



INVESTORS'  
PRESENTATION





● COMPANY STRATEGY

● Q1 2025 RESULTS

● DEBT PROFILE

● ANNEXES

# Macrotrend and main development drivers

BUSINESS UNITS	MACRO TREND	IREN'S ACTIONS
 <b>NETWORKS</b>	<ul style="list-style-type: none"> <li>• Water resource scarcity</li> <li>• Electrification of consumption</li> <li>• Quality of service</li> </ul>	<ul style="list-style-type: none"> <li>• Sustainable water management</li> <li>• Power grid upgrading</li> <li>• Performance improvement</li> </ul>
 <b>WASTE</b>	<ul style="list-style-type: none"> <li>• Circular economy</li> <li>• Sorted waste collection</li> </ul>	<ul style="list-style-type: none"> <li>• Material and energy recovery</li> <li>• Best practices expansion into new territories</li> </ul>
 <b>ENERGY</b>	<ul style="list-style-type: none"> <li>• Energy transition</li> <li>• Decarbonization</li> </ul>	<ul style="list-style-type: none"> <li>• CCGT plants flexibilization</li> <li>• Development of RES and district heating</li> </ul>
 <b>MARKET</b>	<ul style="list-style-type: none"> <li>• Market competitiveness</li> <li>• Increased customer value</li> </ul>	<ul style="list-style-type: none"> <li>• Acquisition of resilient customer portfolios</li> <li>• Anti-churn rate actions (new services, strengthening contact channels)</li> </ul>



## ENABLERS

Digitalisation  
Increased operational efficiency

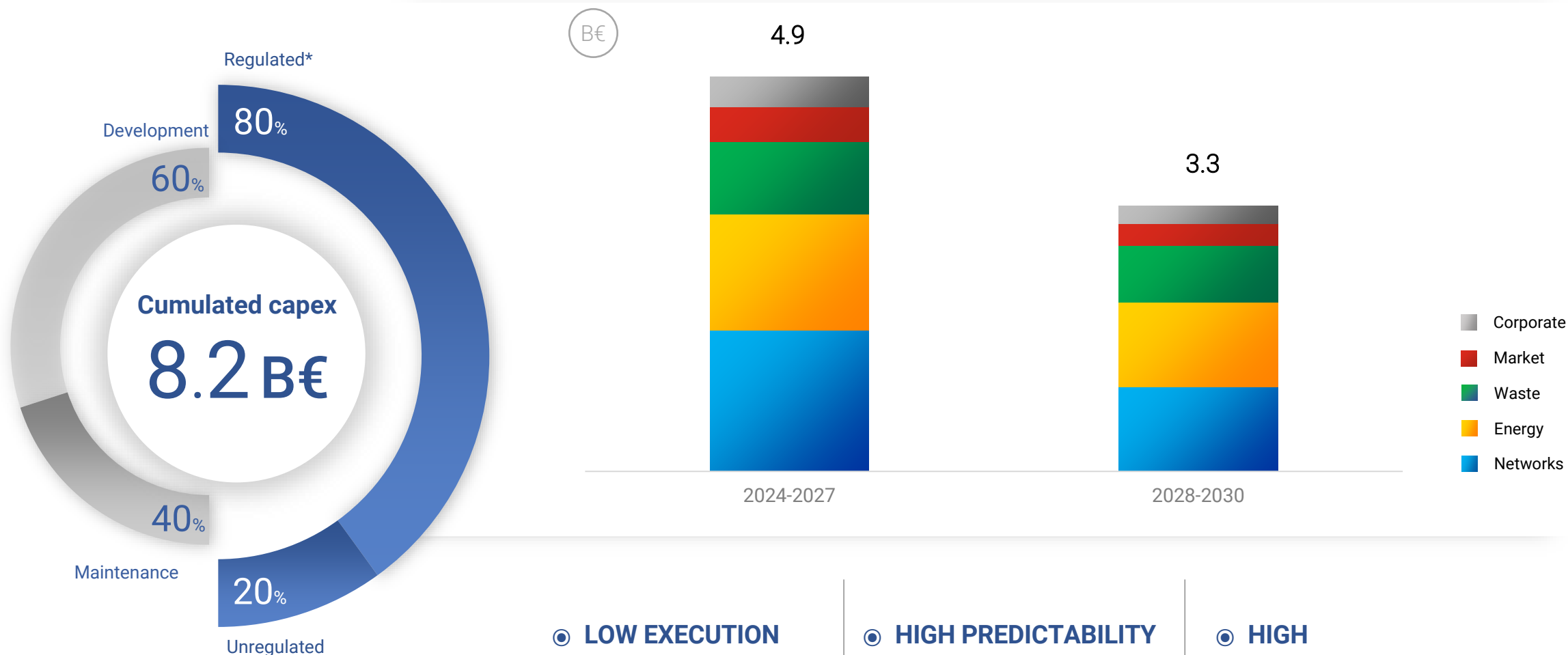
# A new capital allocation to support the strategic vision



## ◎ CAPITAL ALLOCATION REVIEW

- 1) Reallocation of **investments** with a selective approach to profitability
- 2) **Financial discipline** aimed at maintaining current rating levels
- 3) Extended visibility of **dividend policy** during the plan

# Investments reallocation for a sound and visible plan



● **LOW EXECUTION RISK**

● **HIGH PREDICTABILITY OF RESULTS**

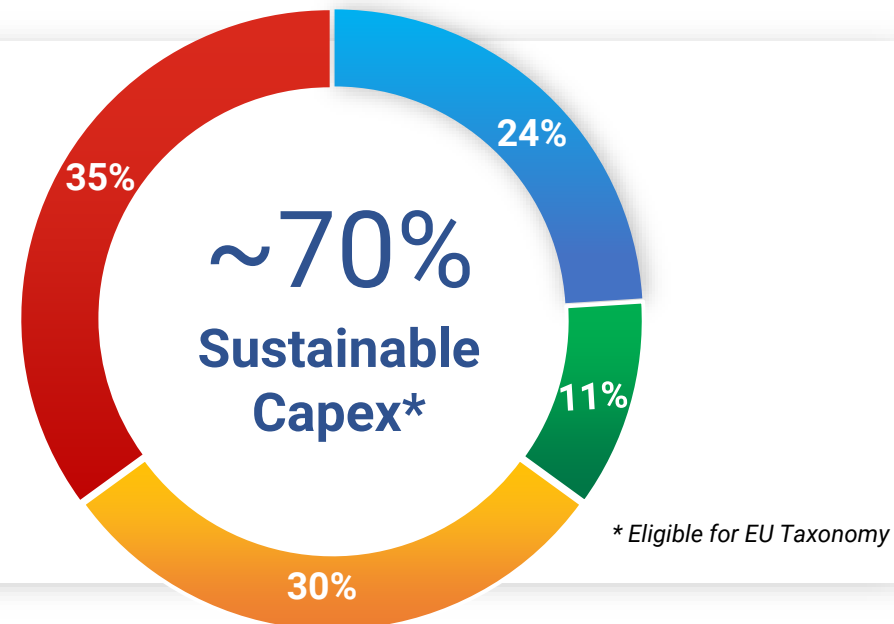
● **HIGH FLEXIBILITY**

*\*Including incentives and PPAs on RES*

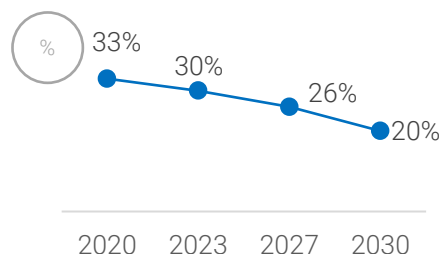
# Sustainability drives future investments

