



# Report on Corporate Governance and Ownership Structures

(Pursuant to Article 123-bis of the Consolidated Law on Finance)

Approved by the Board of Directors  
on 18 April 2024



[www.gruppoiren.it](http://www.gruppoiren.it)



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## INTRODUCTION

This Report on Corporate Governance and Ownership Structure (hereinafter also **“Report”**) aims to provide information on the ownership structure of IREN S.p.A. (hereinafter also **“Company”**) and to provide a general and comprehensive presentation of the structure of its corporate governance system.

The Report is prepared in compliance with the disclosure obligations towards shareholders and the market, as provided for by Article 123-*bis* of Italian Legislative Decree No. 58 of 24 February 1998 (hereinafter also **“Consolidated Law on Finance”**), as subsequently supplemented<sup>1</sup>.

The information provided therein refers, where not expressly indicated, to the 2023 financial year.

The Report was prepared in accordance with the IX Edition of the Format published by Borsa Italiana S.p.A. in January 2022.

The sources of internal regulations for IREN S.p.A. and the Group consist of:

- I) the By-laws - in force on the date of approval of this Report - of the Parent Company IREN S.p.A. approved by the Board of Directors of IREN S.p.A. during the meeting held on 25 March 2020 (hereinafter also referred to as the **“By-laws”**). The current text at the date of approval of this Report incorporates changes relating to the identification of shareholders and adaptation to the new rules on compliance with gender quotas for the composition of the Board of Directors and the Board of Statutory Auditors;
- II) the current By-laws of First Level Companies;
- III) the provisions of the Corporate Governance Code, in its January 2020 version, (henceforth also the **“Code”**) to which the Company<sup>2</sup> formally adhered by a resolution of the Board of Directors on 18 December 2020, also approving, most recently on 06 July 2022, the update of the document highlighting the governance solutions adopted by the Company with reference to the provisions of the Code.

In order to ensure greater usability of the document, the Report is preceded by a brief **“Executive Summary”** summarising its main contents.

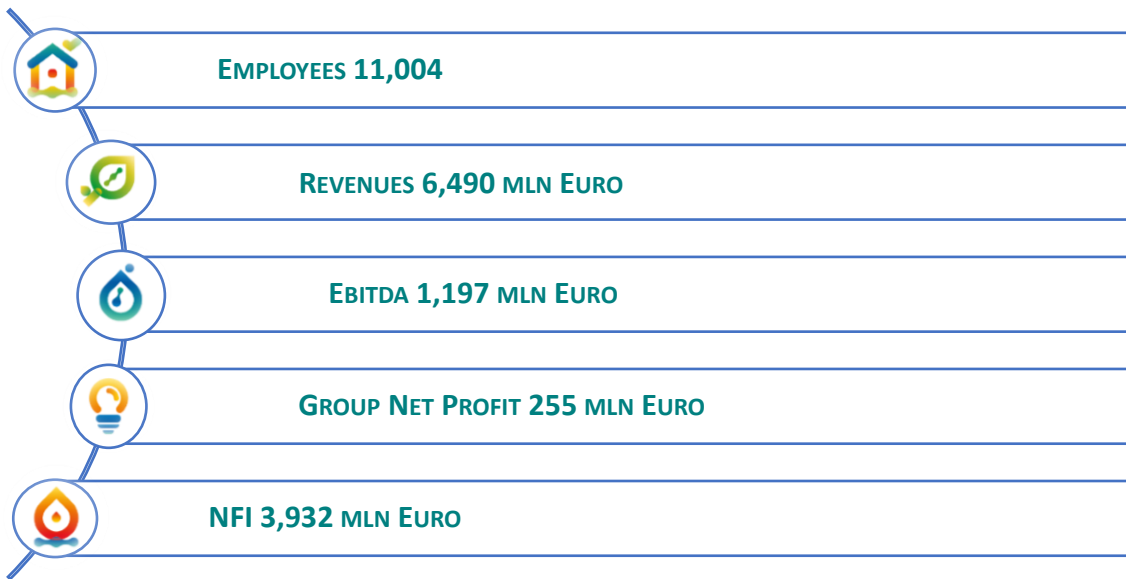
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<sup>1</sup>The provisions of Italian Legislative Decree No. 254 of 30 December 2016 - which, *inter alia*, amended art. 123-*bis* of the Consolidated Law on Finance - have been applied with reference to the reports relating to financial years starting from 1 January 2017.

<sup>2</sup> IREN S.p.A. had already formally adhered to the Code in the July 2015 version by a resolution of the Board of Directors on 20 December 2016 and subsequently to the July 2018 version by resolution on 05 April 2019.

## EXECUTIVE SUMMARY

### MAIN HIGHLIGHTS<sup>1</sup> OF THE COMPANY

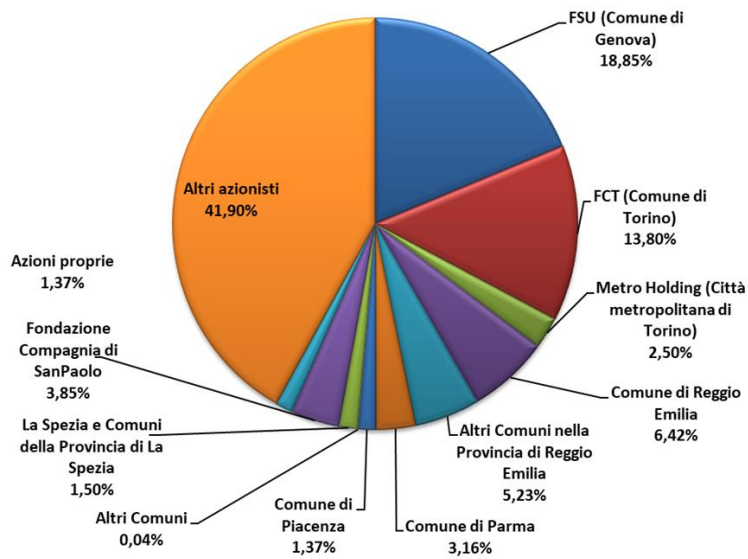


<sup>1</sup> The figures shown refer to 31 December 2023 and the respective scope of consolidation

### IREN SHARE PERFORMANCE 2023



## OWNERSHIP STRUCTURE - SHAREHOLDERS (UPDATED AS AT 31 DECEMBER 2023)

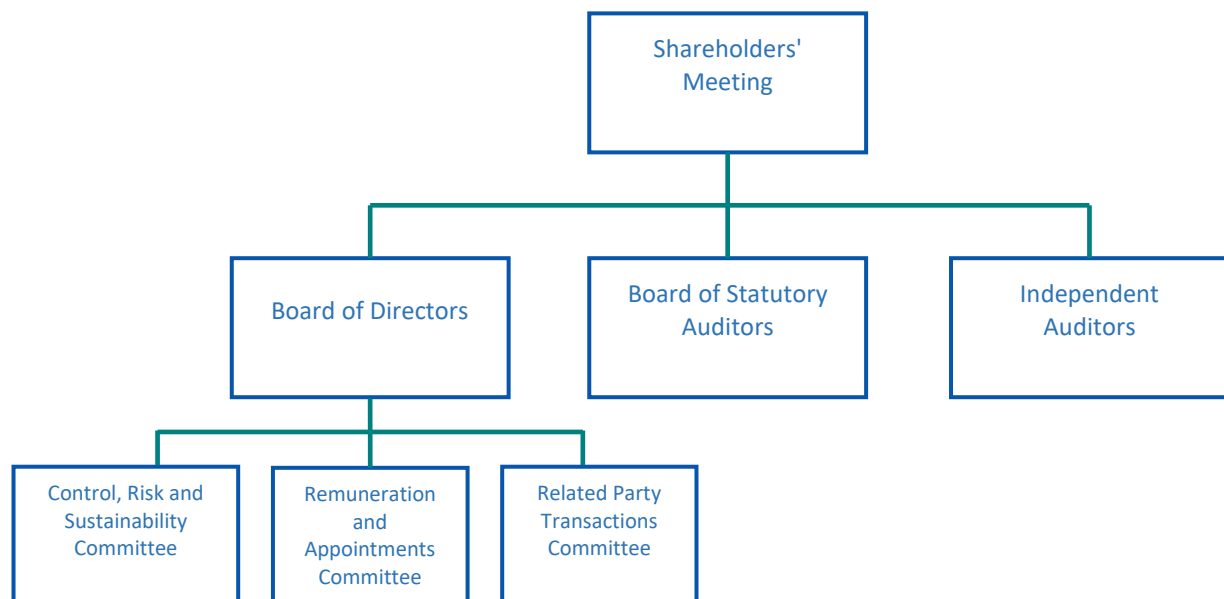


## SHAREHOLDING STRUCTURE DETAIL \*

	YES/NO	% OF CAPITAL
PRESENCE OF A SHAREHOLDERS' AGREEMENT	YES	52.7274%
PRESENCE OF INCREASED VOTING RIGHTS	YES	57.33%
THRESHOLD FOR THE PRESENTATION OF LISTS	YES	1%
PARTICIPATION OF ITALIAN INSTITUTIONAL INVESTORS (EXCLUDING PUBLIC SHAREHOLDERS)	YES	18.39%
PARTICIPATION OF FOREIGN INSTITUTIONAL INVESTORS	YES	22.4%
PRESENCE OF TREASURY SHARES	YES	1.37%

\* DATA UPDATED WITH INFORMATION AVAILABLE AS AT 4 APRIL 2024

## GOVERNANCE MODEL





## FOCUS ON THE BOARD OF DIRECTORS

### COMPOSITION



CHAIRPERSON  
AND STRATEGIC DIRECTOR FINANCE,  
STRATEGIES AND DELEGATED AREAS  
**LUCA DAL FABBRO**



DEPUTY CHAIRPERSON  
AND STRATEGIC DIRECTOR HUMAN  
RESOURCES, CSR AND DELEGATED AREAS  
**MORIS FERRETTI**



CHIEF EXECUTIVE OFFICER  
AND GENERAL MANAGER  
**PAOLO SIGNORINI**



DIRECTOR  
**FRANCESCA CULASSO**  
▲ P



DIRECTOR  
**ENRICA MARIA GHIA**  
▲ ●



DIRECTOR  
**PIETRO PAOLO GIAMPELEGRINI**  
▲ P



DIRECTOR  
**FRANCESCA GRASSELLI**  
▲ ●



DIRECTOR  
**CRISTIANO LAVAGGI**  
●



DIRECTOR  
**GIACOMO MALMESI**  
▲ ●



DIRECTOR  
**GIULIANA MATTIAZZO**  
▲ ●



DIRECTOR  
**TIZIANA MERLINO**  
▲ ●



DIRECTOR  
**GIANLUCA MICCONI**  
▲ ●



DIRECTOR  
**PATRIZIA PAGLIA**  
▲ ●



DIRECTOR  
**CRISTINA REPETTO**  
▲ ●



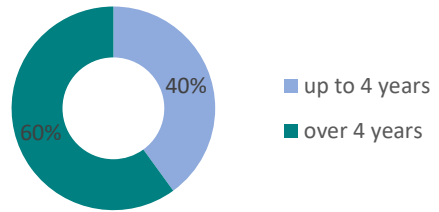
DIRECTOR  
**LICIA SONCINI**  
▲ P

- ▲ Independent pursuant to the Italian Consolidated Law on Finance and the Italian Corporate Governance Code
- Control, Risk and Sustainability Committee
- Related Party Transactions Committee
- Remuneration and Appointments Committee
- P Chairperson of the Committee (identified by reference colour)

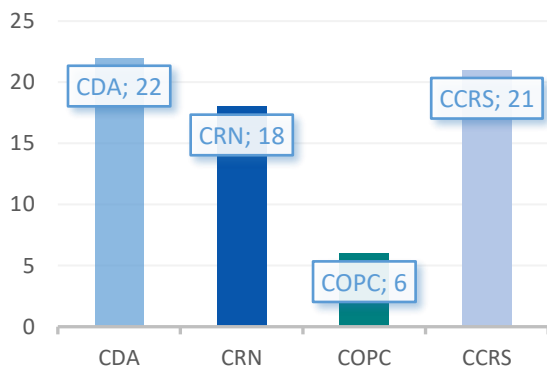
### BOARD EVALUATION PROCESS

IMPLEMENTATION OF THE BOARD EVALUATION PROCESS	YES
EVALUATOR	ADVISOR
SELF-EVALUATION METHOD	QUESTIONNAIRE AND INDIVIDUAL INTERVIEWS

### SENIORITY IN THE COMPANY

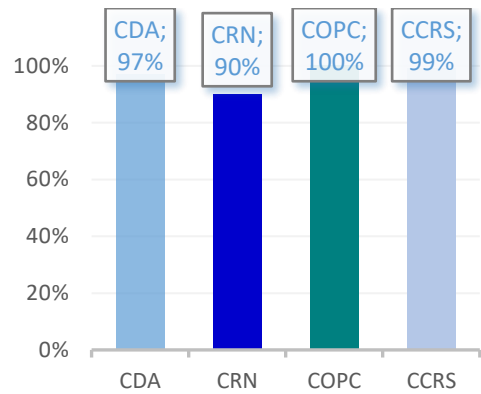


### BOARD AND COMMITTEE MEETINGS<sup>2</sup>



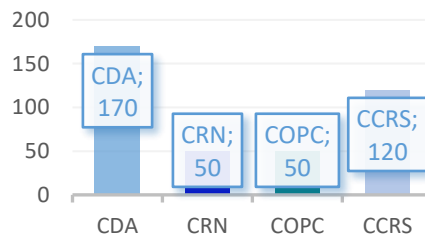
<sup>2</sup> The table represents the total number of meetings held in 2023.

