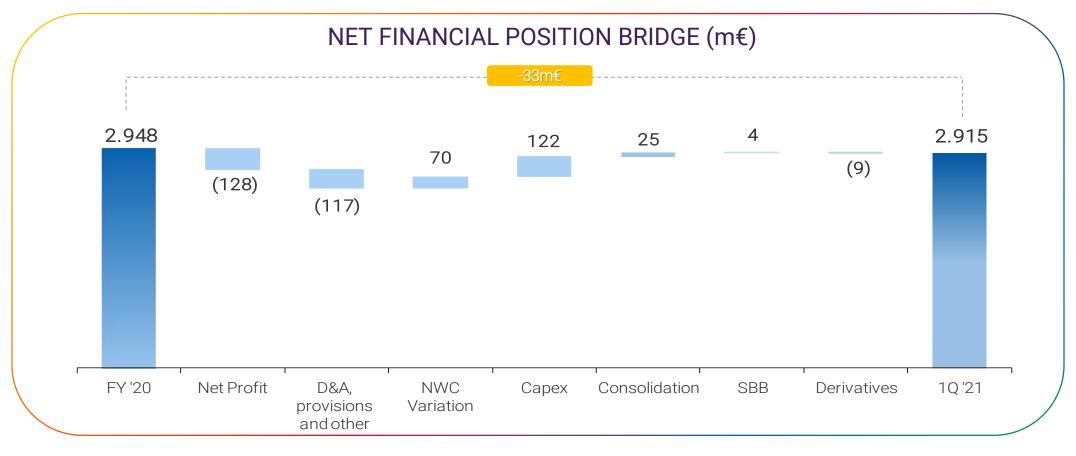
	1Q '20	1Q '21	Δ	Δ%
EBITDA	274.4	312.9	38.5	14.0%
Depreciations	-102.5	-112.1		
Provisions to bad debt	-22.0	-14.6		
Other provisions and write-downs	-4.5	-2.0		
EBIT	145.4	184.2	38.8	26.7%
Financial charges	-15.2	-16.3		
Companies cons with e.m.	-0.2	-0.2		
Other financial	-3.3	12.3		
EBT	126.7	180.0	53.3	42.1%
Taxes	-37.3	-52.2		-
Minorities	<i>-5.7</i>	-7.1		
Group net profit	83.7	120.7	37.0	44.2%

- Higher depreciations due to capital intensive capex and the I.Blu and Unieco consolidations
- Lower provisions to bad debt related to Covid emergency (5m€ vs 12m€ last year)
- Optimization of Unieco debt for 13m€
- Lower cost of debt offset by the increase of gross debt

■ Tax-rate at 29.0%

Cash-flow and NFP



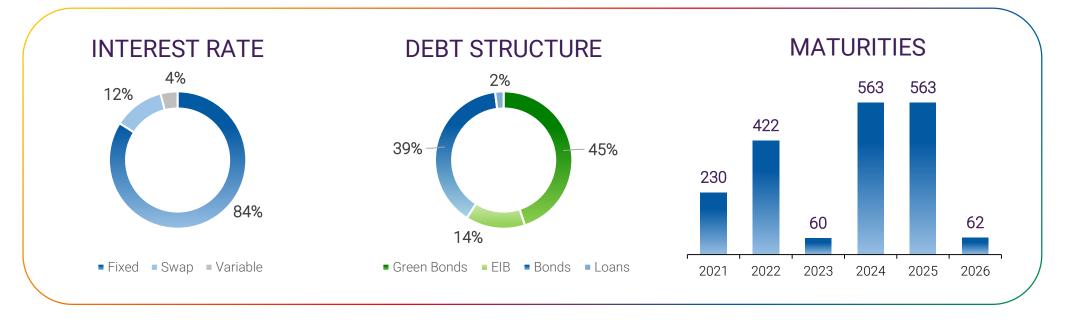


- The cash flow generation offset the NWC increase, the high level of capex and the cash out for consolidation
- Net working capital affected by Covid and seasonality
- Consolidation concerned the 20% acquisition of Futura and the related debt