- 5 SUSTAINABILITY FOCUS AREAS  
DECLINE OUR INDUSTRIAL STRATEGY,  
IN LINE WITH THE CSRD

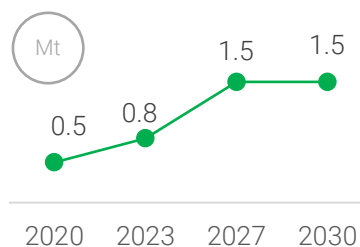
- Water resources
- Circular economy
- Decarbonization
- Resilient cities
- People



## Water leaks



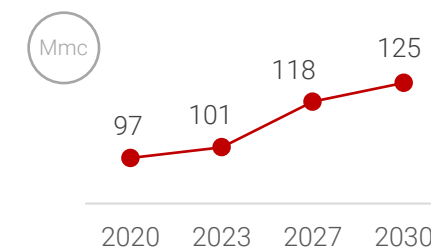
## Material recovery



## Carbon intensity

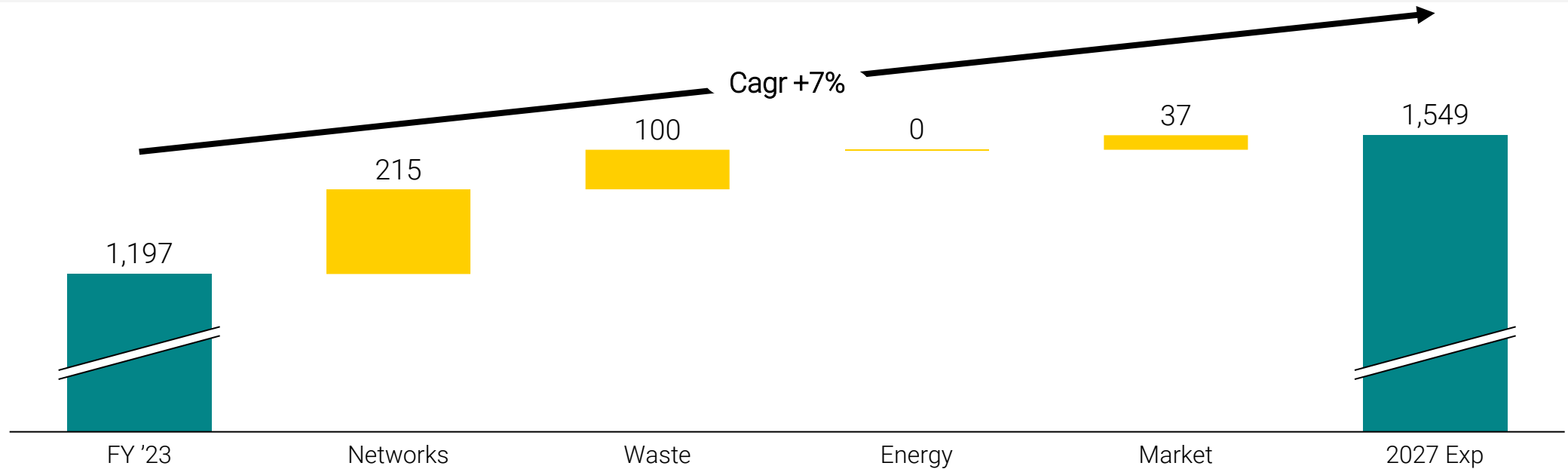


## District heating volumes



# 2023-2027 EBITDA bridge

€M



- organic growth
- regulatory update
- synergies
- EGEA

- organic growth
- M&A (Sienambiente, collection, EGEA)
- synergies
- 2025 inflation recovery in collection
- energy scenario

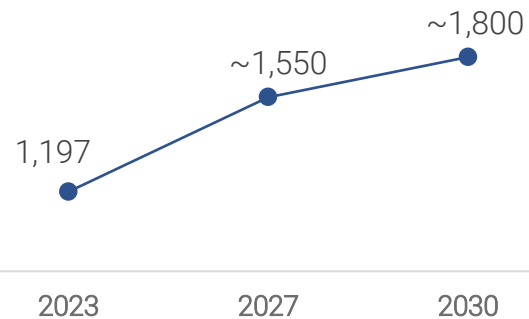
- 2023 energy scenario normalisation
- organic growth
- EGEA
- synergies
- capacity market
- lower CSS and heat margins

- higher customer base and EE clients' margins
- EGEA
- synergies
- lower gas unitary margins

# Sound and sustainable growth

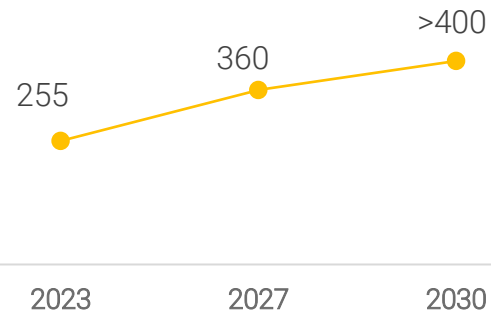
CUMULATED CAPEX **8.2 B€** of which 600M€ flexible over the three-year period 2025-2027

EBITDA: Cagr 6% (€M)

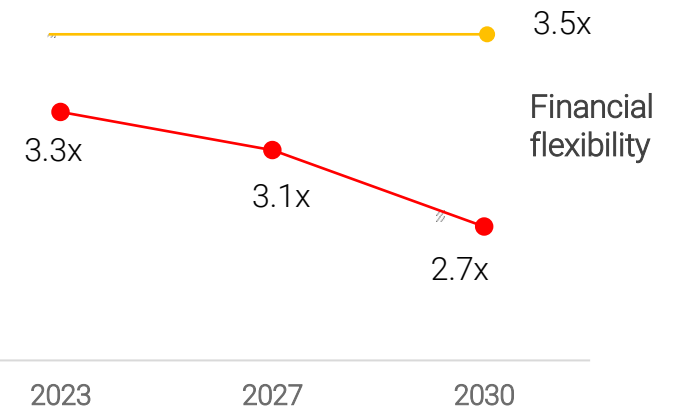


Commitment to achieve efficiencies and synergies confirmed

GROUP NET PROFIT: Cagr 7% (€M)



FINANCIAL LEVERAGE



Maximum threshold at 3.5x consistent with our 80% regulated asset portfolio by plan-end





