Scenario
The energy trilemma requires balanced solutions.

The energy trilemma is at the core of the energy market debates. The development of the gas sector towards renewable gases is part of the solution: cost-efficiently it provides additional green flexibility and security to the energy systems.

ECOLOGICAL TRANSITION
- Enable gas networks to dispatch green gases (biomethane and hydrogen)
- Focus on energy efficiency
- Renewables development

SECURITY OF SUPPLY

COMPETITIVENESS
- Support industry competitiveness and ensure affordability for residential end-users

Through sectors coupling, efficient use and development of infrastructures, diversification of sources, debottlenecking.
EU strategies may activate multiple levers to address the trilemma.

REPowerEU clearly recognizes the role of green gases and energy efficiency initiatives to achieve the long-term stability of energy markets.


(1) Vs Primes 2020 scenario 2030, on top of the efficiencies assumed in the Primes scenarios.
Biomethane plants in Europe nearly tripled in the last 4 years. Production growth is set to follow - EU potential is >40 Bcm by 2030, increasing to >150 Bcm by 2050. Italy to play a leading role.

**EUROPEAN BIOMETHANE PRODUCTION**

<table>
<thead>
<tr>
<th>Year</th>
<th>EU Biomethane Production (Bcm)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>2.4</td>
</tr>
<tr>
<td>2020</td>
<td>2.9</td>
</tr>
<tr>
<td>2021</td>
<td>3.5</td>
</tr>
<tr>
<td>2022</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Majority connected to distribution:
- Distribution: 58%
- Transport: 19%
- Not Yet Connected: 9%
- Unknown: 14%

Source: EBA European biomethane map 2023, IEA gas market report
More than 356 hydrogen projects in Europe with focus on infrastructure retrofitting (25%) and integrated projects (24%) Europe at the forefront also on regulation

<table>
<thead>
<tr>
<th>Category</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retrofitting/repurposing existing infrastructure</td>
<td>89</td>
<td>89</td>
</tr>
<tr>
<td>Integrated H2 project (production, transport, use)</td>
<td>86</td>
<td>86</td>
</tr>
<tr>
<td>H2 at end-user level</td>
<td>72</td>
<td>72</td>
</tr>
<tr>
<td>H2 production</td>
<td>63</td>
<td>63</td>
</tr>
<tr>
<td>H2 storage</td>
<td>36</td>
<td>36</td>
</tr>
<tr>
<td>New built H2 infrastructure</td>
<td>10</td>
<td>10</td>
</tr>
</tbody>
</table>

Source: ENTSO-G Hydrogen Projects Database, June 2022
Our strategic focus

Gas distribution in Italy complete the repurposing of the network into a smart one, also to efficiently and sustainably dispatch green gases. Long term 45% market share ambition confirmed.

Gas distribution in Greece network upgrade and expansion to increase gas penetration and digitization. Integration with the rest of the Group.

Energy efficiency seek selected high margin growth streams via a combination of organic initiatives and M&A, while preserving margins.

Water serving c10% of Italian population post Veolia’s assets acquisition. Look for further inorganic growth opportunities.

Digitization and innovation

Deep integration of strategic and sustainability objectives
Italian gas distribution
innovation driven growth
Italian distribution attracts the majority of the capex

Alignment of capex plan with long term EU objectives

Confirmed priority role of digitization and target to have a fully digitized network by 2024

Ongoing work on innovation

More focused approach to network capex thanks also to proprietary technological solutions like DANA

Limited visibility on tenders, but long term market share ambition confirmed
Network spending driven by repurposing, upgrade and extensions
New approach to capex is driven by innovation and digitization

Note: (1) of which Sardina Capex €170mn and €365mn Centralised capex

More focused approach
• Predictive maintenance
• Innovative solutions
• Design-to-cost approach

With the aim of
• Improving efficiency and quality
• Reducing construction time
• Favouring green gases injection
• Reducing leaks, cutting emissions