1Q 2021

Financials

Iren



- 96% of gross debt at fixed interest rate and 4% of gross debt at variable interest rate
- Average long-term debt duration of about 5.9 years vs
 5.6 years in 1Q 2020
- Reduction in the average cost of debt (1.8% vs. 2.2% in 1Q 2020)
- 59% of the Iren total debt is composed of green and

- **assimilated** instruments (45% Green Bond, 14% EIB loans)
- On 10th December Iren issued its fourth Green Bond of 300m€
- Iren is the only Italian local multiutility to have issued 4
 Green Bonds for a total size of 1.8b€

EBITDA

Closing remarks

Iren

MAIN 1Q 2021 TAKEAWAYS

- Stronger contribution of the whole energy value chain supported by a recovery in energy scenario exploited by an effective attitude in procurement and hedging activities
- Positive contribution from the last consolidated companies in the Waste
 BU (I.Blu and Unieco)
- Negative Covid impact on Ebitda of -3m€

2021 NEXT MONTHS EXPECTATIONS

- FY 2021 growth mainly driven by Energy activities at larger extent and by Waste activities.
- Organic growth led by capex acceleration over coming months offsetting the absence of one-offs reported in 2020
- COVID impacts on:
 - Fbitda not more than 10m€
 - Net working capital around 40m€ (from 60m€ in FY2020)
 - Credit losses up to 10m€

In light of the previous elements, we improve our guidance on FY 2021:

GUIDANCE ON FY 2021

Ebitda: 970/980m€

NFP/Ebitda: 3.3x / 3.4x

Capex: 800m€

MARKET

1Q 2021

Italian PNRR - EU Recovery fund

Iren

GENERAL AND SECTOR REFORMS

IREN will benefit from the general reforms, but above all, from the sector reforms through the short implementation timeframe and clear guidelines in terms of:

- simplification of plant and infrastructure authorization procedures
- homogenization and revision of criteria for awarding contracts and tenders (hydroelectric, gas networks)
- retail market full liberalization by 2023
- Strengthening and increasing coordination level among regulatory/competition Authorities

Reforms represent a very important element for the implementation of Iren's Business Plan, strengthening its feasibility and the visibility of short and medium/long-term sector dynamics.

SECTORIAL INCENTIVES FOR DEVELOPMENT

Financial resources activated (grants and loans) by the PNRR represent an important opportunity for the Group, in terms of:

- general economic growth they will generate (growth in demand for commodities and services)
- specific interventions in traditional sectors to boost the Group leadership position
- new opportunities in more innovative sectors already included in our strategy or in highly innovative
 sectors under evaluation like decarbonization technologies including hydrogen

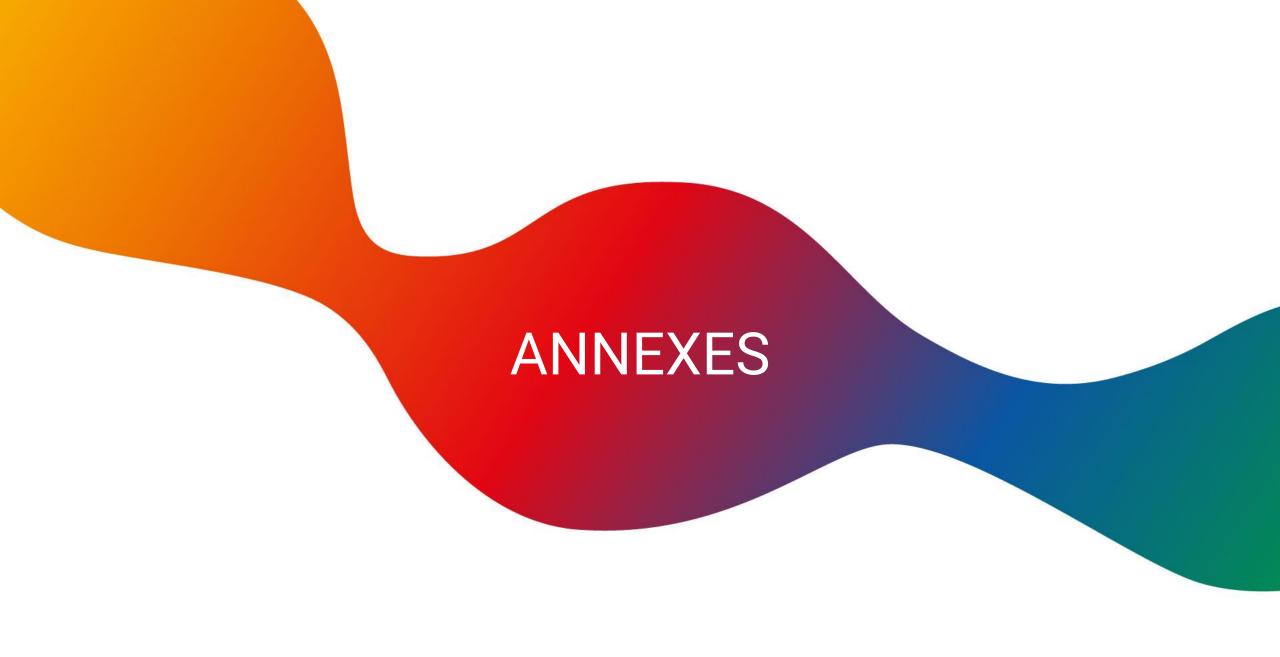
Acceleration of the development initiatives already present in the Business Plan and new opportunities of investments for the Group in the multicircle economy

