



Shaping tomorrow everyday

November 2023



CONTENT INDEX

STRATEGY

9M 2023
RESULTS

ANNEXES

ALL STRATEGIC PILLARS CONFIRMED

INVESTOR
DAY 2023



STRATEGY

9M 2023
RESULTS

ANNEXES

Support energy independence

Counter climate change and responsible use of resources

Electrification of consumptions

Strong technical expertise

Capability to execute Repower EU funded investments

Become a preferred partner for local stakeholders (Public-Private Partnership)

Reinforce competitive strength

Expand offerings of integrated services

Increase physical and digital presence

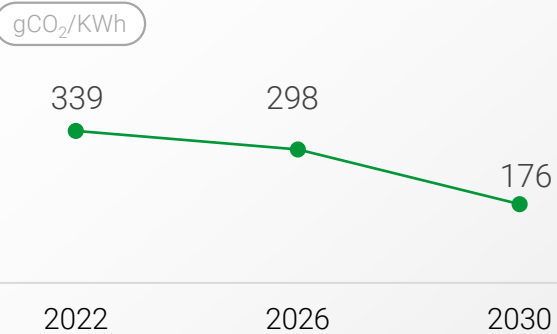


80%

of investments for a SUSTAINABLE GROWTH

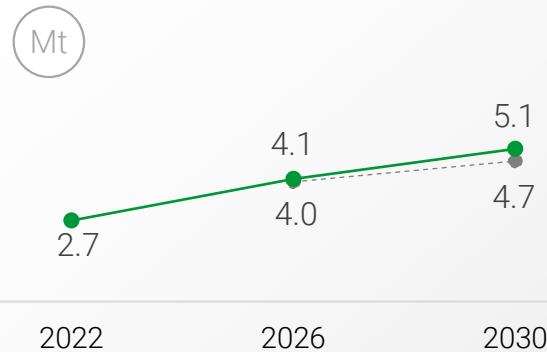
DECARBONIZATION

CARBON INTENSITY



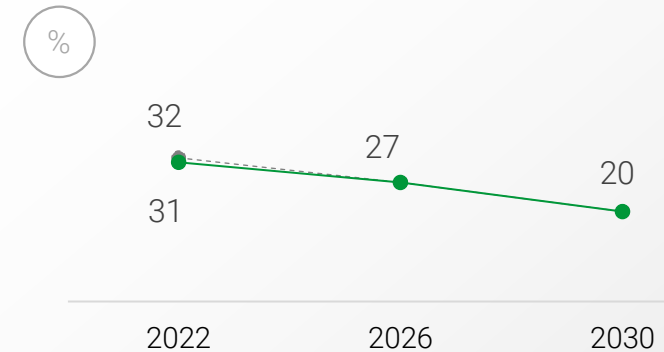
LEADER IN CIRCULAR ECONOMY

NET WASTE TREATMENT CAPACITY



SUSTAINABLE WATER MANAGEMENT

WATER LEAKAGES



— New BP - - - - - Old BP

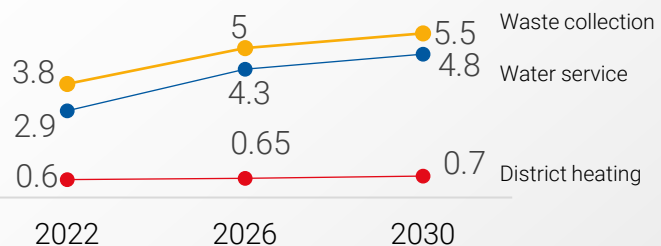




95% of investments are IN OUR REFERENCE AREAS

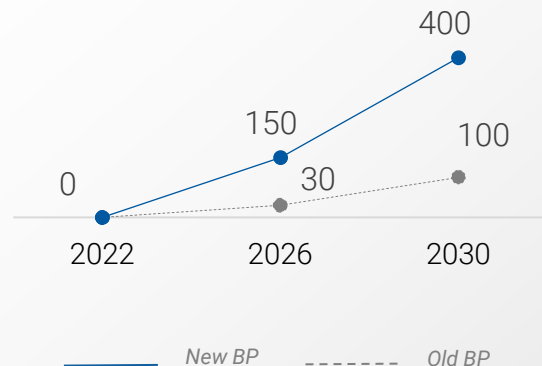
PREFERRED PARTNER

M inhabitants served



ENERGY COMMUNITIES

MW



KNOW-HOW TO SUPPORT THE NATIONAL SYSTEM





50%

of investments to improve our
SERVICE QUALITY

SERVICE QUALITY

PURIFICATION CAPACITY

+15%

E.E. INTERRUPTION FREQUENCY
(SAIFI)

-40%

DIGITALIZATION

E.E. & GAS SMART METERS

100%

WATER NETWORK
DISTRICTUALIZATION

90%

CUSTOMER SATISFACTION

INCREASE IN LOCAL PRESENCE

+55%

INSOURCING OF CUSTOMER OPERATIONS'
KEY ACTIVITIES

75%

INVESTMENTS FULFILLING ALL OUR STRATEGIC PILLARS: FOCUS ON RENEWABLES AND ENERGY COMMUNITIES



RENEWABLE ENERGY DEVELOPMENT

- Development of 3 GW of photovoltaic (70%) and wind (30%) onshore and offshore capacity including co-development projects
- 15% of total renewable capacity with “development and management” business model
- Acceleration of growth with minority financial partner



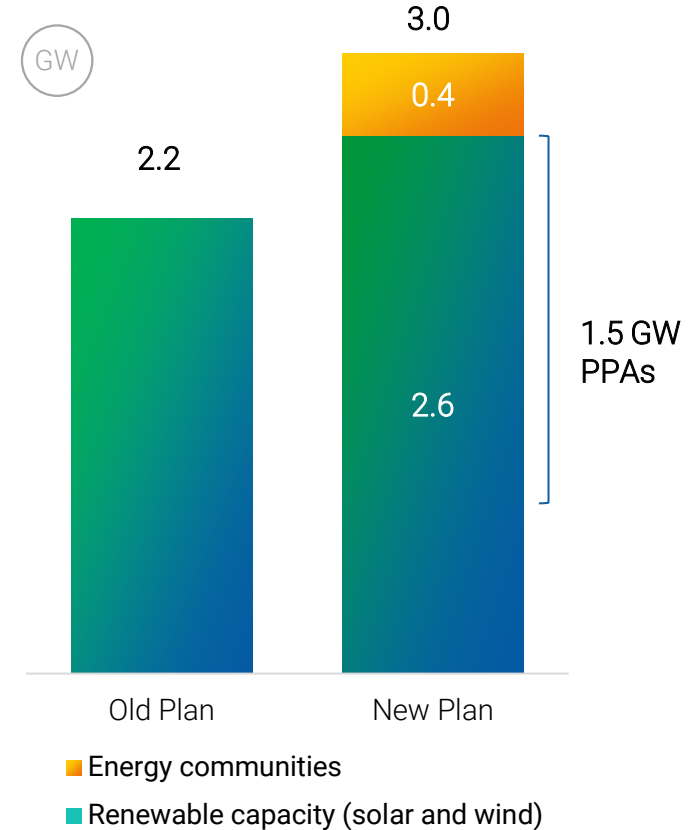
ENERGY COMMUNITIES

- Boost on energy communities in reference territories for 0.4 GW



STABILIZING ENERGY PRICES

- Renewable capacity development integrated with customer portfolio (B2C and B2B coverage)
- Long-term PPAs for effective energy management (60%)



Current renewable capacity (solar & wind) FY2022:

- 145 MW installed
- 70 MW under construction
- >400 MW under authorization

INVESTOR
DAY 2023

STRATEGY

9M 2023
RESULTS

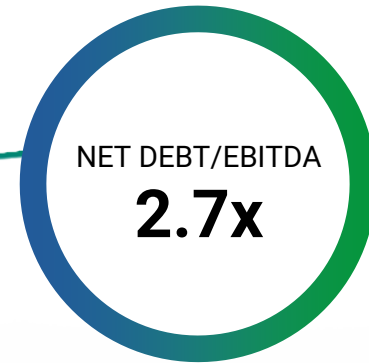
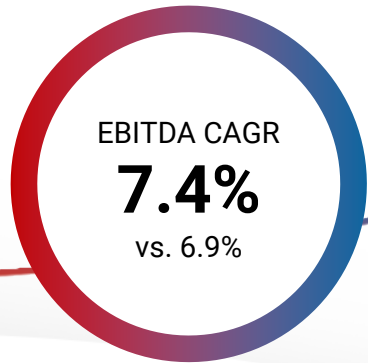
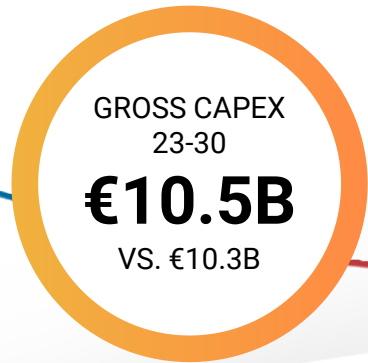
ANNEXES



