

COMPANY OFFICERS

Board of Directors⁽¹⁾

Chairperson

Renato Boero ⁽¹⁾

Deputy Chairperson

Moris Ferretti ⁽³⁾

Chief Executive Officer and General Manager

Massimiliano Bianco ⁽⁴⁾

Directors

Sonia Maria Margherita Cantoni ⁽⁵⁾

Enrica Maria Ghia ⁽⁶⁾

Pietro Paolo Giampellegrini ⁽⁷⁾

Alessandro Giglio ⁽⁸⁾

Francesca Grasselli ⁽⁹⁾

Maurizio Irrera ⁽¹⁰⁾

Cristiano Lavaggi ⁽¹¹⁾

Ginevra Virginia Lombardi ⁽¹²⁾

Giacomo Malmesi ⁽¹³⁾

Gianluca Micconi

Tiziana Merlino

Licia Soncini ⁽¹⁴⁾

Board of Statutory Auditors⁽¹⁵⁾

Chairperson

Michele Rutigliano

Statutory auditors

Cristina Chiantia

Simone Caprari

Supplementary Auditors

Donatella Busso

Marco Rossi

Financial Reporting Manager

Massimo Levrino

Independent Auditors

PricewaterhouseCoopers S.p.A. ⁽¹⁶⁾

⁽¹⁾ Appointed by the Shareholders' Meeting of 22 May 2019 for the 2019-2020-2021 three-year period

⁽²⁾ Appointed Chairperson by the Shareholders' Meeting of 22 May 2019.

⁽³⁾ Appointed Deputy Chairman at the Board of Directors meeting held on 22 May 2019.

⁽⁴⁾ Appointed Chief Executive Officer at the Board of Directors meeting held on 22 May 2019. At the Board of Directors meeting held on 2 July 2019, Mr Bianco was also appointed Chief Executive Officer of the Company.

⁽⁵⁾ Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.

⁽⁶⁾ Member of the Control, Risk and Sustainability Committee, appointed on 22 May 2019.

⁽⁷⁾ Member of the Remuneration and Appointments Committee, appointed on 22 May 2019. Mr Giampellegrini was also appointed President of the Remuneration and Appointments Committee at the Board of Directors meeting held on 30 May 2019.

⁽⁸⁾ Member of the Transactions with Related Parties Committee, appointed on 22 May 2019.

⁽⁹⁾ Member of the Transactions with Related Parties Committee from 22 May to 30 May 2019, and member of the Remuneration and Appointments Committee as of 30 May 2019.

⁽¹⁰⁾ Member of the Remuneration and Appointments Committee, appointed on 22 May 2019.

⁽¹¹⁾ Member of the Remuneration and Appointments Committee from 22 May to 30 May 2019, and member of the Control, Risk and Sustainability Committee from 30 May 2019.

⁽¹²⁾ Member of the Transactions with Related Parties Committee, appointed on 30 May 2019.

⁽¹³⁾ Member of the Audit, Risk and Sustainability Committee, appointed on 22 May 2019 and member of the Transactions with Related Parties Committee, appointed on 30 May 2019. Mr Malmesi was also appointed Chairperson of the Control, Risk and Sustainability Committee at the Board meeting held on 30 May 2019.

⁽¹⁴⁾ Member of the Transactions with Related Parties Committee, appointed on 22 May 2019. Ms. Soncini was also appointed Chairperson of the Transactions with Related Parties Committee at the full Committee meeting held on 29 May 2019.

⁽¹⁵⁾ Appointed by the Shareholders' Meeting of 19 April 2018 for the 2018-2019-2020 three-year period.

⁽¹⁶⁾ Appointed by the Shareholders' Meeting of 14 May 2012 for the 2012-2020 nine-year period.

NOTICE CONCERNING THE SHAREHOLDERS' MEETING

The Shareholders are called to the ordinary meeting in first call in Parma, at Via S. Margherita 6/A in the Multipurpose Room ("Sala Polivalente") of Iren's headquarters on 6 May 2021 at 11.00 a.m., to discuss and resolve on the following

Agenda:

- 1) Separate Financial statements as at 31 December 2020; Directors' Report, Report of the Board of Statutory Auditors and of the Independent Auditor.
- 2) Proposed allocation of the profit for the year: related and consequent resolutions.
- 3) Report on 2021 remuneration policy prepared pursuant to Art. 123-ter TUF (as amended by Legislative Decree 49/2019), section one: related and consequent resolutions.
- 4) Report on remuneration paid in 2020 pursuant to Art. 123-ter TUF (as amended by Legislative Decree 49/2019), section two: related and consequent resolutions - advisory resolution.
- 5) Appointment of the Board of Statutory Auditors and its Chair for the financial years 2021-2022-2023, and determination of their remuneration: related and consequent resolutions.

Chair of the Board of Directors
Renato Boero



LETTER TO SHAREHOLDERS AND STAKEHOLDERS

Dear Shareholders and Stakeholders,

Iren Group has integrated the principles of sustainability into its growth strategy to the point of making them the guiding star for its future development.

Naturally, the plan to integrate ESG criteria - Economic, Environmental and Social - into the life of the company is represented by the decision to unite in this letter the presentation of the results of both the Annual Report 2020 and the Sustainability Report 2020 with the aim of ensuring an integrated reading for all the Group's stakeholders.

Attention to the principles of sustainability and the important path of growth and efficiency achieved in recent years have allowed the Group to face 2020 – a year like no other, marked by the Covid-19 pandemic – with extreme flexibility. In just a few weeks, Iren was able to rethink its approach to work and to the provision of essential services, ensuring full operational continuity to 4.6 million Italians in the areas in which it operates.

The ability to adapt to a new scenario and the resilience demonstrated, together with the dedication and sense of responsibility of our employees, are the most valuable result that 2020 has brought to Iren Group.

In fact, 2020 was a testament to Iren's extraordinary ability to adapt, its economic and financial solidity and the managerial and industrial excellence achieved by our Group in recent years. A stability which enables us to also tackle emergency situations, like the one we are experiencing in this historical moment and which compels each of us toward the search for new horizons and new strategies.