Repurposing, upgrade and maintenance
Extensions and new grids
Technical Innovation and energy efficiency
Sardinia network completion
Centralised capex

~€2.9bn CAPEX\(^1\) 2023-29
Digitization capability, a unique competitive advantage

- DANA extended to 90% of the whole Italian network by 2024
- Biomethane connections & reverse flow
- City gates upgrade, including remote control systems
- District governors replacement and upgrade
- Gas distribution network upgrade, including THT and gas quality monitoring

DANA, our command-and-control system for network supervision:
- Improved monitoring and analytics
- Remote management
- Enabler of renewable gases

H2 READY PROPRIETARY SMART METER

- 2023 Prototype delivery
- 2024 Pre-series field test
- 2025 onward: series production and installation at scale in Italy
- New meters to be used also in Greece

COST EFFICIENCIES DRIVER

~€1.6bn
CAPEX 2023-29

2023-29

2023 2024 2025 2026 2027 2028 2029

<table>
<thead>
<tr>
<th>Year</th>
<th># of meters</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>7.5</td>
</tr>
<tr>
<td>2024</td>
<td>7.6</td>
</tr>
<tr>
<td>2025</td>
<td>7.4</td>
</tr>
<tr>
<td>2026</td>
<td>6.3</td>
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<tr>
<td>2027</td>
<td>4.9</td>
</tr>
<tr>
<td>2028</td>
<td>3.6</td>
</tr>
<tr>
<td>2029</td>
<td>2.8</td>
</tr>
</tbody>
</table>

Smart meters ITG Smart Meter

- Total CAPEX: ~€1.6bn
Italgas uniquely positioned versus peers, thanks to network digitization
1 biomethane plant connected in April.
Regulatory changes support clients requests.

Biomethane producer

Italgas and biomethane increasing positive signals

Notes (1) Cumulated since 2019

Feasibility requests¹

<table>
<thead>
<tr>
<th>Year</th>
<th>Up to June 2022</th>
<th>Up to Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>55</td>
<td>170</td>
</tr>
</tbody>
</table>

Feasibility assessments

<table>
<thead>
<tr>
<th>Year</th>
<th>2019-22</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
<td>70</td>
<td>100</td>
</tr>
</tbody>
</table>

~400 connections in Italy and Greece 2023-29

2 reverse flow projects under evaluation
Ranking publication expected by July 2023
Plants in operation by end 2024
Biomethane, new grid management model required

- Energy efficiency (pre-heating)
- Odorisation
- Management of medium pressure
- Management of low pressure
- Remote control -- two-way biomethane valve

- **Transit network**
  - **“IPRM”**
  - **“GRFD”**
  - **“Volume balancing: quantifying in-out delta”**
  - **“Biomethane plant”**
    - Manage plant outlet pressure level
    - Managing gas distribution between lines
    - Adjusting the gas temperature
  - Gas chromatograph
  - Two-way inlet valve from the biomethane injection system

- **RTU**
  - **Type D**
  - **Type E**
  - **Type C**

- **Smart meters**

- **Volume balancing**
  - Quantifying in-out delta

- **Remote control**
  - Two-way biomethane valve

- **Biomethane, new grid management model required**
Innovation at the core of Italgas’ whole strategy
In gas distribution the approach is multidimensional, leveraging on both internal and external skills mainly via R&D and Open Innovation approaches

<table>
<thead>
<tr>
<th>Year</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>MVPs</td>
<td>35 MVPs(^1)</td>
<td>&gt;10 MVPs(^1) per year targeted</td>
<td>New R&amp;D facilities in Turin</td>
</tr>
<tr>
<td>PoCs</td>
<td>4 PoCs(^4) launched, 8 planned</td>
<td></td>
<td>New H2 lab in Sardinia</td>
</tr>
<tr>
<td>400</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15 PoCs</td>
<td>400 startups/SMEs per year evaluated</td>
<td>15 PoCs(^4) per year launched</td>
<td></td>
</tr>
</tbody>
</table>