NEW BUSINESS PLAN MAIN KPIs

INVESTOR DAY 2023

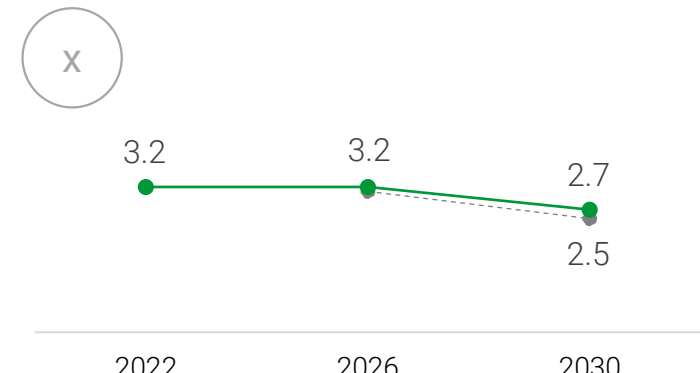
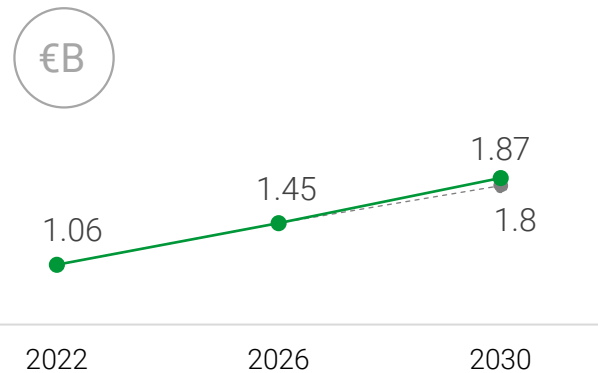
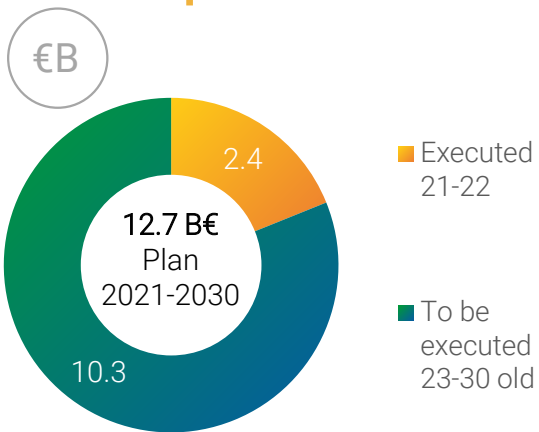
All main KPIs of the new plan are in line with the previous one thereby confirming the effectiveness of our strategy



STRATEGY

9M 2023 RESULTS

ANNEXES



— New BP - - - - Old BP

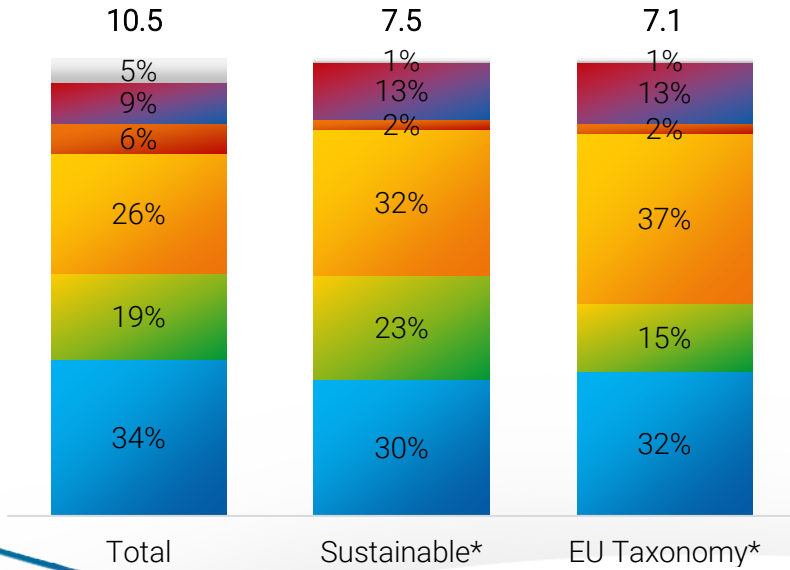
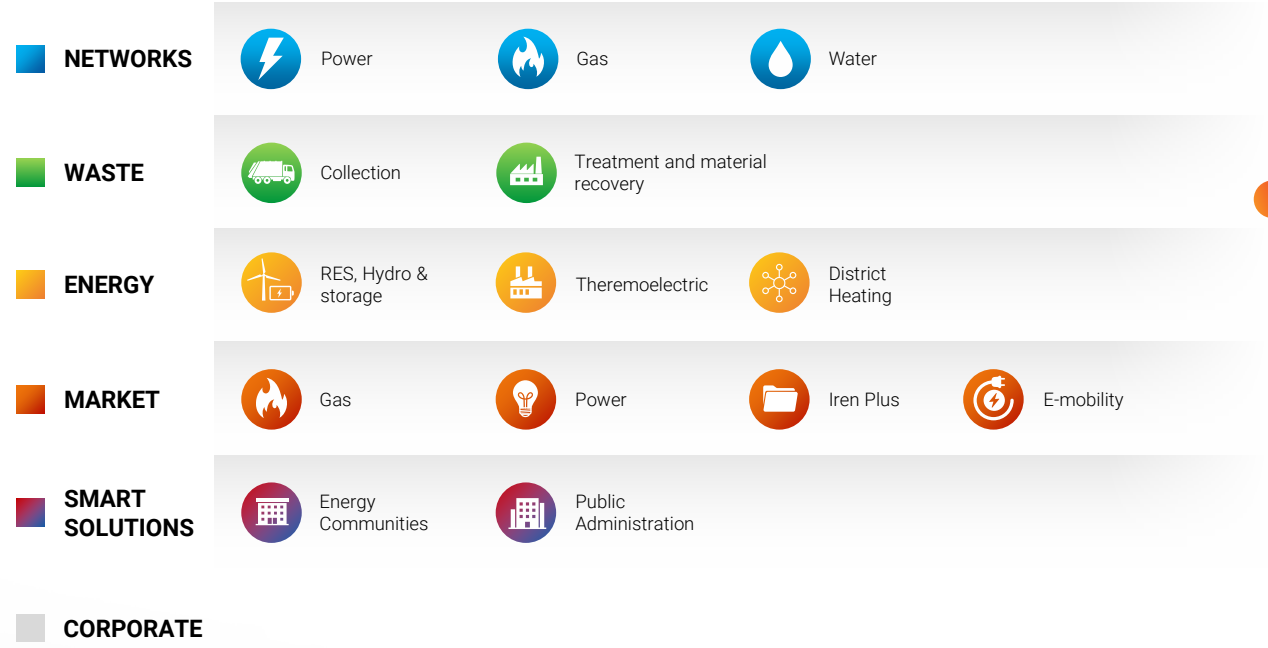


HIGHLY SUSTAINABLE INVESTMENT PLAN

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B€

GROSS CAPEX



STRATEGY

9M 2023 RESULTS

ANNEXES

Resilient

70% regulated and semiregulated activities

Highly sustainable

80% sustainable investments*, 75% eligible* for EU Taxonomy

Flexible

30% mandatory investments

Including external growth

12% consolidation, M&A, tenders

Financially affordable

Incl. 20% external fundings/financial partners

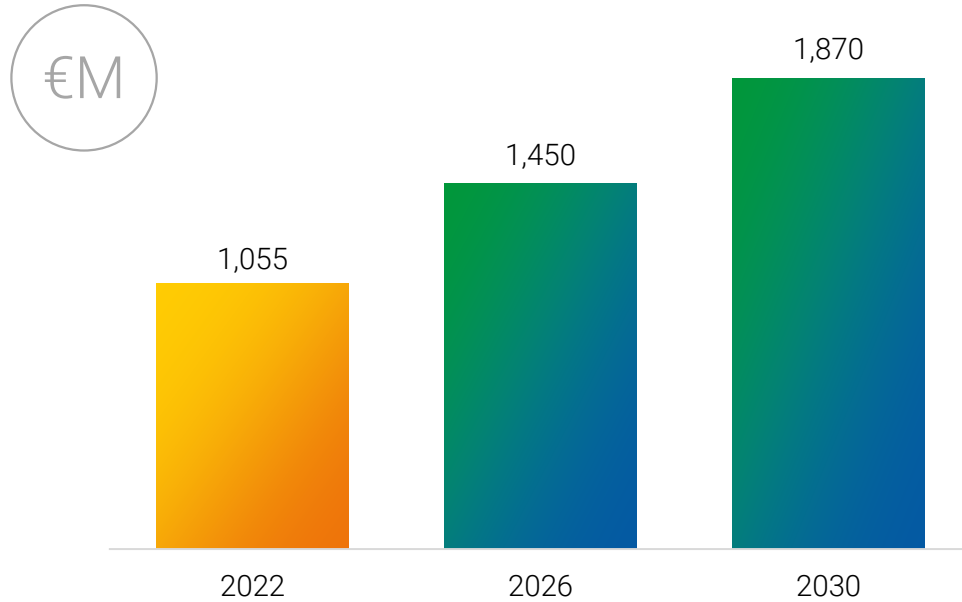


* Only organic investments

SOLID VALUE CREATION ALREADY WITHIN THE FIRST PART OF THE PLAN

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DAY 2023

EBITDA GROWTH: 7% CAGR



NET PROFIT GROWTH: 9% CAGR



2022 – 2030 GROWTH PILLARS:

Organic growth:

+580M€

STRATEGY

Inorganic growth:

+170M€

9M 2023
RESULTS

Asset rotation:

-60M€

Efficiencies and synergies:

+100M€

ANNEXES

Scenario and regulation:

+30M€

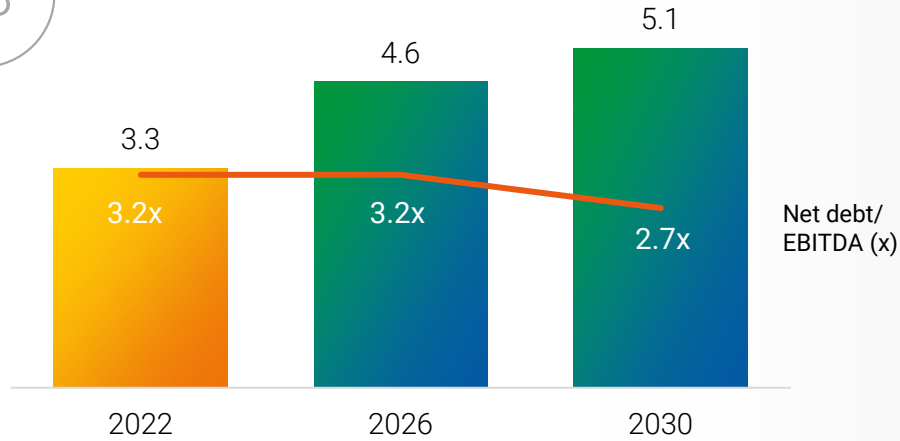
Resilient business profile maintained:

~70% of EBITDA from regulated and semiregulated activities

A SOUND AND LOW-RISK FINANCIAL PROFILE

NET DEBT EVOLUTION

€B



Strong financial ratings

S&P Global Ratings

BBB

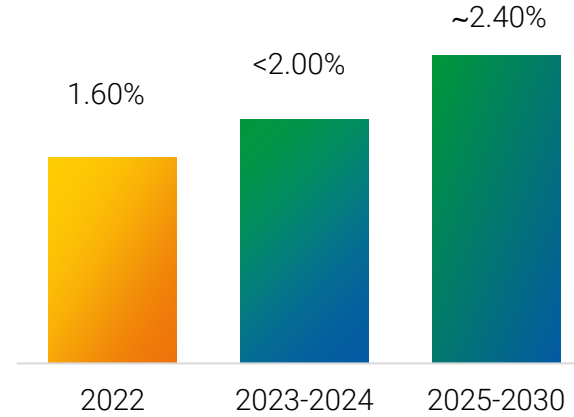
Stable

FitchRatings

BBB

Positive

AVERAGE COST OF DEBT



5.3 years*

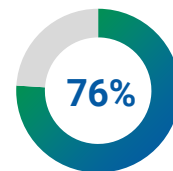
Average duration

96%*

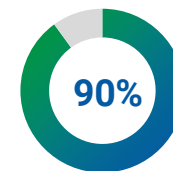
Fixed rate debt

* FY 2022

SUSTAINABLE FINANCE



2022



2024



2030

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

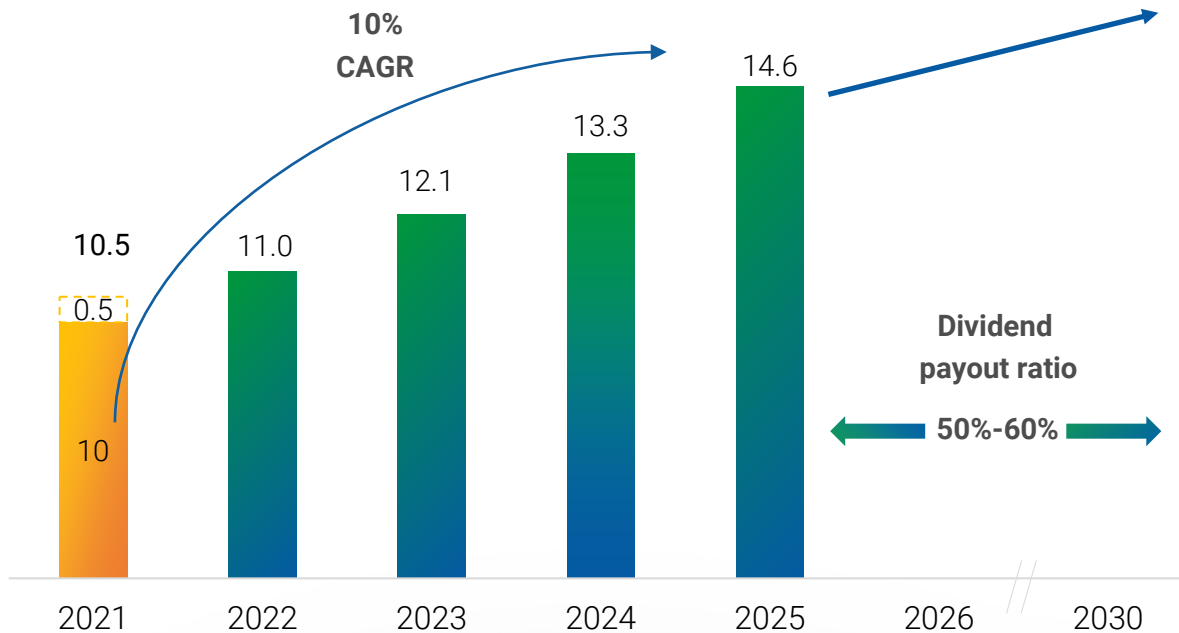
ANNEXES



DIVIDEND POLICY

DIVIDEND POLICY

Dividend per share, c€



 Dividend increase compared to 2021 Business Plan

BP MAIN TAKEAWAYS

Dividend policy confirmed

Strengthened investment plan

Increased visibility on plan execution: most of the projects planned for 2026 already authorised or in execution

Overall **reduced execution risk of the Plan** with reinforced mitigating levers in place

Basket of **additional development opportunities** to support the national economic system (currently not included in the plan)

INVESTOR
DAY 2023

STRATEGY

9M 2023
RESULTS

ANNEXES



CONTENT INDEX

STRATEGY

9M 2023
RESULTS

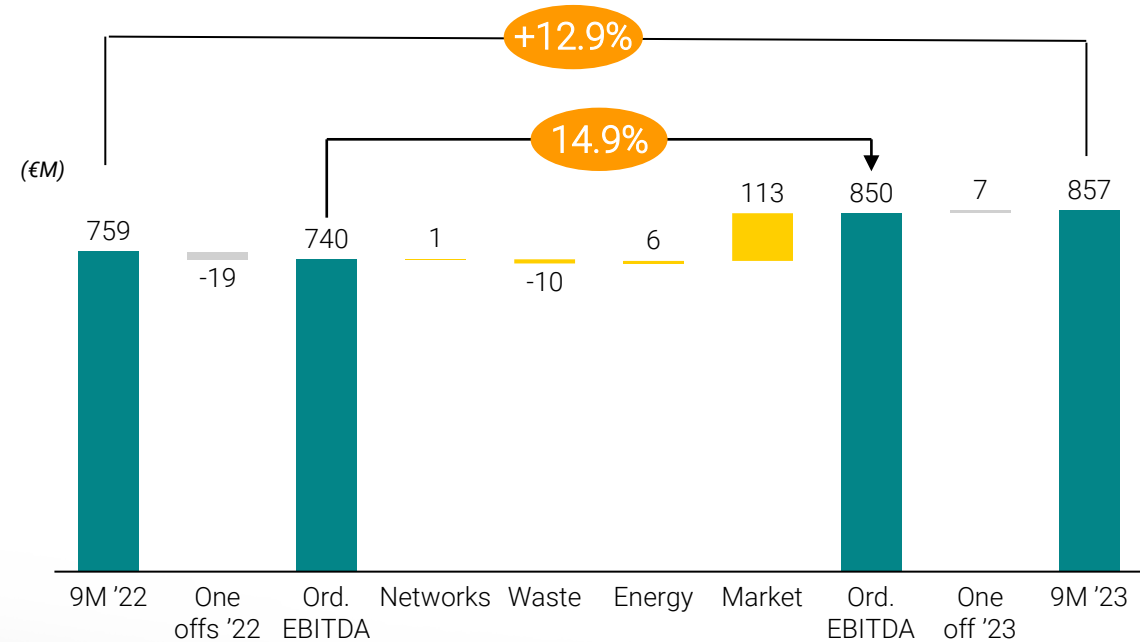
ANNEXES

ENERGY SUPPLY RECOVERY DRIVEN EBITDA GROWTH



	9M '22	9M '23	Δ	Δ%
Revenues	5.644	4.626	-1.018	-18,0%
EBITDA	759	857	98	12,9%
EBIT	321	325	4	1,0%
EBIT Adj.**	321	366	45	14,0%
Group net profit	141	177	36	25,6%
Technical capex***	557	548	-9	-1,6%
Net Financial Position	3,347*	3.930	583	17,4%

EBITDA EVOLUTION



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DAY 2023

STRATEGY

9M 2023
RESULTS

ANNEXES

+

Tailwinds

- Market BU profitability recovery
- Higher hydroelectric prices and volumes
- Integration of collection activities in Tuscany and newly consolidated water network in Sicily

-

Headwinds

- Strong MSD reduction
- Lower Heat volumes
- Organic growth offset by inflation impact on opex