In 2020, the Group turned 10 years old, an occasion celebrated with a new visual identity and a new logo that will accompany the Group's growth throughout Italy in the coming years. In these 10 years, Iren has established itself as one of the most important multi-utilities in the country, serving more than 440 municipalities for a total of more than 4.6 million inhabitants, placing itself as the 2nd multi-utility both for regions covered by the services and for number of clients served. The Group is also the 1st Italian multi-utility for growth in employees, which have reached more than 8,650, with a continuous and constant upward trend over the last five years.

These figures are a snapshot of a Group that, even today, has reached national dimensions and requires us to think and act as a large company in the country while maintaining, and where possible further strengthening, our deep territorial roots.

A growth that is also due to two important extraordinary operations, valued at approximately € 200 million; the acquisition of the companies of the former Environment Division of UNIECO and of I.BLU. The incorporation of these companies has allowed the Group to further strengthen its position in the environmental sector and to become the leading operator in the plastics chain in Italy, highlighting, once again, the national dimensions reached by Iren.

The energy transition is a subject which the new Draghi government has chosen to foster through a dedicated ministry – is significantly changing our business. We will be increasingly called upon to respond to the challenges of our time, such as climate change, infrastructure obsolescence, security, energy transition, resource consumption, mobility, integrated services, investment attraction and competitiveness.

Thanks to our assets and the path of growth in terms of skills and size that we have undertaken, we are ready to play a leading role in the energy sector. To this end, we have started to design our future with the Industrial Plan to 2025, which projects the growth of the Group throughout the country and the affirmation of Iren's leadership in sustainability through the development of the "multicircle economy". The Plan represents our long-term industrial vision, focused on the conscious and efficient use of resources in all areas of business.

A decisive and enabling factor in the Group's development will be the investment of € 3.7 billion, planned over the next five years, € 2.1 billion of which will be allocated to the multicircle economy, which applies the concept of circular economy to all our businesses – from the production of energy from renewable sources to the waste cycle, from the management of water to green mobility – a concept that is strongly ingrained in our DNA.

With the multicircle economy, the Group wants to take the concept of circular economy to a new level, linking energy production, energy efficiency, the waste cycle and water resource management. The objective is to multiply the value created in all the areas in which Iren is present. In the territories served, the Group boasts a percentage of differentiated waste collection of 69.3% compared to a national average of 61.3%, not to mention an average of water network losses that are more than 10 percentage points lower than the national average, avoiding 2.7 million tonnes of CO₂ emissions every year.

The Group contributes to the reduction of pollution through national leadership in district heating and with 3/4 of energy production from green or high efficiency sources; to the development of electric mobility through the electrification of the corporate fleet, shared mobility solutions and the creation of related infrastructure; energy saving through the maintenance and requalification of buildings through the development of efficiency solutions; innovation and digitalization, for which 300 million euros of investments have been earmarked over the next 5 years, with particular attention to the Corporate Venture Capital project that sees us as the first multi-utility in supporting innovative start-ups in the cleantech sector.

The above shows how sustainability permeates Iren's actions in all the business areas in which it operates. Sustainability that goes well beyond the commitment on the environmental front, integrating ESG criteria into the life of the company. This is demonstrated by the 99% of employees with permanent or apprenticeship contracts, 88% of them engaged in training activities, the presence of more than 2,000 women in the Group and a strong focus on gender equality, which has been recognised by inclusion in the Bloomberg Gender Equality Index.

To all our stakeholders, we demonstrate constant attention to the areas in which we operate: 180 thousand people participated in Eduiren environmental education projects, 53 projects carried out by Iren's sustainability Local Committees, 60% of the value of purchase orders were placed with local suppliers.

Iren Group wants to progress within an internationally recognized framework and guidelines, such as those of the United Nations Global Compact, to which it renews in 2021 its commitment to respect its fundamental principles, and the Sustainable Development Goals of the 2030 Agenda.

The results achieved in 2020 confirm the growth of the Group, which closed the year with revenues of € 3.7 billion, EBITDA of € 927 million, up 1.1% compared with last year, and Group net profit of € 235 million, in line with last year. Of particular note are the investment figures, which grew by 30.7% compared to 2019 and amounted to € 685 million, of which € 350 million were allocated to projects related to the multicircle economy. These investments made it possible to achieve the planned strategic objectives, support the economies and induced activities of the territories severely affected by the pandemic and propel Iren with a leading role in the post-emergency recovery programme that will involve the country.

Key factors like the efficient management of the Group in terms of size and economic-financial indicators, the development of skills and quality of services, the utmost attention to sustainability and care for internal resources and clients, have enabled us to achieve the results we are presenting for the approval of the Shareholders, as well as to propose a dividend of 9.5 c€ per share at the Shareholders' Meeting, up 2.7% compared to 2019.

Also on behalf of the Board of Directors, we extend our gratitude to all the women and men of Iren Group for their expertise and the commitment they show every day in their work, which have led to our achieving these results. Thank you, today more than ever, for the dedication and responsibility with which you have and continue to guarantee the supply of essential services for our community, efficiently as always and with innovative methods compared to the past and, in many cases, reconciling family life and work, especially during this difficult scenario. We would like to thank our Shareholders and Stakeholders for the encouragement they provide us in pursuing sustainable development and the members of the Board of Directors and the Board of Statutory Auditors for their decisive contribution to the growth of the Company.