### AVERAGE PARTICIPATION IN MEETINGS<sup>3</sup>



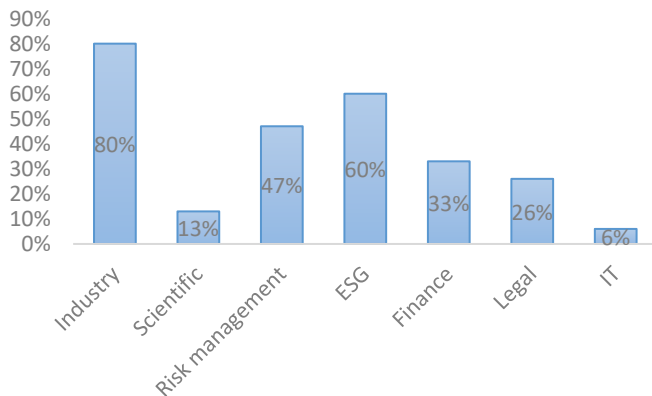
<sup>3</sup> The table represents the average attendance of directors in the total number of meetings held in 2023.

### AVERAGE MEETING DURATION<sup>4</sup>

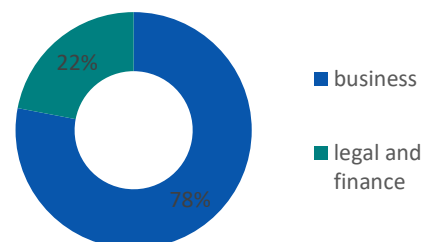


<sup>4</sup> Values expressed in minutes (ca.) in relation to the total number of meetings held in 2023.

### DIRECTORS' EXPERTISE



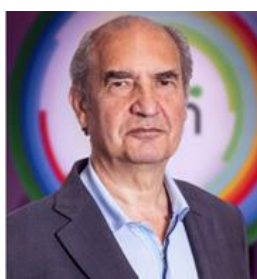
### % OF BUSINESS VS. LEGAL AND FINANCIAL EXPERTISE





FOCUS ON THE BOARD OF STATUTORY AUDITORS

COMPOSITION<sup>5</sup>



CHAIRPERSON  
MICHELE RUTIGLIANO



STANDING AUDITOR  
UGO BALLERINI



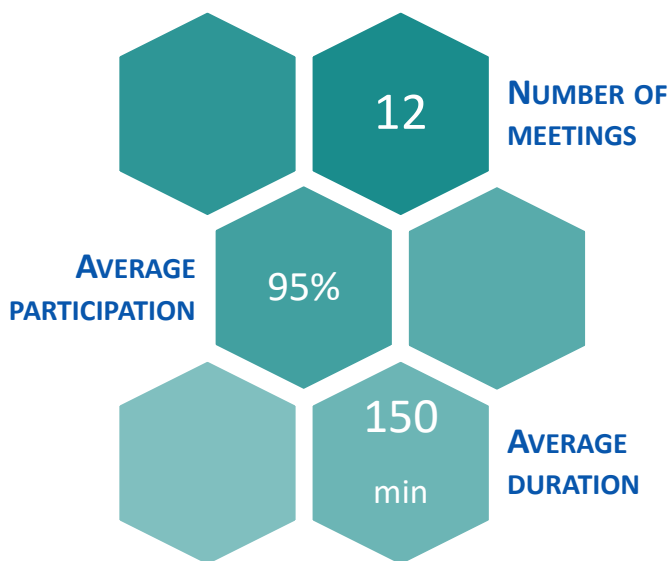
STANDING AUDITOR  
SIMONE CAPRARI



STANDING AUDITOR  
CRISTINA CHIANTIA



STANDING AUDITOR  
SONIA FERRERO



**MAIN ELEMENTS OF THE INTERNAL AUDIT AND RISK MANAGEMENT SYSTEM**

YES/NO

PRESENCE OF A SPECIFIC RISK MANAGEMENT UNIT	YES
EXISTENCE OF AN ENTERPRISE RISK MANAGEMENT PLAN	YES
IF YES, IS THIS PLAN BEING DISCUSSED WITH THE COMMITTEE?	YES
PREPARATION OF A NUMBER OF SPECIFIC COMPLIANCE PROGRAMS	YES
PRESENCE OF SUCCESSION/CONTINGENCY PLANS	YES

<sup>5</sup> Appointed for the three-year period 2021-2023 during the Shareholders' Meeting held on 06 May 2021.

## 1-ISSUER PROFILE

### Introduction - Origin and configuration of Iren Group

During the four-year period 2015-2018, Iren Group has completed full operational integration and, as things stand, is composed of the following:

- an industrial holding company, the Parent Company IREN (with the legal form of a listed joint-stock company, whose ownership structure is provided for in the specific section of the corporate website), which groups together all of the Group's staff corporate activities; - four first-level holding companies (hereinafter "First-Level Companies", with the legal form of a listed joint-stock company, with IREN S.p.A. as sole shareholder), operating directly or through investee/subsidiary companies, which are focused on controlling as many core businesses (Waste Management, Energy, Market, Grids) through a model based on skills and digitisation of processes, strongly scalable with the immediate integration of all the acquired companies.

This business model is aimed at enhancing the complementarity of the two original Groups (IRIDE Group and ENIA Group) and the recently acquired Groups (Atena Group, ACAM Group, San Germano Group and Unieco Waste Management Division), as well as strengthening the territorial roots and the integration of the activities and assets characteristic of each business.

With regard to the First-Level Companies, the Parent Company IREN S.p.A. carries out management and coordination activities, expressly provided for and regulated in the By-laws of the same.

The By-laws of IREN S.p.A. also ensure that the Chief Executive Officer be granted powers for the day-to-day management of the Company in accordance with the guidelines and policies formulated by the Board of Directors, as well as organisational powers and operational proxies for each of the business areas organised into divisions. Where the business areas are structured in the form of companies, the Chief Executive Officer, on the basis of the guidelines of the Holding company's Board of Directors, exercises functions of strategic planning, indications of objectives and control over the subsidiaries and proposes the appointment and/or dismissal of the Chief Executive Officer of each First-Level Company, to the Board of Directors.

Referring to the insights contained within the relevant subsequent paragraphs of this Report, Iren Group has adopted strategies and policies aimed at creating value and meeting the needs of all stakeholders in a balanced way, confirming the centrality of the relationship with the communities and areas of reference.

The Iren Governance system is based on the integration of corporate bodies to meet, in accordance with the provisions of the Corporate Governance Code and the Code of Ethics, the expectations of all those who relate to the Group.

The Board of Directors defines the strategic approach, approves the guidelines and objectives, including a focus on sustainability goals. At the same time as the annual financial statements, the Board of Directors analyses and approves the Sustainability Report (serving as a consolidated non-financial statement pursuant to Italian Legislative Decree 254/2016 - available at <https://www.gruppouren.it/>), which reports on the sustainability results achieved in relation to the business plan, and is updated by the Deputy Chairperson, the body delegated in this matter, on the status of sustainability projects and stakeholder engagement activities. Given the increasing focus on sustainability and its importance in the group's business plan, with the aim of ensuring maximum coordination with the various corporate functions and consistency with the business plan, the Chairperson and CEO will be involved in the development of the sustainability report;

The consultations concerning sustainability aspects between the interested parties and the highest governance body are delegated to the Deputy Chairperson who, through the Corporate Social Responsibility and Local Committees Department, is responsible for maintaining an open dialogue with the internal and external stakeholders on these topics. The results of this dialogue generate projects for the improvement of environmental and social performance and are then incorporated in the Sustainability Report.

In this regard, in view of the value attributed by Iren Group to corporate social responsibility, the Board of Directors decided to implement the invitation contained in the Code and resolved to attribute investigative functions to oversee corporate social responsibility in the field of sustainability to the Control Risk and Sustainability Committee which, in assisting the administrative body: (i) supervises the "sustainability" policies and compliance with the principles of conduct that may have been adopted in this regard by the Company and its subsidiaries; (ii) examines the issues subject to preliminary investigation in terms of the long-term sustainability of the founding principles and guidelines of strategic planning, the business plan and short-term programming, overseeing the manner in which they are implemented; (iii) assesses, together with the competent Group Function and after consulting the statutory auditor, the correct use of the standards adopted for the purposes of preparing the non-accounting disclosures required by current regulations; (iv) supervises the system for assessing and improving the environmental, economic and social impacts resulting from the

business activities in the territories; (v) examines the periodic reports on the implementation of the structured methods of discussion with the stakeholders of the territories in which the Group operates, in particular through the Local Committees, and those on the consistency with corporate social responsibility issues of the Group’s cultural and image promotion activities.

## 2-INFORMATION ON OWNERSHIP STRUCTURES

### 2.1-Share capital structure

At the date of approval of the 2023 Draft Financial Statements (28 March 2024) the subscribed and fully paid-up share capital amounts to 1,300,931,377 Euro with a nominal value of 1 Euro each, consisting exclusively of ordinary shares.

SHARE CAPITAL STRUCTURE					
	<i>No. Shares</i>	<i>Nominal value</i>	<i>% in relation to share cap.</i>	<i>Listed/ Unlisted</i>	<i>Rights and obligations</i>
Ordinary shares	1,300,931,377	1.00 Euro	100.000	Listed on Borsa Italiana	
Total	1,300,931,377		100.000		

### 2.2-Shareholding limits and restrictions on voting rights

Pursuant to art. 9 of the current By-laws, from the date coinciding with the 24th month following the date of Opening (on 1 June 2016) of the Special List, at least 50% plus one of the total voting rights, in relation to the Shareholders’ Meeting resolutions with increased voting, must be owned by public bodies.

It is forbidden for any shareholder other than public bodies to hold more than 5% of the share capital (see art. 10 of the current By-laws). This limit on share ownership is calculated exclusively on the shares conferring the right to vote at shareholders’ meetings and refers exclusively to them.

Under no circumstances may voting rights be exercised for holdings in excess of the above percentage.

For the calculation of the threshold, account is taken of the total shareholding held by: (i) the parent company, natural or legal person or corporation, all direct or indirect subsidiaries and affiliates; (ii) parties to a shareholders’ agreement under article 2341-*bis* Italian Civil Code and/or under article 122 Consolidated Law on Finance and relating to shares of the company. Control applies, also with regard to parties other than the companies, in the cases referred to in article 2359, paragraphs 1 and 2 of the Italian Civil Code. Control in the form of dominant influence is deemed to exist in the cases stipulated in article 23, paragraph 2, of Italian Legislative Decree 1 September 1993, no. 385. The relation occurs in the cases referred to in article 2359, paragraph 3 of the Italian Civil Code. For the purposes of calculating the shareholding, account is also taken of shares held through trustees and/or intermediaries and/or those for which voting rights are attributed in any way to a person other than the holder. If the foregoing provisions are violated, any meeting resolution passed is subject to appeal pursuant to article 2377 Italian Civil Code, if the required majority would not have been achieved without such a violation. Shares for which the voting rights may not be exercised are however calculated for the purpose of regular constitution of the shareholders’ meeting.