Italian PNRR – EU Recovery fund



Approximately 70b€ are allocated to the Green Revolution and Economic Transition mission, which is perfectly in line with Iren's strategy.

	PNRR GUIDELINES	REFORMS	OPPORTUNITIES
	Current Iren presence Relevant Good Sufficient CIRCULAR ECONOMY	Circular economy national strategyWaste management national program	 Plant development acceleration Funds for innovative plants (waste-to- chemicals) Development of "critical" fractions treatment and recovery
	INTEGRATED WATER SERVICE	Regulatory simplificationNational Plan reformReform for industrial consolidation	3.5b€ • Possible funding for new projects
	DISTRICT HEATING		 Possible funding for new projects Access to fund to be evaluated
	BIOMETHANE DEVELOPMENT	Administrative simplificationIncentives for renewable gas use/production	 Possible funding for new plants Development of integrated value chain of renewable gas
	DISTRIBUTION NETWORKS	 Administrative simplification 	 New investment opportunity mainly on Turin Development line on resilience confirmed
•	ENERGY EFFICIENCY	Administrative simplificationStrengthening national fund	 Development opportunities in line with our strategy (energy efficiency and public lights) Positioning strengthening on rebuilding
	ENERGY COMMUNITIES	 Regulatory simplifications for small FER plants 	2.2b€ • Energy communities' development strategy
	E-MOBILITY	Regulatory simplificationsPA responsibility rationalization	 Leverage experience from start-up projects Development new business, strongly rooted on urban environment
12	EBITDA NETWORKS WASTE	ENERGY MARKET P&L	CASHFLOW & FINANCIALS CLOSING REMARKS ANNEXES



Iren at a glance

ıren





CUSTOMERS:

~1.877M in the energy sector

REFERENCE REGIONS

- ~2.8M inhabitants served in the water service
- ~3.1M inhabitants served in the waste sector
- ~0.9M inhabitants served in district heating















Energy Infrastructure

- O RAB Electricity distribution: 460m€
- RAB Gas distribution: 712m€
- 2.9% electricity network leaks (vs. national avg. 6.4%)

Water Service

- RAB water cycle management: 1,111m€
- 33.3% water network leaks (vs. national avg. 43.7%)

Urban Waste Collection

- ~2.3m tons of municipal waste collected
- 69.3% of sorted waste collection (vs. national avg. 61.3%)

Hydroelectric Green Certificates

- 261 GWh GCs produced through hydro
- 592K tons CO₂ emission avoided from hydro

District Heating

- 96.7 mcm of district heated volumes
- 716K tons CO₂ emission avoided from cogeneration

Urban Waste Disposal

- 3 Waste To Energy plants (total capacity ~800Kton/y)
- 100% energy or material recovery from total waste managed

UNREGULATED **ACTIVITIES**

REGULATED

ACTIVITIES

OUASI

REGULATED

ACTIVITIES

2020 Data

Generation

- 2,700 MW of generation capacity
- > 73% of electricity produced by environmentally friendly sources

P&L

Energy Market

- ~7.3 TWh electricity sold to end clients
- ~3.0 bcm gas purchased
- 92% customer satisfaction