Chairperson
Renato Boero


Deputy Chairman
Moris Ferretti

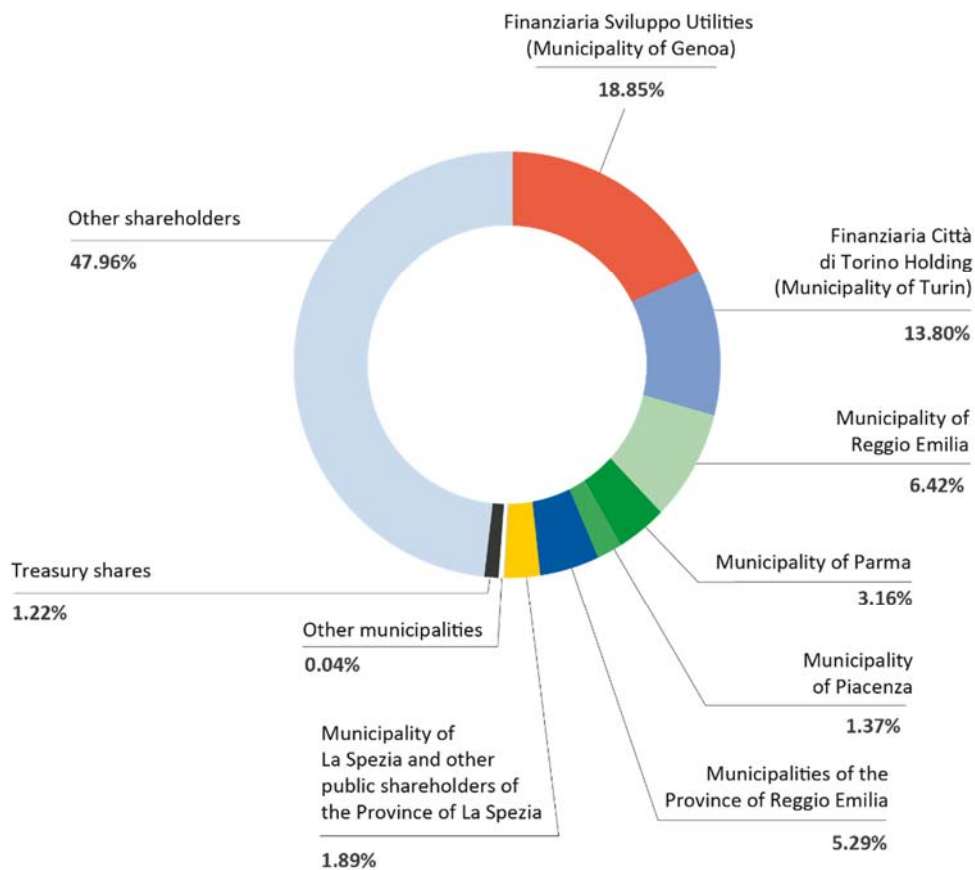

Chief Executive Officer
Massimiliano Bianco


SHAREHOLDERS

The Company's Share Capital amounts to 1,300,931,377 euro, fully paid up, and is made up of ordinary shares with a par value of 1 euro each.

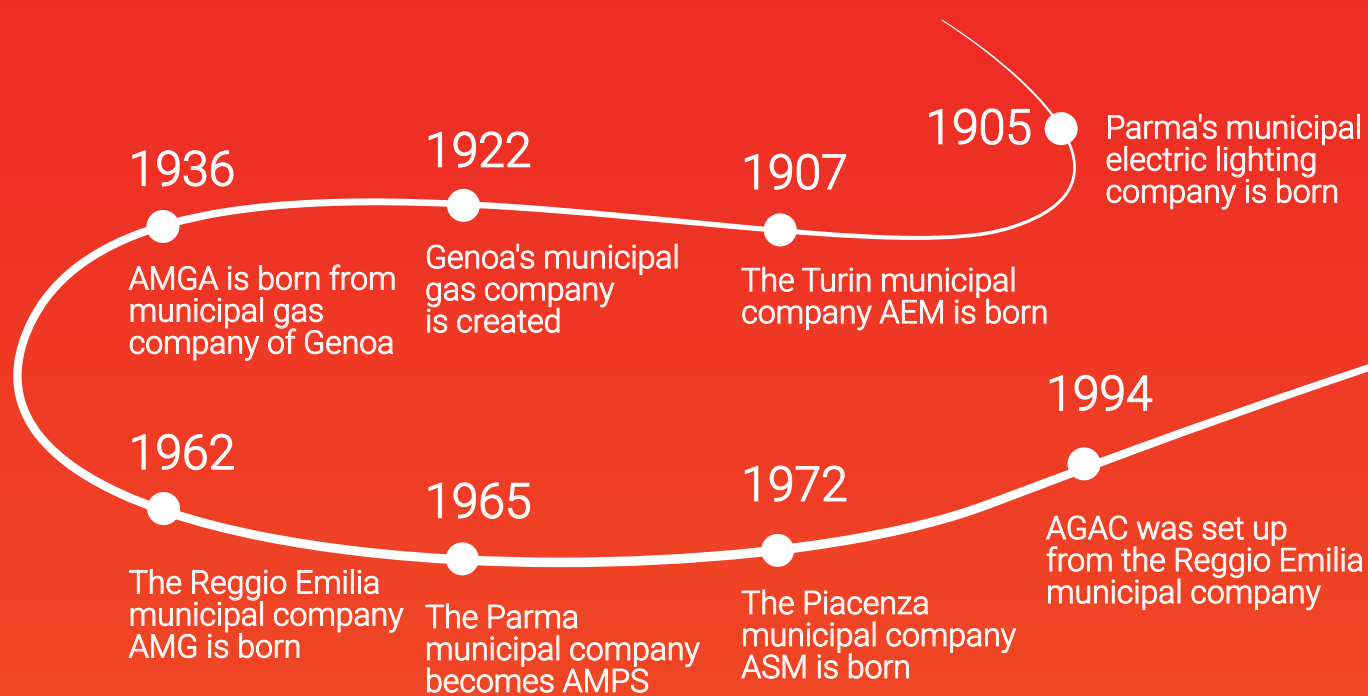
It is noted that a second tranche of the share buyback programme commenced in 2019 was initiated during the year. As at 31 December 2020, Iren S.p.A. held 15,868,004 treasury shares, equal to 1.22% of the share capital.

At 31 December 2020, based on available information, the Iren shareholding structure was as follows:



At the same date there were no private shareholders that held a stake of more than 3% of the share capital.