**POWER TO GAS PROJECT**

- **Authorization process closing**
- **Construction**
- **In operation**
- 467 startups/SMEs evaluated
- 7 PoCs\(^4\) launched, 8 planned

**OPEN INNOVATION**

- **Ideas4Italgas**\(^2\)
- **Call4Ideas**\(^3\)
- From 234 proposals collected to 3 projects to realise

Notes: (1) Minimum Viable Products; (2) External; (3) Internal; (4) Proof of Concept
Italgas and hydrogen - several ongoing initiatives

Continuous upgrade and digitization of the network to allow distribution of green gases as well as to increase efficiency and reliability

Ongoing equipment testing for H2 readiness, Phase 1 completed in 2022 and ongoing Phase 2 with on site equipment testing expected to end in 4Q 2023

Development of the P2G pilot project in Sardinia and of the connected Hydrogen Lab
Development of the new proprietary H2 ready smart meter

International partnerships for knowledge sharing, the latest with Cadent (UK), following those with Jemena (Australia), PG&E (USA) and Marubeni (Japan)

Several initiatives ongoing to ensure network readiness for hydrogen distribution and blending.

H₂
La Spezia tender awarded in 2022 - Torino 1 signed in May
Long term market share ambition confirmed
But progress remains slow forcing a further revision of expectations

~€1.5bn
CAPEX 2023-29

Note: Overall tenders estimated calendar
Greece attractive growth ahead
Greece
a core asset of the group

2-pillars strategy aligned with the Group objectives

Investment for growth
• Network expansion and increased penetration
• Innovation acceleration and digitization
• Smart metering (Italgas Smart meter)
• Development of the LNG infrastructure

~€0.9bn
CAPEX
2023-29

Post-merger integration
• IT Systems unification and transformation, move to Cloud
• Leaner organisation
• Leverage on human capital, boosting resources effectiveness
• Joint procurement

EBITDA MARGIN IMPROVEMENT
Boost network development, leveraging on the expertise developed in Sardinia. Expect regulation to support smart meters roll-out, digitization plan and biomethane connections.
Greek network extension leading to increase penetration

Network to reach additional 42 municipalities by 2029, driving growth in redelivery points and increasing penetration

Complete methanization of Thessaloniki, reaching 7 additional municipalities

- # of municipalities:
  - Thessaloniki: 32 in 2022, 39 in 2029
  - Thessaly: 52 in 2022, 58 in 2029

- 6 additional municipalities by 2029 and 7 LNG Installations

- 29 additional areas methanized by 2029, +138%

- 213 additional areas to be methanized by 2029, +126%

- 100% CAGR 2022-2029

- SMART METERS in 2029

- >7% CAGR 2022-2029

- >900k Redelivery points
Development of a one single large DSO, leveraging on the combination of competencies and experiences of the 3 Greek DSOs and the Italgas Group
EBITDA margin in Greece below Italian level.
Italgas’ ambition is to close the gap in the plan period.

<table>
<thead>
<tr>
<th>Year</th>
<th>Greece as is</th>
<th>Toscana Energia</th>
<th>Ambition</th>
<th>Overall Italgas network in Italy</th>
</tr>
</thead>
<tbody>
<tr>
<td>2023</td>
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<td>2024</td>
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<td>2028</td>
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<tr>
<td>2029</td>
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</tbody>
</table>
Energy efficiency
Geoside’s strategy seeks a combination of organic growth and M&A opportunities, while supporting Italgas’ businesses.