Special Waste

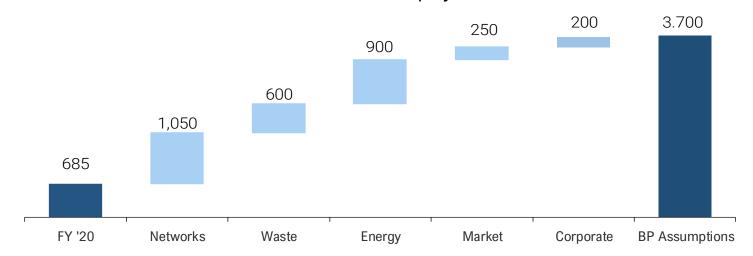
- ~817K tons of special waste managed
- 238.5K tons special waste to energy recovery

EBITDA

Business Plan capex plan

Iren

61% of investments in BP are related to Sustainable projects

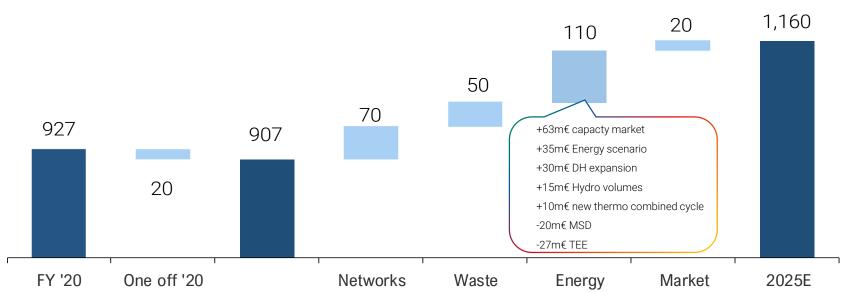


- Strong capex plan in Network, mainly in water for the improvement of the infrastructure and the construction of new purification plants
- Investments in energy concerning the expansion of district heating, energy efficiency projects and the thermoelectric combined cycle
- In waste business we planned to build 8 new treatment plants and improve the quality of collection activity
- In market the capex are related to maintain the value of our clients' portfolio and increase the customer base

Business Plan Ebitda growth







- O Growth is driven by RAB increase, improvement in service quality and synergies
- The new treatment plants will allow to close the waste cycle and to increase margins of the whole waste value chain along with the positive contribution of consolidated companies
- O Widening of district heating network, increase in thermo capacity and the energy efficiency projects led the growth supported also by a recovery in energy scenario
- Expansion of the customer base and sales growth of Iren Plus products

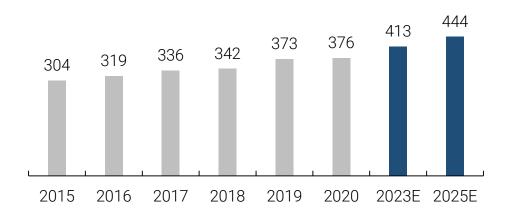
EBITDA

CASHFLOW &

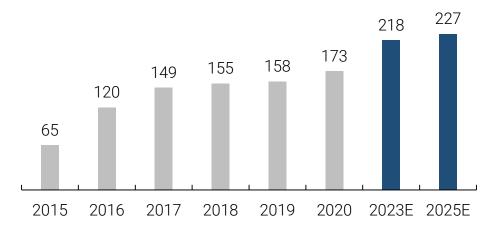
Business Plan Ebitda growth by BU



NETWORKS EBITDA BRIDGE (m€)



WASTE EBITDA BRIDGE (m€)



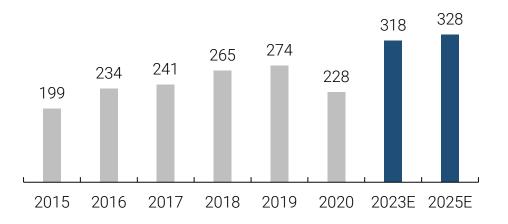
- 1.3b€ of Investments to significantly increase RAB by 700m€, reaching 2.93b€ by the end of 2025
- Capex devoted to develop water purification plants, in order to complete our circular vision also in the integrated water cycle
- Further synergies will be exploited from continuous improvement in asset/workforce management system
- Participation in tenders within reference areas in which IREN is incumbent (not included in BP figures)
- Over 700m€ of capex to build new treatment plants and improve the quality of the collection activity
- +1 million tons waste treated in our plants thanks to new treatment plants (paper, plastic, wood, organic fraction, sludge)
- +4 bps, reaching more than 70%, in sorted waste collection supported by widening of door-to-door and pay-as-you-throw collection systems. Confirmation of all the currently owned concessions
- Fully consolidation of I.Blu and Unieco
- O Possible participation in tenders within reference areas in which IREN is not incumbent (not included in BP figures)