On the basis of the provisions of the Internal Dealing Procedure, Relevant Parties, i.e. the following:

- (i) Directors and Auditors of IREN;
- (ii) parties performing management functions in IREN and executives who have regular access to inside information and have the power to make management decisions that may affect future developments and prospects;

and Associates, i.e. the following:

- (i) a spouse who is not legally separated or a partner equivalent to a spouse, dependent children, including those of the spouse, and, if cohabiting for at least one year, the parents, relatives and relatives-in-law of the relevant parties;
- (ii) legal persons, partnerships and trusts in which a Relevant Party or one of the persons referred to in point i) above who:
  - Have management responsibility;
  - Are directly or indirectly controlled by them;
  - Are established for their benefit or whose economic interests are substantially equivalent;

are prohibited from carrying out any type of transaction on IREN shares or related financial instruments, using “inside information”.

In addition, Relevant Parties and persons closely related to them are prohibited from trading in listed IREN securities, meaning trading activities aimed at obtaining profits in the short term.

The Board of Directors of IREN has reserved the right to prohibit or limit the execution of transactions involving Company shares or related financial instruments during specific periods of the year, in connection with specific events, giving prior notice to the Relevant Parties concerned, it being understood that the Relevant Parties may not carry out transactions involving Company shares or related financial instruments within 30 days (Blackout periods) preceding meetings of the Board of Directors at which the following are examined: the annual financial report including the draft financial statements and the consolidated financial statements, the half-yearly financial report and the quarterly reports.

### 2.3-Significant shareholdings in the share capital

The parties that directly or indirectly hold more than 3% of the subscribed share capital represented by shares with voting rights, according to the communications received by the Company pursuant to art. 120 of the Consolidated Law on Finance as at 31 December 2023 are as follows:

SIGNIFICANT SHAREHOLDINGS IN CAPITAL		
Declarant	% share of capital	% share of total voting rights**
FSU srl	18.851	23.963
FCT SPA	13.803	17.546
Municipality of Reggio Emilia	6.423	8.165
Municipality of Parma*	3.163	4.021
Compagnia di Sanpaolo	3.848	4.459
Metro Holding Torino srl	2.498	3.175

#### NOTES

\* The municipality of Parma participates directly with a 0.43% stake in the voting share capital and indirectly through the subsidiaries S.T.T. holding with a 1.179% stake in the voting share capital and Parma Infrastrutture S.p.A. with a 1.554% stake in the voting share capital.

\*\* Voting rights with reference to shareholder resolutions with increased votes under Article 6-bis of the By-laws.

### 2.4-Holders of securities conferring special rights

To date, no securities have been issued that confer special rights of control.

As at 31 December 2023, no individual person exercised control over IREN pursuant to Article 93 of the Consolidated Law on Finance.

With reference to the mechanism for the appointment of directors, which is carried out by list voting, the By-laws in force provide that 13 directors out of a total of 15, of which the Board is composed, shall be taken from the list that has obtained the majority of the votes validly cast.

Similarly, for the appointment of the Board of Statutory Auditors, in accordance with the By-laws and the Shareholders' Agreement in force, the voting system confers on the public shareholders meeting the right to appoint 3 standing auditors and 2 alternate auditors.

The Shareholders' Meeting of 9 May 2016 approved the introduction to Article 6-bis of the By-laws of the institution of the increased voting rights under which each share gives the right to two votes in the resolutions of the Shareholders' Meeting concerning the following matters, (i) the amendment of Articles 6-bis, 6-ter, 6-quater and 9 of the By-laws, (ii) the appointment and/or dismissal of the members of the Board of Directors pursuant to Article 19 of the By-laws, and the appointment and/or dismissal of the members of the Board of Statutory Auditors pursuant to Article 28 of the By-laws, as well as the exercise of liability action against them (the "**Shareholders' Meeting resolutions with increased voting**"), if both of the following conditions are met: (a) the voting right has belonged to the same party by virtue of a qualifying right in rem (full ownership with voting rights, bare ownership with voting rights or usufruct ownership with voting rights) for a continuous period of at least 24 (twenty-four) months from the effective date of the inclusion of that party in the special list referred to in Article 6-ter below (the "**Special List**"); and (b) the recurrence of the condition

under(a) also results from a specific communication from the intermediary in accordance with the applicable legislation or from the continued inclusion in the Special List.

## 2.5-Employee shareholding

The Shareholders' Meeting may resolve on the extraordinary allotment of profits to the company's employees and providers of labour, to be made through the issue of special classes of shares to be allotted individually and subject to special rules regarding the methods of transfer and the rights they grant. No such decisions have been taken at this time.

## 2.6-Agreements between Shareholders that are known to the Company in accordance with Article 122 of the Consolidated Law on Finance

During 2019, IREN Public Shareholders signed two "Addenda" to the shareholders' agreements signed in 2016: the FSU - FCT - Emilian Parties and La Spezia Parties Agreement and the Emilian Public Shareholders Sub-Agreement, as further described below.

Pursuant to article 122 of Italian Legislative Decree No. 58 of 24 February 1998 and subsequent amendments and additions (the "Consolidated Law") and Article 129 et seq. of the regulations referred to in CONSOB Resolution No. 11971/1999 and subsequent amendments and additions, on 5 April 2019 the signing was completed of the Addendum to the Shareholders' Agreement (the "Agreement" or "Shareholders' Agreement") concerning ordinary shares of Iren S.p.A. ("Iren" or the "Company").

The extract from the FSU - FCT - Emilian Parties and La Spezia Parties Agreement, pursuant to article 122 of the Consolidated Law on Finance and articles 129 et seq. of the Issuers' Regulations, was published on 9 April 2019 in "Italia Oggi".

### A. The FSU - FCT - MHT - Emilian Parties and La Spezia Parties Agreement

As at 31 December 2023, the financial instruments covered by the Agreement ("Shares Contributed") (i) provided to the Voting Syndicate (as defined below), consist of all the ordinary IREN shares held by the Signatories (as defined below) during the period of validity of the Agreement, equal to 685,947,668 ordinary shares of the Company representing 52.7274% of the share capital represented by ordinary IREN shares and (ii) provided to the Block Syndicate (as defined below) are made up of 455,379,436 ordinary shares (the "Blocked Shares") of the Company equal to 35% of Iren's share capital. It should be noted that the Blocked Shares are subject to the restrictions on circulation set out below (the "Block Syndicate"), while the shares of Signatories other than the Blocked Shares may be freely transferred.

#### a) AGREEMENT TYPE AND PURPOSE

The Agreement can be traced back to a block and voting syndicate whose purpose is to guarantee the development of the Company, its subsidiaries and its activities, as well as to also ensure the same unity and stability of direction through the use of the increased voting instrument, and in particular (i) to determine methods for consultation and joint adoption of certain resolutions of the Company's Shareholders' Meeting; and (ii) to regulate certain limits on the circulation of the Shares.

#### b) CONTENT OF THE SHAREHOLDERS' AGREEMENT

##### Increased Voting

The Agreement provides for, among other things, the possibility for shareholders to benefit from the increased voting referred to in article 127-quinquies of the Consolidated Law and its implementing provisions (the "Increased Voting"), and the commitment of the Parties: (i) to confer to the Agreement any new shares purchased; (ii) with the exception of transfers of the Shares allowed under the Agreement, to refrain from carrying out any transaction that may result in the cancellation from the special list and/or the loss of the right to the Increased Voting in relation to its own Shares; and (iii) not to request the cancellation of the special list or to waive the inclusion in the special list and/or the right to the Increased Voting in relation to treasury shares.

Pursuant to the By-laws, the resolutions with reference to which the Increased Voting will be applied are as follows: (i) the amendment of articles 6-bis, 6-ter, 6-quater and 9 of the By-laws; (ii) the appointment and/or dismissal of the members of the Board of Directors pursuant to article 19 of the By-laws, as well as the exercise of liability action against them; and (iii) the appointment and/or dismissal of the members of the Board of Statutory Auditors pursuant to article 28 of the New By-laws, as well as the exercise of liability action against them (the "Shareholders' Meeting resolutions with increased voting").

## Voting Syndicate

The Agreement provides for the commitment of the Signatories: (i) to submit and vote for a joint list for the appointment of Directors of the Company and a joint list for the appointment of the auditors of the Company in accordance with the provisions of the Agreement; (ii) to ensure that the Directors align their vote in the Board of Directors of the Company to the provisions of the Agreement (with reference only to the termination and replacement of Directors); and (iii) to align their vote in the Shareholders' Meeting on Significant Matters (as defined below) in accordance with the provisions of the Agreement.

Pursuant to the Agreement, each Party has undertaken to make every effort to ensure that - for the entire duration of the Agreement - the positions of Chairperson, Deputy Chairperson and Chief Executive Officer of the Company are assigned to the directors designated by the Parties through the Shareholders' Agreement Committee and that they are assigned responsibilities in line with those indicated in the senior management composition of the macro-organisational structure described in the Agreement.

The Parties have undertaken to remove any director of the Company who exercises his or her voting rights in a manner contrary to or not in line with the provisions of the Agreement.

#### **Appointment of the Board of Directors:**

The Board of Directors is made up of 15 directors of which: 3 directors were designated by Finanziaria Sviluppo Utilities S.r.l. ("FSU"), 3 directors were designated by Finanziaria Città di Torino (FCT), 3 directors were designated by the "Emilian Parties" ("Emilian Parties" refer to all the Signatories with the exception of FSU and FCT and La Spezia Parties), 1 director designated by La Spezia Parties, 3 directors designated by the Shareholders' Agreement Committee who will hold the office of Chairperson, Deputy Chairperson and Chief Executive Officer of the Company and 2 directors elected by minorities in compliance with article 19 of the By-laws.

In the event that lists are not submitted by minority shareholders, the first of the Directors who would have been elected by the minority shareholders will be appointed by the Auditor of the Shareholders' Agreement who holds the highest number of shares at 31 December of the previous year and the second by the other two Auditors belonging to the Shareholders' Agreement Committee who hold the highest number of shares at 31 December of the previous year. For the entire duration of the Agreement, the Chairperson, Deputy Chairperson and Chief Executive Officer will be appointed by the Shareholders' Agreement Committee. The Agreement also includes provisions relating to the presentation of lists, the inclusion in the list of candidates for the office of Director proposed by the Signatories and the replacement of Directors who have ceased to hold office.

#### **Appointment of the Board of Statutory Auditors**

The Company's Board of Statutory Auditors consists of 5 Standing Auditors and 2 Alternate Auditors, including one Standing Auditor designated by FSU (to be placed first on the list in the "Standing Auditor" section), one Standing Auditor designated by FCT (to be placed second on the list in the "Standing Auditor" section), one Standing Auditor designated by the Emilian Parties (to be placed third on the list in the "Standing Auditor" section), one Standing Auditor designated by FCT (to be placed fourth on the list in the "Standing Auditor" section), one Standing Auditor designated by the Emilian Parties (to be placed fifth on the list in the "Standing Auditor" section). FSU, FCT and the Emilian Parties, in addition, will designate in rotation the party to be included at the first place in the list in the "Alternate Auditors" section and the first designation will be made by FSU. Moreover, FSU, FCT and the Emilian Parties will designate in rotation the candidate to be included at the second place in the list in the "Alternate Auditors" section of the Company Board of Statutory Auditors and the first designation will be made by FCT. The Agreement also provides for the submission of lists and the inclusion in the list of candidates for the office of Auditor proposed by the Signatories and the replacement of Auditors who have ceased to hold office.

#### **Qualified quorums**

The resolutions of the Extraordinary Shareholders' Meeting relating to the following matters (the "Significant Matters") will be adopted only with the favourable vote of the Emilian Parties, who will express it jointly, with FSU and FCT: (i) Shareholders' Meeting resolutions with increased voting; and (ii) (a) amendment of the provisions of the By-laws governing the limits on share ownership, (b) amendment of the provisions of the By-laws concerning the composition and appointment of corporate bodies, (c) amendments to the provisions of the By-laws concerning the quorums for incorporation and resolution as well as the powers of the Shareholders' Meeting and the Board of Directors, (d) the registered office, (e) mergers, demergers (other than those pursuant to Articles 2505, 2505-bis and 2506-ter, final paragraph of the Italian Civil Code), as well as other extraordinary transactions on the Company's capital, with the exception of those required by law, and (f) the liquidation of the Company.

