Italgas

STRATEGIC PLAN 2021-27
EMPOWERING OUR FUTURE

Rome
15.06.2021

AGENDA

1. SCENARIO
2. SMART GAS NETWORKS
3. ESCO
4. NEW OPPORTUNITIES
5. FINANCIALS
6. APPENDIX

SCENARIO

ENERGY TRANSITION
OUR FUTURE

"While we continue to battle the pandemic, we must also focus on our long-term challenges: this is why the Green Deal, as a growth strategy, remains our compass throughout the recovery"

F. Timmermans
EU Commission, Executive VP
December 2020

"I want Europe to become the first climate neutral continent in the world by 2050"

U. Von Der Leyen
EU Commission, President
December 2019

ENERGY TRANSITION
KEY MILESTONES

EU committed to a carbon neutral economy by 2050 both politically and economically

2015

PARIS COP21
Preliminary decarbonization commitment of EU Members (-40% GHG 1990-2030)

Dec-19

EU GREEN DEAL
New wave for decarbonization

Jan-20

PNIEC 2030

Oct-20

EMISSIONS REDUCTION STRATEGY

Nov-20

IT HYDROGEN STRATEGY
initial guidelines

Jan-21

EMISSIONS REDUCTION STRATEGY TO 2050
Green gases
Energy systems integration
Energy efficiency

2021 PNRR
Funds for Green Transition and Digitization

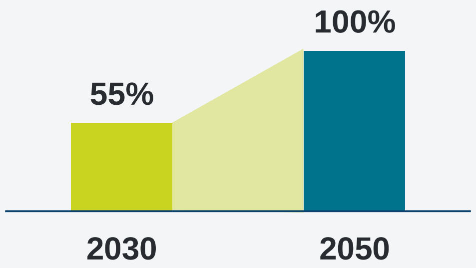
2030
Mid-term targets

2050
Net zero-emissions economy

SCENARIO

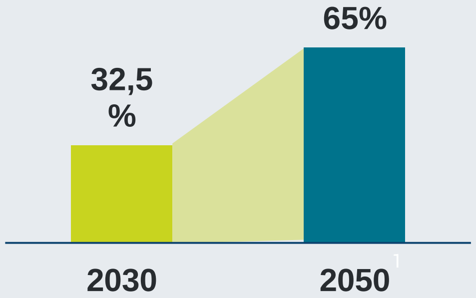
ENERGY TRANSITION AT THE CORE OF EU POLICIES

CO2 emissions cut
vs 1990



The EU is preparing a package of initiatives to reduce CO2. A general revision of gas market legislation is also targeted

Energy Efficiency
vs 1990

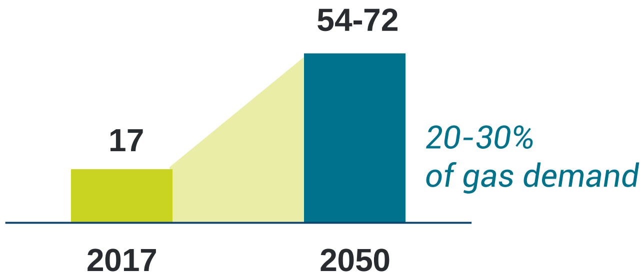


Ongoing revision of the European Energy Efficiency Directive

€175-290bn a year of incremental investments necessary to reach decarbonization goals

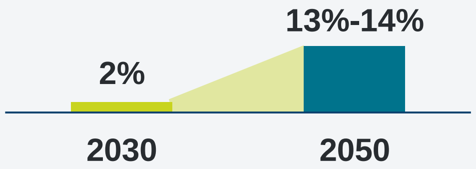
Contribution of all sectors is paramount

Biomethane
consumption
MTOE



The revision of the gas market legislation includes how to facilitate the uptake of renewable gases

Hydrogen in EU energy mix
~ 500 GW electrolysis capacity by 2050



Hydrogen may be transported via repurposed natural gas pipelines and / or newly built pipelines

SCENARIO

Source: EU Commission; Energy efficiency data on 2050 is based on IEA scenario

ITALIAN PNRR
RESOURCES AVAILABLE

Energy transition is a tool to support economic recovery Italian PNRR to make new resources available

Infrastructures for Sustainable Mobility, €25.4bn

Education and Research, €30.9bn

Green Revolution and Ecological Transition, €59.5bn

of which:
- Hydrogen €3.6bn
- Biomethane €1.9bn
- Energy efficiency €15.4bn
- Water €4.4bn

Digitisation, Innovation, Competitiveness, Culture, €40.3bn

of which:
- Transition 4.0 €13.4bn
- High tech content investments €0.3bn

Health €15.6bn

Inclusion and Cohesion €19.8bn

** Resources being allocated through the Recovery and Resilience Facility, additional €30.6 billion funded through the Complementary Fund for a total amount of funds of €222bn;*

IMPLICATIONS FOR GAS SECTOR OF EU ACTIONS

E-MARKET SDIR CERTIFIED

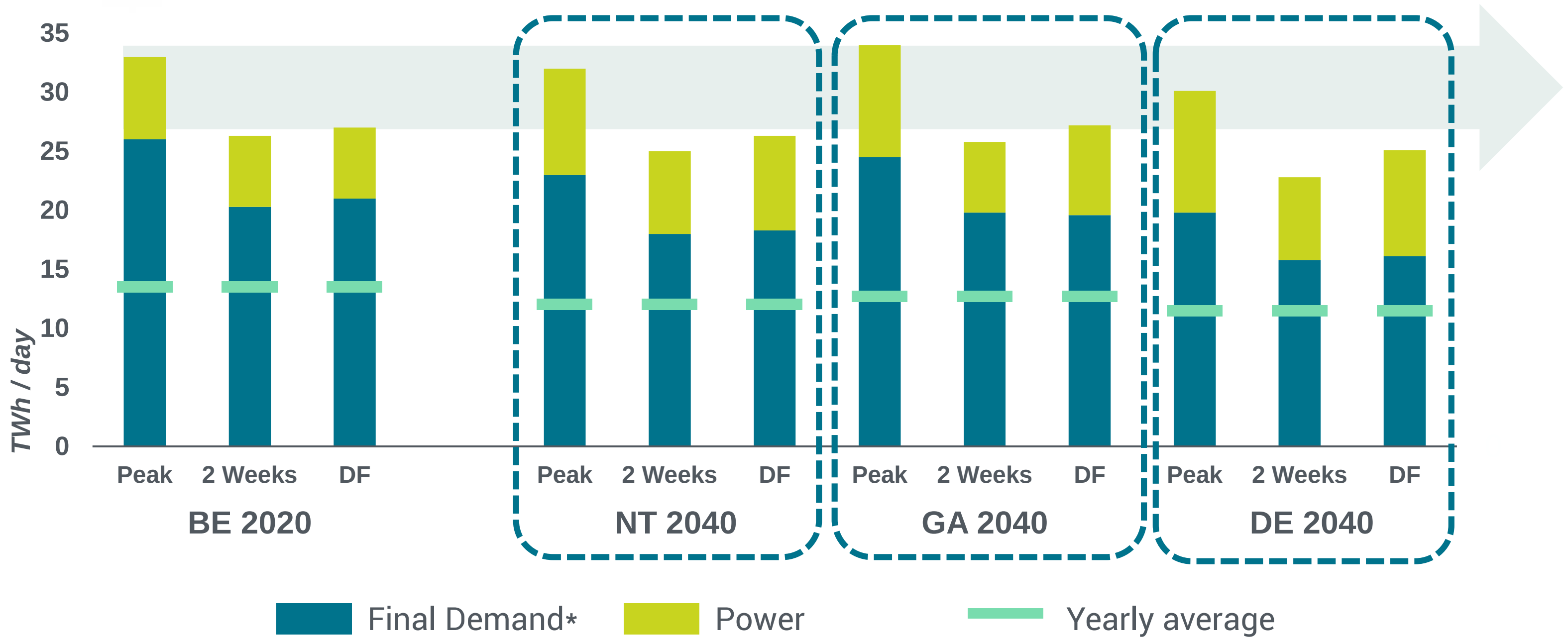
ENERGY TRANSITION

Gas to account for 20% of 2050 European energy consumption	**Green gases production should rapidly increase** to meet decarbonization target
Gas mix to include **green hydrogen (33%)** and **biomethane/ blue hydrogen / e-gases (67%)**	Gas infrastructures should be able to **manage dynamic changes of gas blending**
Gas infrastructures strategic to ensure **efficiency of the energy system**	**Entire gas value chain** including both T&D and storage needs to evolve
Investments needed to **guarantee flexibility**, through gas and electric systems integration	**Gas and electric** infrastructures should be able to **cooperate effectively (“sector coupling”)**

GAS DEMAND EXPECTATIONS REAFFIRMED

Gas to provide the needed energy supply flexibility

EU Gas demand – ENTSOG high demand cases analysis



Gas demand to become more dependent from RES performance at peaks

Cold spells coupled with low RES to require high gas peaking capacity also in 2040

Source: ENTSOG, Scenarios BE – Best estimate, NT – National Trends, GA – Global Ambition, DE – Distribution Energy
The "2-week demand" refers to a two-week period during a cold spell resulting in high heating demand.
"Dunkelflaute" expresses a climate case, where in addition to a 2-week cold spell, variable RES electricity generation is low due to the lack of wind and sunlight.

SCENARIO

GAS NETWORKS
KEY ROLE IN ENERGY TRANSITION

Enable a cost-effective decarbonisation, balancing short-term and long-term needs of energy markets

ALREADY DEVELOPED, STABLE AND WIDE-SPREAD INFRASTRUCTURE

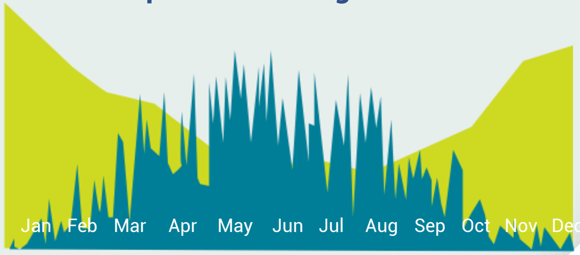
~2mln km of pipelines
2,000 gas DSOs and 45 gas TSOs

ACCELERATOR IN THE DEVELOPMENT OF RENEWABLE AND LOW CARBON GASES

NATURAL GAS
BIOMETHANE
HYDROGEN

STRATEGIC ROLE FOR FLEXIBILITY AND SECURITY OF SUPPLY OVER TIME AND SPACE

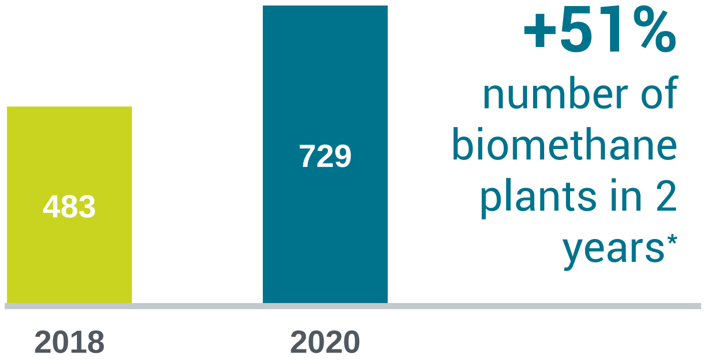
Schematic annual profile of PV production vs gas load



2020-30 BIOMETHANE
THE CLOSER VIABLE GREEN OPTION

Biomethane accounts for 5% of EU gas demand, It is the most significant green gas source but still below its potential

IN EUROPE CAPACITY KEEPS GROWING



+51%
number of biomethane plants in 2 years*

AND PROSPECTS ARE ALSO STRONG IN ITALY

- Over 30 operative biomethane injection points on the Italian gas network
- ~90% biomethane plants produce methane from organic waste and agri-food waste sources
- Significant economic incentive framework (certificates guaranteed for 10 years)

ITALY Current production potential**

640 Mcm/y

67%	25%	5%	4%
ORGANIC WASTE	AGRI-FOOD WASTE	AGRO-INDUSTRY	WATER TREATMENT

* EBA, ** Italgas' estimates based on the biomethane total volume production from 81 plants, either in operation (31) or in progress (50)

2030-40 HYDROGEN MOMENTUM BUILDING

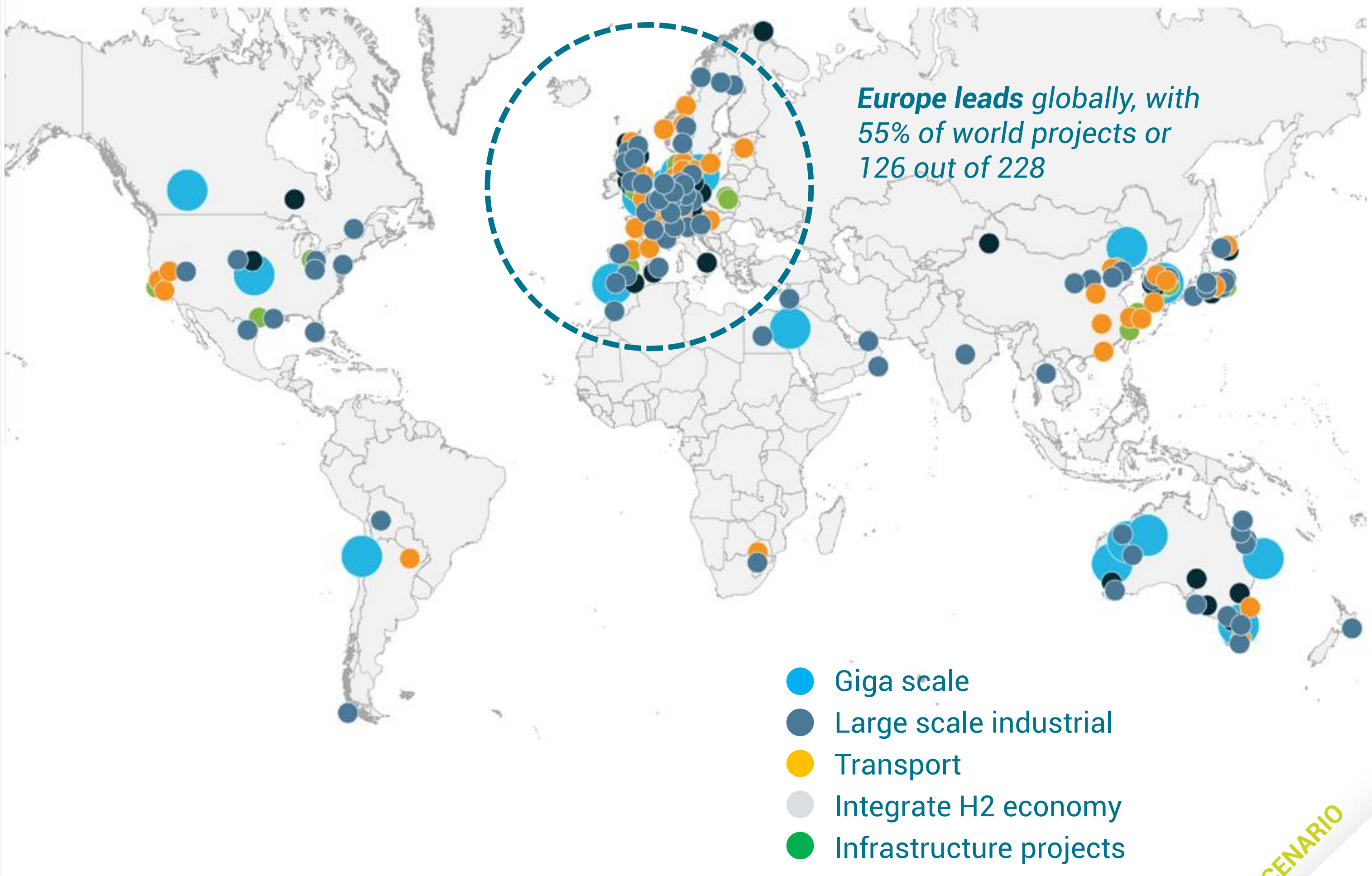
More than 200 projects for >$80bn announced globally