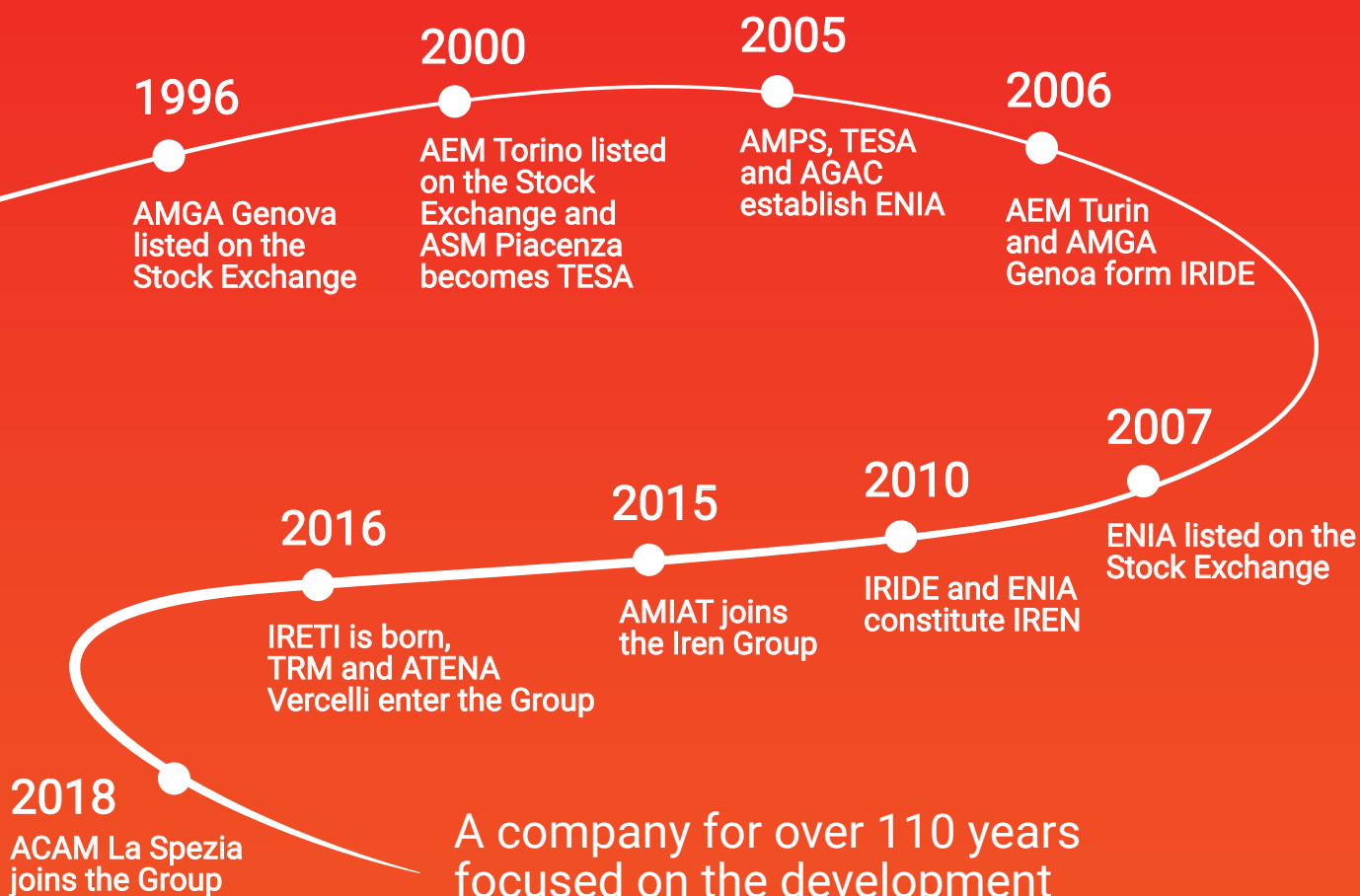
A century of history



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.



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

Vision

Improving people's quality of life, making businesses more competitive. To look at territorial 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.

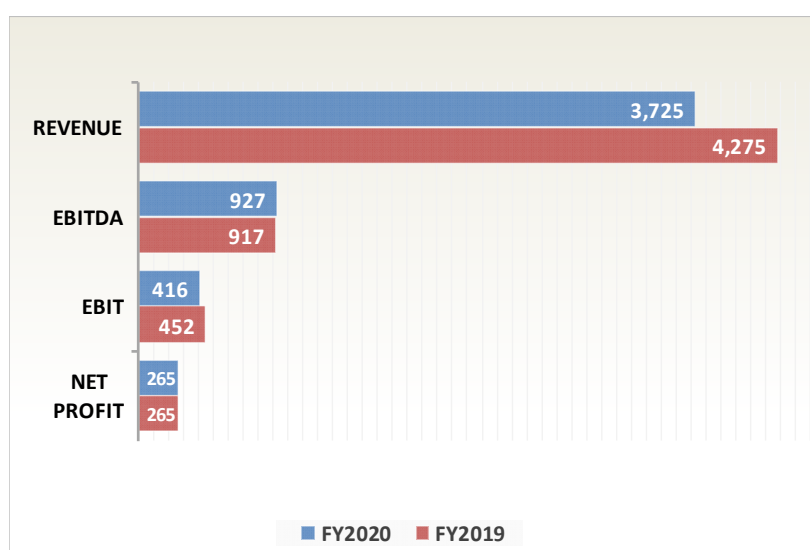
For everyone, every day.

KEY FIGURES OF THE IREN GROUP: HIGHLIGHTS OF FINANCIAL YEAR 2020

Economic data

	FY 2020	FY 2019 Restated	Changes %
Revenues	3,725.4	4,274.7	(12.9)
EBITDA	927.4	917.3	1.1
EBIT	415.8	451.8	(8.0)
Net profit	265.1	265.4	(0.1)
EBITDA Margin (EBITDA/Revenue)	24.9%	21.5%	