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# Key Highlights



+9% YoY EBITDA growth  
led by organic and  
inorganic growth

More than 20€M coming  
from EGEA integration

M&A cash out over  
500€M sustained by  
hybrid bond led the net  
debt below 4€B

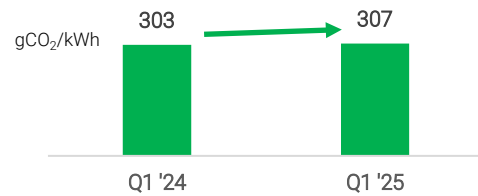
Guidance confirmed  
thanks to solid Q1  
results

# Sustainable growth continued throughout the quarter



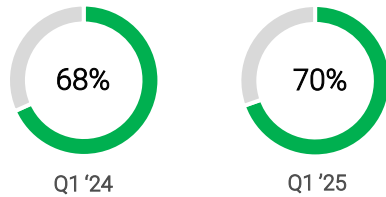
## Green transition

### Carbon Intensity



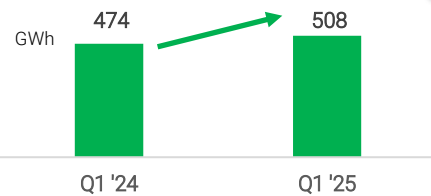
On track ✓

### Sorted waste collection



On track ✓

### Green energy sold

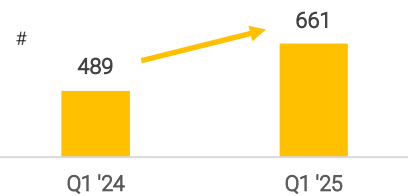


On track ✓



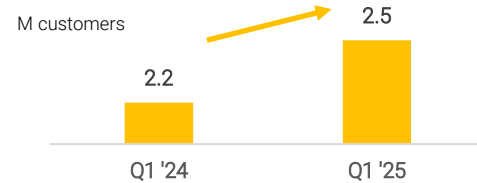
## Local presence

### Municipalities served in waste collection



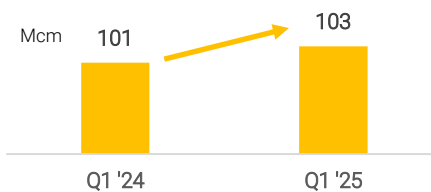
On track ✓

### Customer base



On track ✓

### District Heating volumes

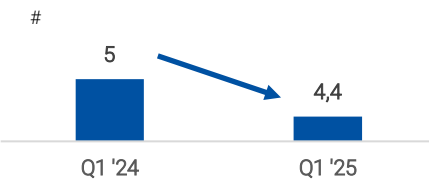


On track ✓



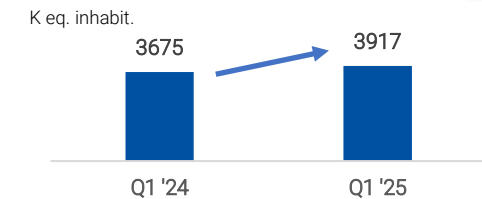
## Service quality

### Power outages duration (SAIDI)



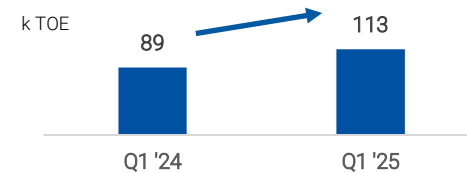
On track ✓

### Wastewater plants capacity



On track ✓

### Energy saved by Iren Plus and green energy sale



On track ✓

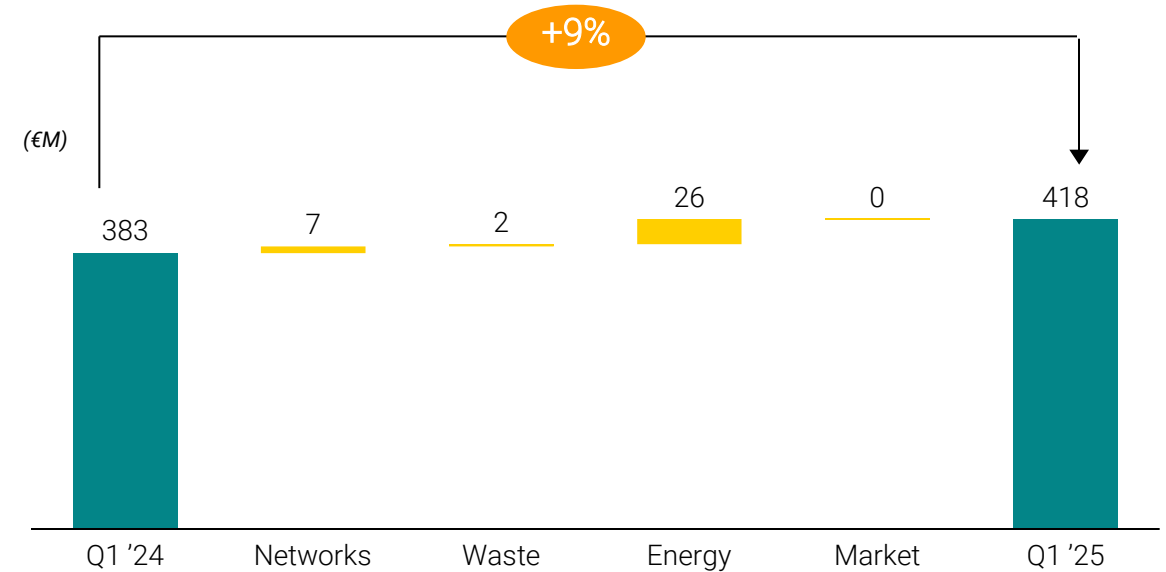
# Q1 '25 results at a glance



	Q1 '24	Q1 '25	Δ	Δ%
Revenues	1.568	<b>2.093</b>	525	33%
EBITDA	383	<b>418</b>	35	9%
EBIT	213	<b>224</b>	11	5%
Group net profit	126	<b>136</b>	10	8%
Technical capex	165	<b>185</b>	20	12%
Net Financial Position	4083*	<b>3.972</b>	-111	-3%

