

*Borsa Italiana*

# Digital Italian Sustainability Week 2021

*June 2021*

## ACTIONS & RESULTS

- *Q1 Results*
- *Financials*
- *Green Bonds*
- *Guidance 2021*
- *Sustainability path*

## ESG STRATEGY & PROJETS

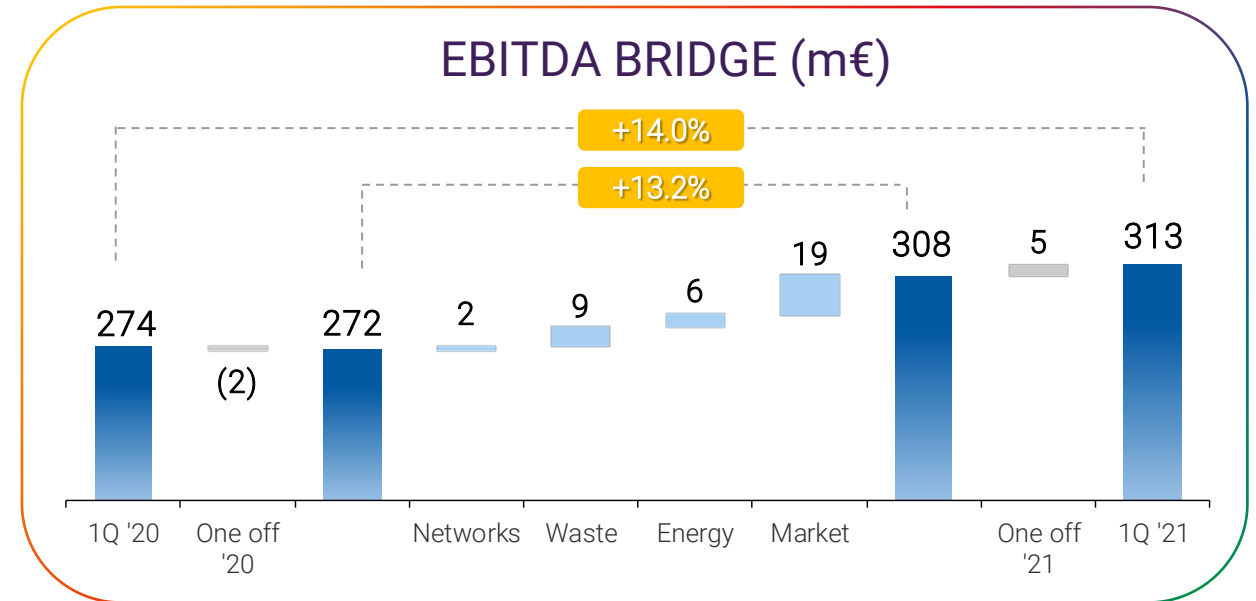
- *Strategic pillars*
- *Long term sustainability startegy*
- *Sustainability targets*
- *Capex plan*
- *Ebitda 2020 vs 2025*
- *Other options extra*
- *BP: Italian PNRR*

## ANNEXES

- *Company profile*
- *Projects*
- *Sustainability governance*
- *BU capex plan*
- *BU Ebitda progress*
- *Regulatory framework*
- *Concessions*
- *Shareholder's structure*

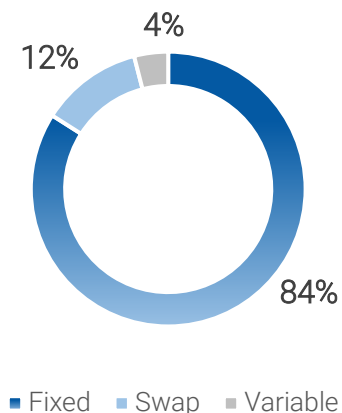
	KPIs				
	m€	1Q '20	1Q '21	Δ	Δ%
Revenues		1,077	<b>1,140</b>	63	5.8%
Ebitda		274	<b>313</b>	39	14.0%
Ebit		145	<b>184</b>	39	26.7%
Group net profit		84	<b>121</b>	37	44.2%
Tech. Capex		130	<b>122</b>	-8	-6.2%
NFP		2,948*	<b>2,915</b>	-33	-1.1%

\* FY 2020 data

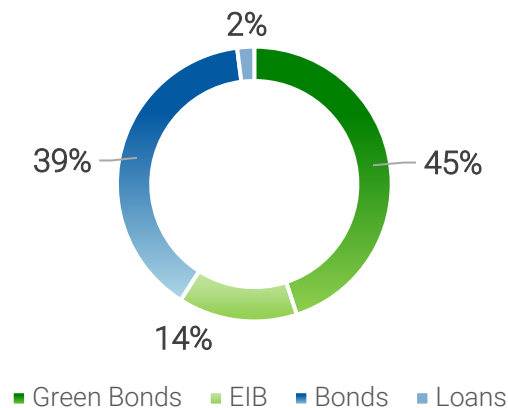


- **Revenues +5.8%:** favoured by higher energy prices and consolidated companies (I.Blu & Unieco) partially offset by Covid effects
- **Ebitda +14.0%:** positive results thanks to energy prices recovery, favorable climate, I.Blu and Unieco's contribution for 8m€, despite the recognition of Covid costs for 3m€
- **Ebit +26.7%:** lower provisions to bad debt (of which 5m€ related to Covid) offset by higher depreciations
- **Group net profit +44.2%:** mainly due to the optimization of the Unieco debt for 13m€
- **Tech. Capex -6.2%:** lower investments in this quarter. We expect a ramp up of capex in the coming months
- **NFP -1.1%:** the cash flow generation offset the NWC increase and the cash out for the acquisition of 20% of Futura and the related debt consolidation (25m€)

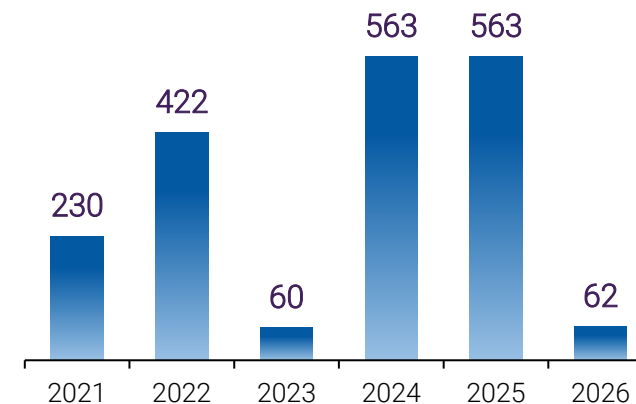
### INTEREST RATE



### DEBT STRUCTURE



### MATURITIES



- 96% of gross debt at fixed interest rate and 4% of gross debt at variable interest rate
- Average long-term debt **duration** of about **5.9 years** vs 5.6 years in 1Q 2020
- Reduction in the **average cost of debt** (1.8% vs. 2.2% in 1Q 2020)
- 59% of the Iren total debt is composed of green and

assimilated instruments (45% Green Bond, 14% EIB loans)

- On 10<sup>th</sup> December Iren issued its **fourth Green Bond** of 300m€
- Iren is the only Italian local multiutility to have issued 4 **Green Bonds** for a total size of 1.8b€