EU leading the race also on the legislative side

Production costs could fall quicker than anticipated

but

Green hydrogen is not expected to be competitive before 2030



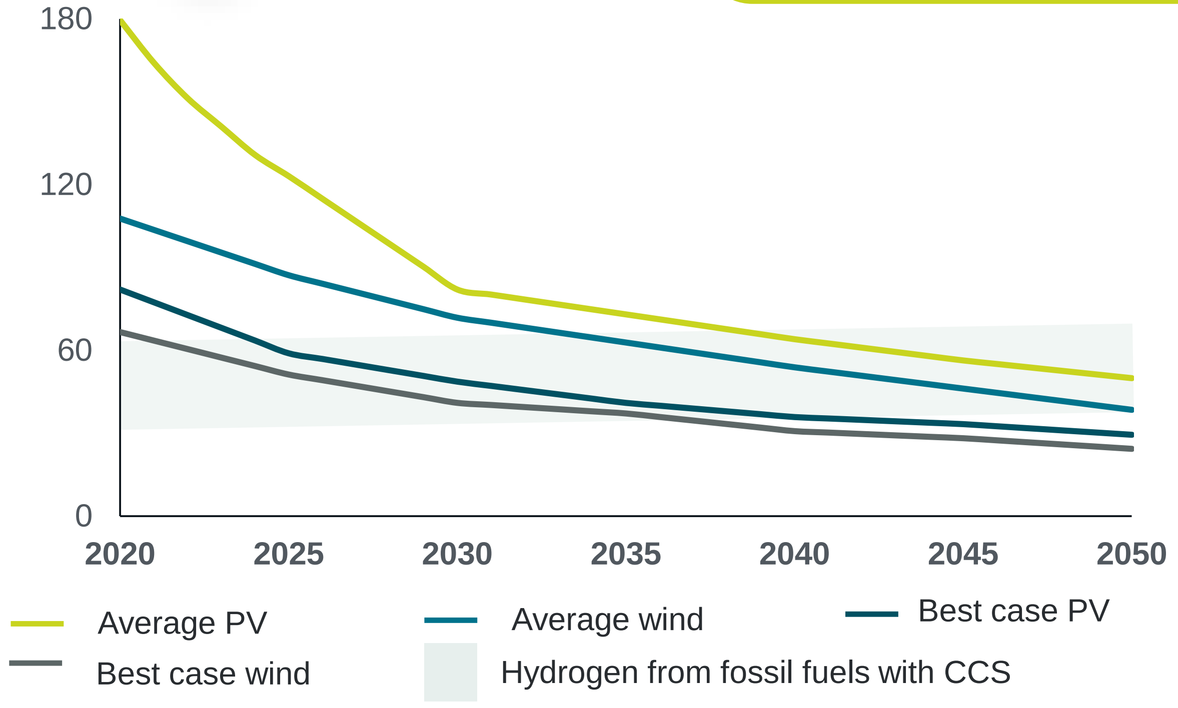
Source: McKinsey, Hydrogen Insights Report 2021

SCENARIO

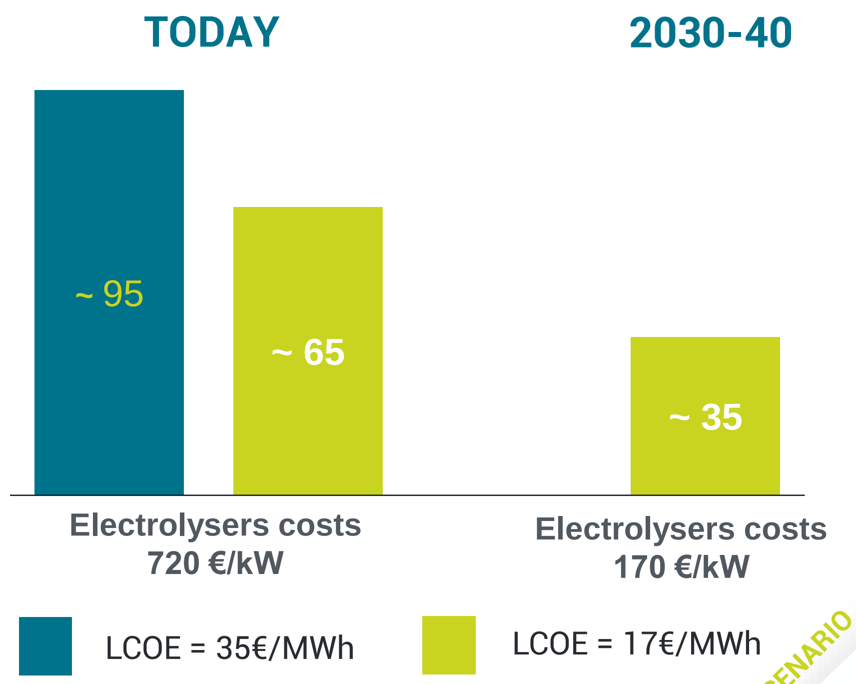
2030-40 GREEN HYDROGEN
COST ISSUES TO BE ADDRESSED

Green hydrogen expected to become competitive
But this will require ~ 10 years for prices to fall

Green hydrogen production costs LCOE (€/MWh)



Assuming falling electrolysers costs from 720 to 300 €/kW



Source: Italgas elaboration on IRENA data

SCENARIO

GAS DSOs
NEW CHALLENGES AND OPPORTUNITIES

DSOs need to adapt their strategies
Networks upgrade necessary to distribute new gases, to support energy efficiency and cut methane emissions

Prominent role in circular economy thanks to proximity to end customers and distributed production units of green gases

Build new infrastructure, network repurposing & retrofitting to dispatch green gases

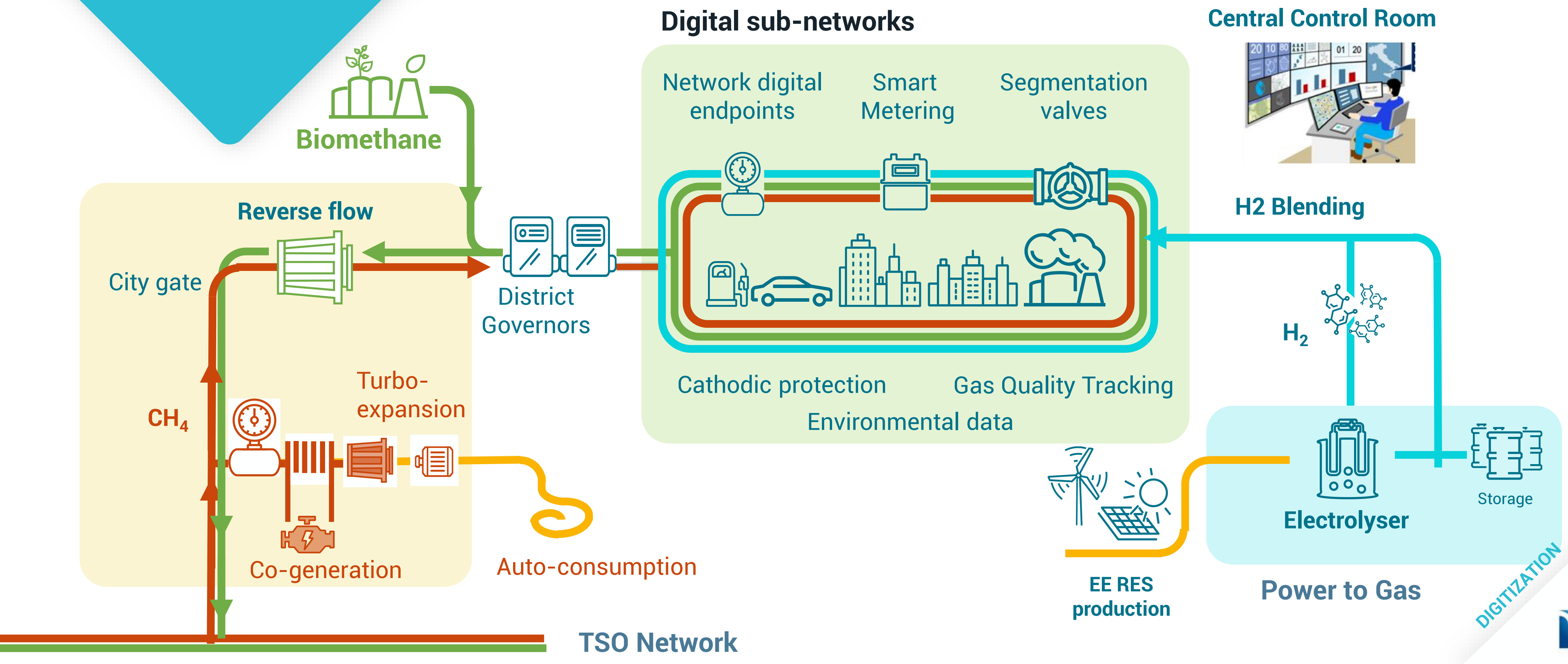
Environmental responsibility through methane emissions management, considering an upcoming stricter regulation

Digitization of operations and smart tools implementation

SMART GAS NETWORKS

NETWORKS
A TANGIBLE CHANGE IN PARADIGM

Upgrade and repurposing combined with digitization to allow distribution/injection of green gases as well as reduce costs, increase efficiency and reliability

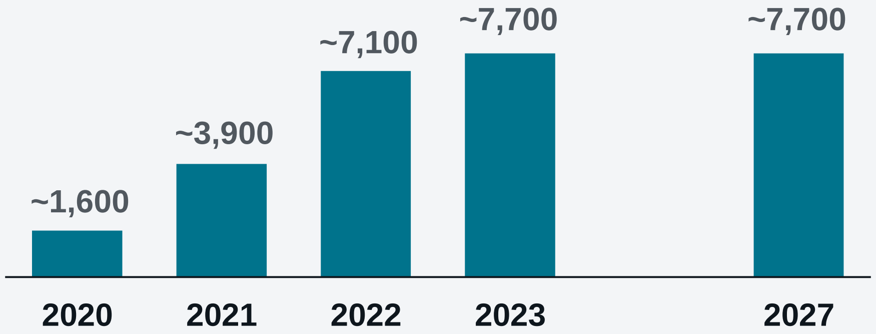


DIGITIZATION CAPEX
ASSETS NUMBERS

~€1.4bn
CAPEX

Step-up in digitization deployment

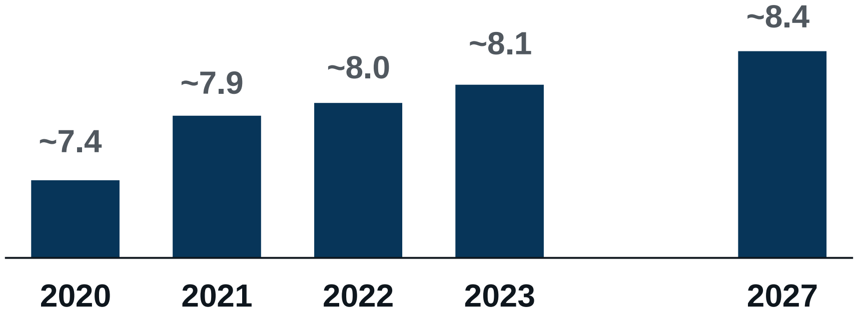
DIGITAL GRFs



# of installed devices

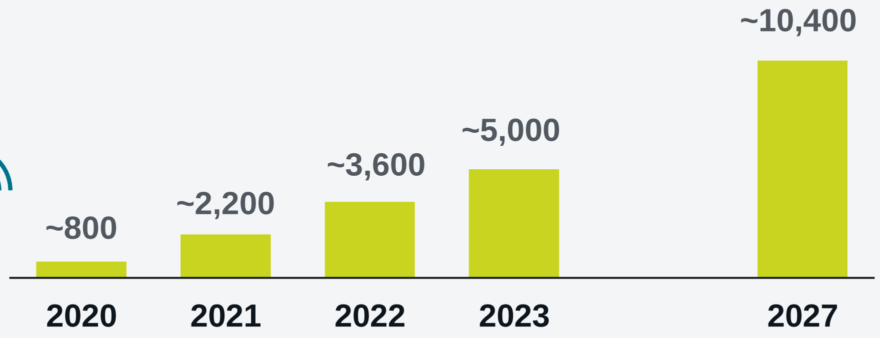
Smart meters replacement plan near completion

SMART METERS



# of installed devices

NETWORK END POINTs



# of installed devices

+5,000 digital assets, including gas analysers segmentation valves and odorization plants

DIGITIZATION
CORNERSTONE OF OUR CAPEX PLAN

Digitization to benefit the gas distribution system in several ways

Safer operations

Safer operations foster service continuity

Consumption data

More accurate and updated consumption data enable proactive behaviors and predictive maintenance