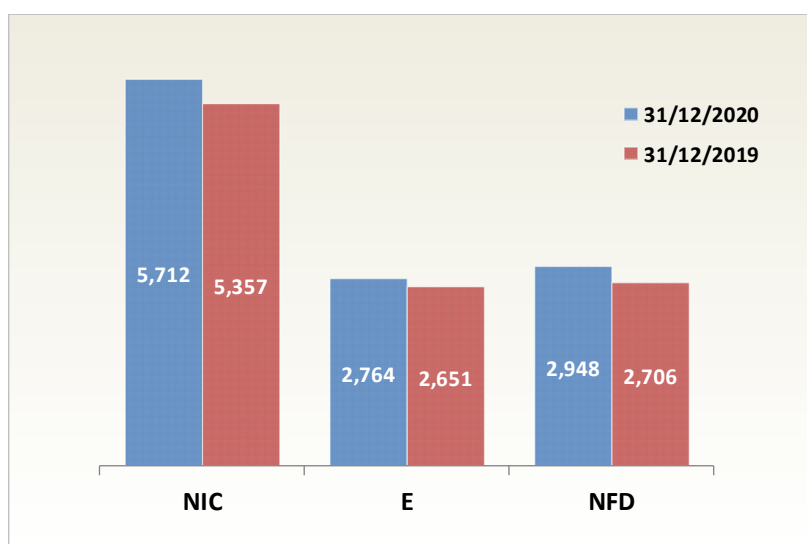
As required by IFRS 3, the 2019 cash flow balances have been recalculated to take into account, at the acquisition date, the effects of the completion, occurred in 2020, of the purchase price allocation at the final *fair value* of the assets and liabilities acquired (*Purchase Price Allocation*) of Ferrania Ecologia and Territorio e Risorse. For further information, refer to the section "Content and Structure of the Consolidated Financial Statements" in the Notes.



Financial position data

	31.12.2020	31.12.2019 Restated	Changes %
Net Invested Capital (NIC)	5,711.5	5,357.4	6.6
Equity (E)	2,763.5	2,651.3	4.2
Net Financial Debt (NFD)	2,948.0	2,706.1	8.9
Debt/Equity (Net Financial Debt/Equity)	1.07	1.02	

As required by IFRS 3, the financial position at 31 December 2019 has been restated to take into account, at the acquisition date, the effects of completion, occurred in 2020, of the purchase price allocation at the final *fair value* of the assets and liabilities acquired (*Purchase Price Allocation*) of Ferrania Ecologia and Territorio e Risorse. For further information, refer to the section "Content and Structure of the Consolidated Financial Statements" in the Notes.

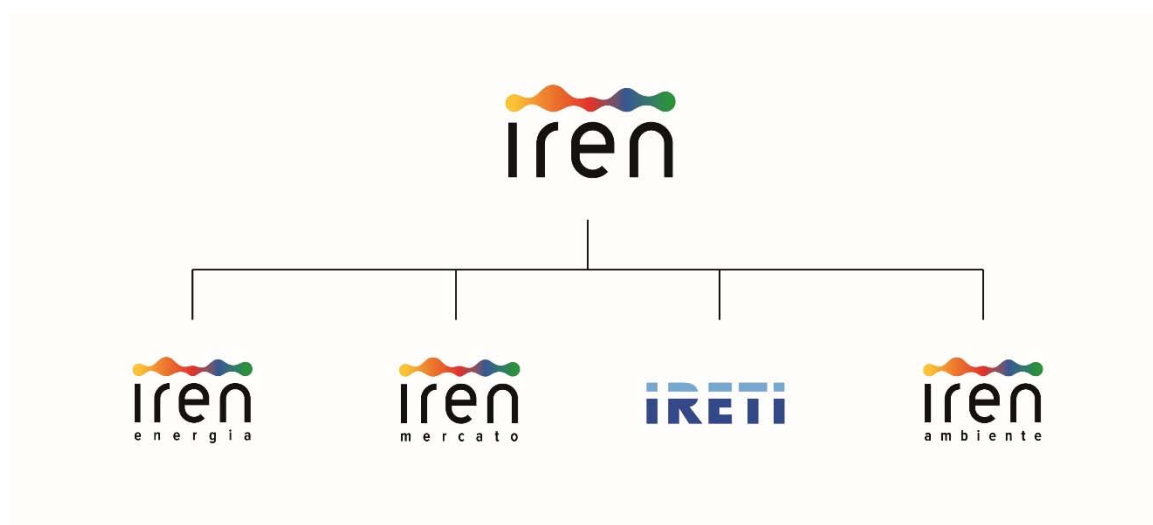


Technical and commercial figures

	FY 2020	FY 2019	Changes %
Electricity produced (GWh)	10,109.7	10,380.9	(2.6)
Thermal energy produced (GWht)	2,943.8	2,993.8	(1.7)
Electricity distributed (GWh)	3,587.3	3,818.8	(6.1)
Gas introduced into the network (mln m ³)	1,266.0	1,289.3	(1.8)
Water distributed (mln m ³)	175.1	174.9	0.1
Electricity sold (GWh)	16,922.2	18,382.5	(7.9)
Gas sold (mln m ³) (*)	2,808.6	2,825.4	(0.6)
District heating volume (mln m ³)	96.7	95.0	1.9
Waste handled (tonnes)	3,081,055	2,835,310	8.7

* of which, 1,728.2 mln m³ for internal use in the FY 2020 (1,760.2 mln m³ in 2019, -1.8%)

THE CORPORATE STRUCTURE OF THE IREN GROUP



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

The Holding is responsible for the strategic, development, coordination and control activities, while the four Business Units (BUs) have been entrusted with the coordination and guidance of the companies operating in their respective sectors:

- Networks, which operates in the field of the integrated water cycle, and in the gas distribution and electricity distribution sectors;
- Waste Management, which performs the activities of waste collection and disposal;
- Energy, operating in the sectors of electricity production, district heating and energy efficiency;
- Market, active in the sale of electricity, gas, heat and customer services

NETWORKS BU

The lead company IRETI and the business unit's subsidiaries handle the integrated water cycle, electricity distribution, natural gas distribution and other minor activities.

Integrated Water Services

IRETI, directly and through the operating subsidiaries Iren Acqua, Iren Acqua Tigullio, ASM Vercelli and ACAM Acque, as mentioned above, operates in the field of water supply, sewerage and waste water treatment in the provinces of Genoa, Savona, Piacenza, Parma, Reggio Emilia, Vercelli, La Spezia, and several municipalities in Piedmont and Lombardy.

Overall, in the Ambiti Territoriali Ottimali (ATO, Optimal Territorial Areas) managed, the service is provided in 241 municipalities through a distribution network of 20,258 kilometres, serving almost 2.8 million residents. As regards waste water, the Networks BU manages a sewerage network spanning a total of 11,189 kilometres.