\* FY 2024 data

## EBITDA EVOLUTION



### Tailwinds

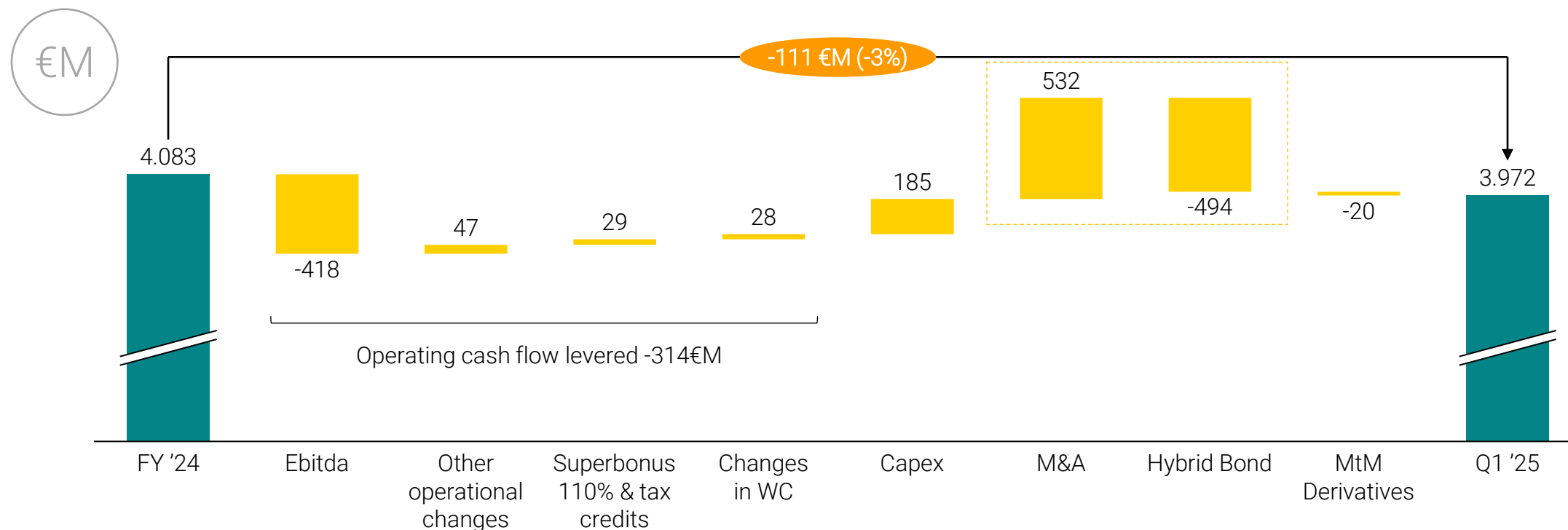
- Egea consolidation
- Generation volumes and margins
- Regulated business (organic growth and regulation)



### Headwinds

- Gas supply margins
- Energy efficiency activities

# Net financial position evolution (Q1 2025 vs FY2024)



- Sound operating cash flow to offset technical capex
- Slight increase in WC due to NRRP investment credits and extra cap tariffs in water and waste collection
- M&A outflow, which includes 283€M of Iren Acqua and 249€M of Egea Holding consolidation, is partially offset by hybrid bond

# Closing remarks

## OUTLOOK

- **Networks:** growth confirmed
- **Waste:** improvement of plants profitability confirmed
- **Energy:** higher production and clean spark spread
- **Market:** maintaining margins in a competitive scenario
- **Egea:** expected results confirmed

## GUIDANCE 2025

- EBITDA: 1,340 - 1,360M€
- Net profit: 300 - 310M€
- Gross technical capex: ~0.9€B
- M&A outflow already finalized: ~0.5€B
- NFP/EBITDA\*: ~3.2x

*\*Including hybrid bond*





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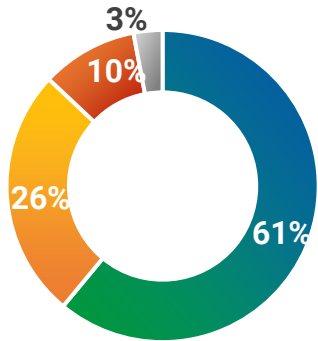
● DEBT PROFILE

● ANNEXES

# A sound and sustainable debt structure

## DEBT STRUCTURE

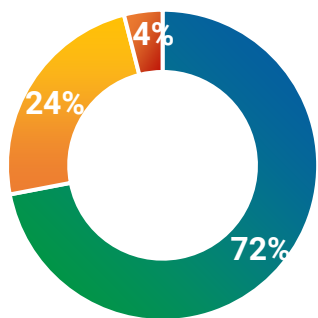
As of 31-Mar-25



■ Green Bonds ■ ESG Loans ■ Bonds ■ Loans

## INTEREST RATE

As of 31-Mar-25



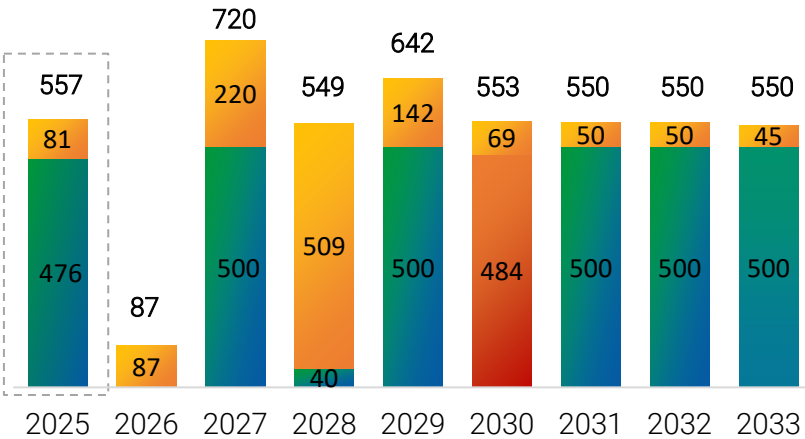
■ Fixed ■ Fixed-rate swap ■ Variable

## MATURITY PROFILE AND LIQUIDITY

As of 31-Mar-25

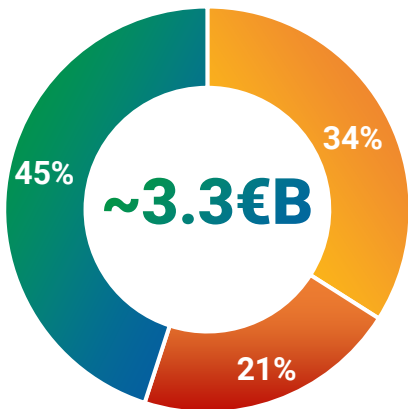


■ Green Bonds ■ Traditional Bonds ■ Loans



Re-financing of 2025 maturities already addressed in full with the €500m bond issuance completed in September 2024

Hybrid Bond: loss of equity content in 2030



■ Cash  
■ Undrawn committed credit lines  
■ Undrawn uncommitted credit lines

96%

Fixed rate debt

4.8 years

Average duration

2.35%

Average cost

87%

Sustainable debt

Data as of 31 March 2025

# Strong commitment to maintaining a financial solidity

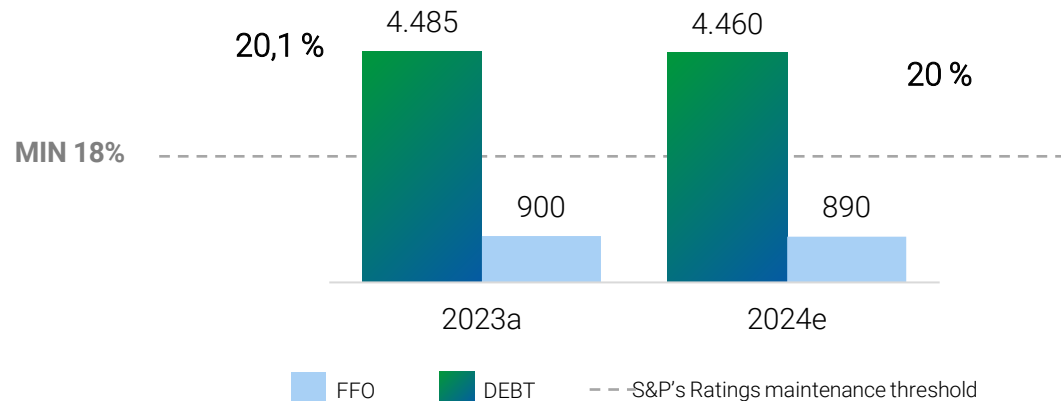
2025 Guidance confirmed on NFP/EBITDA at 3,2x. Rating KPIs are expected to be in line with metrics, targeting an 80% of EBITDA coming from regulated and quasi-regulated activities.