Efficiency gains

Efficiency gains both on opex and capex resulting in savings for the system

Strict emission control

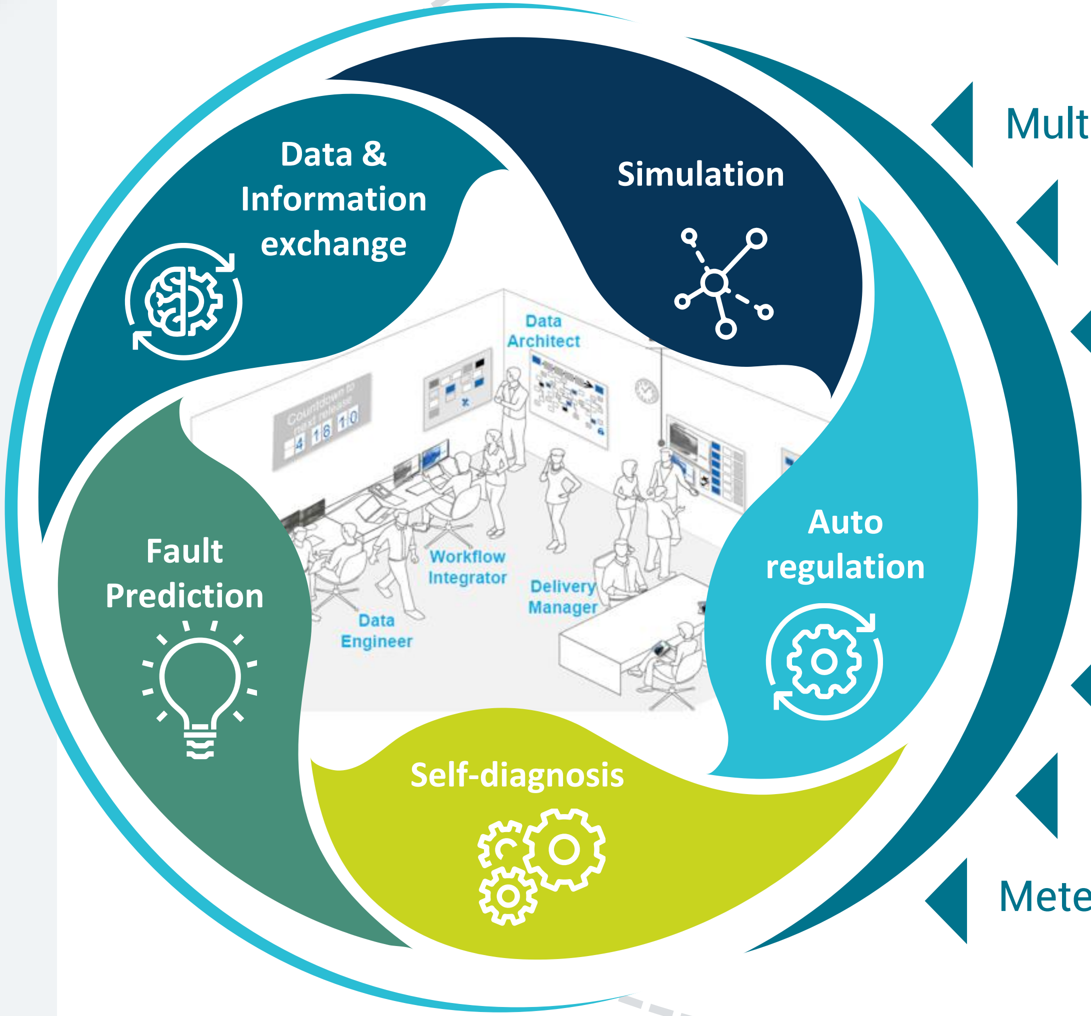
Crucial for reaching EU ambitious decarbonization targets

Green gases

Enabler for injection of renewable and low carbon gases

DIGITIZATION
IoT, BIG DATA AND DIGITAL FOR GAS SMART NETWORKS

Smart gas networks enable an evolution in infrastructure management towards real-time, optimized and seamless operations



ONGOING INITIATIVES

- Multiple gases blending
- Network balancing for leaks identification
- Interventions prioritization
- Pressure level optimization
- Odorization level optimization
- Pre-heating optimization
- Predictive maintenance
- Metering

R&D
LEVERAGE ON DISTINCTIVE CAPABILITIES

Pursue technical innovation Targeting several research projects towards the future of the network

~€40mn
CAPEX

ITALGAS LAB REVAMPING

P2G PROJECT

DESIGN NEW **ITALGAS SMART METER**

Other **INNOVATION projects**

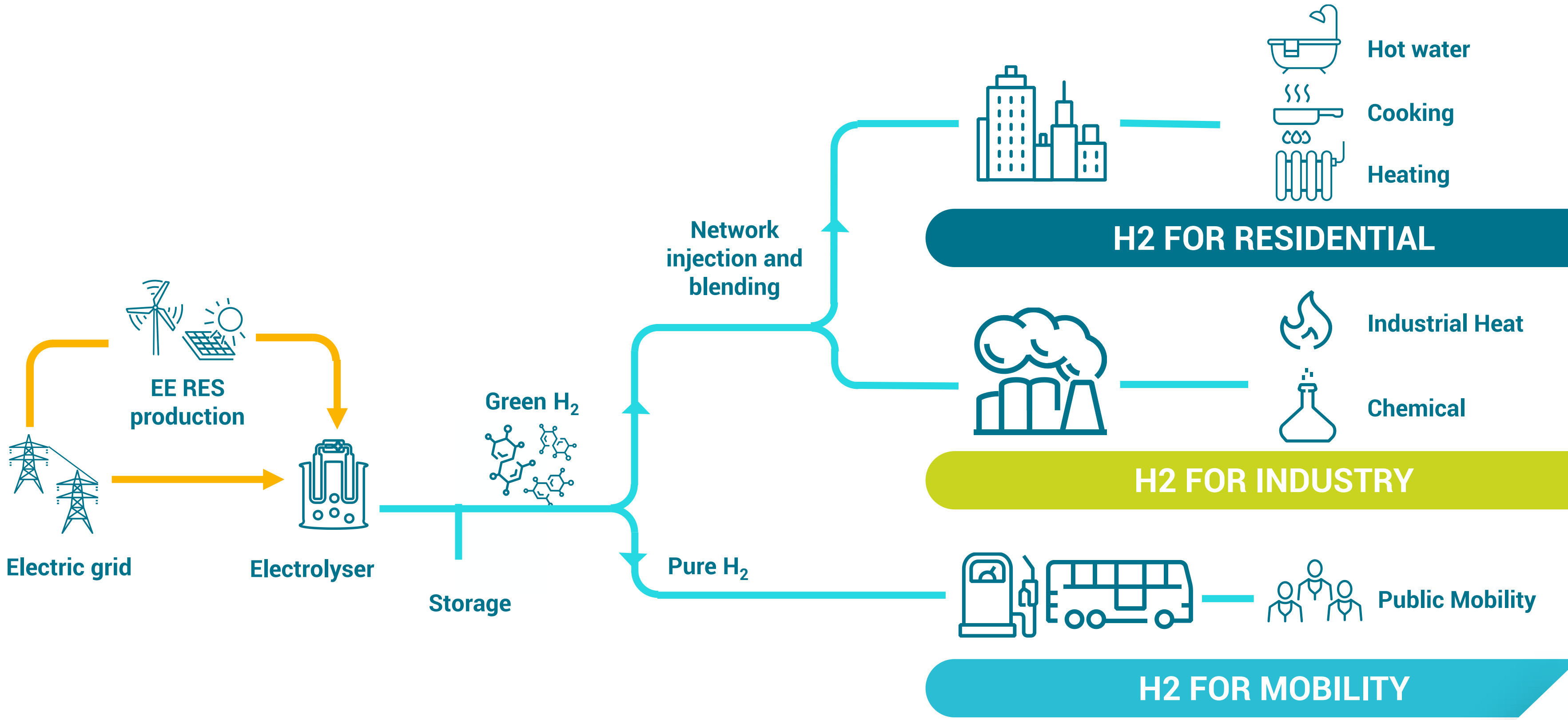
2030-40 HYDROGEN
ITALGAS H_2 PROJECT

H_2 P2G project aimed at testing the entire green hydrogen value chain, including implications on equipment

Shortlisted by MISE as eligible for European funds (IPCEI)

Owned RES Plant	1 MW
Electrolyzer	0.5 MW
Refuelling station	200 kg/d

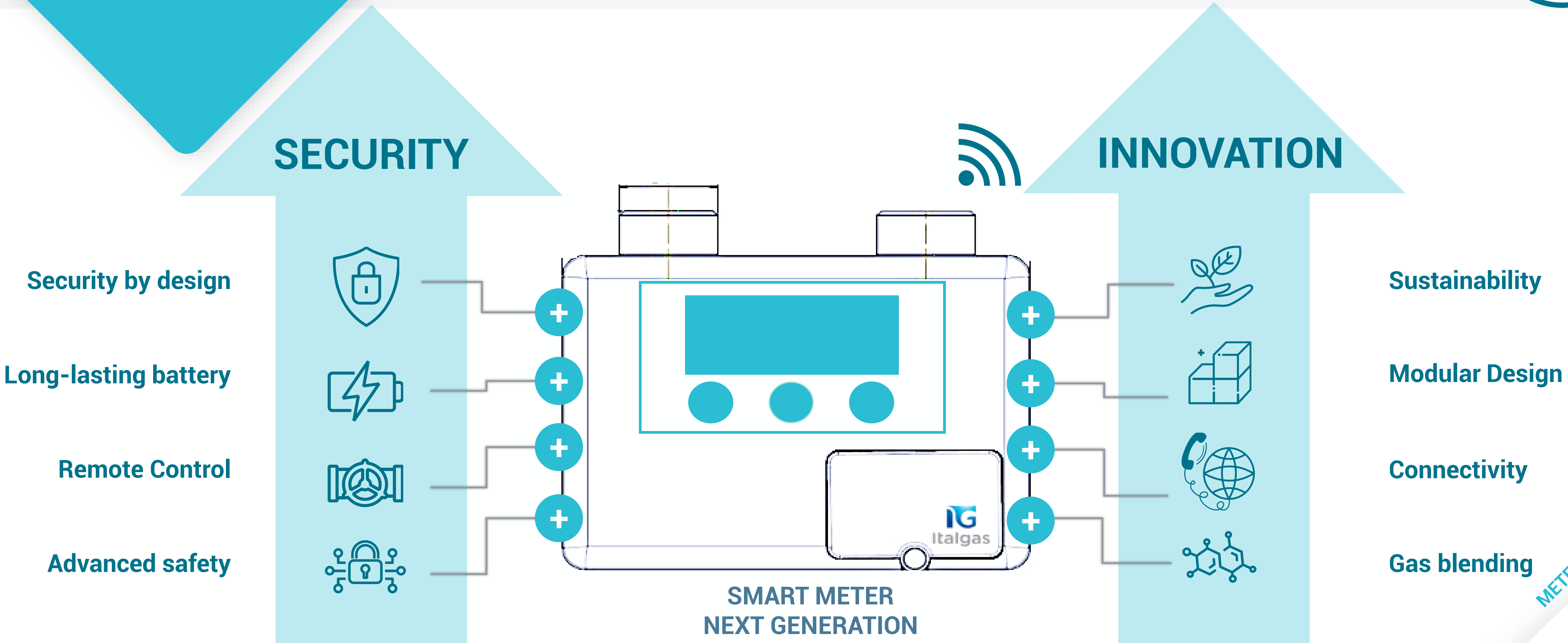
Basic design completed; permitting & procurement ongoing expected to be in operation in 2022



P2G

R&D
DESIGN NEW DIGITAL SMART METERS

Development of a new hydrogen ready smart meter to improve performance, guarantee security and benefit from standardisation