* FY 2022 Data

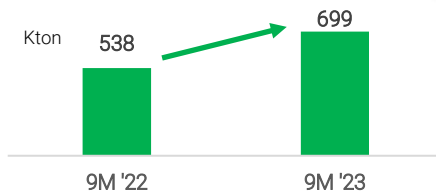
** Adjusted for provisions related to Italian Government's clawback decree on renewable prices (41€M)

*** Total investments, including M&A and other, at 831€M (-23% vs 9M 2022)

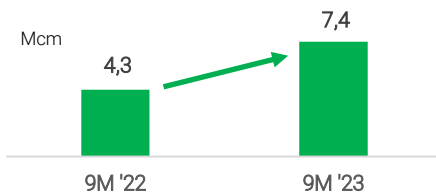


Green transition

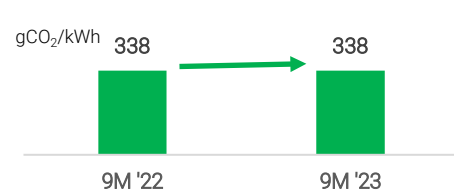
Material recovery in Iren's plants **On track** ✓



Biomethane from waste **On track** ✓

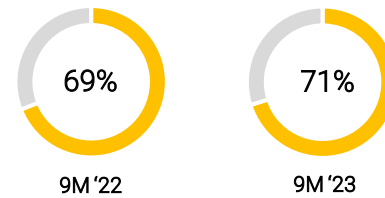


Carbon Intensity **On track** ✓

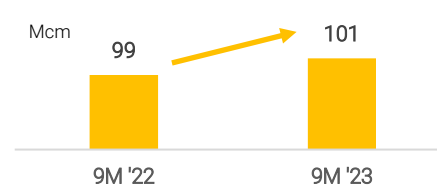


Local presence

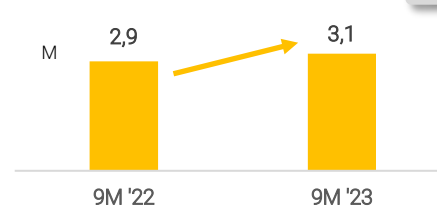
Sorted waste collection **Ahead** ✓✓



District Heating volumes **On track** ✓

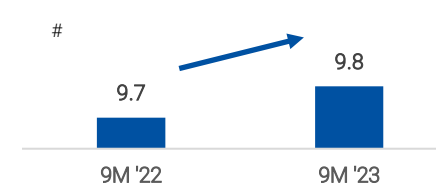


Inhabitants served in water services **On track** ✓

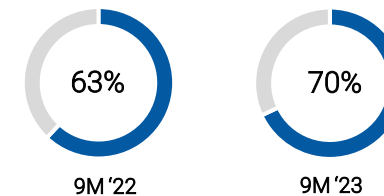


Service quality

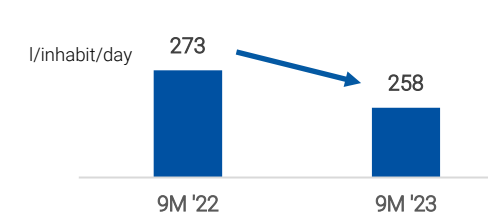
Stores' Customer Satisfaction Index **On track** ✓



Districtization activities on water cycle **Ahead** ✓✓



Water withdrawals **Ahead** ✓✓



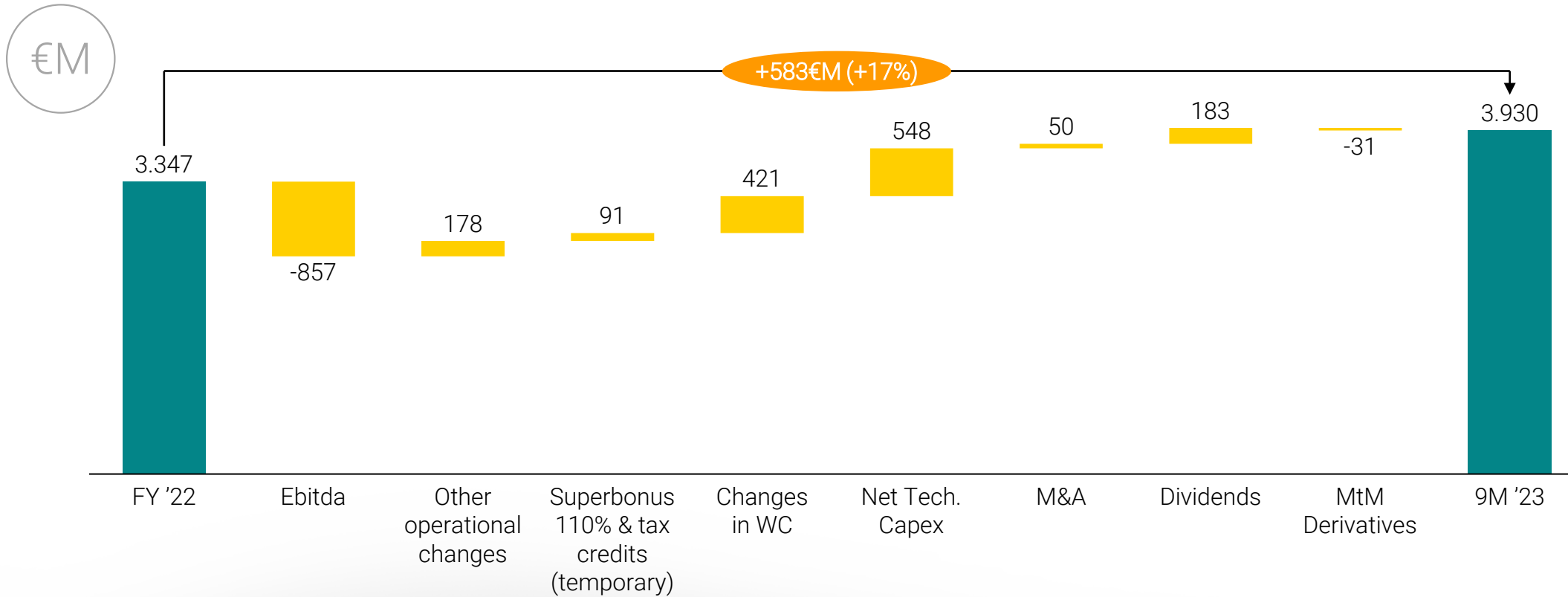
STRATEGY

9M 2023 RESULTS

ANNEXES



NET FINANCIAL POSITION EVOLUTION (9M 2023 VS FY2022)



STRATEGY

9M 2023 RESULTS

ANNEXES

NWC reduction is expected by the end of the year thanks to:

- Continuous reduction of Superbonus 110% tax credits
- Confirmed normalization of gas payment terms with energy suppliers (restored conditions as before gas market tensions) starting from October

CLOSING REMARKS

Guidance
2023
CONFIRMED

- EBITDA +10% vs FY2022
- Gross Investments at 1.3€B
- NFP/EBITDA: 3,3x

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STRATEGY

9M 2023
RESULTS

ANNEXES



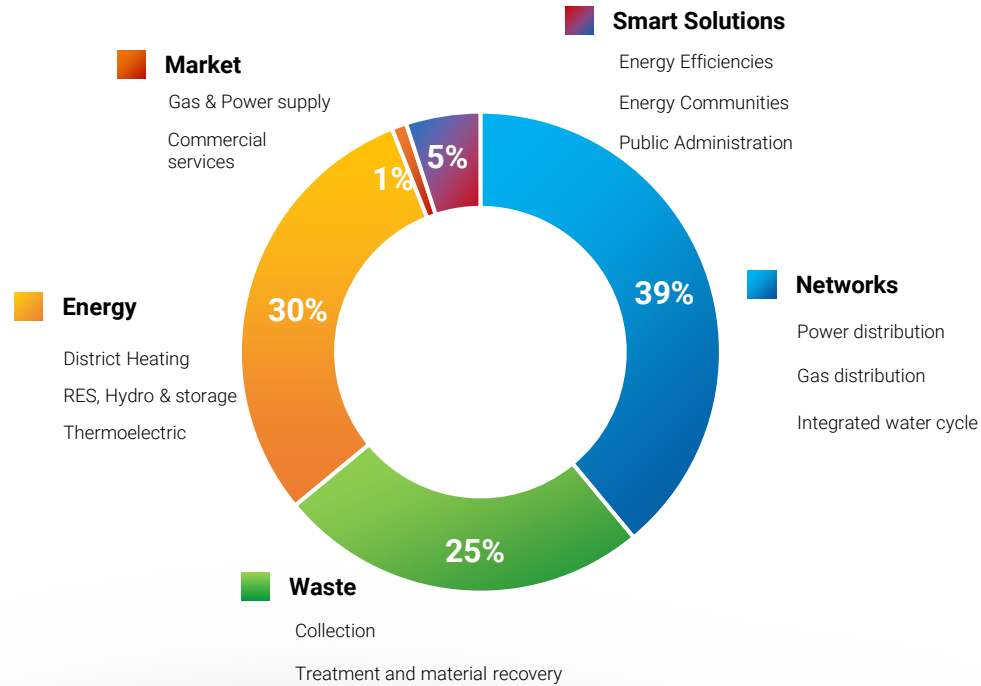
CONTENT INDEX

STRATEGY

9M 2023
RESULTS

ANNEXES

IREN AT A GLANCE



EBITDA FY 2022: 1.05B€

EBITDA made by:
 ~80% regulated and semi-regulated activities
 ~20% unregulated activities (mainly energy generation and supply)