**S&P Global**  
Ratings

*BBB/Stable*

**DEBT<sup>1</sup> and FFO<sup>2</sup>**

€M



1. Debt (Debt Adjusted according to S&P criteria)  
2. Funds From Operations (according to S&P criteria)

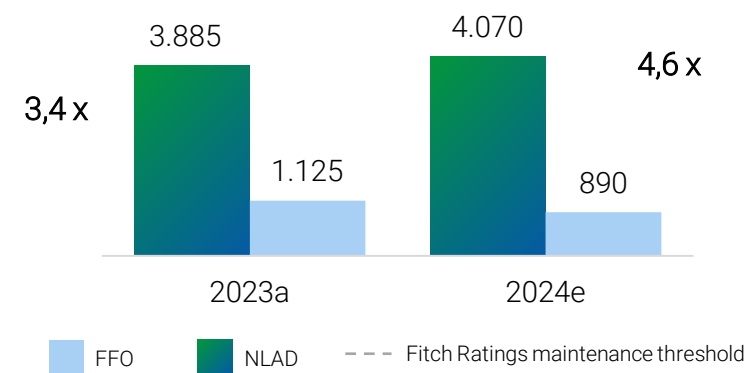
**Fitch Ratings**

*BBB/Stable*

**NLAD<sup>1</sup> and FFO<sup>2</sup>**

€M

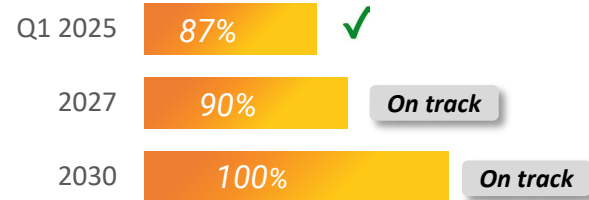
MAX 5x



1. Net Lease Adjusted Debt (Debt Adjusted according to Fitch criteria)  
2. Funds From Operations (according to Fitch criteria)

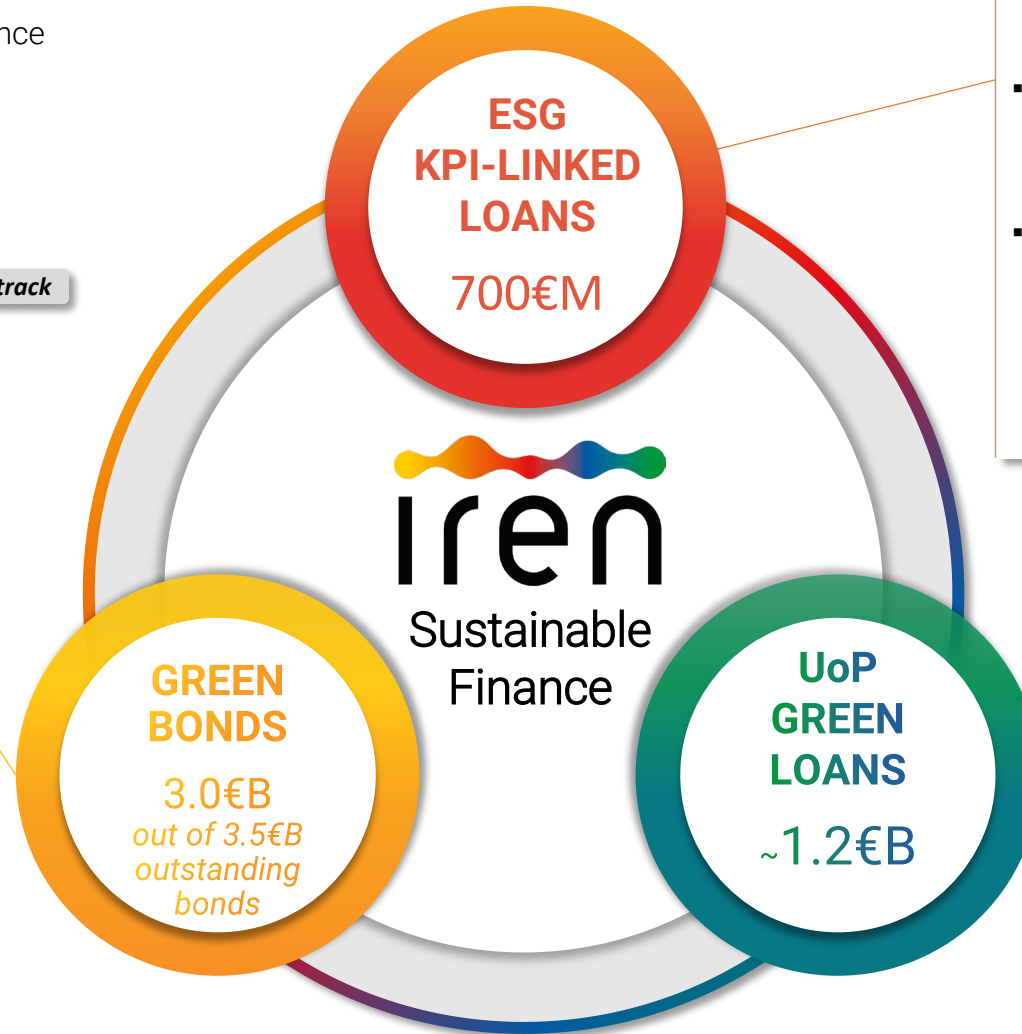
# Sustainable finance

Our commitment to Sustainable Finance  
(% on Total Debt)



- 500€M Green Bond #1 issued in 2017
- 500€M Green Bond #2 issued in 2018
- 500€M Green Bond #3 issued in 2019
- 500€M Green Bond #4 issued in 2021
- 50€M Green Private Placement issued in 2022
- 500€M Green Bond #5 issued in January 2024
- 500€M Green Bond #6 issued in September 2024

...to support eligible green projects in line with Iren's Sustainable Finance Framework and ICMA Principles



- Term Loans and RCFs entered by Iren for a total amount of 700€M
- Sustainability-Linked Loans to enhance Group's commitment in terms of long-term sustainable strategy
- ESG KPI-Linked Loans envisage core KPIs included in Sustainable Financing Framework:
  - ✓ Scope 1 GHG emissions reduction
  - ✓ Water leaks