METER

NETWORK, REPURPOSING & UPGRADE

Network spending, well balanced between repurposing and extensions

~€3.4bn
CAPEX

Repurposing and upgrade

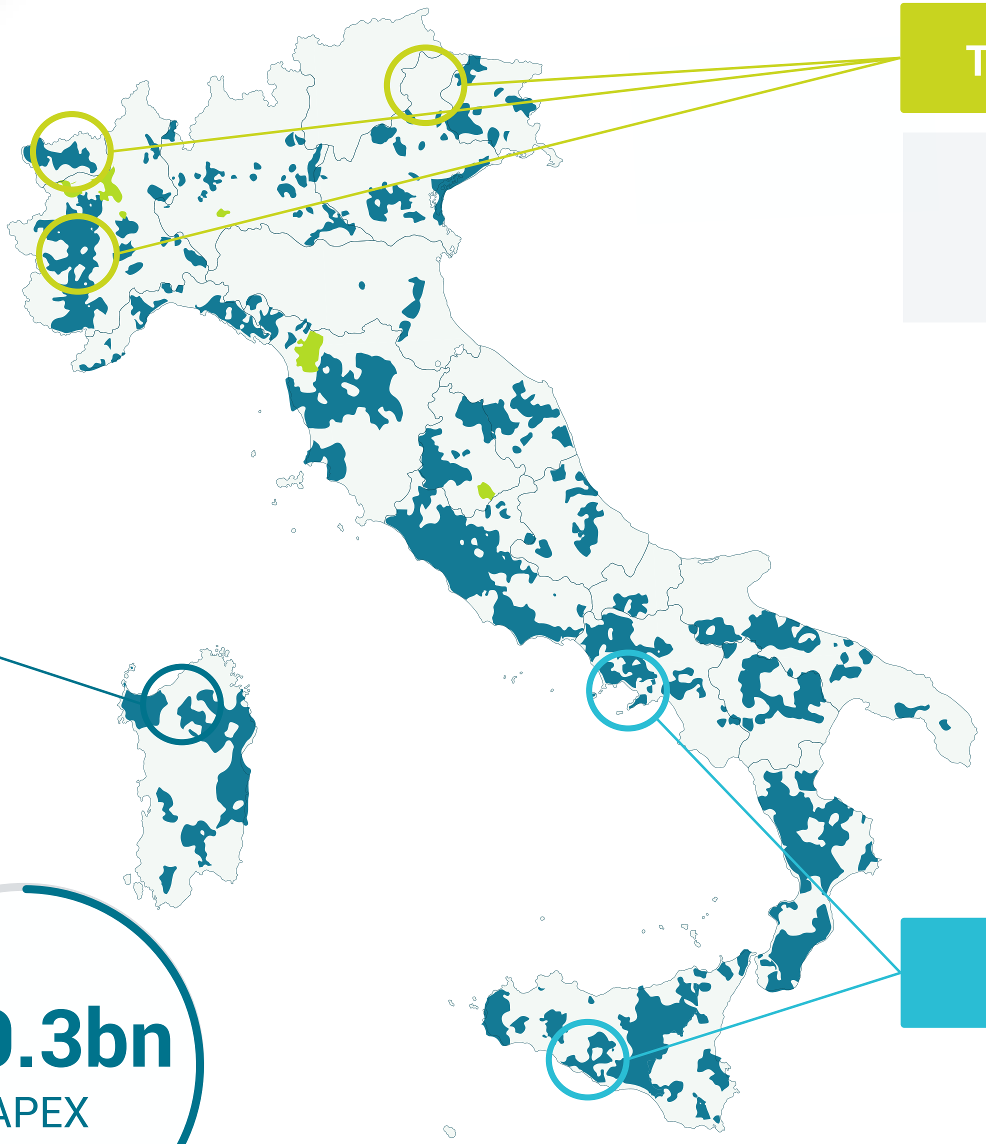
Extensions and new grids

Maintenance of existing network

Sardinia new grids

Technical Innovation and energy efficiency

NETWORK DEVELOPMENT TO ALLOW GAS TO REACH NEW CUSTOMERS



TORINO, VALLE D'AOSTA, BELLUNO

Network development of won tenders

~€1bn
CAPEX

SARDEGNA

New fully digital native network

900km built starting from 2018

out of 1,100km of new grid planned

45k active meters*

potential market 200.000**

~€0.3bn
CAPEX

EXISTING NETWORK

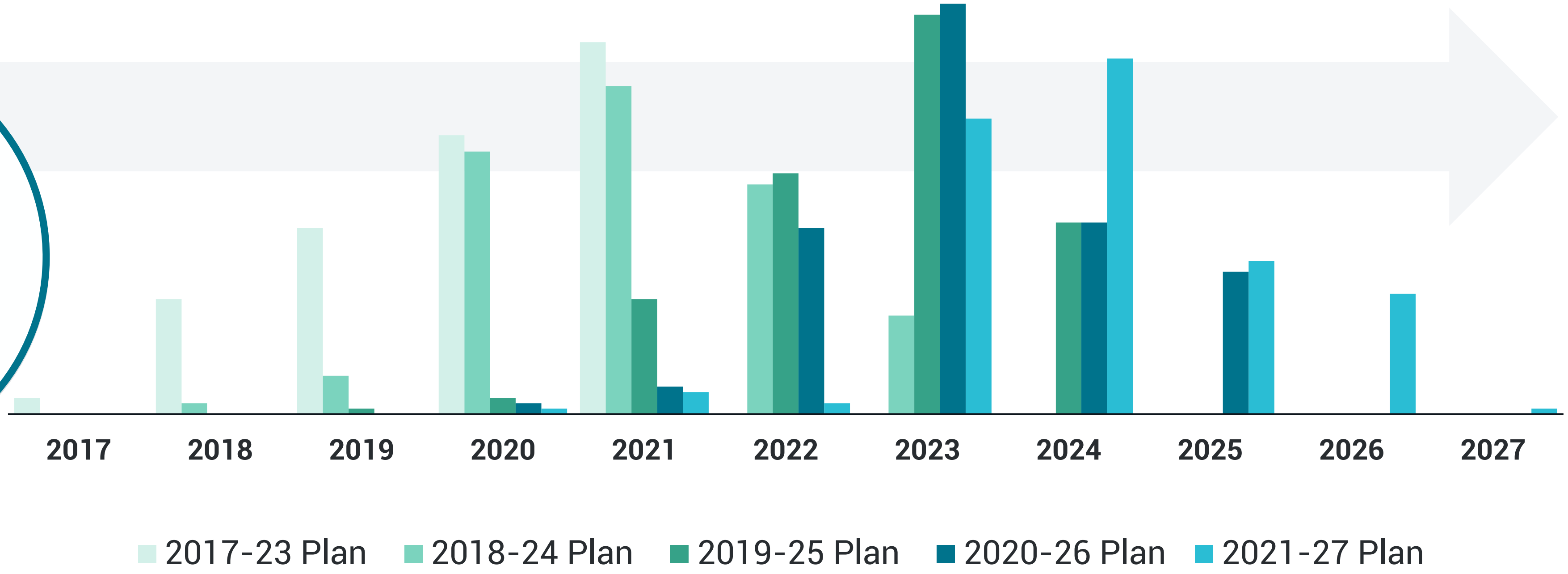
* LPG / GNL to be converted to GNL / Natural gas ** GNL / natural gas

TENDERS
THE TIMELINE

Opportunity for investment and digital transformation, but timing subject to political decisions

~€2.2bn
CAPEX

2024 peak year in terms of expected awarded tenders



ESCO

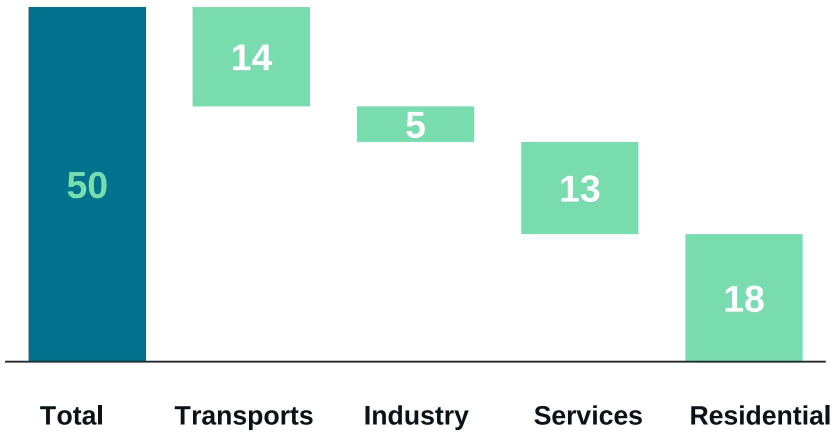
ESCO
STRONG ENERGY SAVINGS MARKET OUTLOOK

Outlook for the Italian energy efficiency market is very strong

Efficiency in residential buildings is core to achieve EU targets

Highly fragmented market

Target of energy savings by 2030 per sector* (TWh)



€220bn investments expected by 2030

Residential sector accounts for ~35% of the 2030 target

- **12 mn** — Residential buildings in Italy
- **60%** — Older than 45 years
- **>25%** — Currently very low energy efficiency needs robust requalification initiatives

**Reduction of annual energy consumption, Source: PNIEC and EER 2020*

ESCO
FROM NEW OPPORTUNITY TO REALITY

Delivering on announced strategy

NOW 1 COMPANY

- **Seaside** and Toscana Energia Green completed the merger
- **High potential** thanks to complementary businesses (geography, customer base)
- Focus on **Buildings energy renovation** and **Digital Services**

INTERNAL EFFORT

- Support Italgas energy transition, providing services within the Group
- Key asset for tenders

EXTERNAL OPPORTUNTIES

- M&A initiatives to expand the scale of services offered and to consolidate a fragmented sector gaining economies of scale
- **Ceresa acquisition**

ESCO
FROM NEW OPPORTUNITY TO REALITY

E-MARKET SDIR CERTIFIED

Growing EBITDA contribution

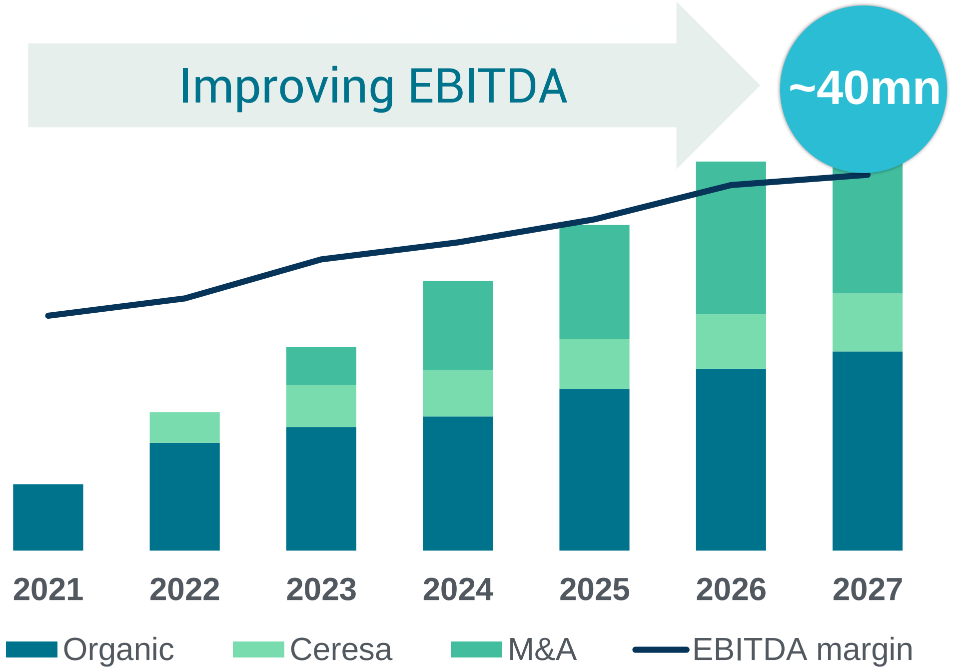
REVENUES
>€700mn
TOTAL CUMULATED POTENTIAL*

~€100mn
CAPEX*

M&A: CERESA (14/06/21)

- Operates in buildings energy efficiency with a focus on heat management
- Founded in 1921
- Mainly operates in the Northwest Italy with 27 employees.
- Serves a large customer portfolio (3,651 customers, mainly in individuals and condominiums).

CERESA energy & facility



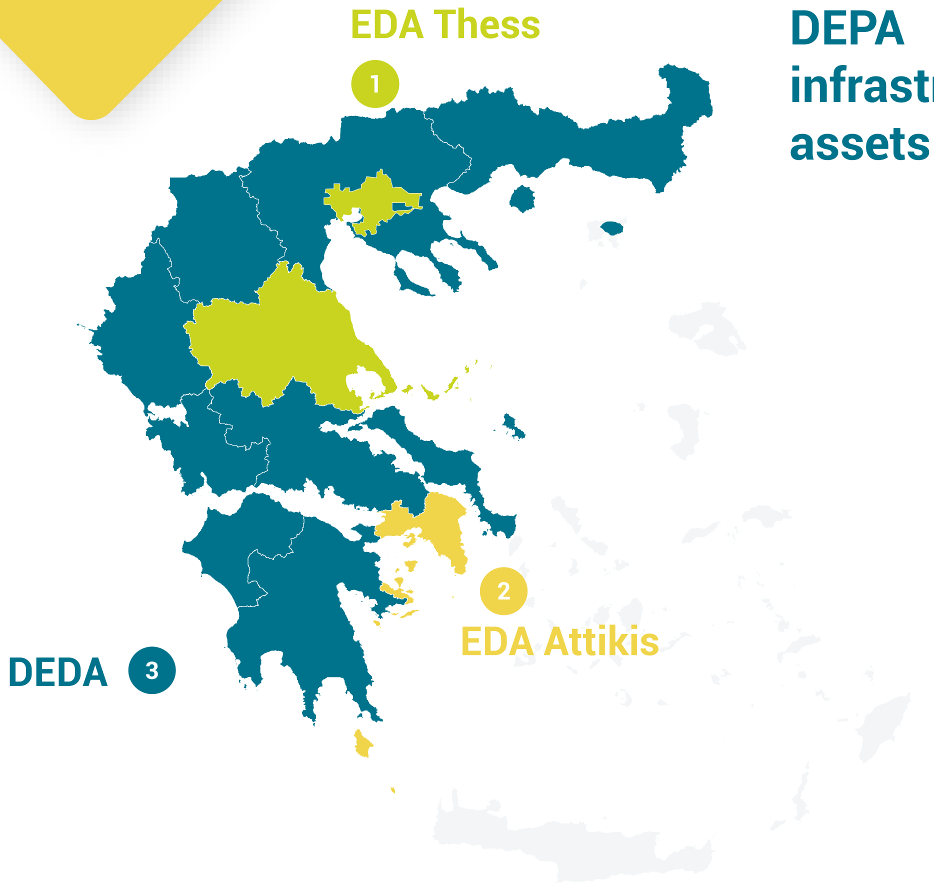
ESCO

* *Whole ESCO business,*

NEW OPPORTUNITIES

POTENTIAL GROWTH OUTSIDE ITALY
MONITORING OPPORTUNITIES

Italgas has been shortlisted for DEPA privatization in Greece
Offer due date July 15, closing expected before year end



DEPA infrastructure assets

FITS WITH INVESTMENT CRITERIA

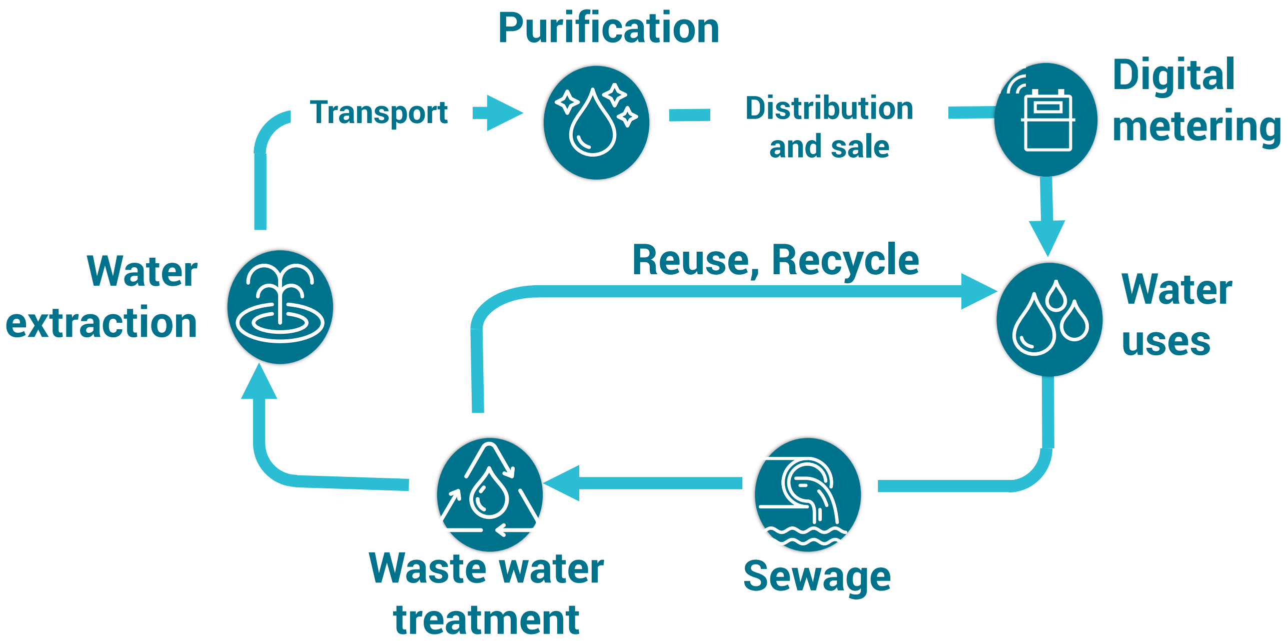
- Comparable sovereign risk
- Ability to exercise an industrial role
  significant network development
  digital transformation
- Visible and established regulatory framework
- Similar-risk adjusted returns to Italy

GREECE

WATER
CONFIRMING
TARGETS

Total water distribution market in Italy 27bcm, of which 20% for civil uses

Integrated water services system (SII)*



Distribution and sale

- **~9.5 bcm** — Water used for domestic use
- **~5.2 bcm** — Water supplied to end customers
- **41%** — Average leak rate
- **~2.7 bcm** — Water savings potential

** For civil uses only, Source: Istat, Utilitas Blue Book 2019, MIP Energy Strategy Group Water Management Report 2018.*

Best practices in gas network management applied to water networks

E-MARKET SDIR CERTIFIED

REVENUES
>€250mn
CUMULATED POTENTIAL 2021-27

Italgas Acqua

ITALGAS ACQUA

Serving 5 municipalities
in the province of Caserta
100% of the network remotely controlled

ADVANTAGES

- **Deep understanding** of the regulation and knowledge of the business
- **Expertise in managing** pipeline networks
- **Opportunity to digitise** new grids replicating what already done by Italgas
- **Solid expertise** in water leakages management and reduction, also thanks to **Takadu** partnership
- **Sustainability** focus