**ORGANIC GROWTH**

- Leverage and expand existing client base focusing on digital services, heat plants management and innovative services
- EPC projects with stringent return criteria

**INORGANIC GROWTH**

- M&A and partnerships with major operators and B2B channels to expand the portfolio of services offered and the breath of clients reached

**4 CORE FOCUS AREAS**

- CONDOMINIUMS among RESIDENTIAL BUILDINGS
- INDUSTRY and TERTIARY SECTOR
- PUBLIC SECTOR
- CAPTIVE
The benefits of energy efficiency are evident and regulatory support is strong. Fragmentation and diversification of the sector is an opportunity. But not all activities are equally attractive.

ESCo attractive portfolio of services

ESG Services
- Digital energy management and innovative products
- Predictive Energy Analytics and automation
- Energy requalification projects
- Professional training

Building renovation and plants requalification
Innovative products

“Energy Plus Service”
Heating and plants management

Public lighting

EPC energy requalification projects

<table>
<thead>
<tr>
<th></th>
<th>INDUSTRIAL &amp; TERTIARY SECTOR</th>
<th>RESIDENTIAL BUILDINGS¹</th>
<th>PUBLIC SECTOR</th>
<th>CAPTIVE Italy and Greece</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital</td>
<td>○</td>
<td>○</td>
<td>○</td>
<td>○</td>
</tr>
<tr>
<td>Management</td>
<td></td>
<td></td>
<td>○</td>
<td></td>
</tr>
<tr>
<td>Innovative</td>
<td></td>
<td></td>
<td>○</td>
<td></td>
</tr>
<tr>
<td>Products</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Energy</td>
<td></td>
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<td>Requalification</td>
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<tr>
<td>Professional</td>
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<tr>
<td>Training</td>
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</tr>
<tr>
<td>Public</td>
<td></td>
<td>○</td>
<td>○</td>
<td></td>
</tr>
<tr>
<td>Lighting</td>
<td></td>
<td></td>
<td>○</td>
<td></td>
</tr>
</tbody>
</table>

Note: (1) Condominiums
ESCo key targets

Targets confirmed aiming at 6-8% market share mid-term
Unchanged capex allocated to M&A opportunities

Capex

Internal Growth

EPC / Industrial

M&A

>€0.3bn
CAPEX
2023-29

Operating performance

2022-23 better than anticipated
Mix changes as Superbonus ends
Growing market share in other businesses

REVENUES

EBITDA margin, %

18-20%

2022 2023 2024 2025 2026 2027 2028 2029

Superbonus
Industrial and Tertiary
Residential Buildings
PA and Other
M&A

Internal Growth

EPC / Industrial

M&A

27
Water
Water system in Italy needs material investments to improve service levels and reduce leaks

- **High leakage rate**: ~42% average leakage rate along the Italian network. Higher leakages in Centre and South of Italy.
- **Old and underinvested infrastructure**: ~60% of infrastructure is > 30 years old and ~25% > 50 years.
- **Low penetration of digital meters**: >50% of meters is >10 years old.
- **Low availability of technical data** on water networks.

Leakages per km per day (cubic meters)

Leakages per km per day by area (cubic meters)

Italian meters: ranges by lifetime

- 27% <5 years
- 20% 6-10 years
- 18% 11-15 years
- 34% >15 years

Agreement for the acquisition of Veolia’s assets
Transformational deal, harbinger of new opportunities
Post closing, Italgas positioning in water sector moves to
10% of Italian population covered

**Today**

- **Italgas Acqua**
  - Water Distribution
    - 5 municipalities in the province of Caserta
    - 100% of the network remotely controlled
    - 278km of network
    - 29k end users

**New**

- **Siciliacque**
  - Water Transport
    - 40 years concession started in 2004
    - c30% of Sicilian Region
    - 1,734 km of network
    - 1.6mln people served

- **Acqua Latina**
  - Water Transport, Distribution and Sewage
    - 30 years concession started in 2002
    - 6,193 km (51% transport, 10% distribution and 39% sewage)
    - 0.6mln people served
    - 304k end users

- **Acqua Campania**
  - Water Transport
    - 96km of network
    - 4mln people served