#### **Block Syndicate**

The Blocked Shares cannot be disposed of (the "Transferability Constraint") for the entire duration of the Agreement and where rights in rem over the Blocked Shares are created or transferred, the corresponding administrative rights shall be



retained by the Signatories. No acts of disposal may be carried out - either directly or indirectly or through a third party - concerning Shares or other acts and/or facts and/or transactions that involve or may involve the obligation to promote a mandatory (even residual) takeover bid on the Company's Shares. The Transferability Constraint will automatically cease to be effective if a law, or other act having the force of law, is enacted whereby the companies (and/or their subsidiaries) entrusted with local public services lose the entrustment of such services if the voting rights due in such companies to public bodies and/or subsidiaries of the latter with reference to the appointment of corporate bodies are in total more than 50% plus one of the voting rights due to all shareholders of the company for the same matters.

If, as a result of violations of the provisions set forth in the Agreement, one or more of the Signatories is obliged to promote a mandatory takeover bid (even if residual) concerning the Company's Shares, the defaulting Party shall indemnify and hold harmless the other Signatories from all costs, expenses, charges connected with or otherwise arising from such conduct, including those relating to the mandatory takeover bid for the Company's Shares.

Signatories' Shares other than Blocked Shares may be freely transferred.

Each Party that has carried out a transfer of the transferable shares shall notify the Agreement Coordinator and the Shareholders' Agreement Secretary so that they may periodically update the list containing the shares subject to the voting syndicate, the blocked shares and the transferable shares.

### **c) BODIES OF THE SHAREHOLDERS' AGREEMENT**

The bodies of the Voting Syndicate are: the "Shareholders' Agreement Committee", the "Agreement Coordinator" and the "Shareholders' Agreement Secretary".

#### **The Shareholders' Agreement Committee**

The Shareholders' Agreement Committee has coordination functions between the Parties and is composed of the Mayor pro tempore of the municipality of Genoa representing FSU, the Mayor pro tempore of the municipality of Turin representing FCT, and the Mayor pro tempore of the municipality of Reggio Emilia representing all the Emilian Parties that have signed the Agreement. The Shareholders' Agreement Committee will remain in office for the entire duration of the Agreement. The Shareholders' Agreement Committee meets whenever one of its members so requests and resolves unanimously.

The Chairperson, Deputy Chairperson and Chief Executive Officer of the Company shall be appointed by unanimous decision on the basis of professionalism and competence and shall be chosen on the basis of rosters of names shared by the members of the Shareholders' Agreement Committee. In the event of disagreement, the member of the Shareholders' Agreement Committee who has the highest number of shares at 31 December of the previous year shall have the right to appoint the candidate for one of the positions; in this case all shares shall be included among the shares blocked for a period of one year; the other two positions shall be chosen by the other members of the Shareholders' Agreement Committee.

The Agreement includes provisions on how to appoint the Chairperson, Deputy Chairperson and Chief Executive Officer of the Company, depending on whether the appointment is made by the Shareholders' Meeting or by the Board of Directors.

If the Shareholders' Agreement Committee does not appoint unanimously, as the case may be, the Chairperson and/or the Deputy Chairperson and/or the Chief Executive Officer, the Agreement will be automatically terminated without the need for further communication and shall be deemed to be definitively terminated pursuant to art. 1360, paragraph 2 of the Italian Civil Code, with effect from the date of termination. In this case the Agreement Coordinator, and by default, each member of the Shareholders' Agreement Committee, will be required to immediately inform the Parties.

#### **The Shareholders' Agreement Coordinator**

The Shareholders' Agreement Coordinator manages the activities of the Shareholders' Agreement Committee and is appointed by the Shareholders' Agreement Committee from among the members of the Shareholders' Agreement Committee itself on a rotating basis every 12 months.

The current Coordinator of the extended Agreement is Luca Vecchi, Mayor of the municipality of Reggio Emilia.

#### **The Shareholders' Agreement Secretary**

The Shareholders' Agreement Secretary performs the following functions: (i) collates the list for the election of the members of the Board of Directors and the members of the Board of Statutory Auditors prepared in accordance with the Agreement; (ii) transmits to the Signatories the votes received from the other Signatories; (iii) performs all the operational-executive functions necessary for the execution of the Agreement; (iv) drafts and signs the minutes of the meetings of the Shareholders' Agreement Committee; (v) communicates to all the Parties the possibility that the Blocked Shares no longer constitute the majority of the voting rights in the Shareholders' Meeting; (vi) takes steps to carry out the communications to CONSOB required by law on the occasion of any modification of the Agreement; and (vii) updates the number of shares contributed to the Voting Syndicate and/or the Block Syndicate at least once every six months, and

in any case whenever it receives communications regarding the change. The Shareholders' Agreement Secretary is appointed by the Shareholders' Agreement Committee by unanimous decision. The Shareholders' Agreement Secretary participates in the meetings of the Shareholders' Agreement Committee.

#### **d) PENALTIES**

The party in breach of certain provisions of the Agreement (including, by way of example and without limitation, violations of the obligation to vote at the Shareholders' Meeting of the Company in accordance with the Agreement or the violation of certain provisions dictated on the appointment of corporate bodies) will be required to pay a penalty of 10 million Euro, without prejudice to the right of each of the fulfilling parties to take action for compensation for greater damages, to be paid to the parties not in breach, pro rata in relation to their respective shareholding in the Company on the date of the violation. In the event of the violation of the Transferability Constraint, the aforementioned penalty will be equal to the greater amount between: (i) 10 million Euro; and (ii) double the capital gain realised by the transferor.

#### **e) DURATION AND MODIFICATIONS OF THE AGREEMENT**

The current Agreement became effective on 5 April 2019, (the "Date of Effectiveness"). The Agreement became effective between the Parties until the third anniversary of the Date of Effectiveness (the "First Expiry Date" 05 April 2022) and was renewed tacitly, given the absence of termination, for a further two years (the "Second Expiry Date"); thereafter any further renewal shall be agreed in writing in advance. The Agreement may be modified with the written agreement of the Signatories representing a total of at least four fifths of the Shares Contributed. Amendments to the Agreement must be communicated to all Signatories at least 60 days prior to the date of entry into force of such amendments. In this case, dissenting Signatories will have the right to immediately withdraw from the Agreement by means of a communication sent no later than the fifteenth day prior to the date of entry into force of the amendments. The Shareholders' Agreement is open to public bodies that have become shareholders of the Company as a result of the subscription of Shares on the market or negotiated directly between the Parties (or by virtue of a capital increase of the Company (the "New Purchasing Shareholders"), it being understood that the subscription of the New Purchasing Shareholders must be authorised in advance by the Shareholders' Agreement Committee. Registration will be formalised by the new shareholders signing a registration letter.

### **B. Sub-agreement of Emilian public shareholders**

Pursuant to article 122 of the Consolidated Law on Finance and articles 129 et seq. of the Issuers' Regulations, on 5 April 2019 the Emilian Parties signed an Amending Deed to the Sub-Agreement signed on 9 May 2016 (the "Addendum to the Sub-Agreement") through which the Emilian Parties proposed to maintain coordination with the Main Agreement as amended by the Addendum.

As at 31 December 2023, the financial instruments covered by the Sub-Agreement (the "Shares Contributed") were as follows: (i) 209,161,184 ordinary shares of the Company, equal to 16.132% of the share capital represented by ordinary shares of the Company, contributed to the Voting Syndicate (as defined below) and (ii) the Shares Contributed other than the "Blocked Shares" pursuant to the Agreement, which are subject to pre-emption rights (as defined below) and are currently equal to 65,728,599 ordinary shares of the Company, equal to 5.0524% of the total "Shares".

The Shares Contributed constitute the totality of the ordinary shares owned by the members of the Sub-Agreement (the "Signatories" or the "Parties") and are subject to the voting syndicate referred to below (the "Voting Syndicate") and the right of pre-emption referred to below (the "Right of Pre-emption"). The Signatories have undertaken to confer in the voting syndicate and submit to the Right of Pre-emption any further ordinary shares of the Company held by the Signatories after the signing of the Sub-Agreement.

#### **a) AGREEMENT TYPE AND PURPOSE**

The Sub-Agreement can be traced back to a block and voting syndicate with the purpose, among other things, of: (i) ensuring uniformity of conduct and rules on decisions that must be taken by the Signatories in the context of what is provided for in the Agreement; (ii) providing for further commitments in order to guarantee the development of the Company, of its investees and of its business, and of ensuring the same unity and stability of guidance; (iii) attributing a right of pre-emption in favour of the Signatories in the event of sale of the Company's shares other than shares covered by the Block Syndicate under the terms of the Agreement; and (iii) conferring on the municipality of Reggio Emilia an

irrevocable mandate to exercise on behalf of the signatories the rights attributed to these latter under the terms of the Agreement.

## **b) CONTENT OF THE SUB-AGREEMENT AND SUB-AGREEMENT BODIES**

### **Voting Syndicate**

The Signatories who have signed the Amending Deed of the Sub-Agreement will appoint 3 members of the Board of Directors of the Company according to the following methods: (i) 1 Director designated by the Mayor pro tempore of the municipality of Reggio Emilia, endorsed by the majority of the Statutory Auditors of the Reggio Emilia area; (ii) 1 Director designated by the Mayor pro tempore of the municipality of Parma endorsed by the majority of the Statutory Auditors of the Parma area and (iii) 1 Director designated by the Mayor pro tempore of the municipality of Piacenza endorsed by the majority of the Statutory Auditors of the Piacenza area.

Under the Sub-Agreement, the Signatories will designate 1 Standing Auditor and 2 Alternate Auditors of the Company; the latter will be designated by the Signatories in rotation with FSU. Pursuant to the Sub-Agreement, the above designation will take place in the following manner: (i) the Mayor of the Municipality of Reggio Emilia and then, on a rotating basis, the Mayor of the Municipality of Piacenza and then the Mayor of Parma shall have the right to designate the candidate to be included in third place on the list in the "Alternate Auditor" section of the Company; (ii) the Municipality of Parma shall have the right - on a rotating basis with FSU and FCT - to designate the candidate to be included in second place on the list in the "Alternate Auditor" section of the Company.

### **Sub-Agreement Bodies**

The bodies of the Voting Syndicate are: the Sub-Agreement Shareholders' Meeting, the "Sub-Agreement Coordinator", the "Sub-Agreement Secretary" and the "Sub-Agreement Executive Board".

The Sub-Agreement Shareholders' Meeting, constituted by all the Signatories, is the body that expresses, in general, the will of the Signatories and must meet when requested by a number of Parties representing at least 50.01% of the total votes (rounded down) available to the Parties or, in any case, before the date:

- of first call of a Shareholders' Meeting of the Company concerning the following resolutions (the "Significant Shareholders' Matters"): (a) resolutions to be adopted with the application of the Increased Voting pursuant to the By-laws of the Company; or (b) resolutions relating to the following matters: (i) amendment of the statutory provisions governing the limits on share ownership; (ii) amendment of the statutory provisions concerning the composition and appointment of corporate bodies; (iii) statutory amendments concerning the constitution and resolution quorums and the powers of the Shareholders' Meetings and the Board of Directors; (iv) the registered office; (v) mergers, demergers (other than those pursuant to articles 2505, 2505-*bis* and 2506-*ter*, final paragraph of the Italian Civil Code) as well as other extraordinary transactions on the Company's capital, with the exception of those required by law; and (vi) the liquidation of the Company;
- where the Board of Directors will meet to resolve on one of the matters referred to in art. 25.5., points (ii), (iii), (iv) and (vi) of the By-laws (the "Significant Decision-Making Matters").

The Sub-Agreement Shareholders' Meeting will be valid if a number of Signatories representing at least 50.01% of the total votes (rounded down) available to the Parties are present at the meeting. Even in the absence of a valid call, the Sub-Agreement Shareholders' Meeting will be considered validly constituted and suitable to deliberate with the presence of a number of Parties representing 70% of the votes available to the Parties.

The Sub-Agreement Shareholders' Meeting is competent to pass resolutions with the favourable vote of at least 50.01% of the total votes (rounded down) available to the Parties, with the exception of the provisions concerning Significant Shareholders' Matters for which it is competent to pass resolutions with the favourable vote of at least 60% of the total votes (rounded down) available to the Parties, taking into account, in the event that the resolution relating to a Significant Shareholders' Matter is a resolution passed by a Shareholders' Meeting for which the increase in voting rights pursuant to the By-laws is applicable, the increases in voting rights available pursuant to the Company's By-laws.