2019 Network Assessment
2020 Network Design

Plan Period
CEM technology implementation
NB-IoT smart meters deployment

NEWCO ICT
ACCELERATOR OF INNOVATION

E-MARKET SDIR CERTIFIED

Competence centre for the entire group, unlocking value of proprietary solutions in the market

ASSETS
€100mn

~100
RESOURCES

NEWCO ICT

Rationalisation of all ICT activities previously run by different group entities into a **NewCo fully owned by Italgas**

ADVANTAGES

- ✓ **Agile** vehicle
- ✓ **Acceleration** of technological innovation and digitization
- ✓ **Simplified** ICT organization
- ✓ **Unique reference** for companies of the Group
- ✓ **Clearer focus** on economics

NEWCO ICT
INTERNAL AND EXTERNAL OPPORTUNITIES

Potential to sell technological solutions developed and tested by Italgas to third Parties

DESIGNED FOR ITALGAS

Innovate

- **Test and learn**
- **Customization and development** of proprietary solutions
- **Piloting**

Run and improve

- **Roll-out at scale** to capture operational efficiencies
- **Monitoring** for continuous improvements and
- **Evolved operating model**

OFFERED TO THIRD PARTIES

Go to market

Productization of selected solutions for third parties such as:

- **SaaS solutions** supporting client's needs
- **Turn-key services** offered by Italgas
- **Opportunity** to leverage the Italgas agile delivery model in the Digital Factory

FINANCIALS

CAPEX PLAN 2021-27
OVERVIEW

€7.9bn total capex, +5.2% vs 2020-26

DIGITIZATION
€1.4bn

NETWORK
€3.1bn

SARDINIA
€0.3bn

CENTRALIZED
€0.4bn

€ 5.2 bn related to gas distribution base perimeter

EXPANSION OF GAS DISTRIBUTION PERIMETER[(1)]
€0.4 bn

M&A & development

DIVERSIFIED ACTIVITIES
€0.2 bn

M&A & development
Energy efficiency
Water
Retail

TENDERS
€2.2bn

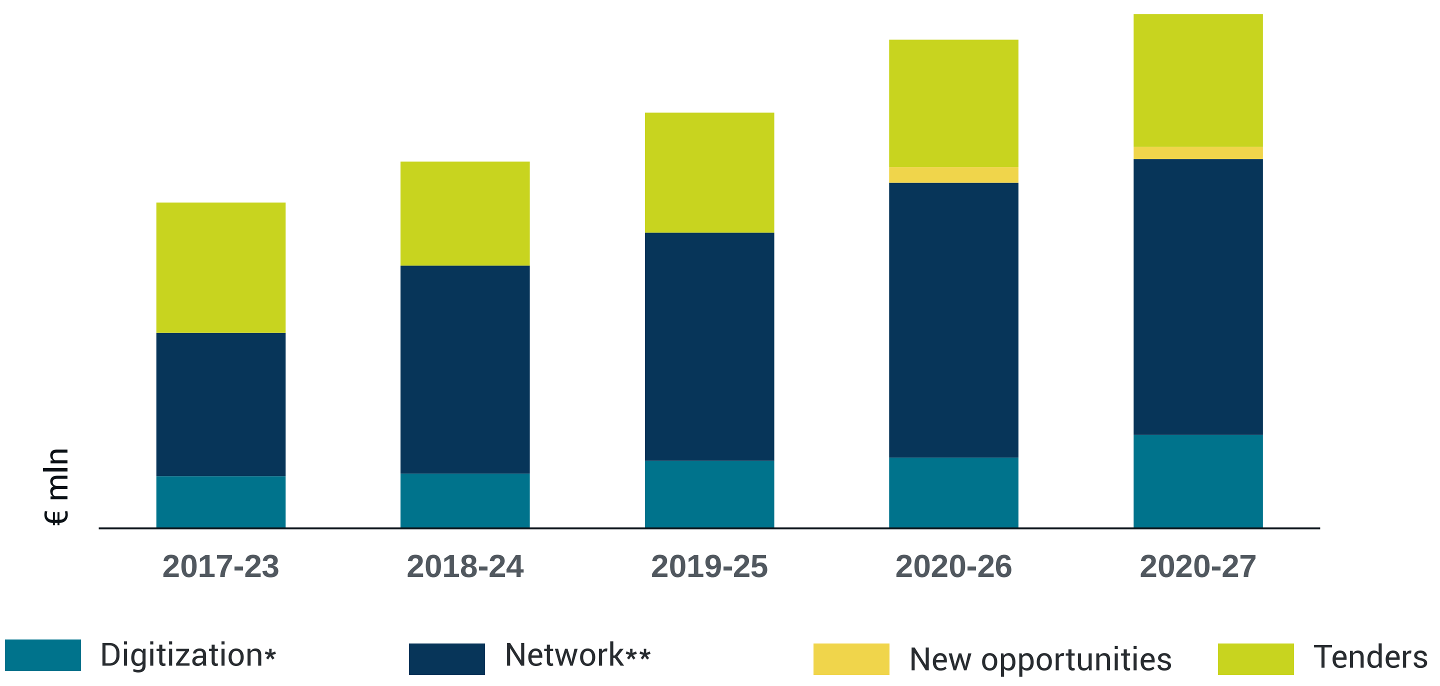
Net capital deployed and induced capex

(1) €0.4bn is M&A in the No Tenders scenario, while in the Tender scenario is reduced to €0.3bn

CAPEX PLAN 2021-27
+58% IN 5 YEARS

Increase in spending related to core assets and digitization

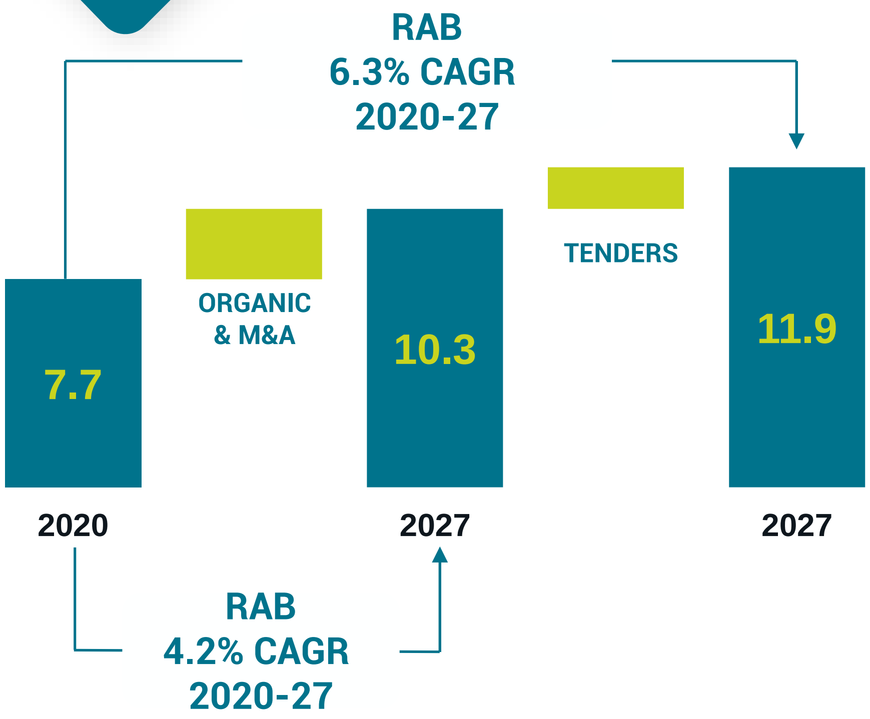
+58% in 2021-27 vs 2017-23

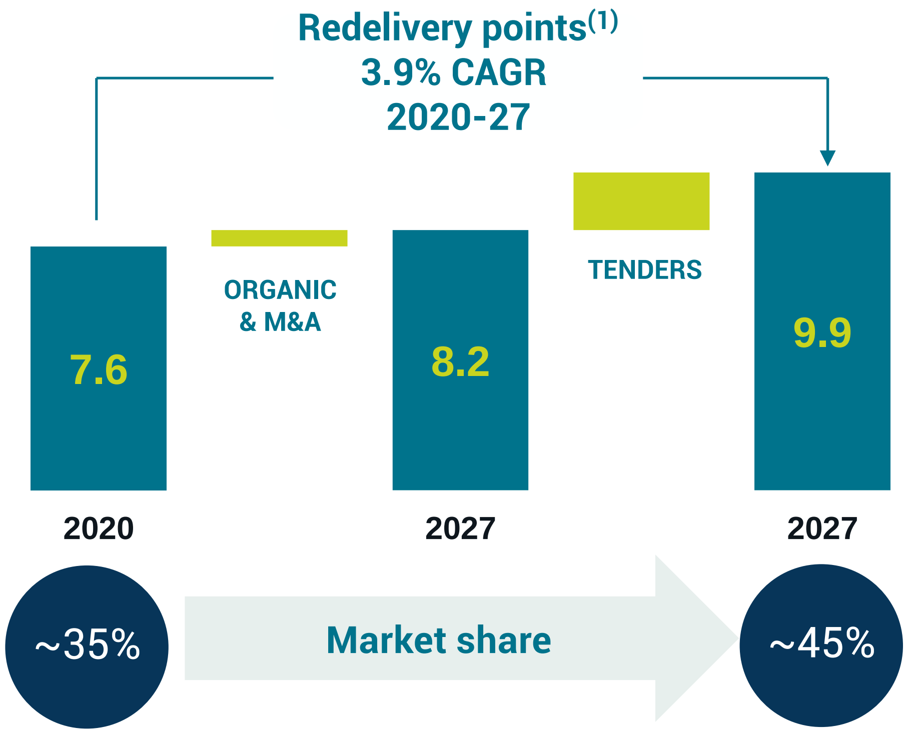


(*) Including metering (**) Including centralised capex, Sardinia, expansion of gas distribution perimeter

E-MARKET SDIR CERTIFIED

Growth in RAB and redelivery points driven by organic investments, M&A and tenders



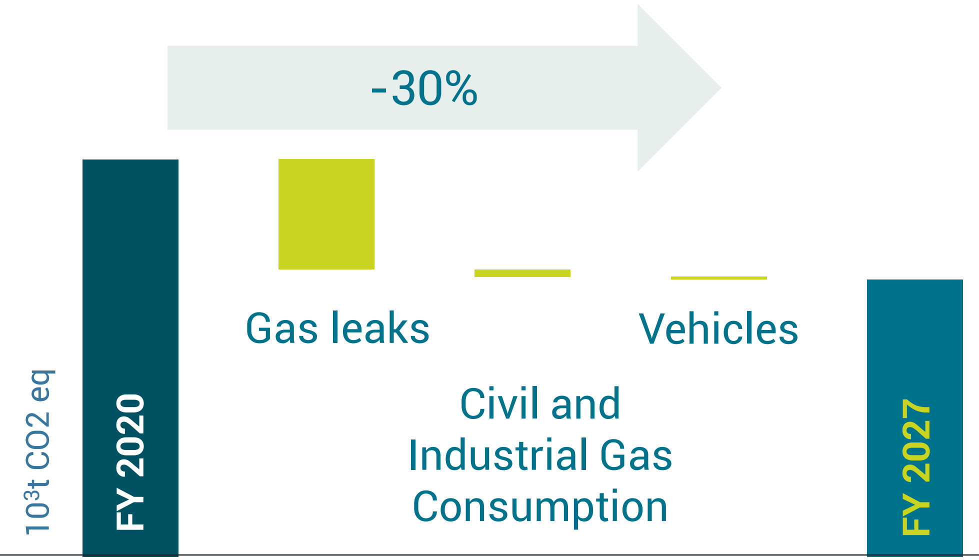


RAB referred to the year end T - revenues in the year T+1, gas distribution only
Average deflator over the plan period assumed at 1.8%, starting from 1.2% in 2021

[1] *millions*

STRONG COMMITMENT
NEW ENVIRONMENTAL TARGETS SET

Scope I and II GHG emissions reduction[1]

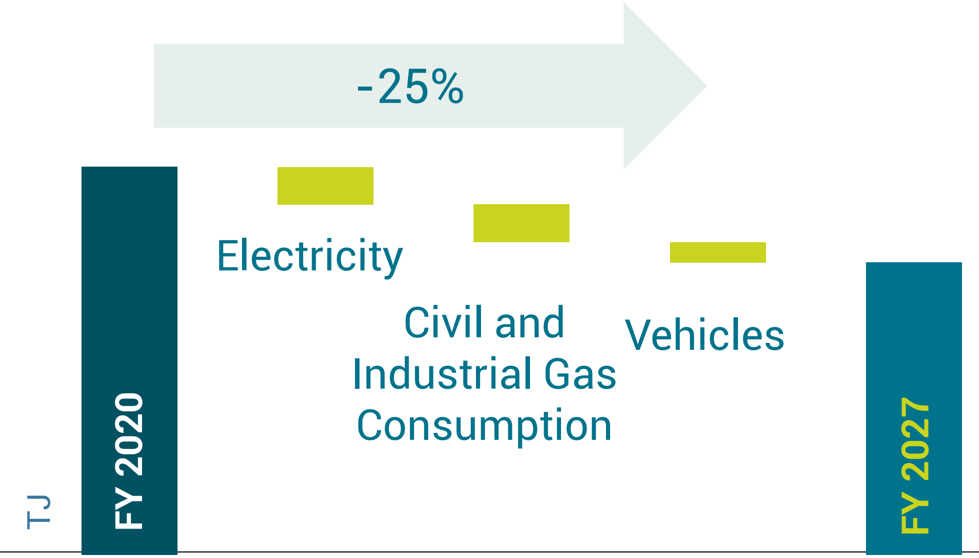


Major step ahead in our commitment to the environment

Identified specific initiatives, made possible also by digitization

Picarro boosts emissions reduction

Net Energy Consumption[1]



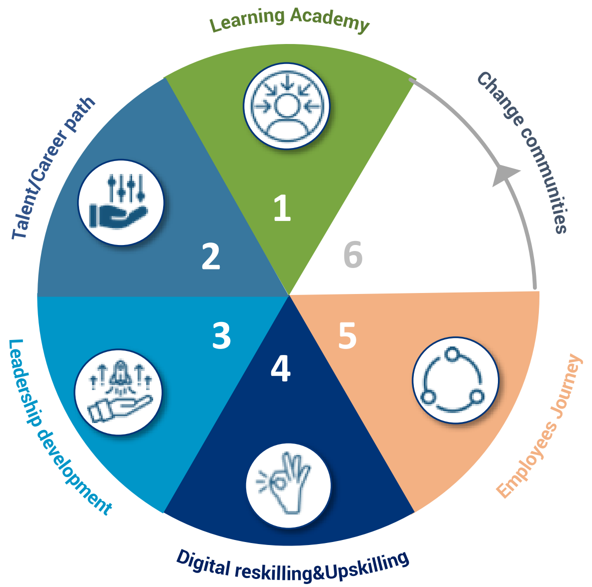
[1] *Unchanged perimeter, ie excluding M&A and tenders*