Note: (1) Directly or indirectly, (2) Including the 0.532% stake already owned by Italgas
Rationale of M&A strategy in the water sector

Increased capex commitment versus previous plan

€0.4bn CAPEX\(^1\) 2023-29

Territorial synergies potential that emerge from the overlap with Italgas’ gas distribution network

Similarities with Italgas core gas distribution business in terms of operational requirements, regulatory framework and value creation potential

Leverage on the Recovery and Resilience Plan for investments support

Ability to boost infrastructure management efficiencies hence contributing to sustainability

Set a strategic position along the water value chain, allowing for further M&A and growth in the water sector

Note: (1) Includes both M&A and development capex
Digital transformation for Water Business

Water smart meters, network (DMAs) balancing, real-time monitoring and predictive maintenance to improve network operational and energy efficiency and reduce water leakages.

Targeted field operations
- Network operational improvement
- Leak detection and repair
- Investment plan prioritization

Network assets IoT-ization
- DMAs and smart meters
- Data acquisition

Monitoring & Analytics
- Reporting
ESG targets
ESG 
net energy consumption reduction targets

Net Energy Consumption$^{1,2}$

Actions identified and reflected into capex plan, monthly KPIs and performance review

2020 rebased to include Greece

Industrial consumption
additional optimisation systems, digitalization of monitoring and control systems, on-site renewable energy production

Real Estate
Constant process of optimisation, renewal, digitalization of monitoring and control systems of the Group's buildings

Car Fleet
Optimisation and renewal of the car fleet and high-tech solutions for reduction of operators' travel time

Note: (1) Total energy consumption minus the total self-produced and consumed electricity; (2) The perimeter of the target is the same as the scope of consolidation as of 31$^{st}$ of March 2023. Any change following M&A or ATEM tenders, if relevant, will be considered in the review of the target. (3) Recalculated, 597.2 TJ refer to Italian companies, while 21.9 TJ refer to Greek companies for a total of 619.1 TJ
ESG
Scope 1&2 and 3 reduction targets, on the way to Net Zero

GHG
Emissions\(^1\) Scope 1&2

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2020(^2)</th>
<th>FY 2028</th>
<th>FY 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>10(^3) t CO(_2) eq</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2020-28</td>
<td></td>
<td></td>
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<tr>
<td>2020-30</td>
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</tbody>
</table>

-34% 2020-28

Picarro and Smart Maintenance Energy Efficiency initiatives
Carbon removal initiatives\(^4\) and green gases initiatives

2050 Net Zero Carbon

Scope 3 supply chain

<table>
<thead>
<tr>
<th>Year</th>
<th>FY 2020(^3)</th>
<th>FY 2028</th>
<th>FY 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>10(^3) t CO(_2) eq</td>
<td></td>
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<tr>
<td>2020-28</td>
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<tr>
<td>2020-30</td>
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</tr>
</tbody>
</table>

-30% 2020-28

Supply chain engagement

Supply chain engagement Carbon removal initiatives\(^4\)

2050 Net Zero Carbon

Note: (1) The perimeter of the target is the same as the scope of consolidation as of 31\(^{st}\) of March 2023. Any change following M&A or ATEM tenders, if relevant, will be considered in the review of the target. (2) 2020 baseline values for Scope 1&2, 173.3 10\(^3\) t CO\(_2\) eq refer to Italian companies, while 20.0 10\(^3\) t CO\(_2\) eq refer to Greek companies for a total of 193.3 10\(^3\) t CO\(_2\) eq. (3) 2020 baseline values for Scope 3 supply chain, 183.3 10\(^3\) t CO\(_2\) eq refer to Italian companies, while 19.6 10\(^3\) t CO\(_2\) eq refer to Greek companies for a total of 202.9 10\(^3\) t CO\(_2\) eq. (4) Post 2030.
## Confirmed / improved objectives