- 6 Eligible Green Categories identified for 44 Eligible Projects that has been financed/refinanced by the Green Bond funds:
  - 16 projects of Energy efficiency
  - 12 projects of Renewable energy
  - 6 projects of Waste water treatment
  - 8 projects of Waste management efficiency & Recycling
  - 1 Transport
  - 1 Adaptation
  
- The Iren compliance with the Sustainable Financing Framework has been assessed by the independent advisor DNV

**MAIN BENEFITS OBTAINED IN 2020**

**1,670 Kt CO<sub>2</sub>**  
*emissions avoided from fossil sources*

**3,634 GWh**  
*primary energy savings*

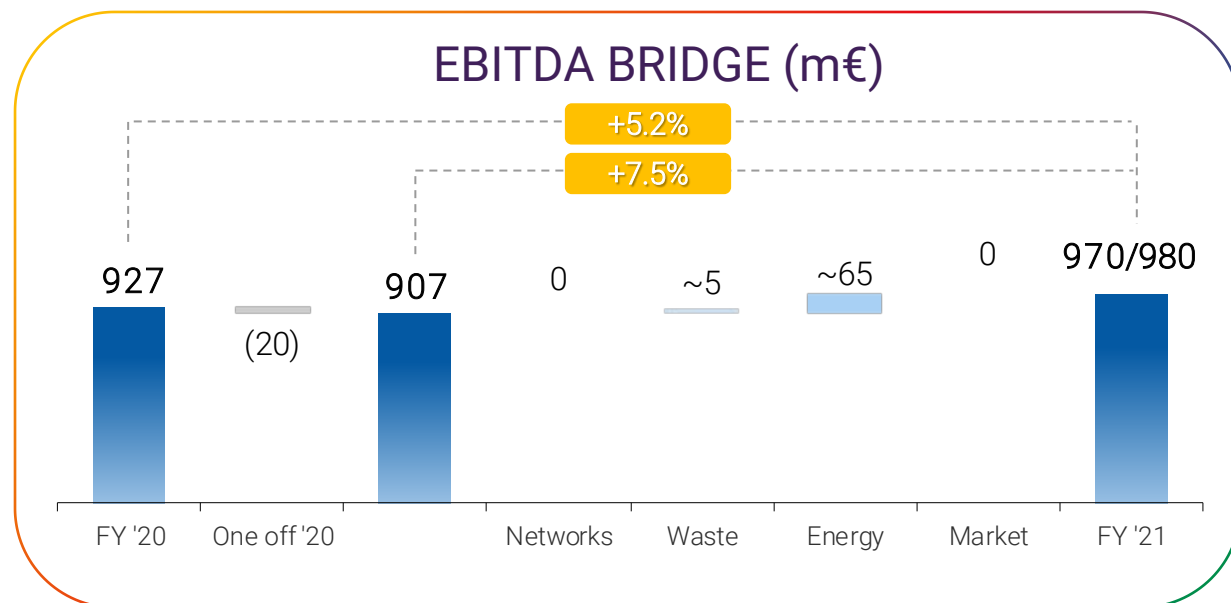
**765 GWh**  
*electricity produced by renewable sources*



**Fitch**  
**Ratings**  
rating equal to BBB



rated by  
**ISS-oekom**  
rating equal to b-



## 2021 NEXT MONTHS EXPECTATIONS

- FY 2021 growth mainly driven by Energy activities at larger extent and by Waste activities.
- Organic growth led by capex acceleration over coming months offsetting the absence of one-offs reported in 2020
- COVID impacts on:
  - Ebitda not more than 10m€
  - Net working capital around 40m€ (from 60m€ in FY2020)
  - Credit losses up to 10m€

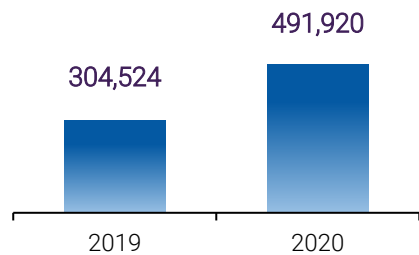
In light of the previous elements, we improve our guidance on FY 2021:

## GUIDANCE ON FY 2021

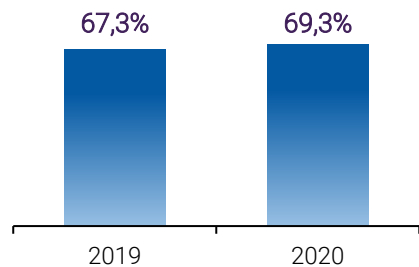
- Ebitda: 970/980m€
- NFP/Ebitda: 3.3x / 3.4x
- Capex: 800m€

## CIRCULAR ECONOMY

Waste recovered in our plants (t)

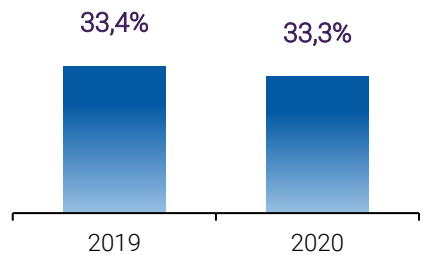


Sorted waste collection

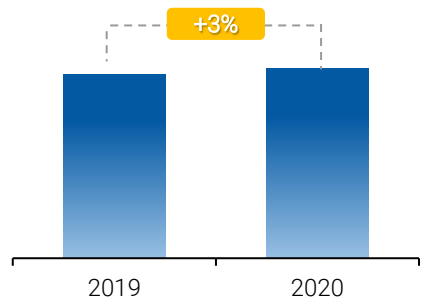


## WATER SOURCES

Water network leaks

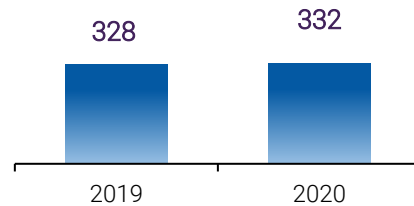


Wastewater plants capacity

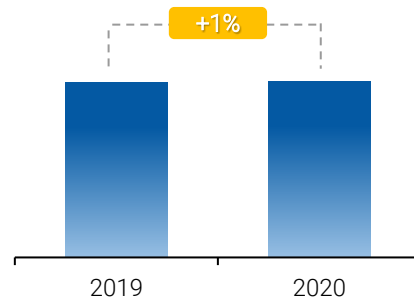


## DECARBONIZATION

Power generation carbon intensity (gCO2/kWh)

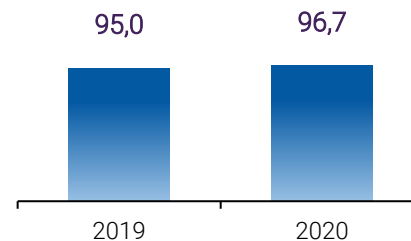


Energy savings

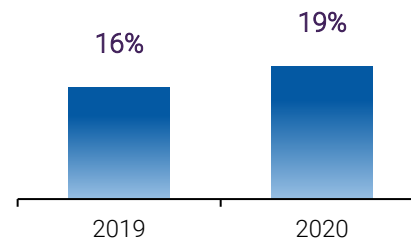


## RESILIENT CITIES

District heated volumes

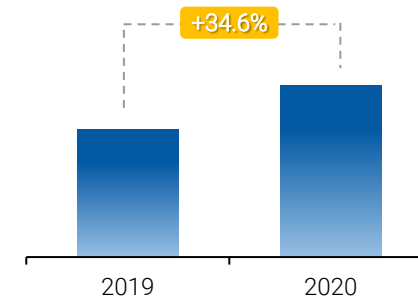


Eco-vehicles on total fleet

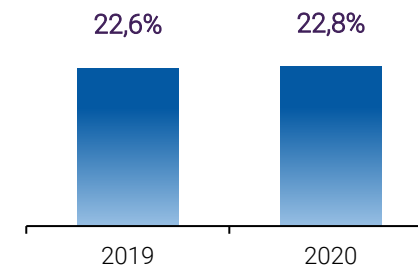


## PEOPLE

Training hours per capita



Women in executive & managerial roles



Strategic pillars confirmed in combination with new ambitions

## MACRO SECTOR TRENDS

- Sustainable resources
- Energy transition
- Client's central role
- Technological revolution
- Consolidation