On 21 July 2020, the group, through IRETI and AMIAT, acquired the majority stake in Nord Ovest Servizi S.p.A., which holds a 45% stake in Asti Servizi Pubblici operating in the integrated water cycle, and in the environment and transport sectors in the province.

Gas distribution

IRETI distributes natural gas in 70 municipalities of the Provinces of Reggio Emilia, Parma and Piacenza, in the Municipality of Genoa and in 20 other municipalities nearby. Through ASM Vercelli it distributes gas in the city of Vercelli, in 10 municipalities of the same province and in 3 other municipalities located in

Piedmont and Lombardy. The distribution network, made up of 8,115 kilometres of high, medium and low-pressure pipes, serves a catchment area of approximately 743 thousand redelivery points.

Electricity distribution

IRETI provides the electricity distribution service in the cities of Turin, Parma and, through ASM Vercelli, in the city of Vercelli with 7,795 kilometres of network in medium and low voltage, and a total of more than 724 thousand connected users.

WASTE MANAGEMENT BU

The Waste Management Business Unit carries out waste collection, processing and disposal activities mainly through geographically-distributed companies: Iren Ambiente, operating mainly in the Emilia area, AMIAT, TRM, ASM Vercelli (subsidiary of IRETI), and Territorio e Risorse, operating in the Piedmont area, ACAM Ambiente and ReCos operating in the Liguria area. Finally, the subsidiary San Germano operates mainly in Sardinia, Lombardy, Piedmont, and Emilia Romagna.

With the merger by incorporation of the subsidiaries CMT, which occurred in January 2020, and Ferrania Ecologia, effective from 1 April 2020, IREN Ambiente extended its direct operations to the Turin and Savona areas, respectively.

The Waste Management BU carries out all the activities of the urban waste management chain (collection, selection, recovery and disposal), with particular attention to sustainable development and to environmental protection confirmed by growing levels of separated waste collection; it also manages an important customer portfolio to which it provides all the services for special waste disposal.

Through these activities, the Waste Management BU serves a total of 307 municipalities for a total of more than 3.0 million residents present in its operating areas; the plant assets of the integrated waste cycle consist mainly of 3 waste-to-energy plants (TRM, owned by the company of the same name, in Turin, the Integrated Environmental Hub ("Polo Ambientale Integrato" -PAI), in Parma, and Tecnoborgo, in Piacenza, these latter owned by the lead company Iren Ambiente), 2 active landfill sites, 197 equipped ecological stations and 36 treatment, selection, storage and recovery plants.

The consolidation of the Waste Management BU for the management of all phases of the waste cycle continued this year with the incorporation, in January, of the special purpose entity Rigenera Materiali with registered office in Genoa and entirely owned by Iren Ambiente. The company engages in the design, construction, management and operation of a plant for the Mechanical-Biological Treatment (MBT) of urban waste, to be built in the plant hub in Scarpino (Genoa). The plant will have a processing capacity of 100 Ktonnes/year and will have the function of separating the wet fraction from the dry fraction of municipal solid waste, sending them to disposal or recovery, obtaining from the latter secondary solid fuel. On 12 August, the company I.Blu became part of the group, with the purchase of an 80% shareholding by Iren Ambiente. I.Blu operates in the selection of plastic waste to be sent for recovery and recycling in two plants, with a total capacity of 200 Kton/year, and in the treatment of plastic waste for the production of Blupolymer (polymer for civil uses) and Bluair ("reducing agent" for steel plants).

This transaction was carried out to enable Iren to become the national leader in the selection of Corepla plastics and, prospectively, in the treatment of so-called *plasmix*, i.e. heterogeneous plastics that currently do not have an outlet in the recycling market downstream of separate collection.

On 17 November, Iren Ambiente Spa finalised the acquisition of UNIECO Environment Division, which includes the company UNIECO Holding Ambiente (UHA) and other subsidiaries and associated companies operating in the waste sector, located in a number of Italian regions: Emilia, Piedmont, Tuscany, Marche and Puglia.

The companies belonging to UNIECO Environment Division are active in all stages of the supply chain: from waste brokerage to the treatment and disposal of urban and special waste, both hazardous and non-hazardous, and through the associate SEI Toscana which also operates in the field of collection of urban waste.

UNIECO Environment Division can count on a considerable amount of facilities consisting of: 2 landfills, 2 storage and transfer plants, 3 material recovery plants, 2 liquid waste treatment plants and 3 mechanical biological treatment plants.

This important operation will enable the Waste Management Business Unit to consolidate its position among the leading national operators in the environmental sector, expanding significantly the geographical area served, strengthening its role as a leading national operator in the treatment and development or

disposal of special waste, and acquiring a strategic position in the collection of waste from a vast area of the Tuscany Region.

ENERGY BU

Production of electricity and heat

The Energy BU's installed capacity totals 2,858 MW of electricity and approximately 2,373 MW of heat. Specifically, it has 30 electricity production plants directly available to it: 22 hydroelectric (including 3 mini-hydro) systems, 7 thermoelectric cogeneration systems, and 1 conventional thermoelectric system. The Business Unit also has 85 photovoltaic production plants with an installed capacity of 20 MW.

All primary energy sources used are eco-friendly because they are mainly hydroelectric and co-generative. In particular, the hydroelectric production system plays an important role in environmental protection, as it uses a renewable and clean resource, without the emission of pollutants, and reduces the need to make use of other forms of production that have a greater environmental impact.

On the thermoelectric side, at Group level, more than 34% of the total thermal power at the service of district heating comes from the cogeneration plants owned by Iren Energia and produces 80% of the heat intended for district heating. The share of thermal output related to conventional heat generators is 58%, with district heating production at 16%. The remaining portion is produced by group plants not belonging to the Energy BU (waste to energy plants).

In 2020, Iren signed with Ansaldo a contract for the expansion of the Turbigio thermal power plant through the design, supply and construction of a new gas-powered combined cycle electricity generation plant, which will increase the overall installed capacity of the Turbigio site from the current 850 MW to approximately 1,280 MW.

Iren Energia also oversees the Group's electricity and thermal energy planning and dispatching activities, as well as operations on borsa elettrica (pool market).