### Engagement

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2022</th>
<th>2029</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>71%</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

### Women in responsibility roles

<table>
<thead>
<tr>
<th>Year</th>
<th>2020</th>
<th>2022</th>
<th>2029</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17%</td>
<td></td>
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</tr>
</tbody>
</table>

### Gender pay gap

- **Achievement of UNI/PdR 125:2022 certification** for gender equality for Italgas S.p.A. by 2023

### Gender Pay gap between +/− 3%

- **Note**: (1) 2020 and 2022 data refer to Italy only; unless otherwise specified, the perimeter of the targets is the same as the scope of consolidation as of 31st of March 2023. Any changes following M&A or ATEM tenders, if relevant, will be considered in the review of the targets (2) Average ratio among female and male base salary by organizational cluster and by age cluster for employees holding managerial positions.
Financial planning

Adapting to a more volatile scenario, while guaranteeing long term support to sustainable growth and robust and visible shareholders’ return

**Capex reallocation** focusing on cashflow generation, potential M&A and regulation-linked opportunities

**Focus on continuous improvement of operating performance** to drive incremental value creation through digitization and sharing of best practices across businesses

**Funding strategy** to cope with higher interest rate scenario and internal funding needs, while preserving low risk profile

**Dividend policy** extended and updated allowing shareholders to benefit from growth, while guaranteeing downside protection
€7.8bn of investments planned in 2023-2029
Reallocation of capex

**KEY POINTS**

**Italian distribution**
- Increased digitization but more focused approach to network capex

**Greece**
- First plan developed by Italgas, higher capex reflects stronger effort

**Water**
- Mix of higher capex linked to agreed M&A and new opportunities

**ESCo** target confirmed

**Tenders**
- Further delay reflects lack of visibility, but long-term effort confirmed

<table>
<thead>
<tr>
<th>Year</th>
<th>Tenders</th>
<th>Capex ex tenders</th>
<th>Greece</th>
<th>Water, ESCO and other</th>
<th>Italy Network</th>
<th>2022 M&amp;A mainly linked to Greece and Naples</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022-28</td>
<td>1.8</td>
<td>6.0</td>
<td>0.9</td>
<td>1.5</td>
<td>0.8</td>
<td>2.0</td>
</tr>
<tr>
<td>2023-29</td>
<td>1.5</td>
<td>6.3</td>
<td>0.8</td>
<td>4.6</td>
<td></td>
<td>1.5</td>
</tr>
</tbody>
</table>

Note: (1) Including digitization, centralized capex, Sardinia, expansion of gas distribution perimeter and net of private grants; (2) M&A assumed in 2022 in the 2022-28 Plan, €8.6bn including 2022 net M&A
Ongoing strong growth in RAB led by organic capex in Italy, Greece and tenders
Long term market share objective confirmed

**RAB and redelivery points in gas distribution**

**Ongoing strong growth in RAB led by organic capex in Italy, Greece and tenders**

**Long term market share objective confirmed**

**34%**

**Italian Market share**

**41%**

**2022**

**2029**

**Market share to reach 45% at completion of tenders**

**Notes:**
- Gas distribution only, for Italy RAB is referred to the year end T - revenues in the year T+1
- Average Italian deflator for revenues 2023-29 assumed at 2.7%, starting from 2.8%

**Market share to reach 45% at completion of tenders**

**RAB and redelivery points in gas distribution**
Focus on continuous improvement of operating performance mainly via technological innovation and digitization.

Efficiencies to offset higher in distribution costs\(^1\) led by business growth and inflation through plan period.