## STRATEGIC PILLARS

- Growth
- Sustainability
- Client
- Digitalization
- People
- Technological evolution and efficiency

## NEW AMBITIONS

- Going national
- Multicircle economy
- Strengthening resilience



**HIGHER INVESTMENTS +400M€  
COMPARED TO PREVIOUS BP**





## SDGs

## FOCUS AREA

## DIRECTIONS

## MAIN ACTIONS



### Circular Economy

- Increase in sorted waste collection in our areas
- Growth of material recovery in Group plants
- Production of biodegradable waste fuels
- Wastewater reuse for industrial and agricultural purposes

- Extension of D2D collection and user recognition
- New recovery and treatment plants
- Geographic expansion of waste management



### Water sources

- Increase in purification capacity
- Rational use of water through reduction of water withdrawal and network leaks

- Revamping and development of new wastewater treatment plants
- Districts management, maintenance and leak detection interventions
- Widespread of smart metering



### Decarbonization

- Reduction of carbon intensity of energy production
- Energy saving production processes
- Emissions reduction (scope 2)

- Implementation of hydrogen/biofuel mixture in CCGT
- CO<sub>2</sub> capture from WTE
- Biogas production from purification
- New waste recovery and treatment plants
- Increase in sorted waste collection



### Resilient cities

- Extension of district heating networks
- Reduction of corporate vehicle fleet environmental impact
- Energy saving from Iren products and services

- Saturation and development of district heating
- Electrification and green fuels for heavy vehicles
- Extension of energy efficiency services



### People

- Competence enhancement and reskilling
- New working modes supported by digitalization
- Diversity enhancement
- People care

- Continuous learning and reskilling plans
- Re-engineering and streamlining processes
- Increase the presence of women
- Company welfare strengthening

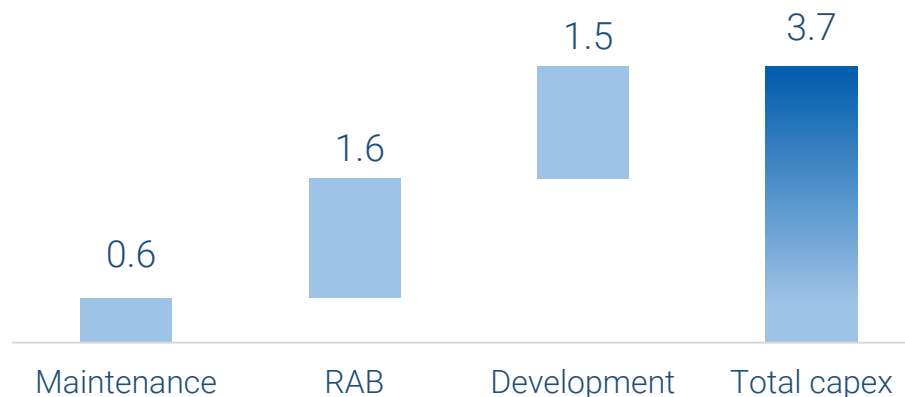
FOCUS AREA	KPIs	TARGETS		
		2019	2025	2035
<b>Circular Economy</b>	Sorted waste collection	67.3%	74%	~80%
	Waste recovered in our plants	304,500 t.	1,600,000 t.	~2,000,000 t.
<b>Water sources</b>	Wastewater plants capacity		+16%	~+20%
	Water network leaks	33.4%	29%	~25%
<b>Decarbonization</b>	Power generation carbon intensity		-4%	~20%
	Energy savings		+27%	~+55%
<b>Resilient cities</b>	District heated volumes		+16%	>+20%
	Eco-vehicles on total fleet	16%	35%	~50%
<b>People</b>	Training hours per capita		+27%	>+65%
	Women in executive and managerial roles	23%	25%	~30%



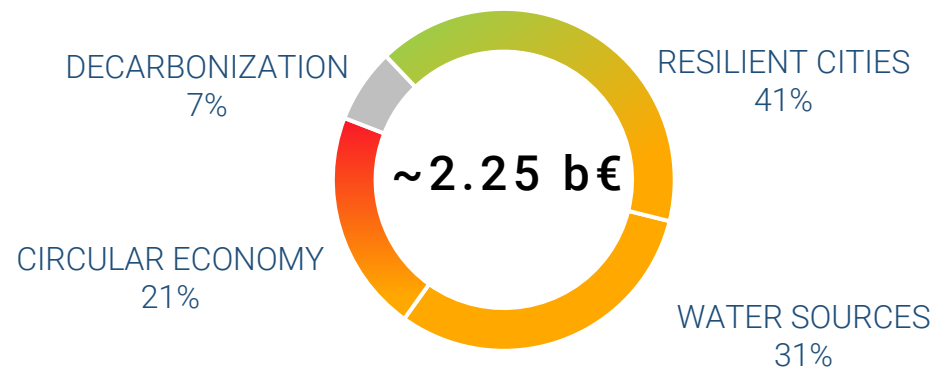
Capex at **3.7b€**, **+12%** compared to the last BP

- Over 800m€ in the water cycle
- Almost 800m€ in the extension of district heating and thermoelectric new capacity
- Over 700m€ in the waste sector mainly to increase the treatment capacity in our plants
- Strong commitment in Market business to expand our customer base at national level
- 2.25b€ of sustainable investments equal to 61% of total capex. The overall value of the multicircle economy capex (resilient cities, water sources and circular economy) is 2.1b€