REMARKS

Business Plan Ebitda growth by BU



ENERGY EBITDA BRIDGE (m€)



MARKET EBITDA BRIDGE (m€)



- Over 1b€ of capex to expand district heating, improve the flexibility of generation plants and to sustain energy efficiency interventions
- Significant increase in thermoelectric production thanks to the new gas combined cycle Group in Turbigo.
- Launch of the capacity market
- Extension of the district heating networks and saturation of the existing infrastructure (+15 cubic meters) with the achievement of 100 million cubic meters in 2022.
- Growth in the energy efficiency segment also taking advantage of the introduction of the 110% Superecobonus
- 300m€ of investments to expand the client base (+28%) by going national, keeping the churn rate as one of the lowest in the sector, thanks to a new customer experience driven by digital platforms
- 5x national clients thanks to digital strategy and commercial excellence
- +100% Iren Plus penetration rate driven by the extension of products and services offered, favored by Superbonus
- FY2020 includes an extra profitability of 14m€ due to commodities price volatility

MARKET

Business Plan sustainability targets





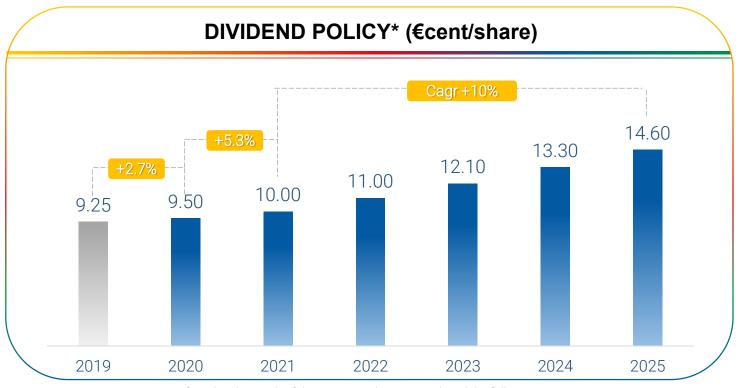
Business Plan dividend policy

Short-term dividend policy revised taking into account the following main elements:

- O Covid impact on 2020 results
- Capex acceleration in 2020 and 2021
- Strategic M&A transactions

We are committed to deliver value to our shareholders through a combination of growth and a dividend policy of roughly

8% DPS cagr over the business plan time frame

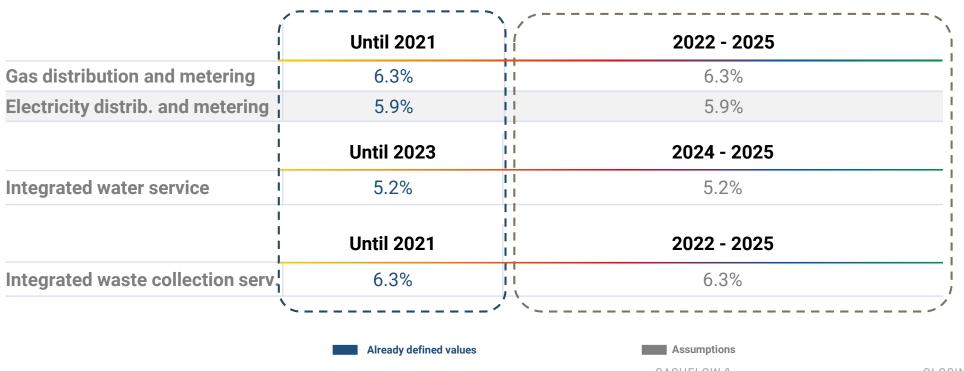


*Referred to the result of the corresponding year and paid the following year

Regulatory framework



	Gas distribution	Electricity distribution	Water service	Integrated waste collection service
Regulatory period	6 years (2020 - 2025)	8 years (2016 - 2023)	4 years (2020 - 2023)	4 years (2018-2021)
WACC methodology update	6 years (2016 - 2021)	6 years (2016 - 2021)	4 years (2020 - 2023)	4 years (2018-2021)
WACC update	every three years (2022) update of β in 2020	every three years (2022)	every two years (2020)	every four years (2022)