Each Party shall do everything possible within the limits of the law to ensure that the Directors appointed by the same exercise their voting rights in such a way that the provisions of the Sub-Agreement are fulfilled for the entire duration of the same. The Parties undertake to do everything in their power to cause the dismissal of each director of the Company who exercises his or her right to vote in a manner contrary to or not in line with the provisions of the Sub-Agreement, it being understood that the replacement director will be appointed by the same Party that appointed him or her.

The activities of the Sub-Agreement Shareholders' Meeting will be coordinated by the coordinator of the Sub-Agreement Shareholders' Meeting (the "Coordinator"). The Coordinator will be appointed by the Sub-Agreement Shareholders' Meeting between the Parties.

The Sub-Agreement Secretary carries out all the operational-executive functions necessary for the execution of the Sub-Agreement and convenes the Sub-Agreement Shareholders' Meeting. The Sub-Agreement Secretary is the party designated by the municipality of Reggio Emilia.

The Executive Board has an advisory and educational function and consists of the following 5 members: (i) the Mayor pro tempore of the Municipality of Reggio Emilia, as representative of the Municipality of Reggio Emilia and of the other subjects belonging to the Municipalities of the territorial area of Reggio Emilia; (ii) the Mayor pro tempore of the Municipality of Parma, as representative of the Municipality of Parma and of the other subjects belonging to the Municipalities of the territorial area of Parma; (iii) the Mayor pro tempore of the Municipality of Piacenza, as representative of the Municipality of Piacenza and of the other subjects belonging to the Municipalities of the territorial area of Piacenza; (iv) the Coordinator; and (v) the Sub-Agreement Secretary.

The Executive Board has merely advisory and educational functions for the Sub-Agreement's Shareholders' Meeting on matters of strategic importance for the Company or for the Parties as shareholders of the Company, as well as, if necessary, on Significant Shareholders' Matters and Significant Decision-Making Matters.

### Right of Pre-emption

Without prejudice to the prohibition of non-transferability provided for by the Agreement, if one of the Signatories intends to carry out, in whole or in part, acts of disposal concerning Company Shares or financial instruments convertible into Company Shares or option rights on newly allotted Shares, he or she must offer them - in proportion to the shareholding held by each one in the Company - in advance, in pre-emption, to all the other Signatories under the same conditions. The Sub-Agreement contains provisions aimed at regulating the terms and conditions for the exercise of the Right of Pre-emption. In particular, the Right of Pre-emption must in any case be implemented in compliance with the sales methods and timing provided for in the Agreement, it being understood that in the event of incompatibility: (i) the provisions of the Agreement will be deemed to prevail and the Signatories shall observe and implement the provisions of the Agreement; and (ii) the Right of Pre-emption shall not apply among the Signatories themselves.

### c) PENALTIES

The party in breach of certain provisions of the Sub-Agreement (such as, by way of example and without limitation, violations of the provisions relating to the Right of Pre-emption) will be required to pay a penalty equal to the greater sum between: (i) 10 million Euro; and (ii) double the capital gain realised by the Transferor.

### d) DURATION AND MODIFICATIONS OF THE SUB-AGREEMENT

The Sub-Agreement became effective on 5 April 2019 (the "Date of Effectiveness"). The Sub-Agreement became effective between the Parties until the third anniversary of the Date of Effectiveness (the "First Expiry Date" 05 April 2022) and was renewed tacitly, given the absence of termination, for a further two years (the "Second Expiry Date"); thereafter any further renewal shall be agreed in writing in advance. The Sub-Agreement may be amended with the written agreement of the Signatories representing in total at least four fifths of the Shares of the Company held by the Signatories and contributed to the Agreement. Amendments to the Sub-Agreement must be communicated to all Signatories at least 60 days prior to the date of entry into force of such amendments. In this case, dissenting Signatories will have the right to immediately withdraw from the Sub-Agreement by means of a communication sent no later than the fifteenth day prior to the date of entry into force of the amendments.

The Sub-Agreement is open to the registration of persons (i) who have become shareholders following the purchase of Shares on the free market, (ii) who have become parties to the Agreement and (iii) who can be qualified as local authorities of the provinces of Parma, Piacenza or Reggio Emilia or are subsidiaries of such local authorities or consortia between such local authorities. This registration will be formalised by the new shareholders signing a registration letter.

## C. Piedmont Sub-Agreement

Pursuant to article 122 Consolidated Law on Finance and articles 129 et seq. of the Issuers' Regulations, on 28 September 2021 was the

signing of a shareholders' agreement (the "Piedmont Sub-Agreement") concerning ordinary shares of Iren S.p.A. ("Iren" or the "Company"), through which the shareholders FCT Holding S.p.A. ("FCT") and Metro Holding Torino S.r.l. ("MHT") intended to regulate their mutual relations as shareholders of Iren, including under the broader shareholders' agreement signed with other shareholders of Iren on 05 April 2019 (the "Shareholders' Agreement").

As at 31 December 2023, the financial instruments covered by the Piedmont Sub-Agreement (the "Shares Contributed") were as follows: (i) 212,067,795 ordinary shares of the Company equal to 16.301% of the share capital represented by ordinary shares of the Company contributed to the Voting Syndicate (as defined below).

### a) Agreement type and purpose

The Piedmont Sub-Agreement can be traced back to a voting syndicate through which the Piedmont Parties intend to: 1) coordinate with each other in order to identify, within the limits set by the Piedmont Sub-Agreement : i) shared candidacies within the scope of the powers to appoint directors and auditors, as governed by the Shareholders' Agreement; ii) common guidelines in relation to the decisions to be taken on the resolutions of the Meetings as per article 6-bis of Iren's By-laws, as well as on the resolutions to be taken on the following matters (a) amendment of the provisions of the By-laws governing the limits to share ownership; (b) amendment of the provisions of the By-laws concerning the composition and appointment of the corporate bodies; (c) amendments to the By-laws concerning the quorums for the constitution and passing of resolutions and the powers of the Shareholders' Meetings and the Board of Directors; (d) the registered office; (e) mergers, demergers (other than those pursuant to articles 2505, 2505-bis and 2506-ter, last paragraph, of the Italian Civil Code) as well as other extraordinary transactions on the capital, with the exception of those required by law; and (f) the liquidation of the Company (hereinafter "Significant Shareholders' Matters"); 2) to grant FCT an irrevocable mandate, also in the interest of FCT itself, to exercise the rights conferred by the Shareholders' Agreement on FCT in accordance with the provisions of the Piedmont Sub-Agreement.

#### **b) Content of the Piedmont Shareholders' Sub-Agreement**

The Piedmont Parties, in acknowledging that the covenants of the Piedmont Sub-Agreement are compatible with the obligations assumed under the Shareholders' Agreement, recognise that compliance with the current obligations of the Shareholders' Agreement is also functional to the pursuit of the common interests that determined the stipulation of the Piedmont Sub-Agreement and therefore agree that - to the extent not expressly provided for in the Piedmont Sub-Agreement itself - all other obligations, including the Block Syndicate, provided for in the Shareholders' Agreement shall be transfused and remain in the Piedmont Sub-Agreement for as long as the Shareholders' Agreement is effective.

#### **c) Designation of candidates for Iren corporate offices**

2.1. The Piedmont Parties agree that the director candidates, indicated with nos. 4 to 6 (details included) in the list for the office of director presented jointly by the subscribers to the Iren Shareholders' Agreement (the "Single List"), whose designation is the responsibility of FCT pursuant to articles 6.1 and 6.2.(B) of the Iren Shareholders' Agreement, are identified as follows:

- the director candidates listed in nos. 4 and 5 are chosen by FCT;
- the director candidate indicated in no. 6 shall be chosen by FCT in agreement with MHT upon the latter's designation of one or more candidates formulated at least 30 (thirty) days prior to the deadline set forth in article 6.3 of the Iren Shareholders Agreement. The Piedmont Parties moreover agree that:
  - if 15 (fifteen) days prior to the deadline set forth in article 6.3 of the Shareholders' Agreement MHT has not proposed any names or FCT and MHT have not reached an agreement on the name or any of the names designated by MHT, the Piedmont Parties shall schedule daily meetings to jointly identify the director candidate to be included in no. 6 of the Single List, to be identified also from among individuals not designated by MHT;
  - where 5 (five) days prior to the deadline set forth in article 6.3 of the Shareholders' Agreement no agreement has yet been reached on the director candidate to be included in no. 6 of the Single List, each Piedmontese Party may propose its own candidate, which will be submitted to the Piedmontese Parties for a vote. Each Piedmont Party will have a number of votes equal to the Shares it owns. The candidate who, at the end of voting, has a majority of the votes cast will be indicated by FCT, as the proxy of the Piedmont Parties, as the candidate to be placed at no. 6 on the Single List.

In the event that the Shareholders' Agreement ceases to be effective (which, however, has not been terminated within the terms by any contracting party) and its renegotiation is not completed, the Signatories will jointly submit the list of candidates for election to the Board of Directors pursuant to articles 19-20 of Iren's By-laws, who undertake to vote. The list will be formed as follows:

- by January 31 of the year of appointment of officers, each Signatory shall indicate to the other the amount of shares of Iren held, specifying how many hold or accrue the right to the increased voting rights as of 20 April of the year of the meeting of the appointment of officers;
  - if, according to the criteria in 2.2.1 above, the Signatories can cast the same number of votes, the list shall be formed by mutual agreement. In the absence of agreement, each Signatory shall indicate to the other a list of candidates consisting of one-half plus one of the candidates, and a lottery will be drawn as to which Signatory has the power to indicate the candidates on the list with odd numbers and which Signatory shall indicate those with even numbers;
- if, according to the above criteria, one Signatory can cast more votes than the other, said Signatory shall indicate the candidates with odd numbers, while the other shall indicate those with even numbers.

#### **d) Voting syndicate**

3.1. In order to ensure, as far as possible, unity of conduct, the Piedmont Parties undertake to discuss in advance, in the manner and at the times to be identified from time to time in relation to each resolution, the orientation to be expressed for votes on Significant Shareholders' Matters

#### e) Duration and amendments to the Shareholders' Agreement

The Piedmont Sub-Agreement shall be effective between the Piedmont Parties from the date of signing until 05 April 2022 (hereinafter, the "First Expiry Date") and shall be tacitly renewed for an additional two years, unless notice of termination is given in writing with at least 180 (one hundred and eighty) days' notice prior to the First Expiry Date; any subsequent renewal shall be agreed upon between the Piedmont Parties in writing.

If the Iren Shareholders' Agreement loses effectiveness, the Piedmont Sub-Agreement will automatically and immediately lose effectiveness, just as withdrawal from the Shareholders' Agreement by a Piedmont Party will automatically result in withdrawal from the Piedmont Sub-Agreement for the same Piedmont Party.

#### Amendments to the Shareholder Agreements after 31.12.2023

On 5 April 2024, the Shareholders' Agreements described above naturally expired.

Therefore, on 4 April 2024:

- 90 public shareholders of Iren S.p.A. signed a new "Voting and Blocking Syndicate Contract" concerning the procedures for the exercise of voting rights, establishing limits to the circulation of shares subject to the Blocking Syndicate. The new Agreement became effective on 6 April 2024.
- 62 public shareholders of Iren S.p.A. (Emilian Public Shareholders) already subscribers to the Voting and Blocking Contract have also subscribed to the "Voting and Share Transfer Contract" ("the Sub-Agreement") concerning the regulation of decision-making within the scope of the provisions of the Agreement, as well as the establishment of a right of pre-emption concerning the Shares other than the Blocked Shares. The Sub-Agreement became effective on 6 April 2024
- FCT Holding S.p.A. and Metro Holding Torino S.r.l. already subscribers of the "Voting and Blocking Syndicate Contract", together with other public shareholders of Iren S.p.A., have also signed the shareholders' agreement described below (the "Turin and Province Sub-Agreement") through which FCT Holding S.p.A. and Metro Holding Torino S.r.l. have intended to regulate their mutual relations as shareholders of Iren, also within the broader shareholders' agreement signed with other shareholders of Iren on 4 April 2024. The Turin and Province Sub-Agreement became effective on 6 April 2024.