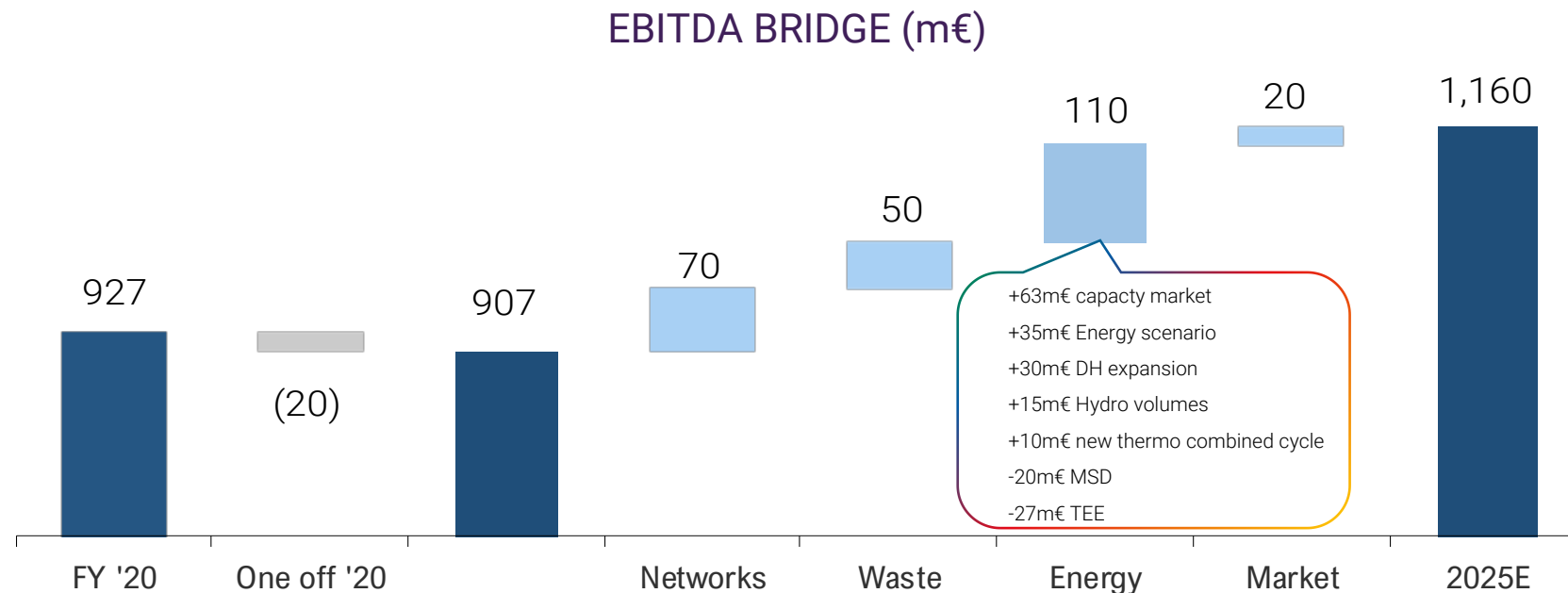
## CUMULATED CAPEX (b€)



## SUSTAINABLE INVESTMENTS



# Actual progress vs business plan targets



- Growth is driven by RAB increase, improvement in service quality and synergies
- The new treatment plants will allow to close the waste cycle and to increase margins of the whole waste value chain along with the positive contribution of consolidated companies
- Widening of district heating network , increase in thermo capacity and the energy efficiency projects led the growth supported also by a recovery in energy scenario
- Expansion of the customer base and sales growth of Iren Plus products

## GENERAL AND SECTOR REFORMS

IREN will **benefit from the general reforms**, but above all, **from the sector reforms** through the short implementation timeframe and clear guidelines in terms of:

- **simplification** of plant and infrastructure **authorization procedures**
- homogenization and revision of **criteria for awarding contracts and tenders** (hydroelectric, gas networks)
- **retail market full liberalization** by 2023
- Strengthening and increasing **coordination level** among **regulatory/competition Authorities**

Reforms represent a very important element for the **implementation of Iren's Business Plan**, strengthening its feasibility and the **visibility** of short and medium/long-term **sector dynamics**.

## SECTORIAL INCENTIVES FOR DEVELOPMENT

**Financial resources** activated (grants and loans) by the PNRR represent an important opportunity for the Group, in terms of:

- **general economic growth** they will generate (growth in demand for commodities and services)
- **specific interventions** in traditional sectors to boost the Group **leadership position**
- **new opportunities in more innovative sectors** already included in our strategy or in **highly innovative sectors** under evaluation like decarbonization technologies including hydrogen

**Acceleration** of the **development initiatives** already present in the Business Plan and **new opportunities of investments** for the Group in the **multicircle economy**

Approximately 70b€ are allocated to the *Green Revolution and Economic Transition* mission, which is *perfectly in line with Iren's strategy*.

## PNRR GUIDELINES

Current Iren presence

- Relevant
- Good
- Sufficient

## REFORMS

## OPPORTUNITIES

### CIRCULAR ECONOMY

- Circular economy national strategy
- Waste management national program

2.1b€

- Plant development acceleration
- Funds for innovative plants (waste-to-chemicals)
- Development of "critical" fractions treatment and recovery

### INTEGRATED WATER SERVICE

- Regulatory simplification
- National Plan reform
- Reform for industrial consolidation

3.5b€

- Possible funding for new projects

### DISTRICT HEATING

- Administrative simplification
- Incentives for renewable gas use/production

0.2b€

- Possible funding for new projects
- Access to fund to be evaluated

### BIOMETHANE DEVELOPMENT

- Administrative simplification

1.9b€

- Possible funding for new plants
- Development of integrated value chain of renewable gas

### DISTRIBUTION NETWORKS

- Administrative simplification
- Strengthening national fund

4.1b€

- New investment opportunity mainly on Turin
- Development line on resilience confirmed

### ENERGY EFFICIENCY

- Regulatory simplifications for small FER plants

21.2b€

- Development opportunities in line with our strategy (energy efficiency and public lights)
- Positioning strengthening on rebuilding

### ENERGY COMMUNITIES

- Regulatory simplifications
- PA responsibility rationalization

4.3b€

- Energy communities' development strategy

### E-MOBILITY

- Leverage experience from start-up projects
- Development new business, strongly rooted on urban environment

# ANNEXES



## >7million

INHABITANTS IN IREN'S 3  
REFERENCE REGIONS

### REGULATED ACTIVITIES



#### Energy Infrastructure

- RAB Electricity distribution: 460m€
- RAB Gas distribution: 712m€
- **2.9% electricity network leaks (vs. national avg. 6.4%)**



#### Water Service

- RAB water cycle management: 1,111m€
- **33.3% water network leaks (vs. national avg. 43.7%)**



#### Urban Waste Collection

- ~2.3m tons of municipal waste collected
- **69.3% of sorted waste collection (vs. national avg. 61.3%)**

### QUASI REGULATED ACTIVITIES

#### Hydroelectric Green Certificates

- 261 GWh GCs produced through hydro
- **592K tons CO<sub>2</sub> emission avoided from hydro**

#### District Heating

- 96.7 mcm of district heated volumes
- **716K tons CO<sub>2</sub> emission avoided from cogeneration**

#### Urban Waste Disposal

- 3 Waste To Energy plants (total capacity ~800Kton/y)
- **100% energy or material recovery from total waste managed**

#### CUSTOMERS:

- ~1.877M in the energy sector
- ~2.8M inhabitants served in the water service
- ~3.1M inhabitants served in the waste sector
- ~0.9M inhabitants served in district heating

### UNREGULATED ACTIVITIES

#### Generation

- 2,700 MW of generation capacity
- **73% of electricity produced by environmentally friendly sources**

#### Energy Market

- ~7.3 TWh electricity sold
- ~3.0 bcm gas purchased
- **92% customer satisfaction**

#### Special Waste

- ~817K tons of special waste managed
- **238.5K tons special waste to energy recovery**

2020 Data



## DRIVER

- Reduction of waste, recycling and re-use of material
- Finding sustainable solutions for managing the growth of plastic use
- Increasing and improving quality of material sent for recovery

## THE INITIATIVE

Iren develops a new industrial and integrated process that transforms plastic into a new raw material, used for: asphalts, furniture, infrastructure, containers and bags and many other items.