- 1° National player in DH volumes with 101 mcm
- 4° National player in the water management with 2.9 million inhabitant served
- National player in electricity generation with a capacity of 3 GW of which 0.8GW renewables

- 2° National player with 3.8 million inhabitants served in the waste collection
- 3° National player in waste with 3.7 Mton managed
- National player in the energy sector with 2.2M customers

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

ANNEXES





CONTENT INDEX



ANNEXES

BP Regulatory Framework

Finance

ESG

REGULATORY FRAMEWORK

INVESTOR DAY 2023

	GAS DISTRIBUTION	ELECTRICITY DISTRIBUTION	WATER SERVICE	Integrated waste collection service & regulated plants¹
--	-------------------------	---------------------------------	----------------------	---



Regulatory period	6 years (2020 – 2025)	8 years (2016 – 2023)	4 years (2020 – 2023)	4 years (2022 – 2025)
WACC methodology update	6 years (2022 – 2027)	6 years (2022 – 2027)	4 years (2020 – 2023)	6 years (2022 – 2027)
WACC update	Every 3 years for general parameters (2022)*, specific parameters** in 2023 (confirmed)	Every 3 years for general parameters (2022)*, specific parameters in 2024	Every 2 years (2022)	Every 3 years for general and specific parameters** (2022)

Actual rates (pre tax)	Until 2023	2024 - 2030
Gas distribution and metering	5.6%	5.6%
Electricity distribution and metering	5.2%	5.2%
Integrated waste collection – regulated plants	5.6% - 6.0%	5.6% - 6.0%
Water integrated service	4.8%	4.8%

STRATEGY

9M 2023 RESULTS

ANNEXES
Regulatory Framework

 Already defined values  Assumptions



* With annual check of trigger threshold (0.5% in absolute value) for rate update
 ** Specific parameters: beta and gearing

BUSINESS PLAN SCENARIO

	2022	2026	2030
PUN (€/MWh)	303.1	108.5	80.2
PSV (€cent/smc)	121.9	39.0	23.7
ETS (€/Ton)	80.9	82.3	91.1
Clean spark spread - PSV (€/MWh)	22.5	5.2	2.7
Hydro Green Certificates (€/MWh)	42.9	45.8	76.7
Energy Efficiency Certificates (€/TEE)	256.8	250	250

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STRATEGY

9M 2023 RESULTS

ANNEXES
Regulatory Framework

NETWORKS CONCESSIONS

GAS NETWORKS

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

WATER NETWORKS

AREA	EXPIRY
Piacenza	Tender ongoing
Reggio Emilia	2040
Genova	2032
Parma*	2027
Vercelli 1	2023
La Spezia	2033

ELECTRICITY NETWORKS

AREA	EXPIRY
Torino	2030
Parma	2030
Vercelli 1	2030

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

ANNEXES
Regulatory Framework

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) issued PPP proposal
Piemonte 3	S. Lorenzo, Moncalieri, La Loggia, Valle Dora	25	-
Campania	Nucleo Tusciano	108	2029
Liguria	Brugneto, Canate	10	Expired (2014) water management concession expire in 2032

MAIN WASTE CONCESSIONS

AREA	EXPIRY
Parma	2037
Piacenza	2037
Reggio Emilia	Expired
Torino	2033
Vercelli 1	2028
Vercelli 2	2030
La Spezia	2028
Toscana sud	2033

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

ANNEXES
Regulatory Framework



CONTENT INDEX

ANNEXES

BP Regulatory Framework

Finance

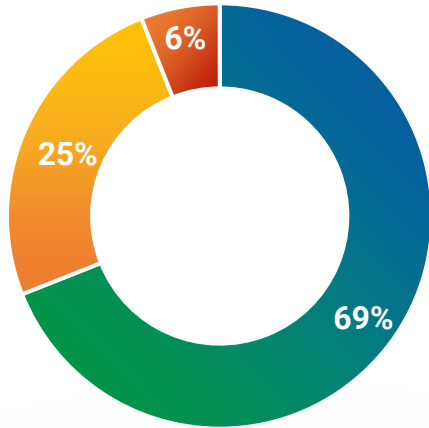
ESG

A SOUND AND SUSTAINABLE DEBT STRUCTURE

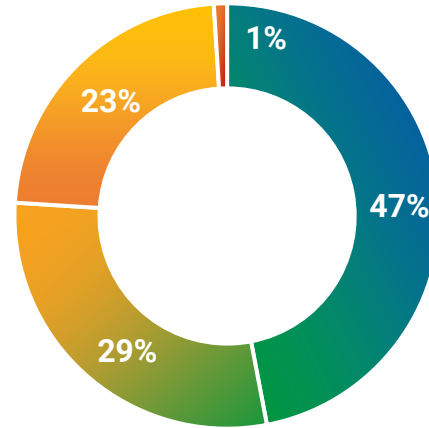
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INTEREST RATE

DEBT STRUCTURE



■ Fixed ■ Fixed-rate swap ■ Variable



■ Green Bond ■ EIB-CEB ESG Loans ■ Bonds ■ Loans

STRATEGY

9M 2023 RESULTS

ANNEXES Finance

94%

Fixed rate debt

4.7 years

Average duration

1.8%

Average cost

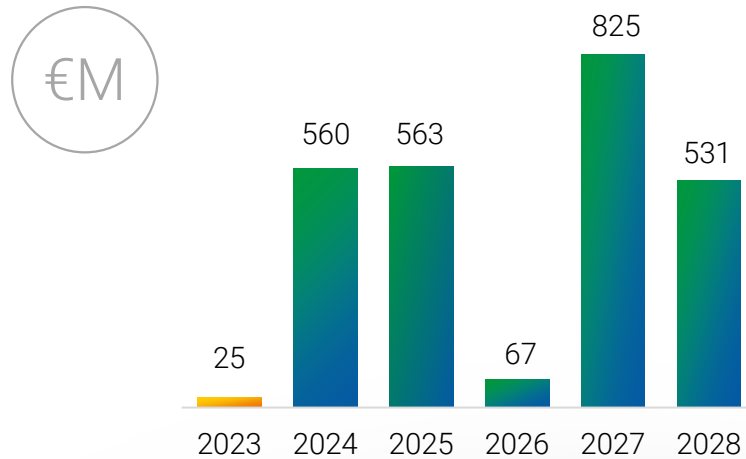
76%

Sustainable debt

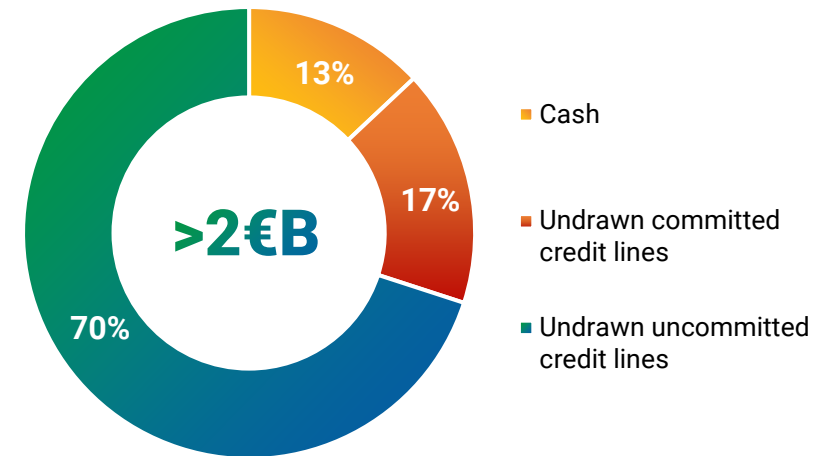


AMPLE LIQUIDITY TO COPE WITH MATURITIES

MATURITY



LIQUIDITY



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STRATEGY

9M 2023 RESULTS

ANNEXES
Finance

- First maturity in November 2024 and balanced maturity distribution during years
- Strong availability of undrawn uncommitted credit lines

STRONG COMMITMENT TO MAINTAIN FINANCIAL SOLIDITY

S&P Global Ratings

BBB

Stable

FitchRatings

BBB

Positive

INVESTOR DAY 2023

2023 Guidance confirmed on NFP/EBITDA at 3.3x. Rating KPIs are expected to be in line with metrics

Debt¹ and FFO², M€

20,6% (*)

MIN 18%

3.900

800

2022

21,0%
20,0%
19,0%
18,0%
17,0%
16,0%
15,0%
14,0%
13,0%
12,0%
11,0%
10,0%
9,0%
8,0%
7,0%
6,0%
5,0%
4,0%
3,0%
2,0%
1,0%
0,0%

■ FFO ■ DEBT ■ FFO/DEBT --- Soglia mantenimento rating S&P

NLAD¹ and FFO², M€

3,8x

MAX 5x

3.520

910

2022

■ FFO ■ NLAD ■ NLAD/FFO --- Soglia mantenimento rating Fitch

STRATEGY

9M 2023 RESULTS

ANNEXES
Finance

1. Debt (Adjusted Gross financial position according to S&P criteria)

2. Fund from Operations (according to S&P criteria)

3. (*) FFO/Debt 20.6% refers to the pro-formed data

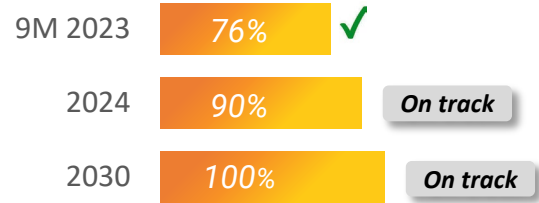
1. Net Lease Adjusted Debt (Adjusted Gross financial position according to Fitch criteria)