HRO STRATEGY
TO SUPPORT GROWTH

3 pillars HRO based strategy designed to sustain people development and industrial growth

ENGAGEMENT & CHANGE MANAGEMENT

Strengthen engagement and facilitate change management



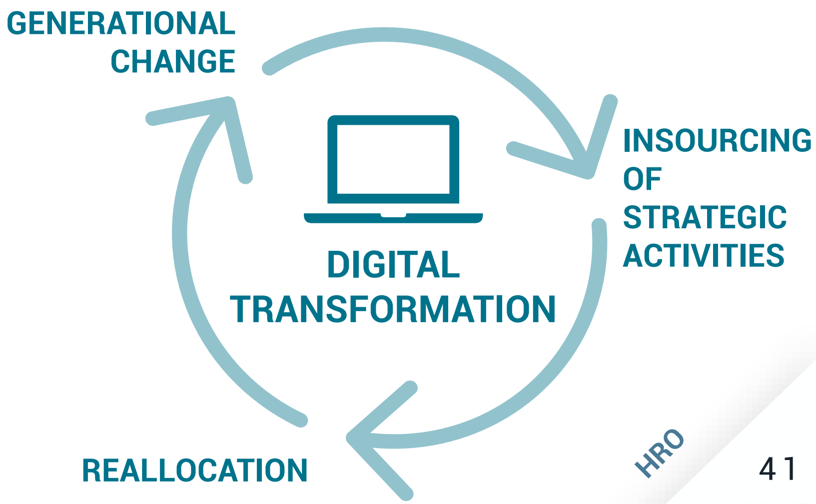
SUSTAINABILITY & INCLUSION

Improve business sustainability and inclusion

- Smart working, start from home & office transformation
- Safety focus
- Listening (Inclusion Manager),
- Welfare upgrade
- Ambassadors & contamination
- Employee as a stakeholder

OPERATIONAL EFFICIENCIES

Operational efficiencies leveraging on digitization



INSOURCING OF STRATEGIC ACTIVITIES

Insourcing of core activities previously managed by 3rd Parties
New activities created by digitization
People reskilling and upskilling to empower strategic know-how and deliver excellence

ACTIVITIES ALREADY INSOURCED	2021	TO BE INSOURCED OVER PLAN PERIOD

ACTIVITIES ALREADY INSOURCED

- ✓ Leak detection and repair
- ✓ Metrological inspections
- ✓ Quote issuing activity
- ✓ On-site inspections
- ✓ Smart meters batteries replacement
- ✓ Risers

TO BE INSOURCED OVER PLAN PERIOD

- Construction engineering — Currently externalized
- Digitized assets maintenance — New, driven by digitization
- \+ New activities yet to be identified

Leveraging on people growth and HR

HRO

PEOPLE
KEY TARGETS

100 digital
50 sustainability
30 inclusivity
ambassadors

Increase in Smart Office & Smart working

Top 10 Talent attraction brand awareness

Development of Italgas Academy

Gender equality new hires	50%	Women in responsibility roles	25%
Total hours to training in 2021-27 ...	600k hours	Employees in welfare	>75%
... of which digital learning	***250k hours***	Learning hours/employee/yr	38 hours
Engagement in Net Promoter Score (NPS)	>80%	New hires under 30 years old	60%

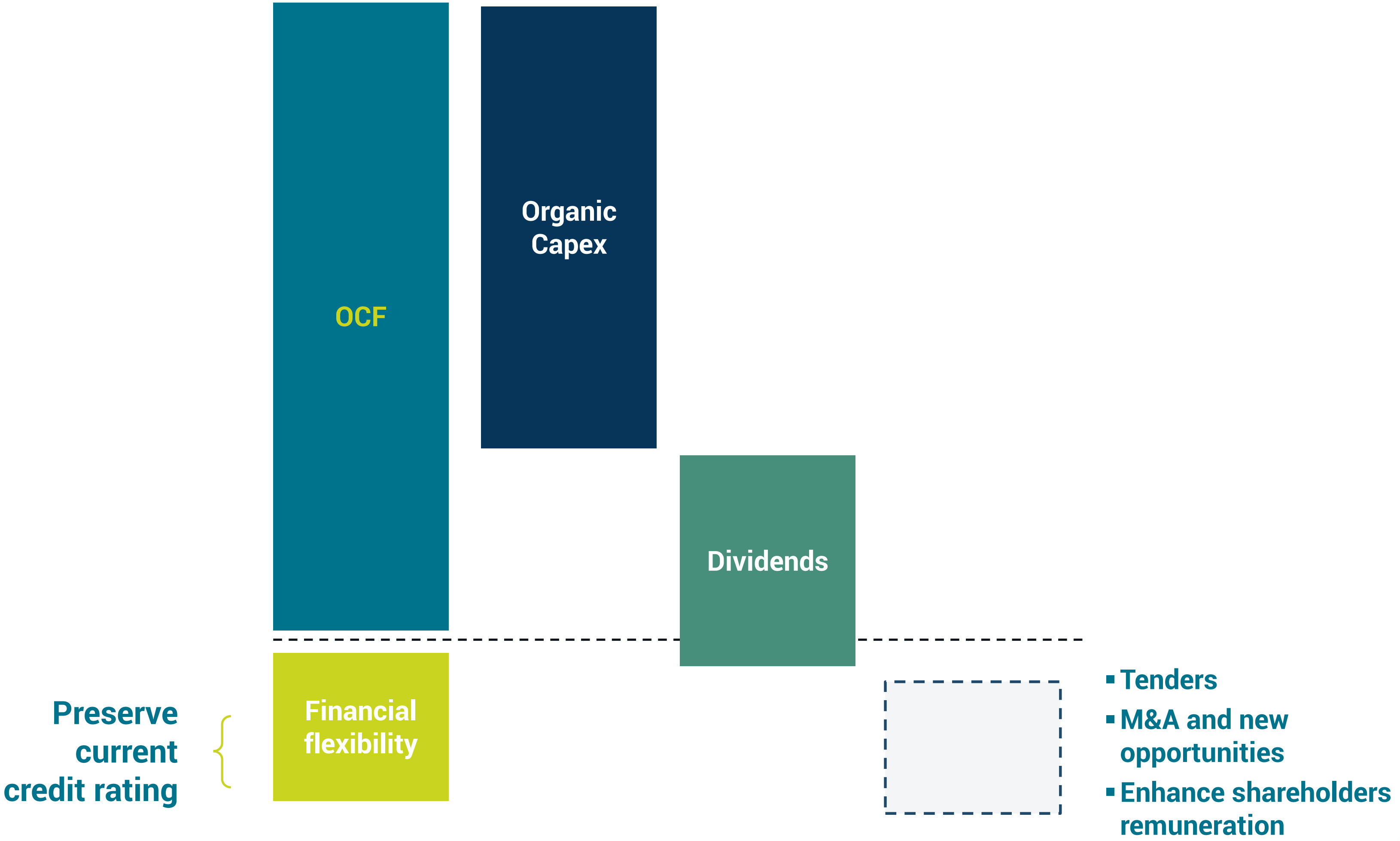
HRO

FINANCIAL STRATEGY
A KEY SOURCE OF VALUE CREATION

Sustainable finance sources

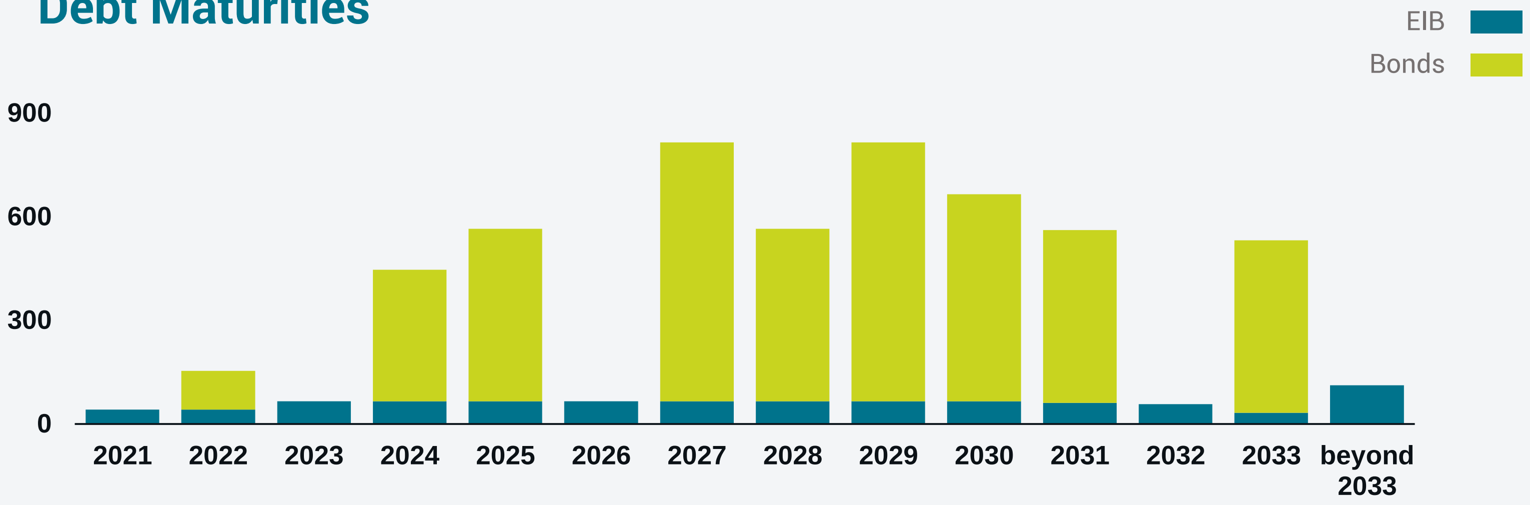
Support capex growth maintaining flexibility

Preserve a solid investment grade profile



FINANCIAL STRATEGY
A KEY SOURCE OF VALUE

Debt Maturities

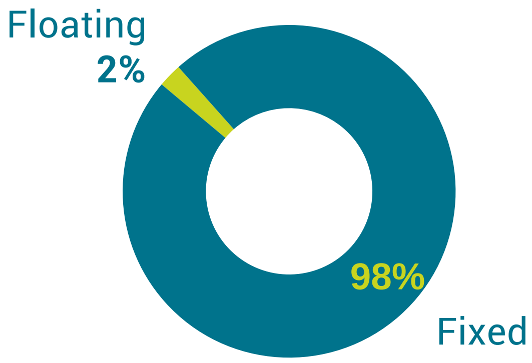


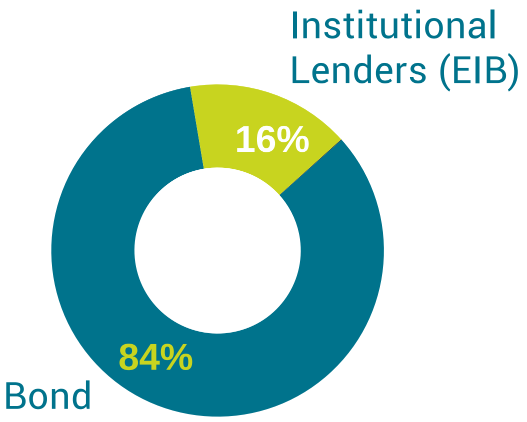
Limited refinancing needs and ample liquidity buffer