## POSITIVE IMPACTS

- Increase in plastic re-use, in line with UE targets
- Energy saving and CO<sub>2</sub> avoided from plastic recovery, the use *Blupolymer*® as new raw material and the use of *Bluair*® instead of fossil fuels



# 193,000 t

ANNUAL CO<sub>2</sub> SAVED  
AT 2025

# ~188,000 t

ANNUAL RECYCLED PLASTIC  
AT 2025

# 75 m€

CUMULATED CAPEX

## DRIVER

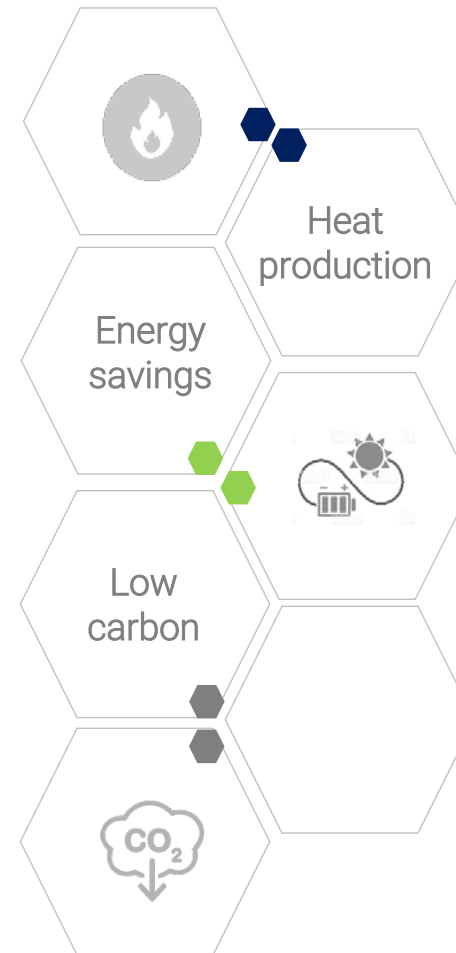
Increase efficiency of power generation process, through **reduction in energy consumption** and related emissions

## THE INITIATIVE

Heat accumulators **absorb the productive capacity** of the combined cycles in periods when the demand is low, in order to **manage demand peaks efficiently**

## POSITIVE IMPACTS

- Increase amount of heat produced in cogeneration at the expense of boilers
- Reduction in gas consumption, **lower costs** and **lower CO<sub>2</sub> emissions**



**~30,000 t**

ANNUAL CO<sub>2</sub> EMISSIONS  
AVOIDED AT 2025

**~3.5 m€**

ANNUAL SAVINGS AT 2025

**28 m€**

CUMULATED CAPEX



## DRIVER

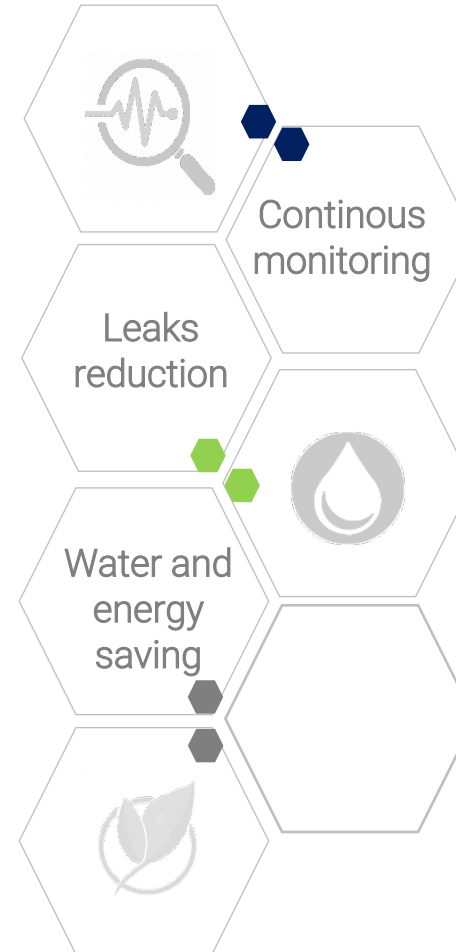
Management of water source to increase **efficiency** and **reduce consumption**

## THE INITIATIVE

Division of the networks into small and equal areas, called “districts”, which allow a more precise monitoring of networks and increase management efficiency

## POSITIVE IMPACTS

- Continuous monitoring of the networks
- Leaks reduction
- Decrease of break events
- Emergency prevention
- Water and energy savings



**~4,700 toe**  
SAVED AT 2025

**~17 mcm**  
WATER LOSS REDUCTION  
AT 2025

**180 m€**  
CUMULATED CAPEX



## DRIVER

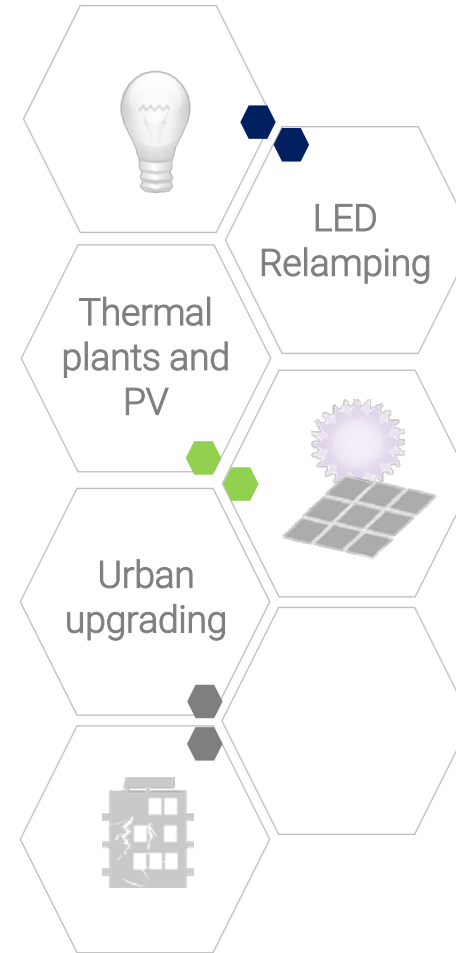
- New policies and incentives for energy efficiency
- New technologies and growth of the digital market
- Consumers and citizens increasingly sensitive to reduction of their environmental impact

## THE INITIATIVE

Innovative integrated solutions and products to improve efficiency and reduce consumption for different subjects (customers, SMEs and industry, condominiums, public administration, non-profit organizations)

## POSITIVE IMPACTS

- Energy savings from citizens and customers
- Reduction in consumption and related CO<sub>2</sub> emissions
- Expanding business and entering new markets



# ~113 kToe

ANNUAL ENERGY SAVINGS AT 2025

# +85%

ENERGY SAVED AT 2025

# ~257 m€

CUMULATED CAPEX





## #1

### ESG STRATEGY INTEGRATION COMMITTEE

- AFC
- Procurement, Logistics & Services
- CEO office
- Communication
- CSR
- Human Resources, Organization & IT
- Risk Management
- Finance
- Investor Relations
- Planning and Control