2. Fund from Operations (according to Fitch criteria)

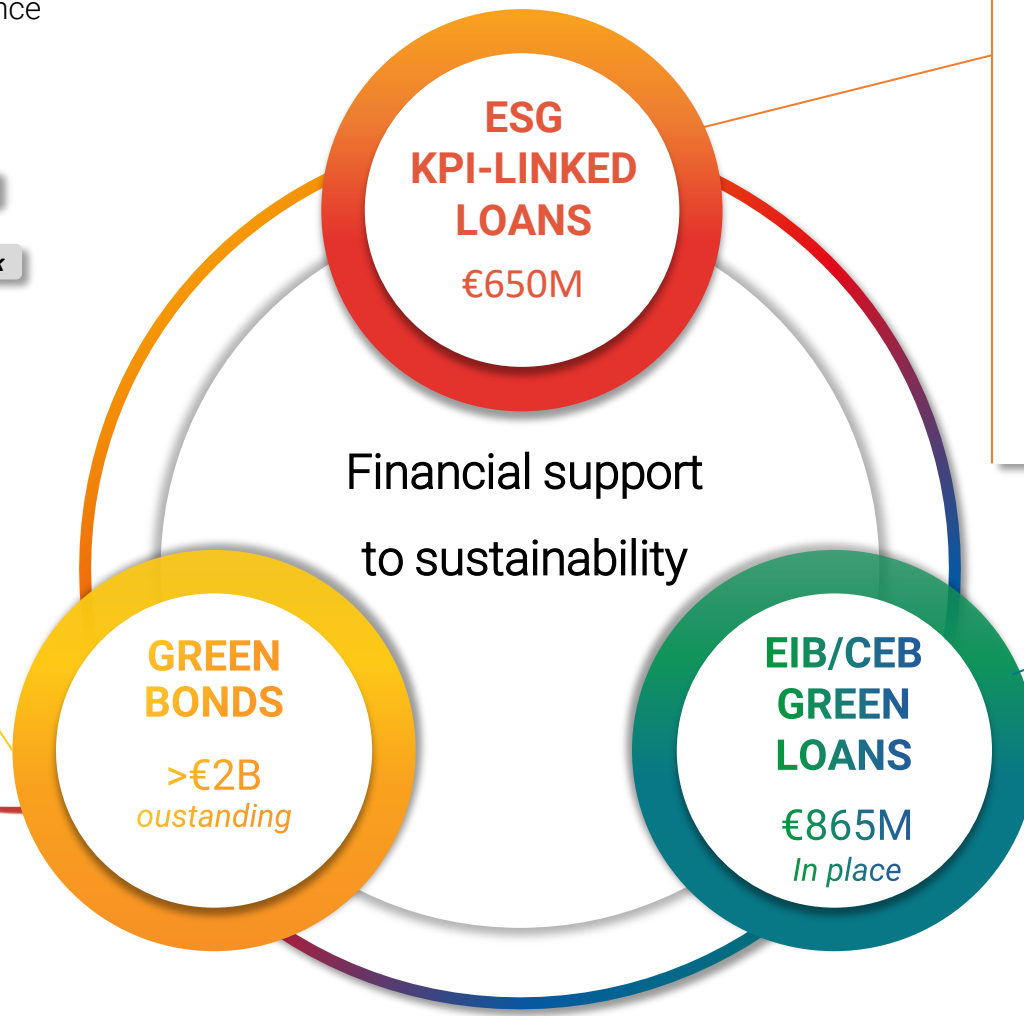


SUSTAINABLE FINANCE

Our commitment to Sustainable Finance
(% on Total Debt)



- €500m Green Bond #1 issued in 2017
 - €500m Green Bond #2 issued in 2018
 - €500m Green Bond #3 issued in 2019
 - €500m Green Bond #4 issued in 2021
 - €50m Green Private Placement issued in 2022
- To support eligible green projects in line with Sustainable Financing Framework and ICMA Principles



- In 2022, Iren entered 6 Term Loan agreements with several financial institutions for €650m
- ESG KPI-Linked Term Loans envisages KPIs included in Sustainable Financing Framework*:
 - ✓ Scope 1 GHG emissions reduction
 - ✓ Water leaks

- Very long-lasting relationship with multilateral banks (European Investment Bank and Council of Europe Development Bank) with €2B+ granted over the period
- Currently, financing facilities for approx. €865m are in place to finance Iren projects to support the green transition and the sustainable strategy

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

ANNEXES
Finance

Green Bonds are issued under the €4B EMTN Program renewed on May 2023
* In one Term Loan the selected KPIs are i) Water Leaks and ii) Water Withdrawal from the environment



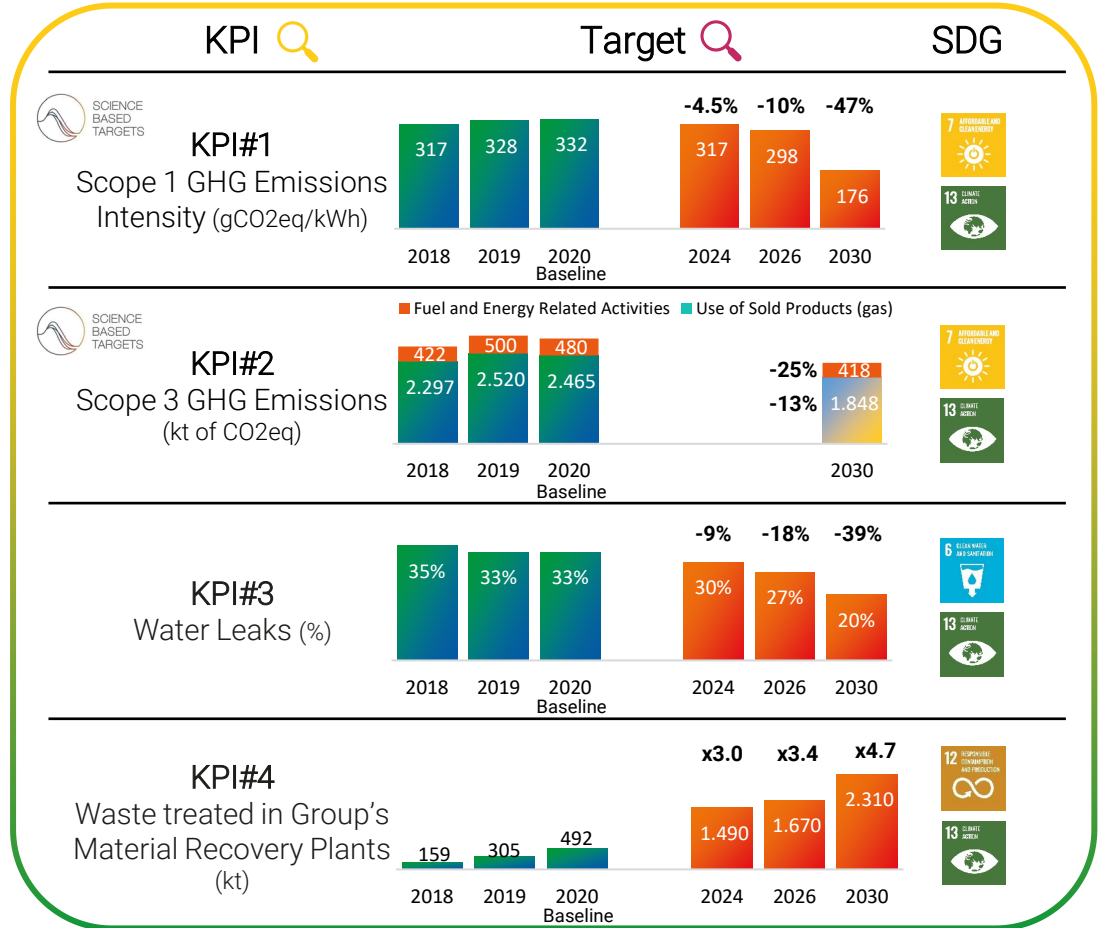
FRAMEWORK COMPONENTS

Green Financing Component



Category	Eligible Projects/Activities	SDG
Renewable Energy	<ul style="list-style-type: none"> Hydroelectric power electricity generation Solar PV electricity generation Wind power electricity generation 	
Energy Efficiency	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Waste urban collection Waste urban recycling Waste urban treatment 	
Sustainable Water and Wastewater Management	<ul style="list-style-type: none"> Wastewater treatment plant upgrades Water distribution network efficiency 	
Clean Transportation	<ul style="list-style-type: none"> Electric Vehicles E-mobility 	

Sustainability-Linked Component



INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

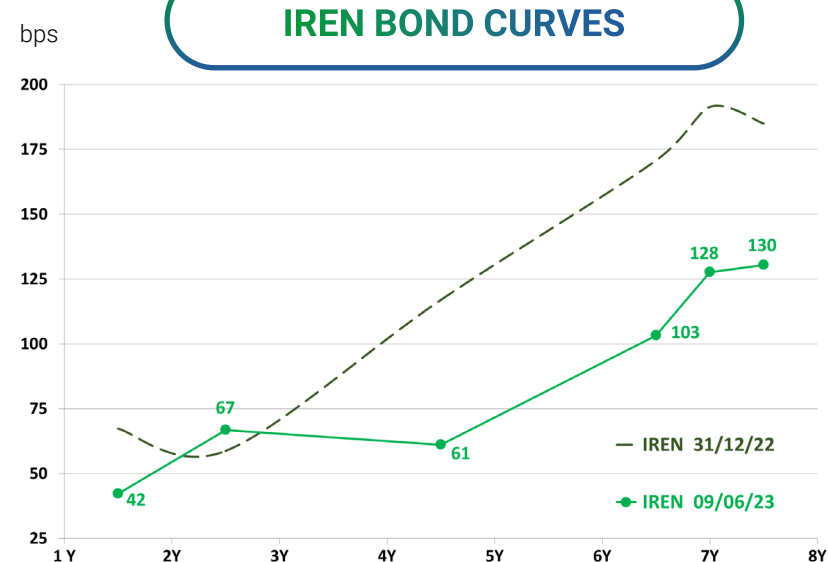
ANNEXES

Finance



BOND PORTFOLIO

- Balanced debt structure
- Frequent issuer with 7 bonds outstanding
- Strong value also in the secondary market
- 9 May 2023: last update of Iren's bond issue program "Euro Medium Term Notes" (EMTN), filed with the Irish Stock Exchange. The bonds to be issued under the Program, with a total maximum value of € 4B, will be placed with institutional investors.