Note: (1) Ex tenders, pro forma 2022 including Greece for 12 months.
Funding strategy

More volatile environment

€500mn bond issuance just closed anticipates near-term needs

Cost of debt to increase due to refinancing of maturing bonds – but regulatory WACC mark to market and inflation are offsetting positives

Recourse to sustainable finance sources

Note: (1) Excluding IFRS16, 31/03/2023
Financial profile

Credit rating well within range

Strong cashflow generation, despite growing debt
Credit metrics remain within range throughout the plan

Financial flexibility
Current credit rating preserved

- OCF
- Organic Capex
- Dividends
- M&A
- Veolia

Net Debt / RAB

FFO / Net Debt

- Other M&A
- Tenders
- Enhanced shareholders remuneration

Note: calculated using rating agencies’ methodologies
## Guidance With Tenders

<table>
<thead>
<tr>
<th>€</th>
<th>2023</th>
<th>2026</th>
<th>2029</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>&gt;1.75bn</td>
<td>Revenues</td>
<td>~2.2bn</td>
</tr>
<tr>
<td>EBITDA</td>
<td>~1.18bn</td>
<td>EBITDA</td>
<td>~1.6bn</td>
</tr>
<tr>
<td>EBIT</td>
<td>~680mn</td>
<td>EBIT/RAB^2</td>
<td>~9%</td>
</tr>
<tr>
<td>Technical Capex</td>
<td>~900mn</td>
<td>Consolidated RAB</td>
<td>11.0bn</td>
</tr>
<tr>
<td>Net Debt</td>
<td>~6.4bn</td>
<td>FFO / RAB</td>
<td>10%</td>
</tr>
<tr>
<td>Leverage^2</td>
<td>~65%</td>
<td>Leverage^2</td>
<td>~60%</td>
</tr>
</tbody>
</table>

Note: (1) Assuming neutral working capital; (2) Gas distribution only
Operating performance in all areas contributes to growth.

Expect to deliver by 2029 similar growth in Revenues and EBITDA. Actions put in place to preserve growth also at Net Income.

**Revenues**
- 2022 adj: ~1.54
- 2023: >1.75
- 2029: >2.7

**EBITDA**
- 2022 adj: ~1.08
- 2023: ~1.18
- 2029: >1.8

**Net Income**
- 2022 adj: 0%
- 2023: 86% Italy distribution, 9% Greece, 5% ESCo, water and other, 0% tenders
- 2029: 75% Italy distribution, 8% Greece, 8% ESCo, water and other, 9% tenders

*All values are in €bn.*
New Dividend Policy aligned with previous one and designed to allow investors to keep benefitting from underlying business growth.

DPS equal to the highest of:

- 65% pay-out on Adjusted Net Income per share
- DPS 2022 +4% per annum
Appendix
Gas in Europe

Gas supplies and Russian share

- **Domestic production (bcm)**
- **Russian gas supply (bcm)**
- **Other gas supply (bcm)**
- **Russian share (%)**

**Gas incidence in energy mix**

- **25% EU**: 2009-2022
- **40% ITALY**: 2009-2022
- **23% GREECE**: 2009-2022

**Gas Supplies and Russian Share**

- **EU**: 25% EU
- **Italy**: 40% Italy
- **Greece**: 23% Greece

**Source:** IEA – Gas Market and Russian Supply, Eurostat 2020 data, Snam gas balance 2021, MiTE Gas Balance 2021, Eurostat 2020 data, IEA - Reliance on Russian Fossil Fuels Data Explorer

**Note:** (1) Gross available energy; (2) Data include UK
1Q 2023 Results main physical data

With Greece, Italgas network exceeds 81,400 kilometres post M&A

<table>
<thead>
<tr>
<th>OPERATING HIGHLIGHTS (TOTAL)</th>
<th>OF WHICH ITALY (ex affiliates)</th>
<th>OF WHICH GREECE</th>
<th>OF WHICH AFFILIATES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network length</td>
<td>81,401 km</td>
<td>71,941 km</td>
<td>7,563 km</td>
</tr>
<tr>
<td>Municipalities</td>
<td>2,045</td>
<td>1,844</td>
<td>140</td>
</tr>
<tr>
<td>Active Redelivery Points</td>
<td>7.961 mn</td>
<td>7.223 mn</td>
<td>0.585 mn</td>
</tr>
</tbody>
</table>
Key features of Italian regulation