District heating

Iren Energia has the largest district heating network in the country with more than 1,064 kilometres of dual pipes. The extension of the network amounts to 700 kilometers in the Turin area, of which 76 kilometers of network recently acquired (district heating business unit of SEI Energia) in the municipalities of Grugliasco, Rivoli and Collegno (Metropolitan City of Turin), 10 in the Municipality of Genoa, 221 in the Municipality of Reggio Emilia, 103 in the Municipality of Parma, and 29 in the Municipality of Piacenza. The total volume heated amounts to 96.7 million cubic metres, of which 5.3 million relating to the SEI Energia business unit. The acquisition of this business, which occurred in April 2020, includes also 49% of the company Nove S.p.A.

Energy efficiency services

Iren Energia, through its subsidiary Iren Smart Solutions operates in the energy efficiency sector, carrying out activities of planning, creation and management of projects for the reduction of energy consumption, saving and efficiency; its handles the supply of energy services and global services destined for residential buildings, private and public structures and industrial and commercial complexes guaranteeing maintenance and conduction of heating, conditioning, plumbing, sanitary, refrigeration and electrical systems, and of solar panels, as well as their design and installation. Iren Smart Solutions also handles the development and management of public lighting and traffic lights and similar services.

On 21 July 2020, Iren Energia acquired from ASTA S.p.A. (Gavio group) 28% of the company Asti Energia e Calore S.p.A., thus consolidating its equity investment in the company, which now amounts to 62%.

MARKET BU

Through Iren Mercato, Atena Trading and Salerno Energia Sales, the Group trades electricity, gas and heat through the district heating network, in the supply of fuels for internal consumption and in customer management services of investee companies.

Iren Mercato operates, in the context of the free market, all over the country, with a higher concentration of customers served in Central and Northern Italy, and handles the sale of the energy provided by the Group's various sources on the market, represented by final customers and wholesalers. The main Group energy sources available for its activities are the thermoelectric and hydroelectric plants of Iren Energia.

Iren Mercato also acts as "higher protection" service operator for retail customers in the electricity market in the Province of Turin and the Parma area. Through the acquisition of a company branch, starting from January 2020 Iren Mercato has extended this activity to the catchment area of the municipality of Sanremo in the province of Imperia. The transaction concluded at the end of 2019 between the company AMAIE S.p.A., owned by the municipality of Sanremo, and Iren Mercato transferred to the latter the Sanremo Luce business unit bringing in a portfolio of approximately 21 thousand customers in the higher protection segment for expected consumption of approximately 50 GWh per year.

Historically, Iren Mercato is active in the direct sale of methane gas in the areas of Genoa, Turin and the Emilia Romagna region.

Lastly, it handles heat sales to district heating customers in the Municipality of Turin and the provincial capitals of Reggio Emilia, Parma, Piacenza and Genoa and sales development in new district heating areas.

Among the commercial proposals in being, we can note the "New downstream" business line, destined for the sale to retail customer of innovative products in the area of domotics, energy saving and maintenance of domestic systems, and "IrenGO at zero emissions", the innovative offer for electric mobility aimed at private customers, businesses and public bodies with the objective of reducing the environmental impact of movements. On this subject, the Group has already tested the potentials and benefits of e-mobility through the internal launch of a series of initiatives, such as the installation of recharging infrastructures and the gradual introduction of electric vehicles. All the IrenGO internal and external electric mobility initiatives benefit from *100% green* energy supply deriving from the Group's hydroelectric plants.

Sale of Natural Gas

Retail gas customers managed by the Market Business Unit amounted to more than 906 thousand, mainly spread throughout the traditional Genoa, Turin and Emilia Romagna catchment area and surrounding development and the catchment areas of Vercelli and the area in Campania (through ATENA Trading and Salerno Energia Vendite, respectively), and La Spezia.

In particular, Salerno Energia Vendite is present in almost all the provinces in Campania as well as in a number of municipalities of the Basilicata, Calabria, Tuscany and Lazio regions.

Sale of electricity

The retail electricity customers managed amount to approximately 971 thousand, distributed mainly across the traditionally served basin of Turin and Parma and in the other areas commercially covered by Iren Mercato and ATENA Trading, extended since the beginning of the year also to the municipality of Sanremo with a contribution of approximately 21,500 customers of the higher protection service.

Sale of heat through the district heating network

Iren Mercato manages the sale of heat, purchased from Iren Energia, to customers receiving district heating in the municipalities of Turin, Nichelino, Beinasco (Turin area), Genoa, Reggio Emilia, Piacenza and Parma.

INFORMATION ON THE IREN STOCK IN 2020

Iren stock performance on the Stock Exchange

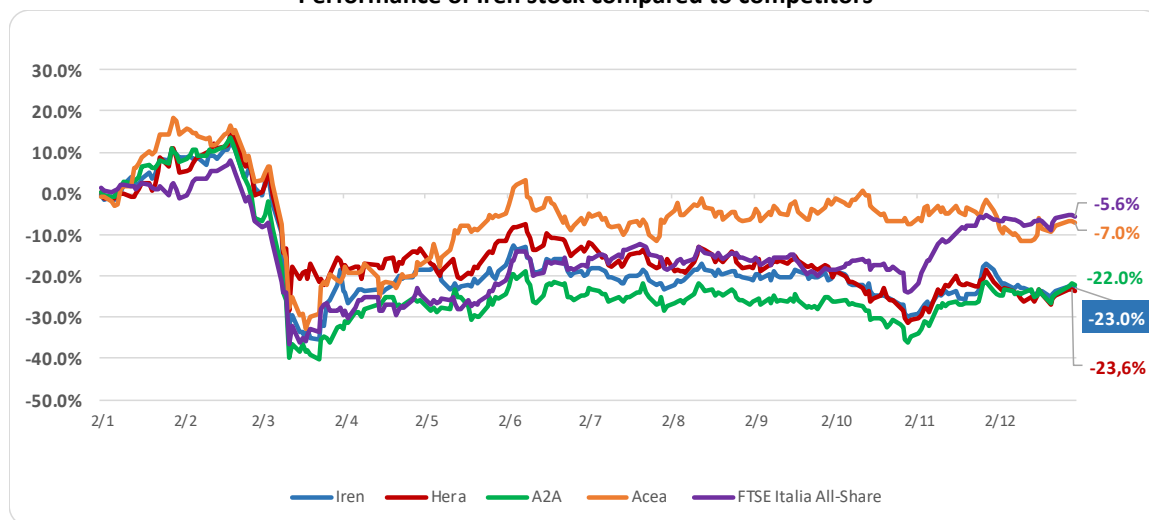
During 2020, the FTSE Italia All-Share (the main index of the Italian Stock Exchange) fell by 5.6%. The share price has been affected by the difficult economic environment.