Networks concessions









GAS CONCESSIONS

	ATEM	Expiry
	Genova 1	Expired
	Parma	Expired
	Reggio Emilia	Expired
	Vercelli	Expired
	Piacenza 2 - Est	Expired
- /		

WATER CONCESSIONS

Piacenza* Expired	
Reggio Emilia* Expired	
Genova 2032	
Parma 2025	
Vercelli 1 2023	
La Spezia 2033	,

ELECTRICITY CONCESSIONS

AREA	Expiry
Torino	2030
Parma	2030
Vercelli 1	2030

Hydroelectric and waste concessions







HYDROELECTRIC CONCESSIONS

AREA	Hydroelectric plant	Electric Power (MW)	Expiry
Piemonte 1	Pont Ventoux-Susa	157	2034
Piemonte 2	Valle Orco e S. Mauro	300	Expired 2010
Piemonte 3	S. Lorenzo, Moncalieri, La Loggia, valle Susa	25	*
Campania	Nucleo Tusciano	108	2029
Liguria	Brugneto, Canate	10	Expired 2014

MAIN WASTE CONCESSIONS

AREA	Expiry
Parma**	1st in ranking
Piacenza**	1st in ranking
Reggio Emilia	Expired
Torino	2033
Vercelli 1	2028
Vercelli 2	Expired
La Spezia	2028
Novara**	1st in ranking

^{*} The expiring date is not provided for electric power plants <3 MW

^{** 1}st in ranking, pending the official final award

Shareholding structure

>50%

Public Shareholders Public entities IREN's Shareholders are more than 50%: Municipality of Genoa ~19%, Municipality of Turin ~14%, Emilia Municipalities (Reggio Emilia, Parma, Piacenza and other minor Municipalities) ~17%, La Spezia Municipalities ~2%.

LSS Loyalty Shares Scheme In 2016, a LSS which establishes the rules for the double voting right for specific Shareholders' Resolutions and the elimination of the obligation for Public Shareholders to hold at least 51% of Iren's share capital has been introduced in Iren's bylaws. Since 2018, Public Shareholders must hold at least 50%+1 of the voting rights in relation to the Shareholders' Resolutions with increased vote.

According to the Shareholders' Agreement updated in 2019, Public Shareholders who signed the agreement must hold at least 35% of Iren's share capital.

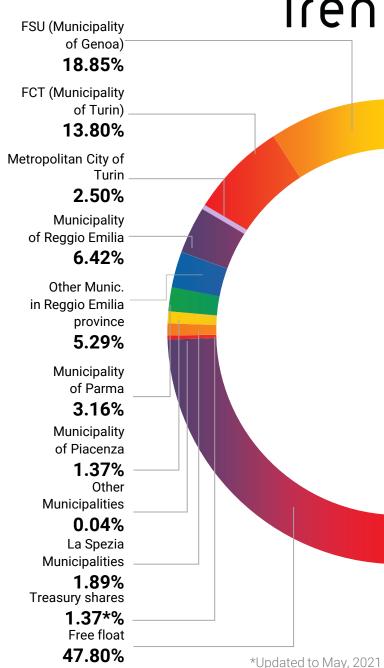
4 Shareholders Agreements Four Shareholders' agreements:

- One between FSU (Municip. Of Genoa) , FCT (Municip. of Turin), Emilia Shareholders and former ACAM Municipalities (expiring April 2022)
- One between FSU and FCT (expiring July 2021)
- One between Emilia Shareholders (expiring April 2022)
- One between former ACAM Municipalities (expiring May 2022)

They guarantee that all the most important decisions relating to Corporate Governance are taken by agreement of the public Shareholders. In particular, out of 15 members of IREN's BoDs, 13 are appointed by the members of the shareholders agreements, including the CEO, Chairman and Vice-Chairman which are unanimously appointed.