Bond	Cod ISIN	Issue quantity (€)	Outstanding amount (€)	Annual coupon (%)	Maturity (y)	Maturity date	Issue price (%)	Rating Fitch / S&P
Green Private Placement 2028	XS2512307229	50.000.000	50.000.000	2,88%	6	05/08/2028	100	BBB
Green Bond 2031	XS2275029085	200.000.000	200.000.000	0,25%	10	17/01/2031	94,95	BBB/BBB
Eurobond 2030	XS2197356186	300.000.000	300.000.000	1,00%	10	01/07/2030	99,03	BBB/BBB
Green Bond 2029	XS2065601937	500.000.000	500.000.000	1,00%	10	01/07/2030	98,144	BBB/BBB
Green Bond 2029	XS2065601937	500.000.000	500.000.000	0,88%	10	14/10/2029	99,345	BBB/BBB
Green Bond 2025	XS1881533563	500.000.000	500.000.000	1,95%	7	19/09/2025	99,129	BBB/BBB
Green Bond 2027	XS1704789590	500.000.000	500.000.000	1,50%	10	24/10/2027	98,356	BBB/BBB
Eurobond 2024	XS1511781467	500.000.000	500.000.000	0,88%	8	04/11/2024	98,974	BBB/BBB
Eurobond 2022	XS1314238459	500.000.000	refunded	2,75%	7	02/11/2022	99,398	BBB/BBB
Eurobond 2021	XS1086104681	300.000.000	refunded	3,00%	7	14/07/2021	99,225	BBB/BBB
Private Placement	XS0979548954	260.000.000	refunded	4,37%	7	14/10/2020	100,783	Not applicable
Private Placement	XS1030889411	100.000.000	refunded	3,00%	5	11/02/2019	98,728	Not applicable
TOTALE		4.210.000.000	3.050.000.000					