## #1

### SUSTAINABLE FINANCE COMMITTEE

- CSR
- Finance
- Investor Relations
- Planning and Control

## #1

### CONTROL, RISK AND SUSTAINABILITY COMMITTEE

- CSR
- Risk Management
- 4 BoD members

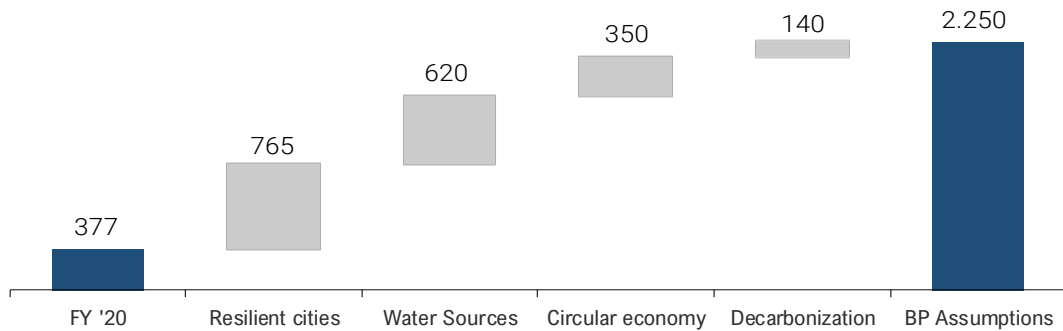
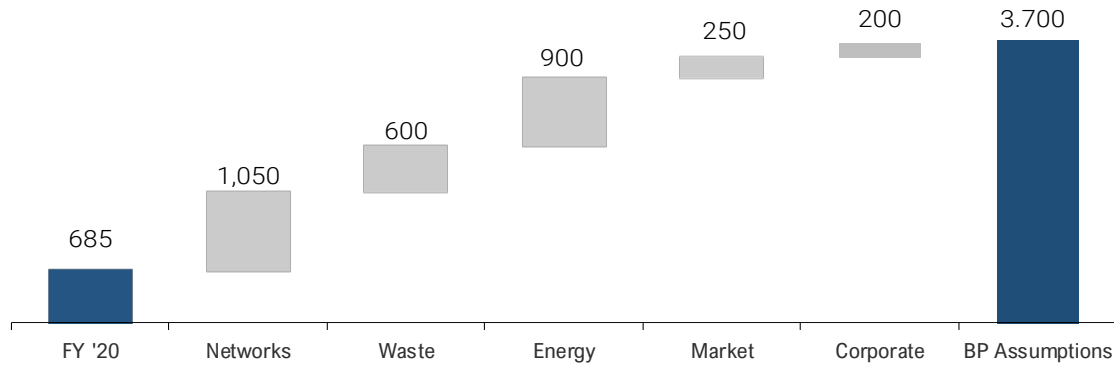
## #5

### LOCAL COMMITTEES

- Chairman
- Deputy Chairman
- 15/18 representatives by Institutions, Associations and organisations from civil society

### CSR AND RISK MANAGEMENT DEPARTMENTS

The CSR and RM departments depend directly on the Deputy Chairman for the management of the functions assigned to them.

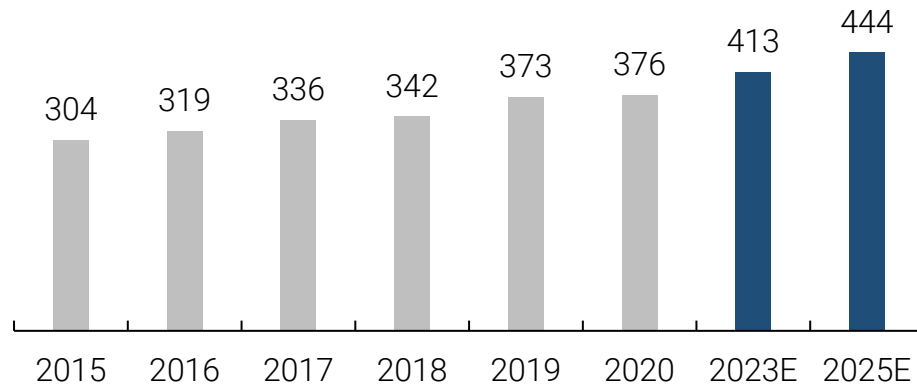


- Strong capex plan in Network, mainly in water for the improvement of the infrastructure and the construction of new purification plants
- Investments in energy concerning the expansion of district heating, energy efficiency projects and the thermoelectric combined cycle
- In waste business we planned to build 8 new treatment plants and improve the quality of collection activity
- In market the capex are related to maintain the value of our clients' portfolio and increase the customer base

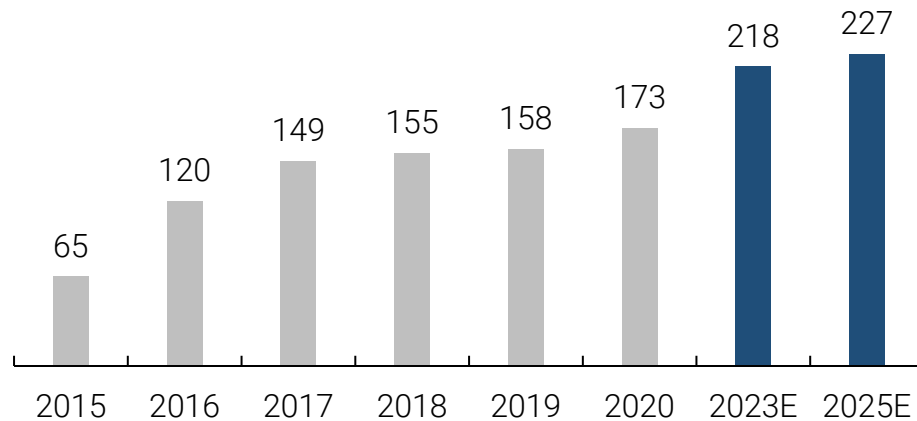
○ 61% of investments in BP are related to Sustainable projects