The new Agreement and its Sub-Agreement described above were entered into as a continuation of the previous agreements, while maintaining the existing structures and balances expressed in that agreement.

For all further information required under Art. 130 of the Issuers' Regulation, please refer to the website [www.gruppoiren.it](http://www.gruppoiren.it).

#### 2.7-Significant agreements to which the company (or its subsidiaries) are parties and which become effective, are modified or that terminate in the event of a change of control of the company, and their effects (change of control clauses)

With regard to existing medium/long-term loan contracts, there are commitments of the following types: (i) Change of Control clauses, which provide for the maintenance of control of Iren Group by Public Shareholders either directly or indirectly; (ii) Negative Pledges clauses, by virtue of which the company undertakes not to provide collateral beyond a specified limit; (iii) Disposal of Asset clauses with limits defined as a percentage of Shareholders' Equity or total fixed assets; (iv) Pari Passu clauses, which give the lender banks equal treatment with other unsecured creditors and (v) clauses for compliance with financial ratios (covenants such as Debt/EBITDA, EBITDA/Financial charges), with annual verification. In addition, for certain medium/long-term loan contracts of group companies, clauses and commitments typical of Project Financing contracts are provided for.

#### 2.8-Agreements between the Company and the directors providing for indemnities in the event of resignation or dismissal without just cause or if their employment relationship terminates following a takeover bid

This information is contained in the Report on the 2024 Remuneration Policy and compensation paid in 2023 which is published and submitted for approval to the Shareholders' Meeting pursuant to article 123-ter of the Consolidated Law on Finance.

#### 2.9-Rules applicable to the appointment and replacement of directors as well as to the amendment of the By-laws, if different from those applicable in a supplementary manner

The Company is managed by a Board of Directors composed, at the date of approval of this Report, of a fixed number of 15 directors.



As indicated in the introductory part of the Report, the By-laws in force at the date of approval of this Report, last approved at the meeting held on 25 March 2020 by the Board of Directors of IREN S.p.A., incorporate changes relating to the identification of shareholders and compliance with the new rules as regards gender quotas for the composition of the Board of Directors and the Board of Statutory Auditors.

The Board of Directors is appointed on the basis of lists submitted by shareholders.

The information required by article 123-bis, paragraph 1, letter l) (*“rules applicable to the appointment and replacement of directors”*) is illustrated in the section of this Report dedicated to the Board of Directors (**para. 4.2**).

## **2.10-Existence of proxies for capital increases pursuant to art. 2443 of the Italian Civil Code or the power of the directors to issue equity securities as well as authorisations to purchase treasury shares**

At the date of approval of this Report, there are no proxies for capital increases pursuant to article 2443 of the Italian Civil Code, i.e. powers of the directors to issue equity securities.

With reference to the authorisation to purchase treasury shares, the Ordinary Shareholders’ Meeting of IREN S.p.A. held on 29 April 2020 had renewed the authorisation for the Board of Directors to also purchase and dispose of treasury shares of IREN S.p.A. in a fractional manner, pursuant to articles 2357 et seq. of the Italian Civil Code and article 132 of Italian Legislative Decree No. 58 of 24 February 1998, subject to revocation of the previous authorisation to purchase and dispose of treasury shares set forth in the resolution of the Iren S.p.A. Shareholders’ Meeting of 05 April 2019.

The Authorisation to the Board of Directors to carry out treasury share purchase and disposal transactions for a maximum of 65,000,000 shares of the Company, equivalent to one twentieth of the share capital had a duration of 18 months from the date of the resolution by the Meeting (29 May 2020). The maximum amount of the shares purchasable as part of the share repurchase programme could not be more than the amount of the distributable profits and available reserves resulting from the latest financial statements regularly approved.

The Shareholders’ Meeting had also defined, according to what was proposed by the Board of Directors, purposes, terms and conditions for the purchase and disposal of the treasury shares.

The Shareholders’ Meeting had conferred to the Board of Directors all the widest powers, to be exercised with the utmost discretion, so that it may proceed with implementing the purchases in full compliance with the current legislation. The purpose of the transaction is to provide the Group with a supply of shares available for external growth transactions.

The meeting held 04 May 2023 also authorised the Board of Directors to purchase (fully paid-up) Ordinary shares of the Company, in one or more instalments, in an amount freely determinable by the Board of Directors up to a maximum number of shares equal to a further no. 45,532,598 shares, such as not to exceed a further 3.5% of the share capital, in addition to no. 17,855,645 shares, equal to 1.37% of the share capital already subject to purchase under previous programmes and shown in the financial statements under the item “Reserves and Retained Earnings (Losses)” and in any case, therefore, together with the shares already held under the overall limit of 5% of the share capital.

In any case, in accordance with Article 2357, paragraph 1 of the Italian Civil Code, purchases shall be carried out within the limits of the distributable profits and reserves available as per the Company’s most recently approved Financial Statements.

At the end of 2023, there were 17,855,645 treasury shares in portfolio.

The By-laws provide that the Company may issue, in the manner required by law, both registered and bearer bonds, also convertible into shares, and also with warrants.

## **2.11-Activities of management and coordination pursuant to art. 2497 et seq. of the Italian Civil Code - Indication of the reasons why IREN S.p.A. believes it is not subject to management and coordination activities (pursuant to article 16, paragraph 4 of the Market Regulations as per Consob resolution No. 20249 of 28/12/2017)**

As at 31 December 2023, IREN S.p.A. is not individually controlled by any shareholder and therefore no person is responsible for the management and coordination of IREN.

### 3-COMPLIANCE

IREN S.p.A. adopts the Corporate Governance Code approved by the Corporate Governance Committee in January 2020.

By resolution of 18 December 2020 of the Board of Directors then in office, the Company formally adopted the Code in the version of January 2020, available to the public on the Borsa Italiana website at the page <https://www.borsaitaliana.it/comitato-corporate-governance/codice/codice.htm>.

After adoption a disclosure was made to the public through a press release distributed to the market.

The Board of Directors currently in office approved, most recently on 6 July 2022, the update of the document, which highlights the governance solutions adopted by the Company with reference to the provisions of the Code, published on IREN Group's website ([www.gruppoiren.it](http://www.gruppoiren.it)), in the Section "*Governance - Corporate Documents*", to which express reference is made.

Information on adherence to the remuneration recommendations is provided in the Report on the Remuneration Policy 2024 and compensation paid in 2023, to which reference should be made.

IREN S.p.A. and its strategically important subsidiaries are not subject to non-Italian legislative provisions that affect the corporate governance structure of the same.

## 4-BOARD OF DIRECTORS

### 4.1-Role and functioning of the Board of Directors

#### Information on the functioning of the Board of Directors.

During the 2023 financial year, the IREN Board of Directors held a total of 22 (twenty-two) meetings, with an average attendance of 97% of its members (for details see **Table 2** below). The average duration of the meetings was about 2 hours and 50 minutes.

At least 12 meetings of the Board of Directors are scheduled for 2024, regularly, in compliance with legal deadlines and a work schedule previously shared between Directors and Statutory Auditors; in addition, 3 meetings have already been held prior to the meeting to approve this Report.

No situations have emerged for the directors that could constitute violations of the prohibition of competition pursuant to art. 2390 of the Italian Civil Code. The Shareholders' Meeting did not authorise exceptions to the non-competition clause.

In line with the convocation timelines set forth in article 23, paragraph 2 of the current By-laws and subject to the adoption of special rules of procedure, which was revised and supplemented on 13 October 2022, the Directors set five days as the timeframe deemed appropriate for pre-board briefings aimed at decision-making; the Board may be provided, by the end of the working day prior to the meeting or on the spot, with the information concerning decisions and practices of particular importance that must be taken for proven reasons of urgency - or for other reasons expressly justified by the Chairperson or other proposing Delegated Body - at the convened meeting. The relevant resolutions may be passed with no one opposing the discussion.

During 2023, the documentation supporting the resolutions to be taken was made available to the Board substantially within the above deadline.

The Directors therefore received ample information on the matters submitted for their decisions and the Chairperson of the Board of Directors has always ensured that the items on the agenda were given the necessary time to allow for a constructive debate, encouraging the contribution of the Directors in the course of the meetings, in order to ensure a conscious assumption of responsibility for the decisions for which they are responsible. In particular, the use of a computer system continued, which allows Directors and members of the Board of Statutory Auditors to receive and view documentation on a constantly updated computer platform in accordance with the conduct of meetings of the administrative body. This system also allows for greater confidentiality of the data and information provided.

The following usually attend meetings: (i) the Secretary of the Board and Corporate Secretariat Director; (ii) the CFO, who holds the position of Manager in charge of financial reporting (henceforth also "Financial Reporting Manager"); (iii) the Director of Corporate Affairs and Legal Affairs; during the meetings held in 2023, other managers and employees of the Company, as well as external consultants with expertise in the matters discussed, were invited to attend, when deemed necessary and at the request of the delegated bodies, in order to provide appropriate insights.

Please also refer to paragraph 4.7 "Role of the Chairperson of the Board of Directors" for further information about the functioning of the Board of Directors.

#### Matters reserved for the Board of Directors.

Article 25 of the current By-laws provides that the administrative body is invested with the widest powers for the ordinary and extraordinary management of the Company, with the power to carry out all the actions deemed necessary or appropriate for the implementation and achievement of the corporate purpose, excluding only those powers which, strictly speaking, the law or the current By-laws have reserved to the competence of the Shareholders' Meeting.

In particular, pursuant to the aforementioned statutory provision, in addition to the resolutions reserved by law pursuant to art. 2381, paragraph 4 of the Italian Civil Code, the Board of Directors has exclusive jurisdiction over resolutions concerning:

- (i) identification and/or modification of business areas and decisions regarding the structuring of business areas into companies or operating divisions;
- (ii) where the business areas are structured in the form of companies: (a) appointment and/or dismissal of the Directors of each First-Level Company, it being understood that the Chief Executive Officer of each First-Level Company is proposed by the Chief Executive Officer of IREN S.p.A.; (b) setting the composition of the First-Level Company Board of Directors at more than three Directors; (c) exercise of voting rights at the Shareholders' Meetings of each First-Level Company;
- (iii) where the business areas are structured in the form of companies: (a) appointment of members of the Board of Directors of First Level Companies that are not executives within the Group and/or directors of the company; and/or where the business areas are structured into operating divisions, hiring and/or appointment and/or dismissal, all of

the above on the proposal of the Chief Executive Officer, of the heads of each business area, proposed, for appointment and/or revocation, by the Chief Executive Officer of IREN S.p.A.;