Low exposure to interest rates volatility and long debt tenor

Best in class cost of debt of ~1% over plan period

1Q 2021 Gross Debt Structure*

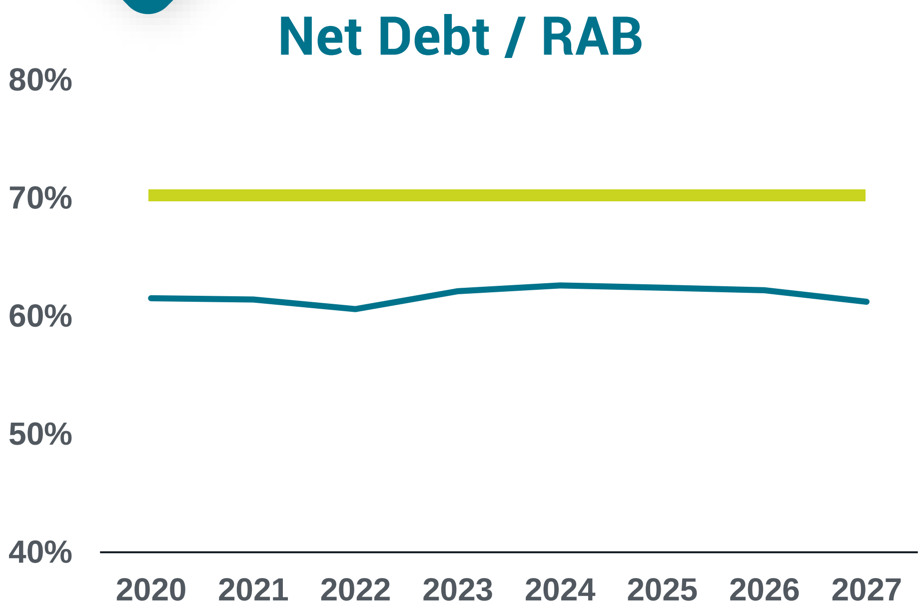


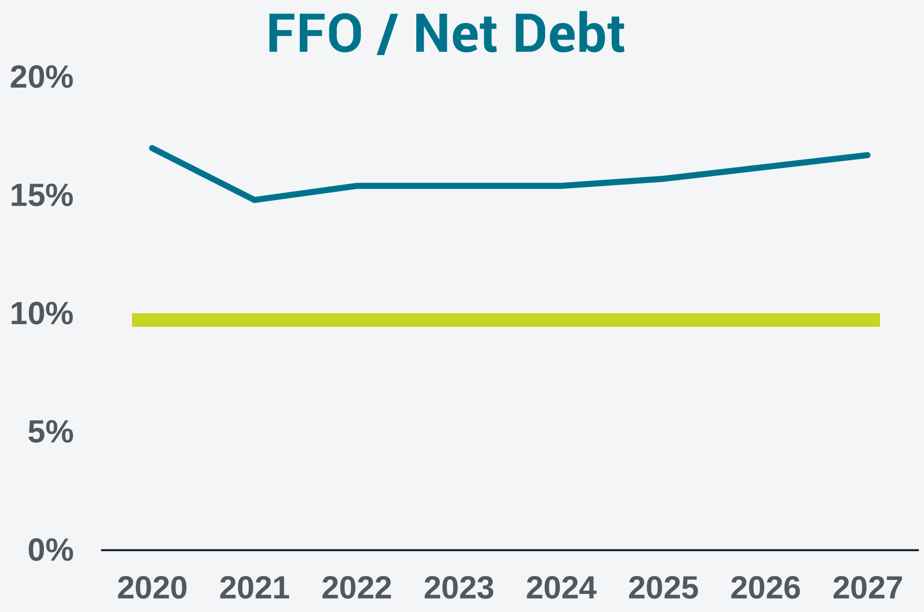


(*) excluding IFRS16

CREDIT METRICS
MOODY'S Baa2
FITCH BBB+

Credit metrics remain within range throughout the plan

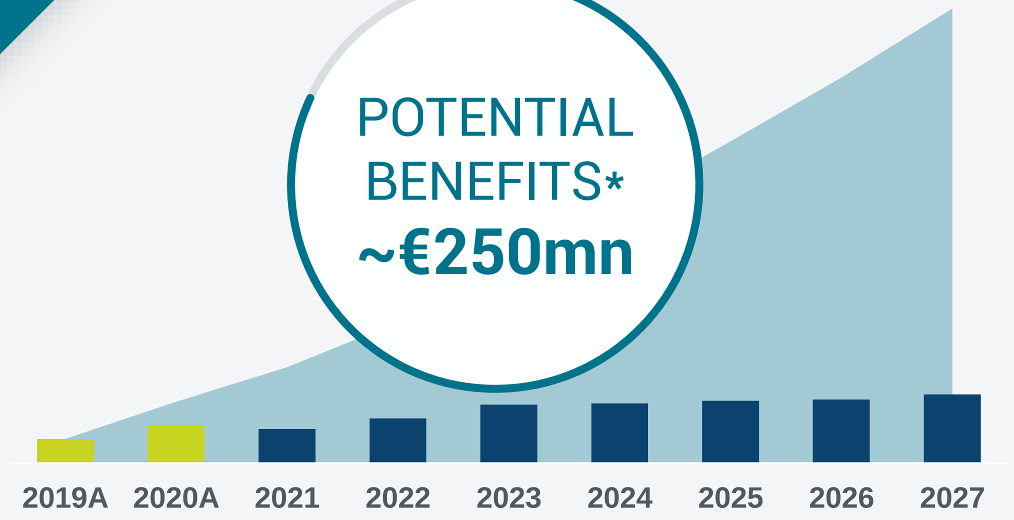




FINANCIALS

DIGITIZATION
A SOURCE OF VALUE CREATION

POTENTIAL BENEFITS* ~€250mn



~ €60mn capex impact

- ✓ **ICT:** cloud adoption and reduction of software development requests
- ✓ **Network:** more efficient maintenance capex through workforce re-organization and intervention optimisation

~ €190mn P&L impact

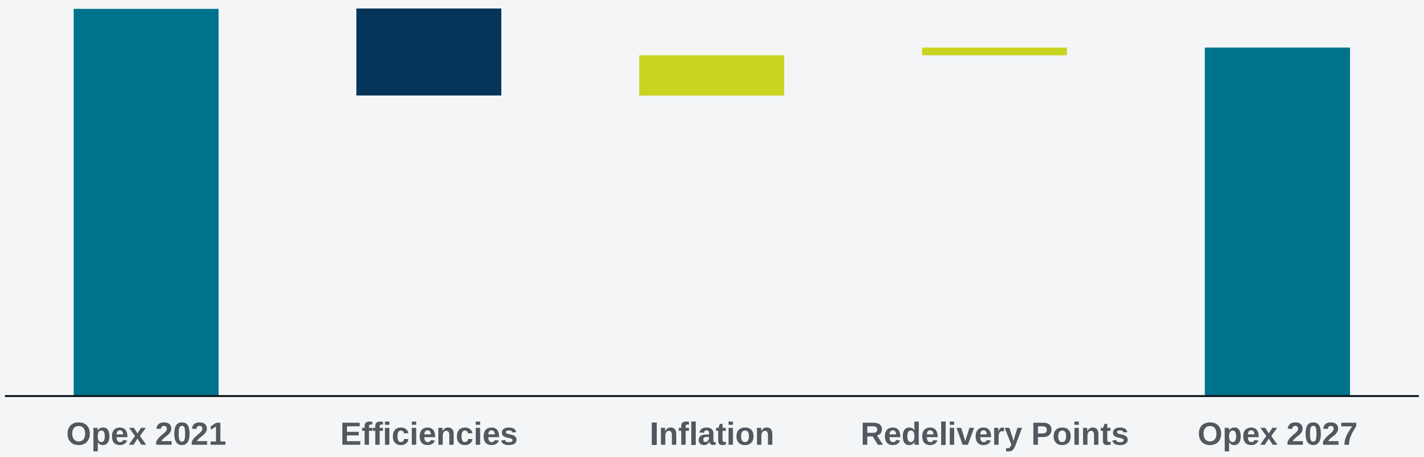
- ✓ **ICT:** cloud adoption to drive opex reduction
- ✓ **Operation:** savings from activities to end-users, penalties reduction, grid maintenance efficiencies
- ✓ Increase of **ARERA incentives** thanks to leak detection activity and digital equipment

(*) Cumulated over 2021-27 compared with a scenario of no digitization investments, more than €260mn since 2019

DISTRIBUTION COSTS
FURTHER EFFICIENCIES WITH TENDERS

E-MARKET SDIR CERTIFIED

Distribution operating expenses without tenders*

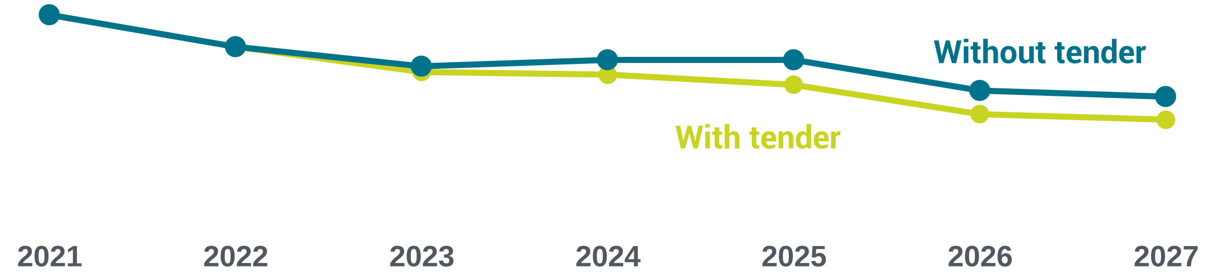


Efficiencies driven by technological innovation and digitization

Offset X-factor impact

Tenders will drive higher economies of scale and optimised geographical footprint

Unit cost per redelivery point**



(*) without M&A and other activities, (**) net of pass though

GUIDANCE

€ mn	2021		2024	2027
Revenues	>1.35bn	**Revenues**	~1.9bn	~2.1bn
EBITDA	~1.0bn	**EBITDA**	~1.37bn	~1.6bn
EBIT	560-580	**EBIT/RAB***	~7.5%	~8.2%
Capex	850-900	**Consolidated RAB**	10.5bn	11.9bn
Net Debt with IFRS 16	~5bn	**FFO / RAB**	10%	10%
Leverage	~61%	**Leverage**	~62%	~60%

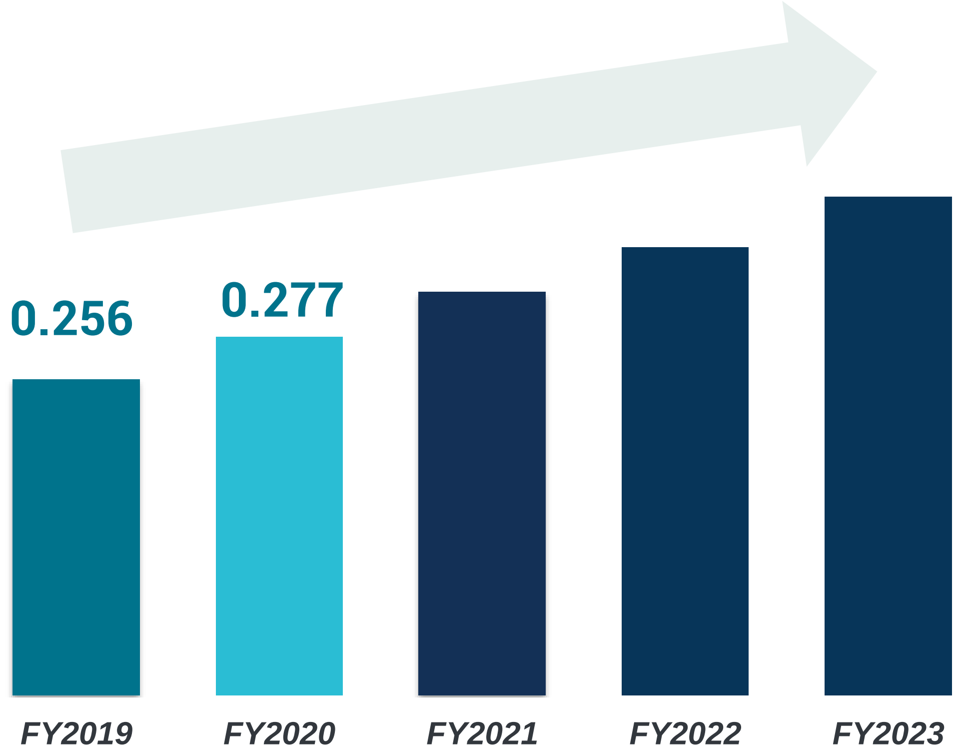
* *Gas distribution only*

DIVIDEND POLICY
CONFIRMED

Dividend policy allows shareholders to benefit from growth potential

Higher between

- ✓ DPS equal to 65% payout on Adjusted Net Income
- ✓ DPS 2019 +4% per annum



Dividend per share (€)

Illustrative chart

EMPOWERING OUR FUTURE

Foster Energy Transition
Foster the development, injection and at scale usage of green gases.

Smart Gas Networks
Network upgrade and repurposing to reduce costs, increase efficiencies and resilience, enable green gases distribution, via digital transformation.

GHG

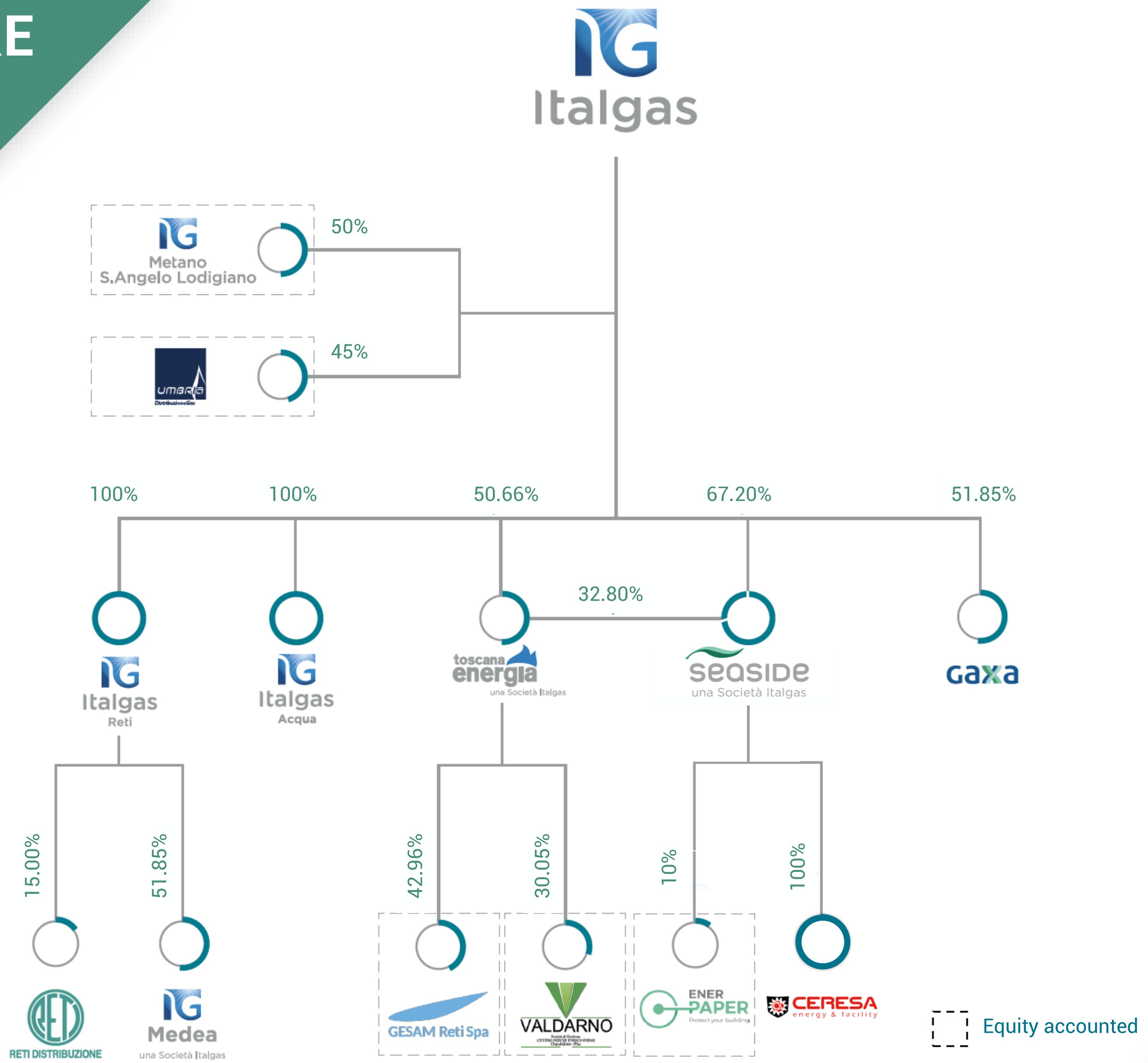
Emission reduction and energy efficiency
Decarbonization of operations and full deployment of energy efficiency initiatives within the Group and versus the external market

External growth / New opportunities
M&A initiatives (in Italy and abroad), tenders to grow in the gas distribution, leverage on existing internal capabilities to grow further (Water, ICT)

Financial Structure & Shareholders' Returns
To ensure value creation, support growth opportunities and guarantee a robust shareholder's return