○ The bulk of the capex are in the multi-circle economy

### NETWORKS EBITDA BRIDGE (m€)

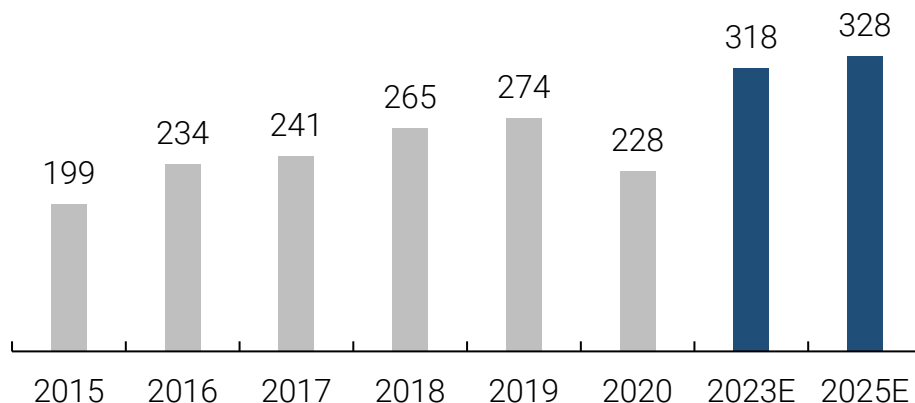


### WASTE EBITDA BRIDGE (m€)



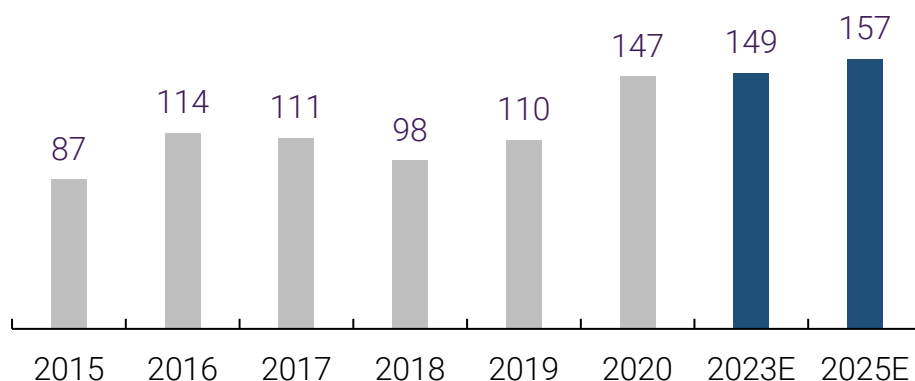
- 1.3b€ of Investments to significantly increase RAB by 700m€, reaching 2.93b€ by the end of 2025
- Capex devoted to develop water purification plants, in order to complete our circular vision also in the integrated water cycle
- Further synergies will be exploited from continuous improvement in asset/workforce management system
- Participation in tenders within reference areas in which IREN is incumbent (not included in BP figures)
- Over 700m€ of capex to build new treatment plants and improve the quality of the collection activity
- +1 million tons waste treated in our plants thanks to new treatment plants (paper, plastic, wood, organic fraction, sludge)
- +4 bps, reaching more than 70%, in sorted waste collection supported by widening of door-to-door and pay-as-you-throw collection systems. Confirmation of all the currently owned concessions
- Fully consolidation of I.Blu and Unieco
- Possible participation in tenders within reference areas in which IREN is not incumbent (not included in BP figures)

## ENERGY EBITDA BRIDGE (m€)



- Over 1b€ of capex to expand district heating, improve the flexibility of generation plants and to sustain energy efficiency interventions
- Significant increase in thermoelectric production thanks to the new gas combined cycle Group in Turbigo.
- Launch of the capacity market
- Extension of the district heating networks and saturation of the existing infrastructure (+15 cubic meters) with the achievement of 100 million cubic meters in 2022.
- Growth in the energy efficiency segment also taking advantage of the introduction of the 110% Superecobonus

## MARKET EBITDA BRIDGE (m€)



- 300m€ of investments to expand the client base (+28%) by going national, keeping the churn rate as one of the lowest in the sector, thanks to a new customer experience driven by digital platforms
- 5x national clients thanks to digital strategy and commercial excellence
- +100% Iren Plus penetration rate driven by the extension of products and services offered, favored by Superbonus
- FY2020 includes an extra profitability of 14m€ due to commodities price volatility



	Gas distribution	Electricity distribution	Water service	Integrated waste collection service
<b>Regulatory period</b>	6 years (2020 – 2025)	8 years (2016 – 2023)	4 years (2020 – 2023)	4 years (2018-2021)
<b>WACC methodology update</b>	6 years (2016 – 2021)	6 years (2016 – 2021)	4 years (2020 – 2023)	4 years (2018-2021)
<b>WACC update</b>	every three years (2022) update of $\beta$ in 2020	every three years (2022)	every two years (2020)	every four years (2022)

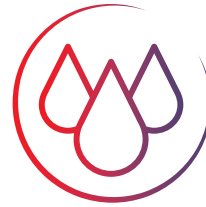
	<b>Until 2021</b>	<b>2022 - 2025</b>
Gas distribution and metering	6.3%	6.3%
Electricity distrib. and metering	5.9%	5.9%
	<b>Until 2023</b>	<b>2024 - 2025</b>
Integrated water service	5.2%	5.2%
	<b>Until 2021</b>	<b>2022 - 2025</b>
Integrated waste collection serv.	6.3%	6.3%






## GAS CONCESSIONS

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



## WATER CONCESSIONS

AREA	Expiry
Piacenza*	Expired
Reggio Emilia*	Expired
Genova	2032
Parma	2025
Vercelli 1	2023
La Spezia	2033



## ELECTRICITY CONCESSIONS

AREA	Expiry
Torino	2030
Parma	2030
Vercelli 1	2030



## HYDROELECTRIC CONCESSIONS

AREA	Hydroelectric plant	Electric Power (MW)	Expiry
Piemonte 1	Pont Ventoux-Susa	157	2034
Piemonte 2	Valle Orco e S. Mauro	300	Expired 2010
Piemonte 3	S. Lorenzo, Moncalieri, La Loggia, valle Susa	25	---*
Campania	Nucleo Tusciano	108	2029
Liguria	Brugneto, Canate	10	Expired 2014

\* The expiring date is not provided for electric power plants <3 MW



## MAIN WASTE CONCESSIONS

AREA	Expiry
Parma**	1st in ranking
Piacenza**	1st in ranking
Reggio Emilia	Expired
Torino	2033
Vercelli 1	2028
Vercelli 2	Expired
La Spezia	2028
Novara**	1st in ranking

\*\* 1st in ranking, pending the official final award

**>50%**  
Public  
Shareholders

Public entities IREN's Shareholders are more than 50%: Municipality of Genoa ~19%, Municipality of Turin ~14%, Emilia Municipalities (Reggio Emilia, Parma, Piacenza and other minor Municipalities) ~17%, La Spezia Municipalities ~2%.

**LSS**  
Loyalty Shares  
Scheme

In 2016, a LSS which establishes the rules for the double voting right for specific Shareholders' Resolutions and the elimination of the obligation for Public Shareholders to hold at least 51% of Iren's share capital has been introduced in Iren's bylaws. Since 2018, Public Shareholders must hold at least 50%+1 of the voting rights in relation to the Shareholders' Resolutions with increased vote.

According to the Shareholders' Agreement updated in 2019, Public Shareholders who signed the agreement must hold at least 35% of Iren's share capital.