- Credit facilities by EIB (European Investment Bank), CEB (Council of Europe Development Bank) and CDP (Cassa Depositi e Prestiti) devoted to financing specific sustainable projects and to support Group green transition
- Very long-lasting relationship with multilateral banks with 2€B+ granted over the period

Note: Green Bonds are issued under the 4€B EMTN Program renewed in July 2024

# Framework components

## Green Financing Component



## Sustainability-Linked Component

### Category

### Eligible Projects/Activities

### SDG

#### Renewable Energy

- Hydroelectric power electricity generation
- Solar PV electricity generation
- Wind power electricity generation



#### Energy Efficiency

- Energy network development
- Electricity storage
- Thermal storage capacity
- Cogeneration facilities
- District heating networks
- Gas network hydrogenation
- Buildings energy efficiency
- Waste to Energy facilities
- Waste-to-chemical facilities



#### Circular Economy

- Waste urban collection
- Waste urban recycling
- Waste urban treatment



#### Sustainable Water and Wastewater Management

- Wastewater treatment plant upgrades
- Water distribution network efficiency



#### Clean Transportation

- Electric Vehicles
- E-mobility



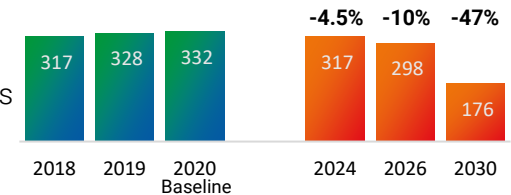
### KPI

### Target

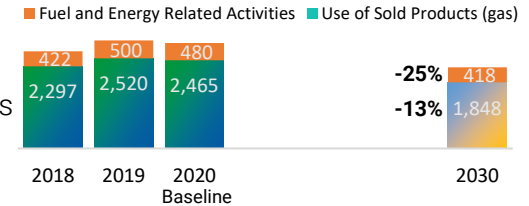
### SDG



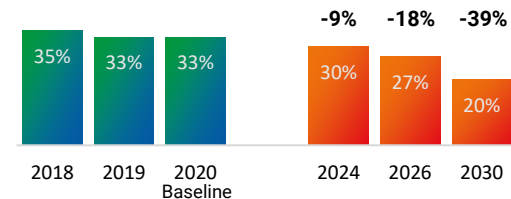
**KPI#1**  
Scope 1 GHG Emissions Intensity (gCO2eq/kWh)



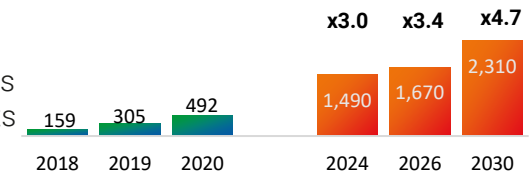
**KPI#2**  
Scope 3 GHG Emissions (kt of CO2eq)



**KPI#3**  
Water Leaks (%)



**KPI#4**  
Waste treated in Group's Material Recovery Plants (kt)







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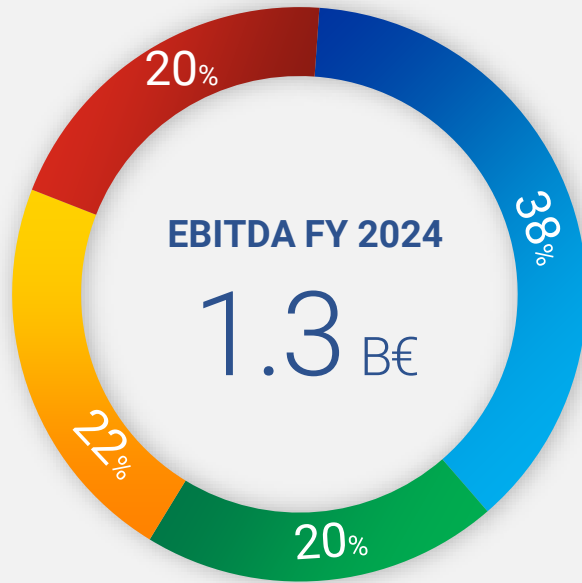
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● ANNEXES - Strategy

# Iren at a glance



EBITDA made by:

~**70%** regulated and semi-regulated activities

~**30%** unregulated activities (mainly energy generation and supply)

Networks	Waste	Energy	Market
Power distribution	Collection	District Heating	Gas & Power supply
Gas distribution	Treatment and material recovery	RES, Hydro & storage	Commercial services
Integrated water cycle		Thermoelectric	
		Energy Efficiencies	



- 2°** National player in District Heating volumes with 102 Mcm
- 4°** National player in the water management with 3.0 M inhabitants served
- 7°** National player in electricity generation with a capacity of 3.4 GW of which 0.8 GW renewables
- 1°** National player with 4.5 M inhabitants served in the waste collection
- 3°** National player in waste with 4 Mton managed
- Red circle** National player in the energy sector with 2.5 M customers



# Networks: service quality and investments drive growth



## WATER

- Network **upgrading**
- 4 new purification plants
- Operational efficiency and service quality
- Implementation of NRRP projects



## ELECTRICITY

- Network **upgrading**
- 5 new primary substations
- Performance and commercial quality improvement
- Implementation of NRRP projects

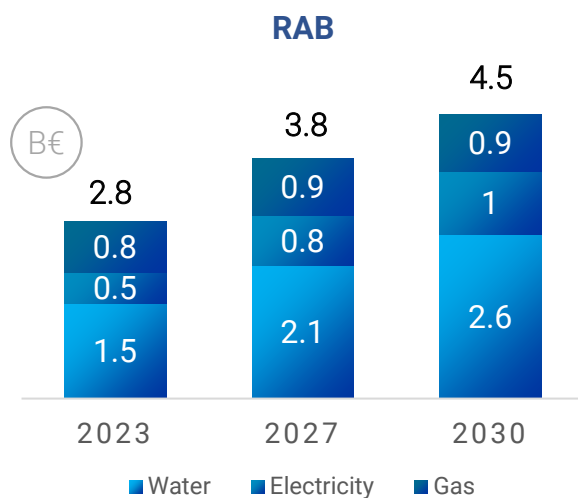


## GAS

- Maintenance of distribution network
- Network replacement to increase security



- Increased investments in distribution networks
- **EGEA** consolidation in integrated water service and gas distribution