- (iv) approval of the multi-year industrial and financial plans of the company and the Group, as well as the annual budget of the Group and (a) their revisions and/or (b) resolutions concerning activities and operations other than those provided for in the multi-year business and financial plans of the company and the Group as well as in the annual budget of the Group; the above points (a) and (b) insofar as they involve changes in investments for amounts exceeding 5% of the total amounts provided for in the budget and/or the plans;
- (v) transactions that are not expressly indicated in the business and financial plan and/or in the approved annual Group budget, it being understood that the foregoing does not constitute an exception to point (iv) above, where such transactions have as their object:
  - the approval of purchases or sales or other acts of disposal (in any way carried out) involving equity investments, companies or business units and having for the company and/or its subsidiaries a value greater than 10,000,000.00 Euro and not greater than 50,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) greater than 10,000,000.00 Euro and not greater than 50,000,000.00 Euro, per individual transaction, or even for transactions of a lower value but functionally connected with each other that, taken together, exceed the threshold indicated;
  - approval of investments, purchases and/or sales of assets or legal relationships, assumption of loans and/or issue of guarantees having, for the company and/or its subsidiaries, a total value greater than 10,000,000.00 Euro and not greater than 50,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) greater than 10,000,000.00 Euro and not greater than 50,000,000.00 Euro, or even for transactions of a lower value but functionally linked that, taken together, exceed the threshold indicated;
  - the establishment of joint ventures that involve the company and/or its subsidiaries in expenditure/investment commitments or charges of any other nature exceeding 10,000,000.00 Euro and not exceeding 50,000,000.00 Euro per individual transaction, or even for transactions of a lower value but functionally linked together that, taken together, exceed the threshold indicated;
- (vi) approval of purchases or disposals or other acts of disposal (in any way carried out) involving equity investments, companies or business units and having for the company and/or its subsidiaries a value greater than 50,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) greater than 50,000,000.00 Euro, per individual transaction, or even for transactions of a lower value but functionally linked that, taken together, exceed the threshold indicated, except for those transactions already expressly indicated in the business and financial plan and/or the approved annual group budget;
- (vii) approval of investments, purchases and/or disposal of assets or legal relationships, assumption of loans and/or issue of guarantees having, for the company and/or its subsidiaries, a total value greater than 50,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) greater than 50,000,000.00 Euro, or even for transactions of a lower value but functionally linked that, taken together, exceed the threshold indicated, except for those transactions already expressly indicated in the business and financial plan and/or the approved annual group budget;
- (viii) the establishment of joint ventures that involve the company and/or its subsidiaries in expenditure/investment commitments or charges of any other nature in excess of 50,000,000.00 Euro per transaction, or even for transactions of a lower value but functionally linked that, taken together, exceed the threshold indicated, except for those transactions already expressly indicated in the business and financial plan and/or the approved annual group budget;
- (ix) approval and amendments to the group rules, if adopted;
- (x) approval of proposals to be submitted to the Shareholders' Meeting and the calling of the latter with regard to the transfer of the registered office, changes in share capital, issue of convertible bonds or warrants, mergers and demergers and/or amendments to the By-laws;
- (xi) mergers by incorporation or demerger of the company pursuant to articles 2505, 2505-*bis* and 2506-*ter*, last paragraph of the Italian Civil Code; establishment and closure of secondary offices, adaptation of the By-laws to regulatory provisions. The Board of Directors may, however, refer resolutions on the matters covered by this item to the Shareholders' Meeting;
- (xii) transactions of greater significance with "related parties";
- (xiii) appointment and/or revocation of the Chairperson and Deputy Chairperson, except for the Chairperson appointed by the Shareholders' Meeting;
- (xiv) appointment and/or dismissal of the Chief Executive Officer.

With the exception of the matters referred to in paragraphs (ii), (iii) and (v) above, whose quorum is an absolute majority of the Directors in office, for the remaining matters referred to above, the relevant resolutions shall be taken by open vote, with the favourable vote of at least 12 out of a total of 15 Directors.

#### **Strategic, industrial and financial planning.**

IREN S.p.A. is an industrial holding company operating through a Group divided into four main First Level Companies, as sub-holding companies of the Parent Company and Holding Company of the respective Business Units (Energy, Market, Grids and Waste Management Business Units), which operate directly and/or through companies controlled by the same subsidiaries/investees in their respective sectors. This structure is designed to strengthen the integration of the activities and asset-based characteristics of each business chain, with a view to sustainable development that is attentive to local needs.

The management and coordination activities carried out by the Parent Company IREN S.p.A. with regard to the First-Level Companies are expressly provided for and regulated in the current By-laws of IREN S.p.A. and in the By-laws of these companies, articles 15 of which expressly provides for the prior approval by the competent bodies of the Parent Company of a series of extraordinary/significant transactions involving the same, *“even though they are included in the approved multi-year business and financial plan and the annual group budget”*.

In accordance with current powers, the Business Units report to the Chief Executive Officer of the Parent Company.

Pursuant to article 26, paragraph 2 of the current By-laws of IREN S.p.A., it is expressly provided that *“the Chief Executive Officer is vested with the powers for the day-to-day management of the Company according to the advice and guidelines formulated by the Board of Directors, as well as organisational powers and operational proxies for each of the business areas organised into divisions. Where the business areas are structured in the form of companies [ed. “the First-Level Companies”], the Chief Executive Officer, on the basis of the guidelines of the Board of Directors of the holding company, exercises functions of strategic planning, indications of objectives and control over the subsidiaries and proposes to the Board of Directors the appointment and/or dismissal of the Chief Executive Officer of each first-level company”*.

\*.\*.\*

The Board of Directors of IREN S.p.A., during the 2023 financial year, took measures in the exercise of the management and coordination functions of the First-Level Business Companies as well as of the other subsidiaries.

In general, in line with the role assigned to it by the Code, the Board of Directors carried out the following main activities during 2023:

- a) decided the Group’s strategies, through the analysis of medium/long-term market scenarios, the understanding of the potential impact on the businesses managed by the Group and the definition of the Group’s long-term strategic advice and guidelines, as well as extraordinary and significant M&A transactions;
- b) monitored the Company’s organisational structure, internal control guidelines and the governance of administrative and accounting procedures;
- c) received constant reporting on the activities carried out by the delegated bodies;
- e) was regularly informed about the general management performance, the achievement of planned objectives and specific transactions with a potential significant impact on management parameters;
- f) approved in advance the particularly significant transactions of the subsidiaries, in compliance with the provisions of their respective By-laws; the general criteria for identifying transactions qualifying as “significant” are contained in the current By-laws of IREN S.p.A. and of the companies directly controlled by the same. If the aforementioned criteria are lacking and, in any case, if deficiencies are found, the Board of Directors shall fix them.

## 4.2-Appointing and replacing

As already mentioned in the introductory part of the Report, the By-laws in force at the date of approval of this Report, which were last approved by the Board of Directors of IREN S.p.A. at the meeting held on 25 March 2020, include changes relating to the identification of shareholders and compliance with the new rules on compliance with gender quotas for the composition of the Board of Directors and the Board of Statutory Auditors.

As regards the latter, it should be noted that the current composition of the Board of Directors and the Board of Statutory Auditors of IREN S.p.A., complies with the criteria relating to gender balance in administrative and control bodies of listed companies, most recently amended by Italian Law No. 160 of 27 December 2019.

### List voting

Without prejudice to the provisions of a shareholders nature on the subject - referred to in **para. 2.6** - for the appointment of the Board of Directors, the “list voting” mechanism has been adopted, so as to guarantee a number of candidates of the less represented gender no less than two fifths, rounded down to the nearest unit if the list contains less than 5 candidates, in implementation of art. 1, paragraphs 302-304 of Italian Law 160/2019, as well as an adequate presence of

Directors designated by minority shareholders. Articles 19 and 20 of the By-laws govern the terms and procedures for filing and publishing lists (in which candidates are marked with a sequential number), as well as the related documentation, in accordance with current regulations.

Pursuant to art. 20.2 of the current By-laws, the lists submitted by shareholders must be deposited at the registered office of the Company no later than the twenty-fifth day prior to the date of the Shareholders' Meeting on first or single call and published by the Company at least twenty-one days prior to the date of the Shareholders' Meeting, again on first or single call, in accordance with the procedures provided for by current regulations. Terms and procedures for filing lists are indicated by the Company in the notice of call of the Shareholders' Meeting. Each shareholder may present or contribute to the presentation of only one list, even if through a third party or trust company, and each candidate may appear on only one list under penalty of ineligibility.

### Entitlement to submit lists

Only shareholders who, alone or together with other shareholders, hold at least 1% of the share capital with voting rights at the Ordinary Shareholders' Meeting, or the lower percentage that is required by law or regulations, where applicable, as indicated in the notice of call of the Shareholders' Meeting, are entitled to submit a list. In this regard, it should be noted that the shareholding required for the submission of the lists of candidates for the election of administrative bodies of IREN was identified by Consob (with Determination No. 92 of 31 January 2024) as 1%, equal to the percentage provided for by art. 20.1 of the current By-laws (the same percentage identified for the appointment of the Administrative Body in office). In order to prove ownership of the number of shares required to submit lists, shareholders must file at the Company's registered office, within the deadline set for publication of the lists by the Company, the appropriate certification proving ownership of the number of shares represented.

Shareholders belonging to the same Group and shareholders who enter into a Shareholders' Agreement concerning shares of the Company may not submit more than one list, even via a third party or trust company.

### Composition of lists

Pursuant to the By-laws, at least two Directors must meet the requirements of independence prescribed by the regulations in force at the time. Therefore, as a mechanism to ensure the election of the aforementioned minimum number of independent directors, the lists must include at least two candidates who meet the aforementioned independence requirements. The Company, in line with the provisions of the Code, expressly requests, in the notice of call of the Shareholders' Meeting, that the lists of candidates for the office of Director indicate their suitability to qualify as "independent" in accordance with both the provisions of the Consolidated Law on Finance and article 2, Recommendation 7 of the Code. All candidates must also meet the requirements of integrity prescribed by current legislation.

In implementation of art. 1, paragraphs 302-304 of Italian Law 160/2019, as well as pursuant to art. 19.1 of the current By-laws, the lists (excluding those composed of one or two candidates) must also include a number of candidates of the less represented gender no less than two fifths, rounded down to the nearest unit if the list contains less than 5 candidates, as provided for in the notice of call of the Shareholders' Meeting.

Together with every list and within the deadline set for the filing of the lists themselves, declarations must also be filed in which the individual candidates accept their candidacy and certify, under their own responsibility, the non-existence of causes of ineligibility and incompatibility, as well as the existence of the requirements provided for by the regulations in force at the time and the By-laws for the respective offices, including whether they meet the independence requirements prescribed by the regulations in force at the time.

Pursuant to art. 19, paragraph 2 et seq. of the current By-laws, the procedures for the appointment of the Administrative Body that ensure the election of at least one minority director pursuant to art. 147-ter, paragraph 3 of the Consolidated Law on Finance, as well as the minimum number of independent directors as required by art. 147-ter, paragraph 4 of the Consolidated Law on Finance, are provided for.

### Appointment mechanisms

Following the introduction of the increase in voting rights by the Shareholders' Meeting held on 9 May 2016, as well as the changes in relation to the quantitative composition of the corporate bodies referred to in the previous By-laws made at the Shareholders' Meeting held on 5 April 2019 (see **para. 4.3**) and the amendments to the By-laws approved by the Board of Directors on 25 March 2020, without prejudice to the conditions specified in Articles 6-bis, 6-ter, 6-quater thereof, the appointment of the members of the Board of Directors shall take place as follows:

- *If the list that obtains the highest number of votes has been presented and voted by shareholders who hold at least 40% of the voting rights in Shareholders' Meeting resolutions with increased voting, (i) thirteen members of the Board of*



Directors, at least six of whom are of the least represented gender, shall be taken from this list in the order in which they are listed; (ii) for the appointment of the two remaining members, the votes obtained from each of the additional lists (which have not been presented or voted by shareholders connected in accordance with the regulations in force at the time with the shareholders who presented or voted for the list that obtained the highest number of votes) are subsequently divided by one and two. The quotients thus obtained shall be progressively assigned to the candidates on each list, in the order laid down therein. The candidates are then placed in a single decreasing ranking, according to the quotients assigned to each candidate. The two candidates with the highest quotients will be elected. In the event of a tie between candidates from different lists, the last member to be elected will be the one from the list that obtained the highest number of votes or, in the event of a further tie, the most senior candidate.

- *If the list that obtains the highest number of votes has been presented and voted by shareholders who hold at least 22% of the voting rights in Shareholders' Meeting resolutions with increased voting, but less than 40%*, (i) eight members of the Board of Directors are taken from this list, four of whom are of each gender, according to the progressive order in which they are listed; (ii) five members of the Board of Directors are taken from the list that obtained the second highest number of votes, two of whom are of the least represented gender, on the basis of the progressive order in which they were listed; (iii) for the appointment of the remaining two members, the votes obtained from each of the additional lists (which have not been presented or voted by shareholders connected in accordance with the regulations in force at the time with the shareholders who presented or voted for the list that obtained the highest number of votes and the second highest number of votes) are subsequently divided by one and two. The quotients thus obtained are progressively assigned to the candidates on these various lists, in the order provided for. The candidates are thus placed in a single decreasing ranking, according to the quotients assigned to each candidate. The two candidates with the highest quotients will be elected. In the event of a tie between candidates from different lists, the last member to be elected will be the one from the list that obtained the highest number of votes or, in the event of a further tie, the most senior candidate.

- *If none of the lists is presented by shareholders who hold at least 22% of the voting rights in the Shareholders' Meeting resolutions with increased voting*, (i) the votes obtained by each list are divided by progressive integers from one to the number of directors to be elected. The quotients thus obtained are progressively assigned to the candidates on these various lists, in the order provided for. The candidates are then placed in a single decreasing ranking, according to the quotients assigned to each candidate. Candidates who have the highest quotients will be elected until the number of members to be elected has been reached; (ii) in the event of a tie between candidates from different lists, the last candidate to be elected will be the one from the list that obtained the highest number of votes or, in the event of a further tie, the most senior candidate; (iii) if, as a result of the aforementioned appointments, the number of members of the less represented gender is less than six, the candidate of the most represented gender placed at last place in the ranking of the candidates elected will be replaced by the candidate of the less represented gender - if present belonging to the same list - placed first of the unelected candidates and so on until the number of candidates of the less represented gender needed to reach six is reached.