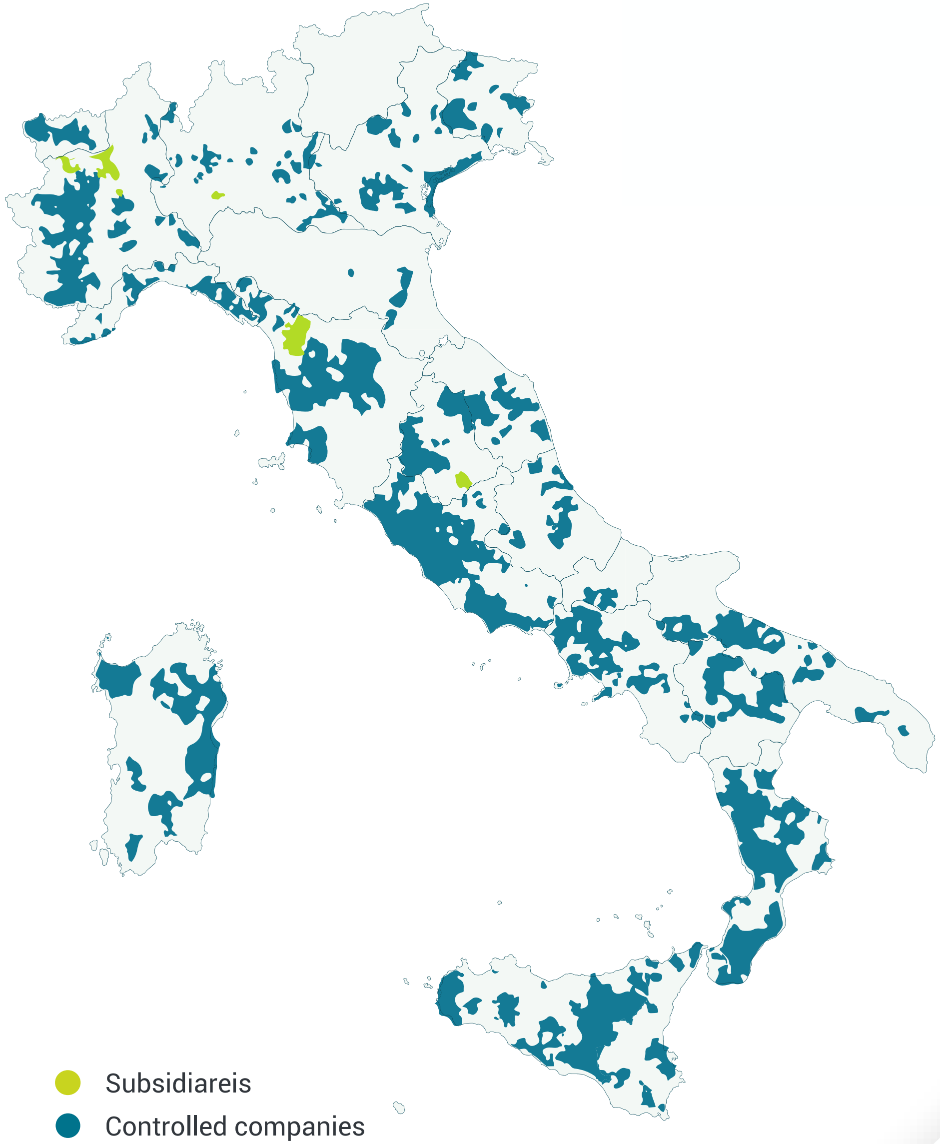
APPENDIX

GROUP STRUCTURE



MAIN NUMBERS

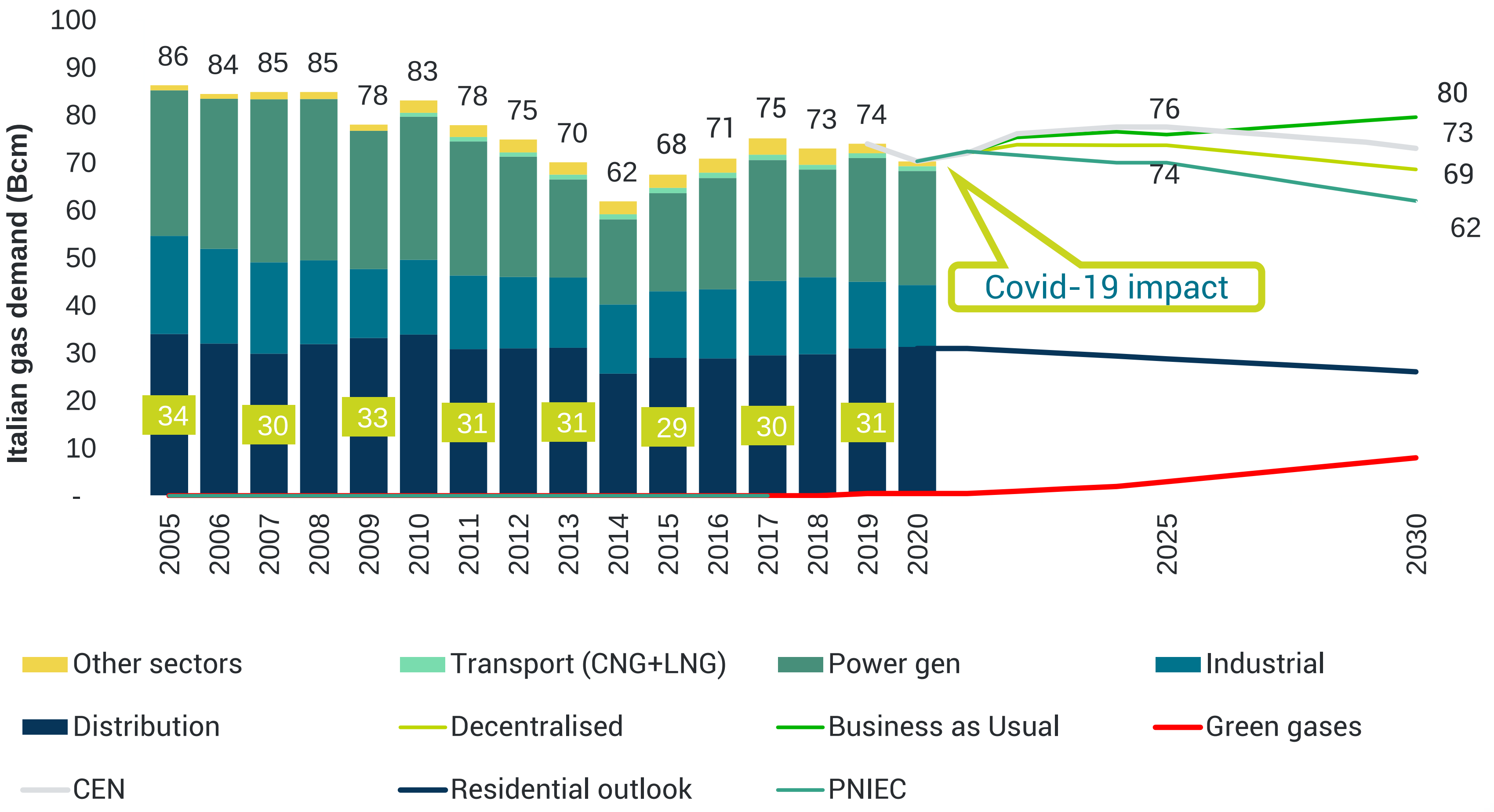
	OPERATING HIGHLIGHTS (TOTAL)	OF WHICH AFFILIATES
Network length	73,319 km	1,877 km
Municipalities	1,888	61
Redelivery Points	7.750 mn	0.153 mn
Market Share[1]	35%	0.1%



(*) Calculated by redelivery points

ITALY GAS DEMAND
EXPECTATIONS REAFFIRMED

Networks to accommodate new green gases



Source: Italgas elaboration on Snam 2020 TCFD, PNIEC 2019 and ENEA

SCENARIO

SUSTAINABILITY AT THE CORE OF OUR ACTIONS

Committed to performance improvement and ESG culture. New targets set integrating Sustainability Plan pillars

ENVIRONMENT	SOCIAL	GOVERNANCE
• **Decarbonization of operations and reduction of energy consumption** **Network digitization** to accommodate green gases • Ongoing **Sardinia methanization** • Scale-up of the **Power to Gas project**	• **People empowerment and safety,** also considering impact from COVID-19 • **Diversity and equal opportunities** promotion • **Improvement of the relation** with final customers, sales companies and suppliers • Promotion of **social innovation through education** (digital divide, cultural projects)	• **ESG KPIs in top management remuneration** • **Integrated Annual Report** • **67% Independence of the board** • Improved focus on **ESG and climate change issues in Enterprise Risk Management** • Valorisation of **sustainability and gas advocacy on national and international round tables** (e.g. GD4S and OGMP)

2020-30 BIOMETHANE
THE CLOSER VIABLE GREEN OPTION

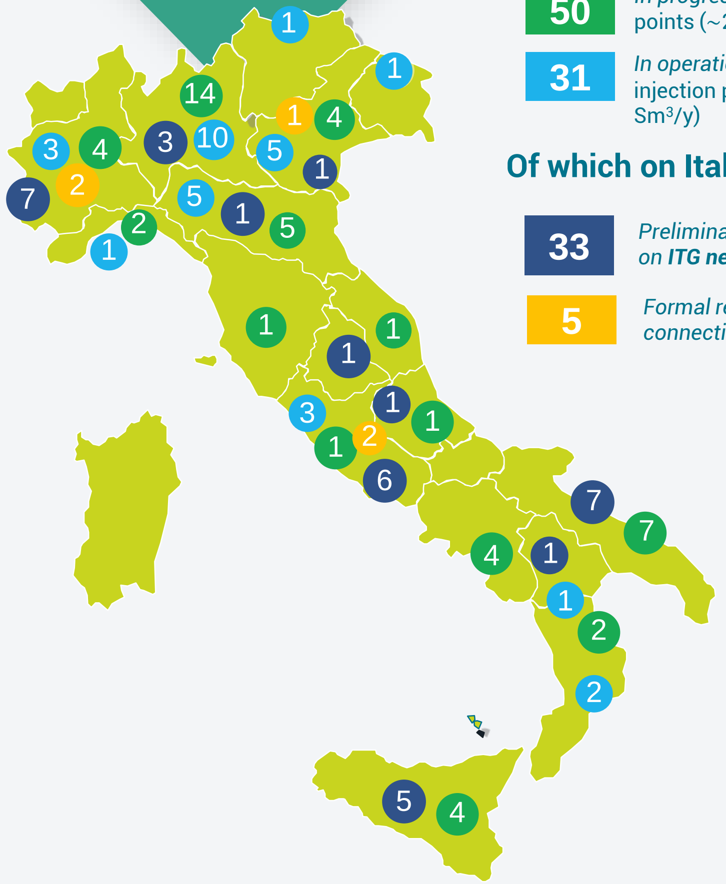
Connections requests keep raising. Italgas received 38 preliminary requests for connections since 2017. Need to consider "reverse flow ops"

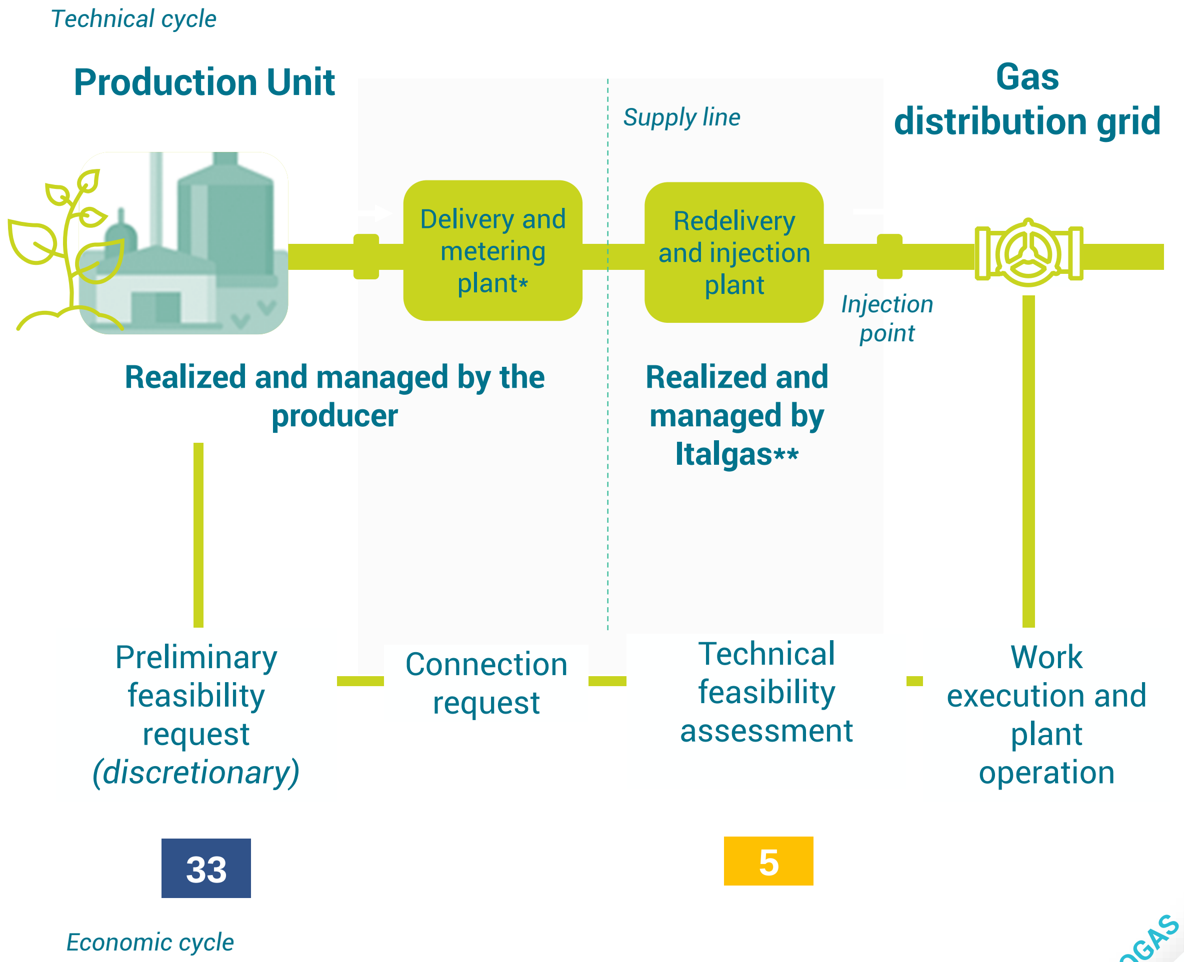
Italy request for connections

50	*In progress* biomethane injection points (~290 Mln Sm^3/y)
31	*In operation* biomethane injection points (~350 Mln Sm^3/y)

Of which on Italgas' network

33	*Preliminary feasibility requests on **ITG network***
5	*Formal requests quotation for connections on **ITG network***





* criteria set by Italgas, ** economic contribution from the biomethane supplier

BIOGAS

DISCLAIMER

Italgas's Manager, Giovanni Mercante, in his position as manager responsible for the preparation of financial reports, certifies pursuant to paragraph 2, article 154-bis of the Legislative Decree n. 58/1998, that data and information disclosures herewith set forth correspond to the company's evidence and accounting books and entries. This presentation contains forward-looking statements regarding future events and the future results of Italgas that are based on current expectations, estimates, forecasts, and projections about the industries in which Italgas operates and the beliefs and assumptions of the management of Italgas. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on equity, risk management are forward-looking in nature. Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identi1Q such forward-looking statements. These forward-looking statements are only predictions and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Therefore, Italgas's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, economic conditions globally, political, economic and regulatory developments in Italy and internationally. Any forward-looking statements made by or on behalf of Italgas speak only as of the date they are made. Italgas does not undertake to update forwardlooking statements to reflect any changes in Italgas's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any further disclosures Italgas may make in documents it files with the Italian Securities and Exchange Commission and with the Italian Stock Exchange.