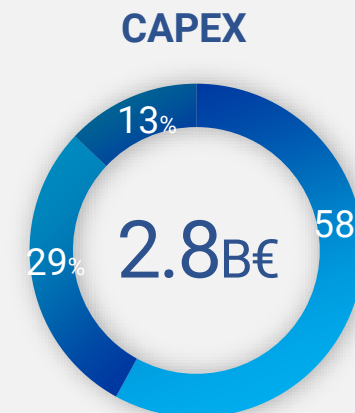
## WASTEWATER REUSED



## DURATION OF POWER OUTAGE (SAIDI)

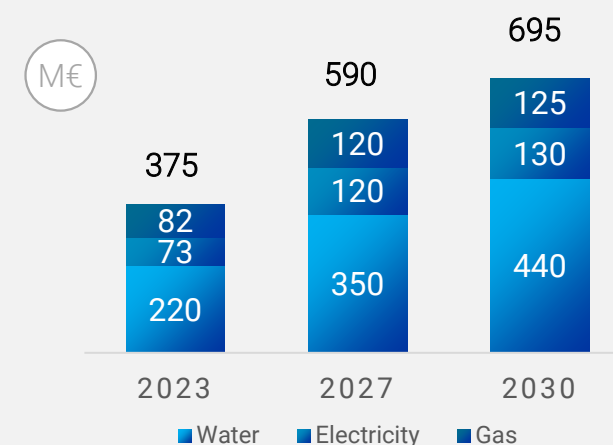


## GAS NETWORK READY FOR HYDROGEN BLEND



## EBITDA GROWTH

**9% CAGR**



# Waste: collection development and energy recovery



## COLLECTION

- Territorial expansion through tenders and consolidations, not only in historical territories
- Operating cost efficiency while maintaining high service quality
- Push on sorted waste collection



## TREATMENT AND DISPOSAL

- Waste treatment facilities development (6 new plants)
- Energy recovery capacity expansion (4<sup>th</sup> line in Turin WTE)
- Waste flows optimisation



- EGEA consolidation in collection activity
- New WTE in Gioia Tauro with PPP and new WTE in one of our reference areas
- Re-planning of material recovery plants development

## BASIN SERVED

5.5M

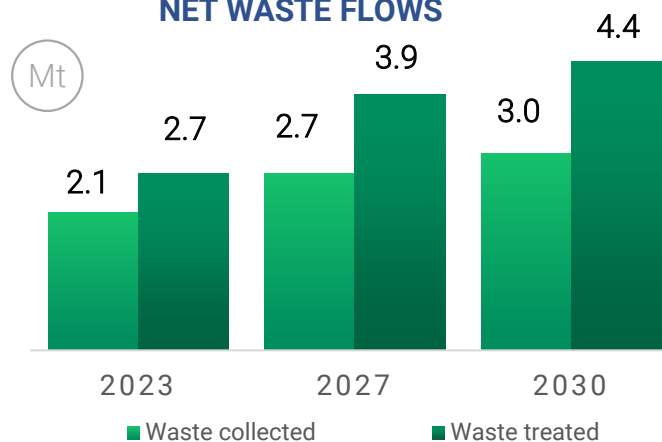
Inhabitants in 2030

## SORTED WASTE COLLECTION

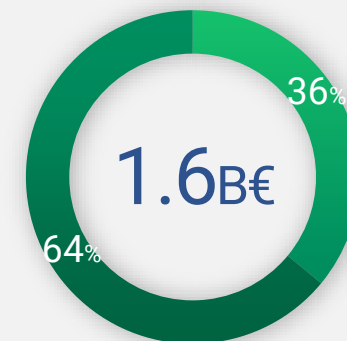
>75%

2030

## NET WASTE FLOWS

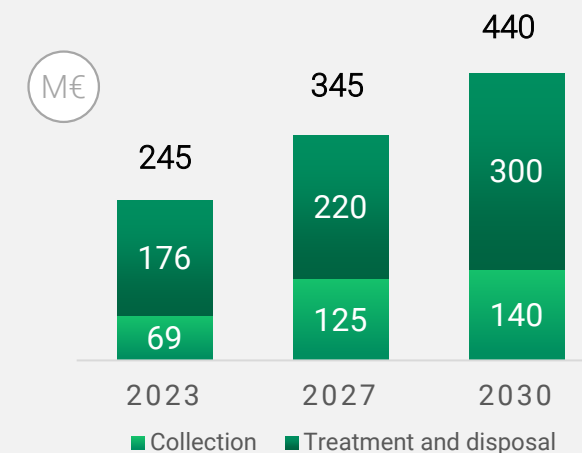


## CAPEX



## EBITDA GROWTH

9% CAGR



# Energy: decarbonization of energy generation



## RES

- Development of greenfield renewable capacity
- Hydro plants repowering
- Energy communities



## CCGT, THERMO AND HEAT

- Air cooler installation on CCGT
- Turbigo disposal after 2027
- Expansion of district heating network



## ENERGY EFFICIENCY

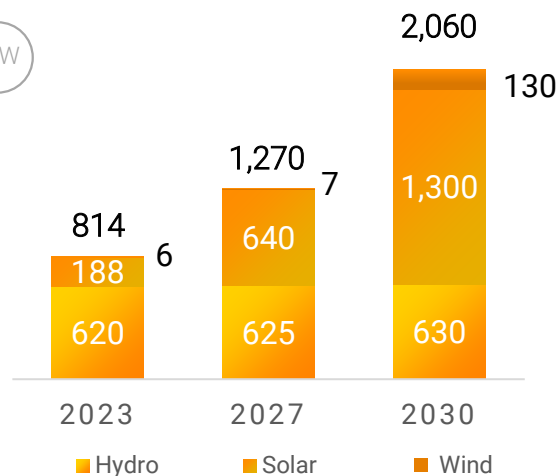
- Rebuilding activity on private and public sector
- Energy efficiency for business clients and public administration



- EGEA consolidation in district heating and public lighting
- New positioning on RES and BESS

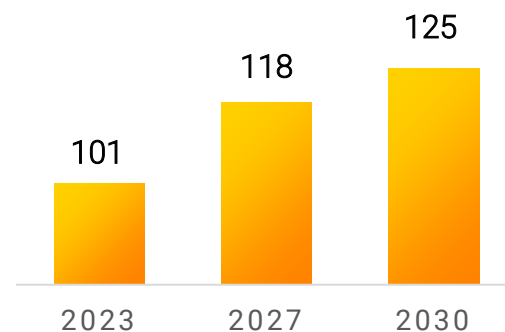
## RES CAPACITY

(MW)



## DISTRICT HEATING VOLUMES

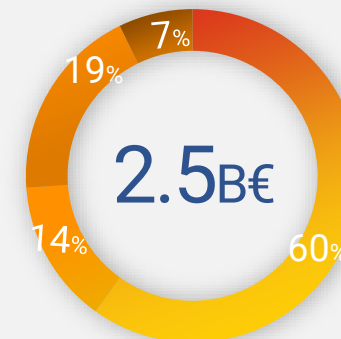
(Mmc)



## BUILDING RENOVATION PROJECTS

~600  
2024-30

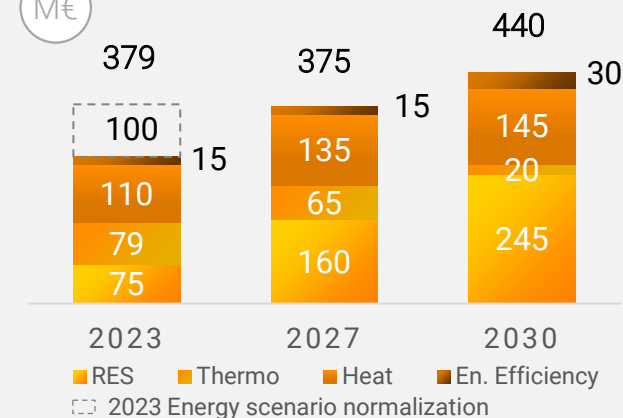
## CAPEX



## EBITDA GROWTH

7% CAGR

(M€)