The first part of the year was, in fact, characterised by an unfavourable energy scenario, with low *commodity* prices, which deteriorated further following the Coronavirus emergency, the subsequent *lockdown* and expectations of a slow economic recovery, despite the recovery plans approved by Central Banks and Governments.

The difficult economic situation and the continuation, also in the fourth quarter, of the health emergency and of the consequent contrasting measures, had an effect on the share price trend, which was influenced by negative market expectations such as incurring extra costs linked to the emergency, the lower demand for products and services, and the slowdown in investments in various sectors.

In this context, the four *multi-utilities* underperformed the main FTSE Italia All Share index, particularly in the fourth quarter, due to the investment choices of market operators, who favoured other sectors, particularly those linked to digital technologies.

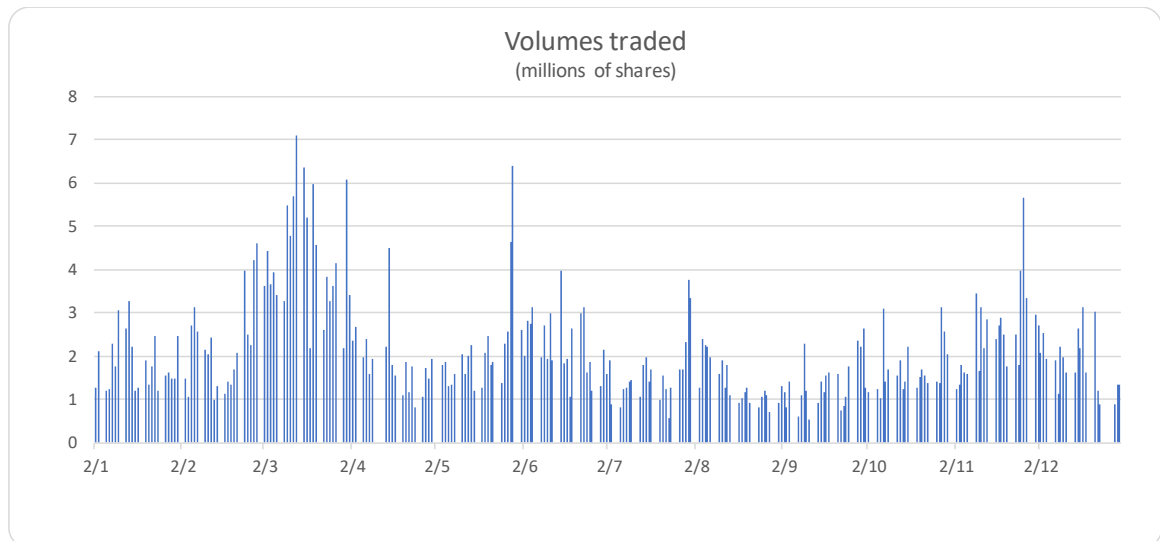
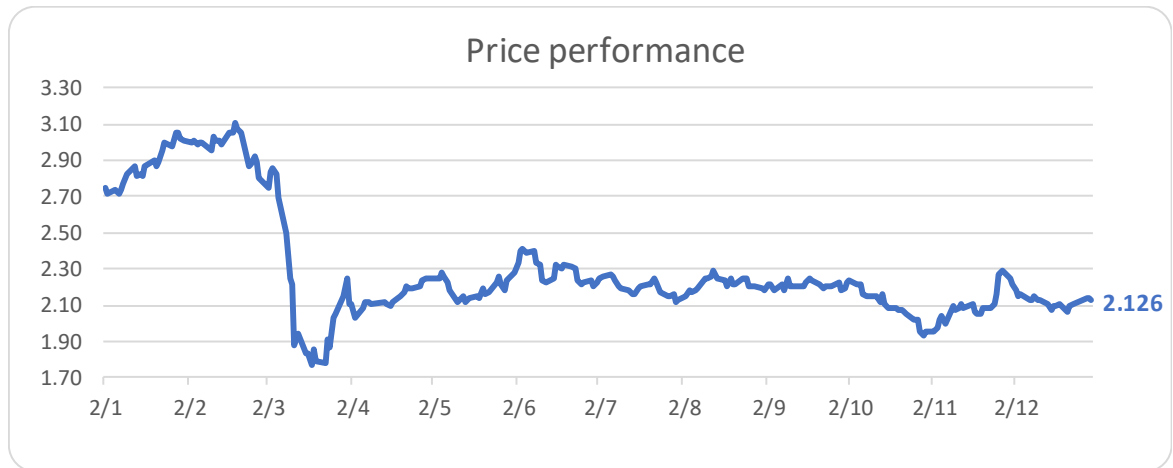
Performance of Iren stock compared to competitors



As at 30 December 2020, the last trading day in the year, the price of IREN stock stood at € 2.126 per share, down by 23.0% compared to the price at the beginning of the year, with average trading volumes exchanged during the period of approximately 2.12 million units. The average price in 2020 was € 2.30 per share.

It is noted that, before the spread of the epidemic, the *lockdown* measures at national level and the consequent reduction in share prices in the financial markets, Iren's share price had reached an all-time high (€ 3.10 per share) on 19 February 2020, bringing the Group's market capitalisation to over € 4 billion; the minimum for the period, i.e. € 1.77 per share, was recorded on 18 March.

The two charts below show the price performance and volumes traded in Iren stock in 2020.



Share coverage

During the period the Iren Group was followed by nine brokers: Banca IMI, Banca Akros, Equita, Exane, Fidentis, Intermonte, KeplerCheuvreux, Main First and Mediobanca.