SBB

On 5th April 2019, the shareholders meeting approved a share buyback program up to 5% of Iren's share capital. On 13th May 2019, the Board of Directors approved the launch of share buyback program on 2% of share capital.



Public entities/shareholders

Iren

IREN SHAREHOLDING STRUCTURE

Shareholders	Total Shares	%	Total Voting rights	%
FSU Municipality of Genoa	245,249,617	18.85%	490,499,234	24.84%
FCT Municipality of Turin	179,567,795	13.80%	359,135,582	18.19%
Metropolitan City of Turin	32,500,000	2,50%	32,500,000	1.65%
Municipality of Reggio Emilia	83,559,569	6.42%	167,119,138	8.46%
Other Municipalities of Reggio Emilia	68,754,590	5.29%	135,103,475	6.84%
Municipality of Parma	41,158,566	3.16%	82,317,132	4.17%
Municipality of Piacenza	17,846,547	1.37%	35,306,094	1.79%
Other Municipalities	534,070	0.04%	1,061,676	0.05%
La Spezia Municipalities	24,593,215	1.89%	45,045,196	2.28%
Shares/voting rights owned by public entities	693,763,969	53.33%	1,348,087,527	68.28%
Free float	589,311,763	45.30%	608,306,899	30.81%
Treasury shares*	17,855,645	1.37%	17,855,645	0.90%
IREN's Share capital	1,300,931,377	100%	1,974,250,071	100%

On the 1st June 2018, the "loyalty share scheme" came into force. All the Shareholders that have kept IREN shares for at least two years and have been registered in the proper list have now a double voting right for each shares (only in relation to specific matters, such as the appointment of the Board of Directors and of the Board of Statutory Auditors).

*The voting right relating to treasury shares in the portfolio is suspended. The treasury shares, however, are included in the calculation of the

TRADE REGIME OF PUBLIC SHAREHOLDERS' SHARES

Shareholders	Total Shares	Non- negotiable shares (until may 2022)	Negotiable shares (under specific policy to avoid overhang risk)	Freely negotiable shares (not included in the shareholders agreement)
FSU Municipality of Genoa	245,249,617	154,281,688	90,967,929	-
FCT Municipality of Turin	179,567,795	154,281,689	25,286,106	
Metropolitan City of Turin	32,500,000			32,500,000
Municipality of Reggio Emilia	83,559,569	58,228,078	25,331,491	-
Other Municipalities of Reggio Emilia	68,754,590	44,147,738	22,628,456	1,928,396
Municipality of Parma	41,158,566	14,025,186	5,292,380	21,841,000
Municipality of Piacenza	17,846,547	12,248,901	5,597,646	-
Other Municipalities	534,070	311,318	216,288	6,464
Former ACAM Municipalities	24,593,215	17,804,838	2,805,654	3,982,723
Shares owned by public entities	693,763,969	455,329,436	178,125,950	60,258,583