Including solar "producer" model for 90MW in 2027 and 160MW in 2030



# Market: long term valorisation of customers



## CLIENTS

- Increasing EE clients due to electrification of consumptions
- Medium and long term PPA with end-clients
- Further strengthening of pull channels, digital and physical stores



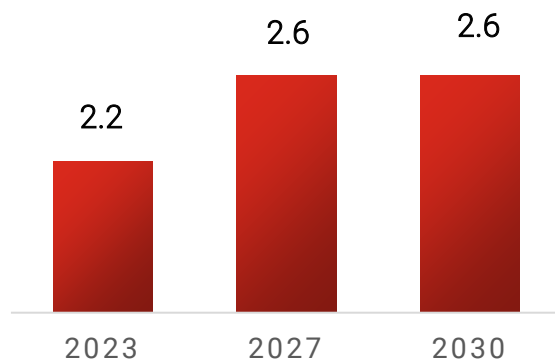
## SERVICES

- Boost cross-selling of Iren Plus products and services for increased household loyalty
- Further development of bundle offers including connectivity
- Stand-alone insurance growth

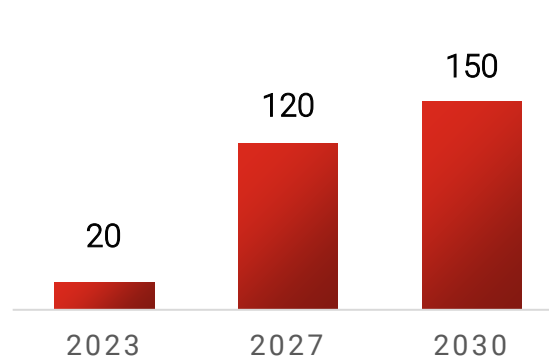


- EGEA** customer base consolidation
- Consolidation of clients won in protected market auctions

### RETAIL & SMEs CUSTOMER BASE (M)



### INSURANCE STAND ALONE CONTRACTS AND SERVICES (K)



### NEW STORE/CORNER

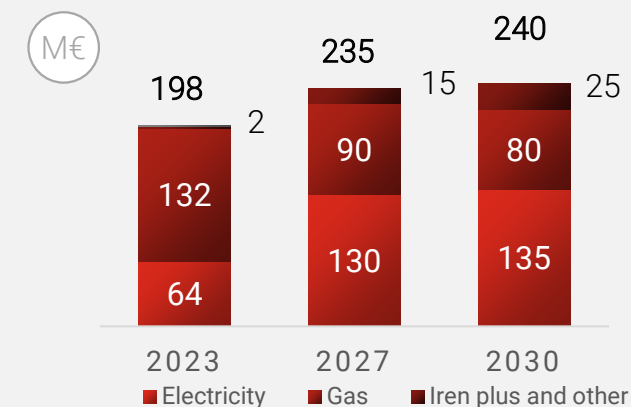
**+450**  
in 2025

## CAPEX

**0.7B€**

## EBITDA GROWTH

**3% CAGR**



# Business plan's energy scenario

	2023	2027	2030
<b>PUN</b> (€/MWh)	127.4	98.6	94.6
<b>PSV</b> (€/MWh)	42.3	28.3	25.5
<b>ETS</b> (€/Ton)	83.5	102	116
<b>Clean spark spread Iren</b> (€/MWh)	5.0	3.0	2.0

# Regulatory framework updated

	<b>GAS</b>	<b>ELECTRICITY</b>	<b>WATER</b>	<b>WASTE INTEGRATED SERVICE AND REGULATED PLANTS</b>
<b>Regulatory period</b>	6 years (2020 – 2025)	4 years (2024 – 2027)	6 years (2024 – 2029)	4 years (2022 – 2025)
<b>WACC methodology update</b>	6 years (2022 – 2027)	6 years (2022 – 2027)	6 years (2024 – 2029)	6 years (2022 – 2027)
<b>WACC update</b>	Every 3 years for general parameters (2025) <sup>1</sup> , specific parameters <sup>2</sup> in 2026	Every 3 years for general parameters (2025) <sup>1</sup> , specific parameters <sup>2</sup> in 2028	Every 2 years (2026)	Every 2 years (2026)
	<b>GAS DISTRIBUTION AND METERING</b>	<b>ELECTRICITY DISTRIBUTION AND METERING</b>	<b>INTEGRATED WATER SERVICE</b>	<b>INTEGRATED WASTE SERVICE<sup>4</sup> AND REGULATED PLANTS</b>
<b>2025 WACC (pre tax)</b>	5.9%	5.7%	6.1%+1% <sup>3</sup>	6.3%+1% <sup>3</sup> ; 6.6%+1% <sup>3</sup>

1. With annual check of trigger threshold (0.5% in absolute value) for rate update

2. Specific parameters: beta and gearing

3. Time lag rate to cover the financial burden arising from the time mismatch between the year of realization of the investment and the year of start-up recognition in the tariff

4. Without prejudice to the application of lower remuneration levels in the case of award by tender

# Networks concessions

## GAS CONCESSIONS



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

## WATER CONCESSIONS



AREA	EXPIRY
Piacenza	2040
Reggio Emilia	2043
Genova	2032
Parma <sup>1</sup>	2027
Vercelli	2023 ( <i>extension ex lege</i> )
La Spezia	2033
Enna	2034
Savona	2028

## ELECTRICITY CONCESSIONS




AREA	EXPIRY
Torino	2030
Parma	2030
Vercelli	2030

<sup>1</sup>Original expiration to 2025 extended ex lege (L. Reg. Emilia-Romagna.n. 14/2021 Art. 16)



# Concessions

## HYDROELECTRIC CONCESSIONS



AREA	HYDROELECTRIC PLANT	POWER (MW)	EXPIRY
Piemonte 1	Pont Ventoux-Susa	157	2034
Piemonte 2	Valle Orco e S. Mauro	300	Expired 2010 PPP proposal
Piemonte 3	S. Lorenzo, Moncalieri, La Loggia, Valle Dora, Maira	30	>2042
Campania	Nucleo Tusciano	108	2029
Liguria	Brugnato, Canate	10	Expired 2024
Emilia Romagna	Castellarano, Baiso	4	2030, 2035

## COLLECTION WASTE CONCESSIONS



AREA	EXPIRY
Parma	2037
Piacenza	2037
Reggio Emilia	Expired (extension ex lege)
Torino	2034
Vercelli 1	2028
Vercelli 2	2030
La Spezia	2028
Toscana sud	2033
Cuneo	2031
Asti	2028



# Disclaimer

The Manager in charge of drawing up the corporate accounting documents and the Chief Financial Officer of IREN S.p.A., Mr. Giovanni Gazza, 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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