INVESTOR DAY 2023

STRATEGY

9M 2023 RESULTS

ANNEXES

Finance



CONTENT INDEX

ANNEXES

BP Regulatory Framework

Finance

ESG

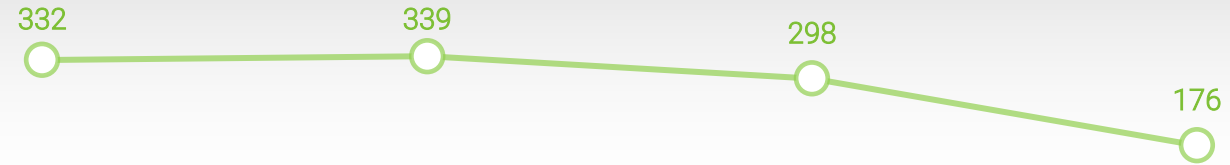
DECARBONIZATION



2020 2022 2026 2030

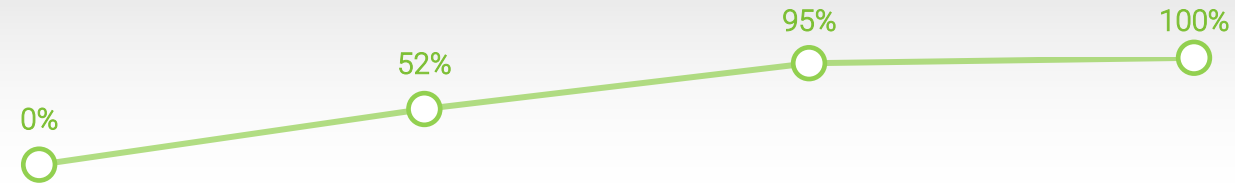
INVESTOR DAY 2023

Power generation carbon intensity (scope 1), gCO₂/kWh



STRATEGY

Certified renewable electricity purchased (scope 2), %



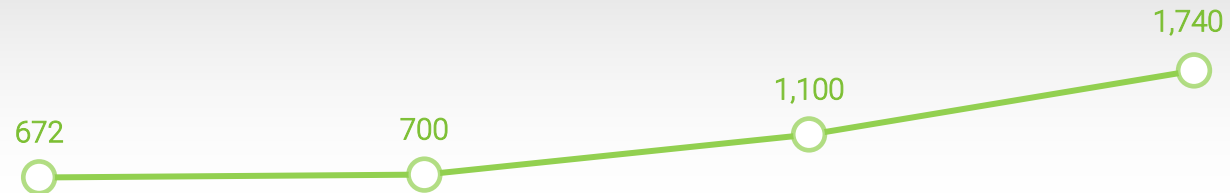
9M 2023 RESULTS

Scope 3 emissions

- USE OF SOLD PRODUCTS (GAS)
- FUEL AND ENERGY RELATED ACTIVITIES

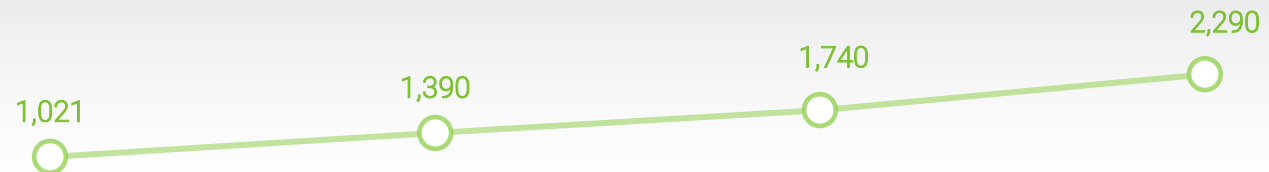


Energy saving of production processes, kTep



ANNEXES ESG

Emissions avoided from waste recovery ktCO₂



CIRCULAR ECONOMY

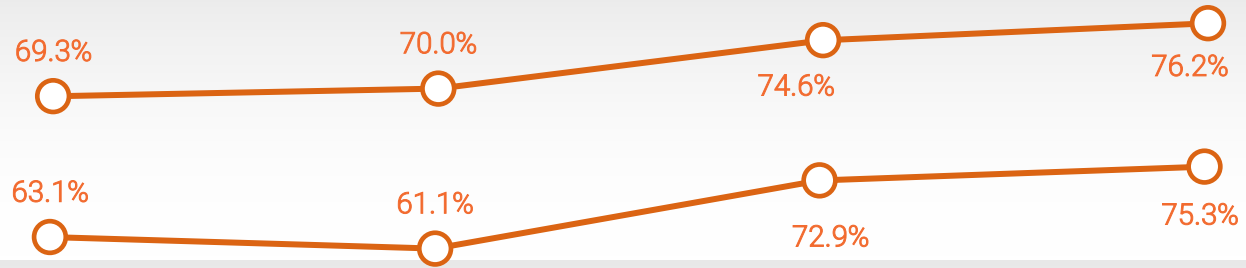


2020 2022 2026 2030

INVESTOR DAY 2023

Sorted waste collection, %

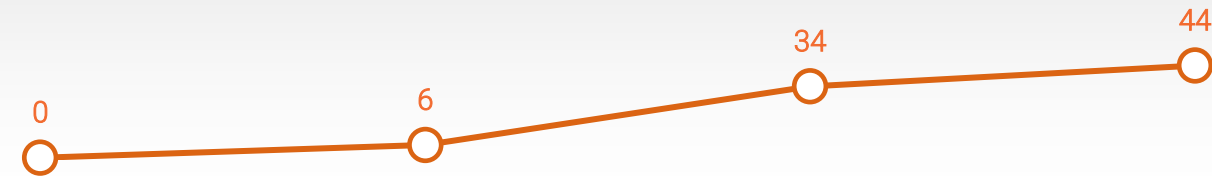
LEGACY REGIONS
NEW REGIONS



Waste recovered in Iren plants, kton



Biomethane produced from biodegradable waste, Mcm



Wastewater reused, Mcm



STRATEGY

9M 2023 RESULTS

ANNEXES
ESG



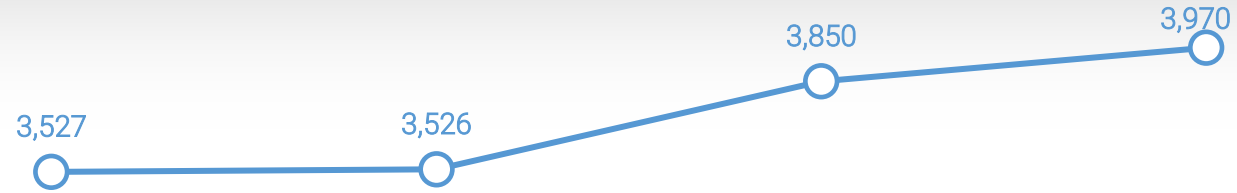
WATER SOURCES



2020 2022 2026 2030

INVESTOR DAY 2023

Wastewater plants capacity, k equivalent inhabitants



STRATEGY

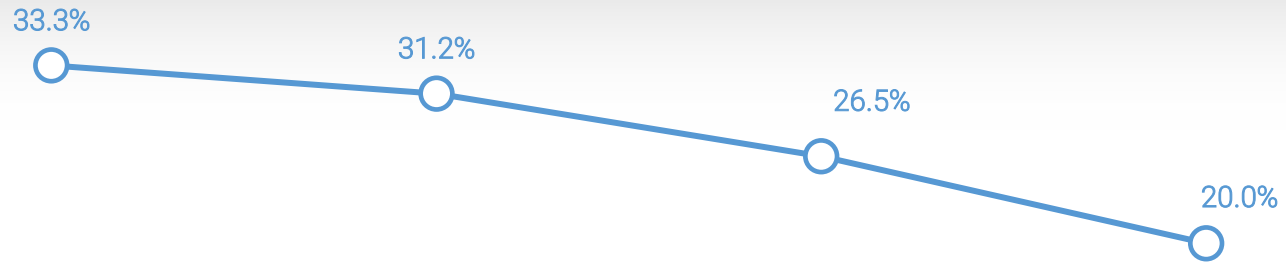
Water withdrawals from the environment, liters/inhabitant/day



9M 2023 RESULTS

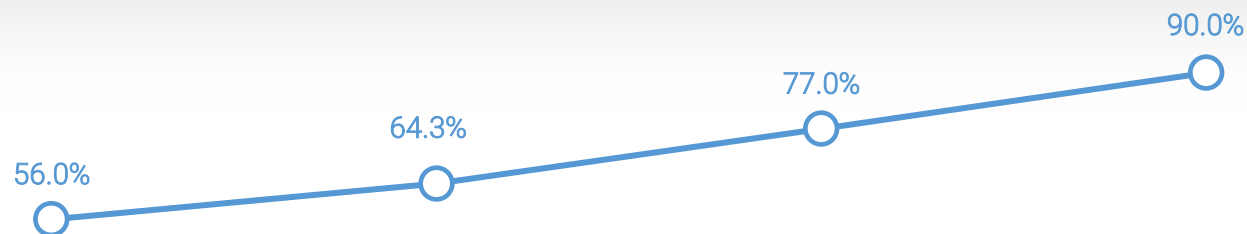
Water network leaks, %

LEGACY REGIONS



ANNEXES
ESG

Network division into small and equal areas (districts), %



RESILIENT CITIES



2020

2022

2026

2030

**INVESTOR
DAY 2023**

**District heated volumes,
Mcm**

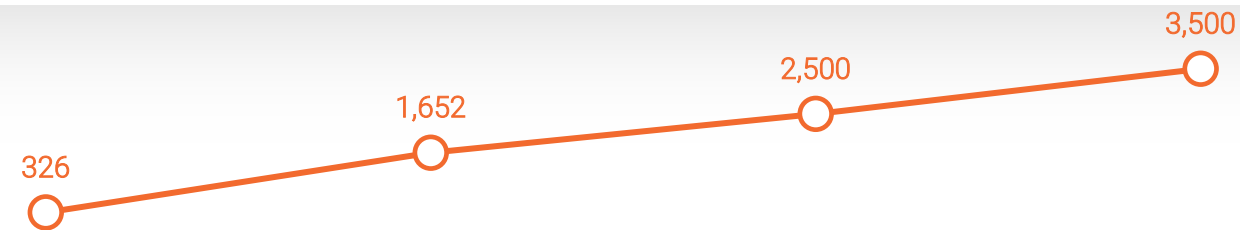


STRATEGY

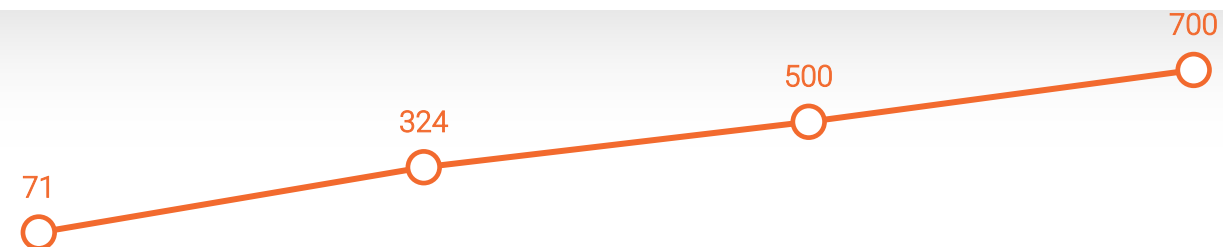
**Eco-vehicles on total
fleet,
%**

9M 2023
RESULTS

**Green electricity sold to
retail clients, GWh**


ANNEXES
ESG

**Energy saving from Iren
products/services,
kTep**



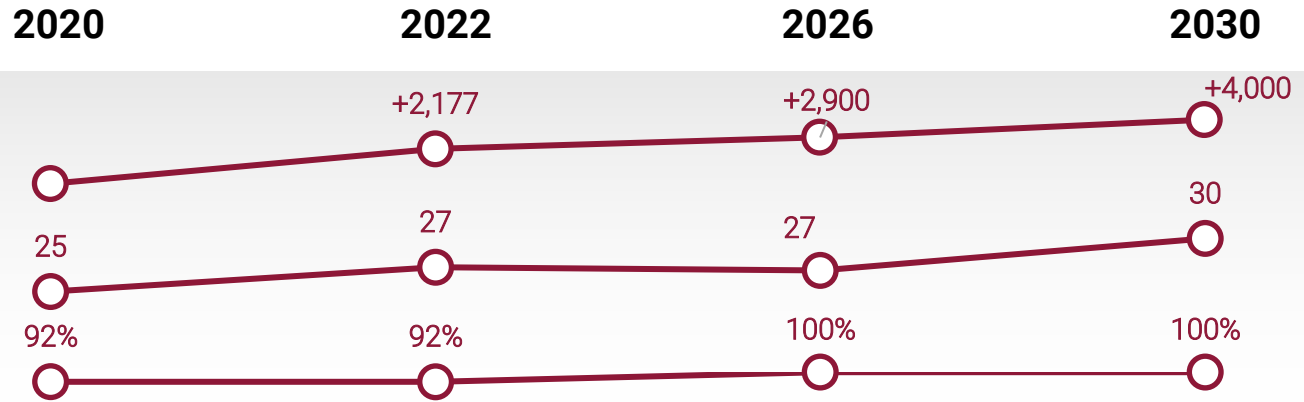
PEOPLE



INVESTOR DAY 2023

Employment, development and enhancement of skills

- NEW HIRES* N.
- TRAINING HOURS PER CAPITA, N.
- EMPLOYEES EVALUATED ON PERFORMANCE**, %



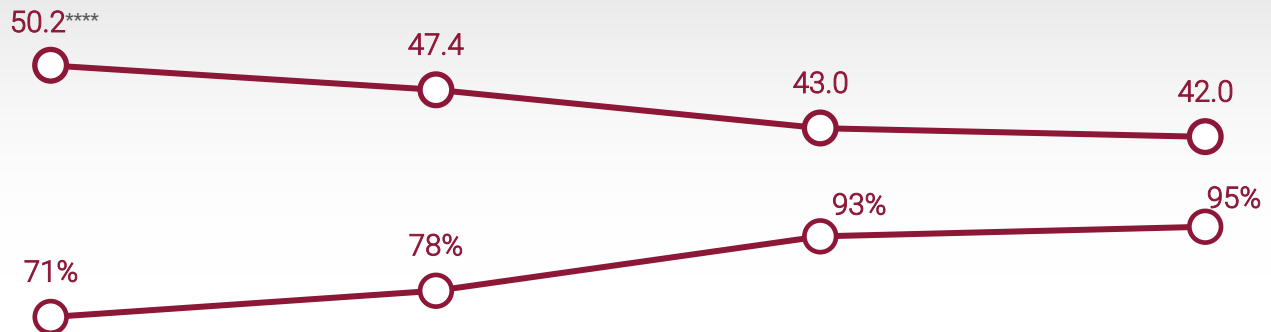
Diversity & Inclusion

- WOMEN IN MANAGERIAL ROLES, %
- HIRED UNDER 30 OUT OF TOTAL HIRES***, %



Welfare And people care

- ACCIDENT INCIDENCE INDEX, N.
- EMPLOYEES WITH SUPPLEMENTARY HEALTH CARE, %



STRATEGY

9M 2023 RESULTS

ANNEXES
ESG

* Progressive growth VS. 2020; ** On eligible population: executives, middle managers and white-collar workers in service for more than 6 months in the year; *** Progressive percentage on cumulative hires from 2020 on permanent contracts and independent of contracting and internalisation; **** 2020 figure is 40.4 influenced by Covid19 emergency, so 2019 was used as a basis.