- RAB-based framework set and regulated by ARERA
- Tariffs ensure return on assets
- No volume risks, temporary tariffs mismatches impact working capital
- Different regulatory period for WACC and other tariff components
- Majority of capex recognized at cost
- 5.6% real allowed return for 2022-2023, trigger mechanism for 2024 and reset in 2025 with pre-established rules
- Inflation protection
Key features
Unitary tariffs are set for the regulatory period for each distribution area: Achieved revenues reflect return on asset base. Working capital temporarily impacted by volumes fluctuations.

REQUIRED REVENUES =

RAB includes capex spent in the previous year
RAB inflated
Real pre-tax allowed return applied (5.6% in 2022-23)

RAB X Reg. WACC

+ DEPRECIATION
Calculated on assets entering into RAB
Reflects inflation
Useful lives set by ARERA

+ OPEX
Unitary opex set by ARERA at the beginning of the regulatory period
Efficiency factor
Opex inflated annually
Greek regulation

Key features of Greek regulation

- RAB-based framework regulated by the Regulatory Authority for Energy
- Tariffs reflect business plans presented by the company, including investments agreed with RAE
- Regulatory periods last 4 years
- 7.03% nominal return in 2021-22, with an implied tax rate of 24%
- 1.5% additional return for investments meeting certain criteria
- Mechanism in place to compensate for any under / over recovery of required revenues

Transparent regulatory framework

with numerous similarities to the Italian system

Long concession duration

allowing to implement Italgas’ long-term strategic vision

Downside protection

through compensation mechanism for under-recoveries
**Greek regulated revenues scheme**

**Key features**

Unitary tariffs are *set for the regulatory period* for each distribution area:

- Based on the approved business plans and allowed returns, and inflated annually: the DSO is entitled to collect (required) revenues based on all investments and operational costs.
- Taking into consideration estimated growth in redelivery points and volumes distributed.

*Achieved revenues* are based on actual bills collection but there is a *recoverable difference mechanism* in place.

\[
\text{REQUIRED REVENUES} = \text{RAB} \times \text{Reg. WACC} + \text{DEPRECIATION} + \text{OPEX} - \text{ADDITIONAL REVENUES} \pm \text{RECOVERABLE DIFFERENCE}
\]

- **RAB** includes capex planned in the year.
- **RAB** is not inflated.
- Regulated return set at 7.03% in nominal terms for 2021-22.
- Calculated on fixed assets.
- Estimated through the regulatory period.
- Opportunity of outperformance: no adjustments ex-post in case of outperformance.
- Planned revenues related to services to other companies or non-regulated services.
- Based on the difference between required revenues and actual revenues in the previous regulatory period.
Expected to be in operation in H2 2024

- Basic design (2022)
- Permitting: environmental impact assessment (EIA) obtained
- Permitting: Single Environmental Authorization by the Regional Council due by year end
- Procurement of equipment and construction

- Owned RES Plant 1 MW
- Electrolyser 0.5 MW
- Storage & blending 300 kg
- Refuelling station 300 kg/d
- Equipment testing
Vision
To be a leading figure in the world of energy, driving its sustainable evolution and innovating each day to improve people’s quality of life.

Mission
We have guaranteed efficient, safe and excellent energy services to the community for over 180 years. We favour the energy transition, creating the networks of the future and promoting innovative, sustainable solutions. We take care of local communities. We fuel positive, productive relationships with all of our stakeholders: individuals, companies, suppliers and shareholders. We enter new markets where we can apply our distinctive expertise. We promote the growth of individuals and develop talent, creating inclusive, stimulating work environments.

Purpose
Pioneers by passion and builders by calling, we bring all our energy to accelerate the ecological transition. We do it for us. We do it for everyone.
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