**4**  
Shareholders  
Agreements

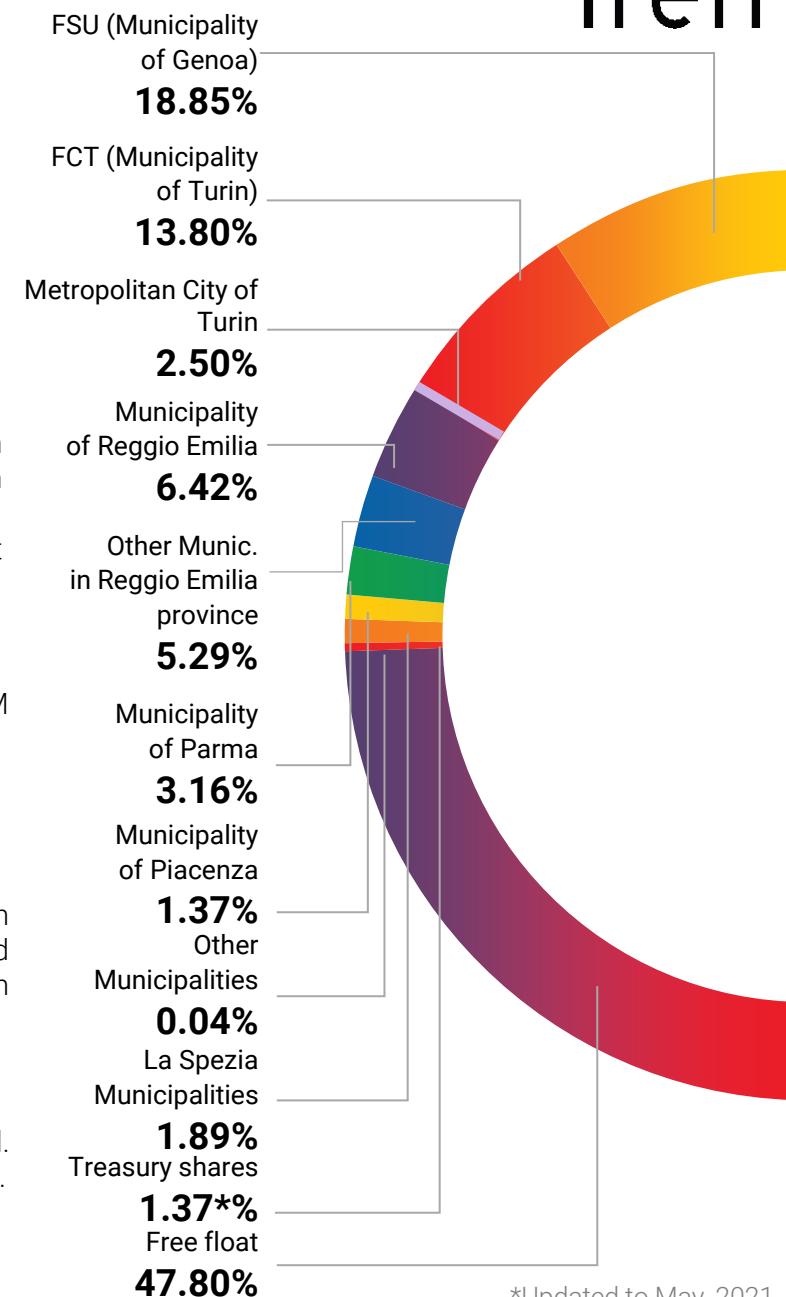
Four Shareholders' agreements:

- One between FSU (Municip. Of Genoa) , FCT (Municip. of Turin), Emilia Shareholders and former ACAM Municipalities (expiring April 2022)
- One between FSU and FCT (expiring July 2021)
- One between Emilia Shareholders (expiring April 2022)
- One between former ACAM Municipalities (expiring May 2022 )

They guarantee that all the most important decisions relating to Corporate Governance are taken by agreement of the public Shareholders. In particular, out of 15 members of IREN's BoDs, 13 are appointed by the members of the shareholders agreements, including the CEO, Chairman and Vice-Chairman which are unanimously appointed.

**SBB**

On 5<sup>th</sup> April 2019, the shareholders meeting approved a share buyback program up to 5% of Iren's share capital. On 13<sup>th</sup> May 2019, the Board of Directors approved the launch of share buyback program on 2% of share capital.



\*Updated to May, 2021

## IREN SHAREHOLDING STRUCTURE

Shareholders	Total Shares	%	Total Voting rights	%
FSU Municipality of Genoa	245,249,617	18.85%	490,499,234	24.84%
FCT Municipality of Turin	179,567,795	13.80%	359,135,582	18.19%
Metropolitan City of Turin	32,500,000	2,50%	32,500,000	1.65%
Municipality of Reggio Emilia	83,559,569	6.42%	167,119,138	8.46%
Other Municipalities of Reggio Emilia	68,754,590	5.29%	135,103,475	6.84%
Municipality of Parma	41,158,566	3.16%	82,317,132	4.17%
Municipality of Piacenza	17,846,547	1.37%	35,306,094	1.79%
Other Municipalities	534,070	0.04%	1,061,676	0.05%
La Spezia Municipalities	24,593,215	1.89%	45,045,196	2.28%
<b>Shares/voting rights owned by public entities</b>	<b>693,763,969</b>	<b>53.33%</b>	<b>1,348,087,527</b>	<b>68.28%</b>
Free float	589,311,763	45.30%	608,306,899	30.81%
Treasury shares*	17,855,645	1.37%	17,855,645	0.90%
<b>IREN's Share capital</b>	<b>1,300,931,377</b>	<b>100%</b>	<b>1,974,250,071</b>	<b>100%</b>

## TRADE REGIME OF PUBLIC SHAREHOLDERS' SHARES

Shareholders	Total Shares	Non-negotiable shares (until may 2022)	Negotiable shares (under specific policy to avoid overhang risk)	Freely negotiable shares (not included in the shareholders agreement)
FSU Municipality of Genoa	245,249,617	154,281,688	90,967,929	-
FCT Municipality of Turin	179,567,795	154,281,689	25,286,106	-
Metropolitan City of Turin	32,500,000	-	-	32,500,000
Municipality of Reggio Emilia	83,559,569	58,228,078	25,331,491	-
Other Municipalities of Reggio Emilia	68,754,590	44,147,738	22,628,456	1,928,396
Municipality of Parma	41,158,566	14,025,186	5,292,380	21,841,000
Municipality of Piacenza	17,846,547	12,248,901	5,597,646	-
Other Municipalities	534,070	311,318	216,288	6,464
Former ACAM Municipalities	24,593,215	17,804,838	2,805,654	3,982,723
<b>Shares owned by public entities</b>	<b>693,763,969</b>	<b>455,329,436</b>	<b>178,125,950</b>	<b>60,258,583</b>

On the 1<sup>st</sup> June 2018, the "loyalty share scheme" came into force. All the Shareholders that have kept IREN shares for at least two years and have been registered in the proper list have now a double voting right for each shares (only in relation to specific matters, such as the appointment of the Board of Directors and of the Board of Statutory Auditors).

\*The voting right relating to treasury shares in the portfolio is suspended. The treasury shares, however, are included in the calculation of the quorum constituting the shareholders' meeting

238,384,533 negotiable shares equal to 18.3% of IREN's share capital

The Manager in charge of drawing up the corporate accounting documents and the Chief Financial Officer of IREN S.p.A., Mr. Massimo Levrino, hereby declares, pursuant to paragraph 2 of article 154 bis of the Consolidated Finance Act (Legislative Decree No 58/1998), that the accounting information contained in this presentation is consistent with the accounting documents, records and books.

This document was prepared by IREN mainly for use during meetings with investors and financial analysts. This document does not constitute an offer to sell or a solicitation to buy or subscribe shares and neither this entire document or any portion of it may constitute a basis or provide a reference for any contract or commitment.

Some of the information contained in this document may contain projected data or estimates that are based on current expectations and on opinions developed by IREN and are based on current plans, estimates, projections and projects. Consequently, it is recommended that they be viewed as indicative only.

Projected data and estimates entail risks and uncertainties. There are a number of factors that could produce significant differences between projected results and actual results. In addition, results may be affected by trends that are often difficult to anticipate, are generally beyond IREN's control and could produce results and developments that are substantially different from those explicitly or implicitly described or computed in the abovementioned projected data and estimates. The non-exhaustive list that follows being provided merely by way of example, these risks include: significant changes in the global business scenario, fluctuations in the prices of certain commodities, changes in the market's competitive conditions and changes in the general regulatory framework.

Notice is also given that projected data are valid only on the date they are produced. Except for those cases in which the applicable statutes require otherwise, IREN assumes no obligation to provide updates of the abovementioned estimates and projected data.