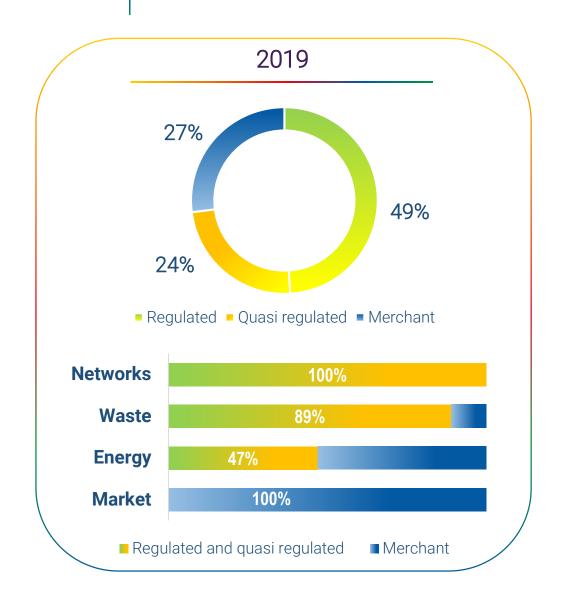
238,384,533 negotiable shares equal to

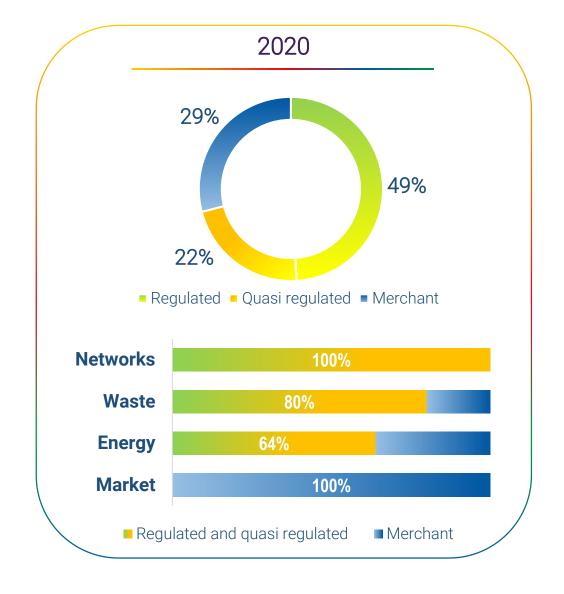
18.3% of IREN's share capital

quorum constituting the shareholders' meeting

Ebitda breakdown by activity

Iren





FY 2020

Sustainability Ratings

Iren

SCORE



A/AAA



29,7



A/A



Advanced



72,63



E+

Business units' results

Iren

NETWORKS							
m€	1Q '20	1Q '21	Δ	Δ%			
Revenues	244	252	8	3%			
Ebitda	89	94	5	6%			
Electricity	19	19	0	2%			
Gas	20	22	2	7%			
Water	50	53	3	7%			
Ebit	40	48	8	18%			
Gross Capex	57	56	-1	-2%			

ENERGY				
m€	1Q '20	1Q '21	Δ	Δ%
Revenues	348	397	49	14%
Ebitda	87	93	6	7%
Hydro&Renewables	13	20	7	54%
Thermo/Coge, DH	73	70	-3	-4%
Energy efficiency	1	3	2	n.s.
Ebit	52	58	6	10%
Gross Capex	38	20	-18	-47%

WASTE					
m€	1Q '20	1Q '21	Δ	Δ%	
Revenues	179	217	38	21%	
Ebitda	43	52	9	21%	
Collection	15	16	1	7%	
Treatment & disposal	28	36	8	29%	
Ebit	19	25	6	33%	
Gross Capex	16	22	6	37%	

MARKET					
m€	1Q '20	1Q '21	Δ	Δ%	
Revenues	713	721	8	1%	
Ebitda	55	74	19	34%	
Electricity	12	13	1	8%	
Gas&Heat	43	61	18	42%	
Ebit	34	53	19	58%	
Gross Capex	11	16	5	44%	

1Q 2021

Scenario

Iren

	1Q '20	1Q '21	Δ%
Gas Demand (bcm)	23.9	25.2	5.8%
TTF €/000 scm	103	195	89.6%
PSV €/000 scm	120	198	65.3%
Energy Demand (Twh)	77.0	78.6	2.2%
PUN (€/Mwh)	39.6	59.2	49.6%
CO2 €/Ton	22.8	37.4	64.0%
Green Cert. Hydro (€/Mwh)	99.1	109.4	10.4%
TEE (€/TEE)	265	260	-1.9%

1Q 2021

Balance sheet

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	FY '20	1Q '21
Net fixed assets	6,581	6,644
Net Working Capital	42	112
Funds	-657	-691
Other assets and liabilities	-254	-255
Net invested capital	5,712	5,810
Group Shareholders' equity	2,764	2,895
Net Financial Position	2,948	2,915
Total Funds	5,712	5,810

Disclaimer

The Manager in charge of drawing up the corporate accounting documents and the Chief Financial Officer of IREN S.p.A., Mr. Massimo Levrino, hereby declares, pursuant to paragraph 2 of article 154 bis of the Consolidated Finance Act (Legislative Decree No 58/1998), that the accounting information contained in this presentation is consistent with the accounting documents, records and books.

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Notice is also given that projected data are valid only on the date they are produced. Except for those cases in which the applicable statutes require otherwise, IREN assumes no obligation to provide updates of the abovementioned estimates and projected data.