- *If only one list of candidates is submitted*, the directors will be elected from that list.

- *If no list is submitted within the statutory deadline*, the candidates proposed by the Shareholders' Meeting and voted by the latter shall be elected. Similarly, the Shareholders' Meeting will elect the Directors necessary to complete the composition of the Board, if the total number of candidates indicated in the lists voted by the Shareholders' Meeting is insufficient to achieve this result, or if at least six candidates of the less represented gender are not available. In particular, the candidates submitted to the Shareholders' Meeting must be included in one or more lists whose composition by gender must comply with the principles of proportionality provided for the submission of lists within the terms of the By-laws; where more than one list is submitted, the election of Directors will be carried out by means of the list voting mechanism, quotients, ranking lists and any replacement mechanisms provided for in the event that none of the lists is submitted by shareholders who hold a percentage of at least 22% of the voting rights in Shareholders' Meeting resolutions with increased voting.

### Replacement of Directors

Without prejudice to the provisions of a shareholder nature, the replacement of Directors who leave office for any reason whatsoever is governed by art. 18, paragraph 4, of the By-laws which, while respecting the balance between genders, provides for: (i) the application of the "co-optation" mechanism referred to in Article 2386, paragraph 1, of the Italian Civil Code where the replacement Director is appointed pursuant to Article 19, paragraph 2, of the By-laws; (ii) in the case of an outgoing Director appointed pursuant to Article 19, paragraphs 3 and 4, of the By-laws, the replacement of the same by the Directors in office shall be made with the first non-elected candidates belonging to the lists in which the outgoing directors were indicated or, if not possible, pursuant to Article 2386, paragraph 1, of the Italian Civil Code.

Among the functions assigned to the Remuneration and Appointments Committee pursuant to the Code (see **para. 7**), there is also that of assisting the Board of Directors in the identification of candidates for this position of Director in the cases of co-optation pursuant to Article 2386 paragraph 1 of the Italian Civil Code, if it is necessary to replace Independent

Directors, ensuring observance of the prescriptions on the minimum number of independent directors and on the quotas reserved for the less represented gender.

### 4.3-Succession of Directors

To date, the Board of Directors has decided to not adopt a succession plan for executive Directors, given the current shareholding structure of the Company and since the rules for their appointment and replacement are laid down in the By-laws. Furthermore, the identification of the directors expressed by the majority is defined on the basis of the shareholders' agreements between the public shareholders.

Whereas, in implementation of Recommendation No. 24 of the Code (*"24. In large companies, the board of directors: (...) defines, with the support of the Appointments Committee, a plan for the succession of the chief executive officer and executive directors that at least identifies the procedures to be followed in the event of early termination of office"*), by a resolution passed on 13 April 2021, the Board of Directors of IREN S.p.A, after preliminary investigation by the Remuneration and Appointments Committee and the Control, Risk and Sustainability Committee of IREN S.p.A., approved a contingency plan (hereinafter also the **"Plan"**) for Directors holding special offices (Chairperson, Deputy Chairperson and Chief Executive Officer) of the Company.

This Plan is designed to cope, even temporarily and contingently, with any sudden early termination of office or any temporary impediment to the exercise of the office (hereinafter also the **"Event"**) affecting one of the persons mentioned, making it possible to mitigate and manage the risk of a management vacancy and preserving the company from operational interruptions, in compliance with the law, the By-laws and the shareholders' agreements that regulate the governance of IREN S.p.A.

The following aspects are therefore regulated within the approved Plan:

- the actions - including in terms of information flow - to be taken in the immediate aftermath of the occurrence of an early termination from office or from a temporary impediment;
- the method of assigning proxies and the person(s) designated to take over on a provisional basis from the Director affected by an Event, for the period necessary for the appointment of a new Director in cases of early termination of office, or until the termination of the state of impediment, in cases of temporary impediment;
- the steps to be taken to identify and appoint a new Director in the event of a determination of early termination of office.

With reference to this last profile, in more detail, the Plan provides that, in the event of the absence of indications from the Syndicate Committee provided for under the Shareholders' Agreement signed between the public shareholders of IREN S.p.A. regarding the replacement of the Director affected by the Event, the Board of Directors, having consulted the above-mentioned Board Committees initiates the process for the replacement of the Director affected by the Event by engaging a consulting firm specialising in the area of personnel recruitment.

The Plan also identifies, also through reference to the document *"Guidelines of the Board of Directors of IREN S.p.A. to Shareholders on the Qualitative and Quantitative Composition of the Board of Directors"*, in the version in effect *pro tempore*, the personal and professional requirements that candidates for the positions of Chairperson, Deputy Chairperson and Chief Executive Officer of the Company should hold.

### 4.4-Composition

With approval of the financial statements at 31 December 2021 (Shareholders' Meeting of 21 June 2022) the term of office of the Administrative Body previously in office ended.

Following the amendments to the By-laws approved by the Shareholders' Meeting on 5 April 2019, the number of Directors has been increased, with effect from the appointment of the Administrative Body for the three-year period 2019-2021, by providing for a Board of Directors composed of 15 members. The Directors, although eligible for re-election, remain in office for three years, expiring on the date of the Shareholders' Meeting called to approve the financial statements for the last year of their term of office.

In accordance with the provisions of the By-laws previously in force and referred to in detail in the Reports on Corporate Governance and Ownership Structures pursuant to art. 123-ter relating to previous years, the Board of Directors, currently in office, is composed of 15 members, elected by the Shareholders' Meeting on 21 June 2022 for the three-year period 2022-2024. The Board's mandate therefore expires with the approval of the 2024 financial statements.

Without prejudice to as contained in paragraph 4.4 bis, at the Shareholders' Meeting held on 21 June 2022, two lists of candidates were presented, reported below with the details of each candidate:

**CANDIDATE LIST NO. 1**, SUBMITTED BY THE SHAREHOLDERS: MUNICIPALITY OF GENOA THROUGH FSU - FINANZIARIA SVILUPPO UTILITIES S.R.L., MUNICIPALITY OF TURIN THROUGH FINANZIARIA CITTÀ DI TORINO HOLDING S.P.A. (FCT), MUNICIPALITY OF REGGIO EMILIA (THE LATTER ON ITS OWN AND AS AGENT OF 61 IREN PUBLIC SHAREHOLDERS LOCATED IN THE PROVINCES OF REGGIO EMILIA, PARMA AND PIACENZA), MUNICIPALITY OF LA SPEZIA (ON ITS OWN AND AS AGENT OF 25 IREN PUBLIC SHAREHOLDERS LOCATED IN THE PROVINCE OF LA SPEZIA) WHO ARE SIGNATORIES TO THE SHAREHOLDERS' AGREEMENT SIGNED ON 9 MAY 2016 AND THE RELATED ADDENDUM SUBSEQUENTLY SIGNED ON 9 APRIL 2019 WITH EFFECT FROM 5 APRIL 2019, HOLDERS OF 663,486,392 ORDINARY SHARES REPRESENTING A TOTAL OF 1,294,472,776 VOTING RIGHTS, EQUAL TO 65.58% OF THE TOTAL VOTING RIGHTS WITH REFERENCE TO THE SHAREHOLDERS' MEETING RESOLUTIONS WITH INCREASED VOTING, A LIST THAT OBTAINED 75.94% OF THE VOTES IN RELATION TO THE VOTING CAPITAL:

CANDIDATE No. 1 - Pietro Paolo Giampellegrini, born in Massa on 14 November 1968;

CANDIDATE No. 2 - Tiziana Merlino, born in Finale Ligure (SV) on 08 June 1974;

CANDIDATE No. 3 - Cristina Repetto, born in Genoa on 27 October 1973;

CANDIDATE No. 4 - Giuliana Matiazzo, born in Turin on 21 December 1966;

CANDIDATE No. 5 - Patrizia Paglia, born in Turin on 26 August 1971;

CANDIDATE No. 6 - Francesca Culasso, born in Moncalieri (TO) on 12 August 1973;

CANDIDATE No. 7 - Francesca Grasselli, born in Reggio Emilia on 13 June 1979;

CANDIDATE No. 8 - Giacomo Malmesi, born in Parma on 29 October 1971;

CANDIDATE No. 9 - Gianluca Micconi, born in Ponte dell'Olio (PC) on 19 March 1956;

CANDIDATE No. 10 - Cristiano Lavaggi, born in Carrara (MS) on 08 August 1975;

CANDIDATE No. 11 - Luca Dal Fabbro, born in Milan on 08 February 1966;

CANDIDATE No. 12 - Moris Ferretti, born in Reggio Emilia on 28 May 1972;

Candidate No. 13 - Gianni Vittorio Armani, born in Tradate (VA) on 24 July 1966

Candidate No. 14 - Paola Girdinio, born in Genoa on 11 April 1956;

CANDIDATE No. 15 - Paolo Rizzello, born in Turin on 30 January 1969.

**CANDIDATE LIST NO. 2**, SUBMITTED UNDER THE AUSPICES OF ASSOGESTIONI BY SEVERAL ASSET MANAGEMENT COMPANIES UNDER ITALIAN AND FOREIGN LAW, ON BEHALF OF THEIR MUTUAL FUNDS, IN PARTICULAR: AMUNDI ASSET MANAGEMENT SGR S.P.A. MANAGER OF THE FUNDS: AMUNDI SVILUPPO ITALIA, AMUNDI RISPARMIO ITALIA, AMUNDI ACCUMULAZIONE ITALIA PIR 2023, AMUNDI VALORE ITALIA PIR AND AMUNDI DIVIDENDO ITALIA; ANIMA SGR S.P.A. MANAGER OF THE FUNDS: ANIMA CRESCITA ITALIA AND ANIMA INIZIATIVA ITALIA; STICHTING DEPOSITARY APG DEVELOPED MARKETS EQUITY POOL - 6613 APG DME LAZARD AND STICHTING DEPOSITARY APG DEVELOPED MARKETS EQUITY POOL - DME SYSTEMATIC GLOBAL EQUITY; ARCA FONDI SGR S.P.A. MANAGER OF THE FUNDS: FONDO ARCA ECONOMIA REALE BILANCIATO ITALIA 30 AND FONDO ARCA AZIONI ITALIA; BANCOPOSTA FONDI S.P.A. SGR MANAGER OF THE FUND BANCOPOSTA RINASCIMENTO; EURIZON CAPITAL S.A. MANAGER OF THE FUND EURIZON FUND SEGMENTS: ITALIAN EQUITY OPPORTUNITIES - EQUITY ITALY SMART VOLATILITY AS WELL AS EURIZON AM SICAV - ITALIAN EQUITY; EURIZON CAPITAL SGR S.P.A. MANAGER OF THE FUNDS: EURIZON PROGETTO ITALIA 20 - EURIZON PIR ITALIA 30 - EURIZON AM MITO 50 (MULTIASSET ITALIAN OPPORTUNITIES 50) - EURIZON AM MITO 95 (MULTIASSET ITALIAN OPPORTUNITIES 95) - EURIZON AM MITO 25 (MULTIASSET ITALIAN OPPORTUNITIES 25) - EURIZON AM TR MEGATREND - EURIZON PROGETTO ITALIA 70 - EURIZON AZIONI ITALIA - EURIZON PIR ITALIA AZIONI - EURIZON AZIONI PMI ITALIA - EURIZON PROGETTO ITALIA 40; FIDEURAM ASSET MANAGEMENT IRELAND MANAGER OF THE FUND FONDITALIA EQUITY ITALY; FIDEURAM INTESA SANPAOLO PRIVATE BANKING ASSET MANAGEMENT SGR S.P.A. MANAGER OF THE FUNDS: FIDEURAM ITALIA, PIANO AZIONI ITALIA, PIANO BILANCIATO ITALIA 50, PIANO BILANCIATO ITALIA 30; INTERFUND SICAV - INTERFUND EQUITY ITALY; GENERALI INVESTMENTS LUXEMBOURG SA MANAGER OF GENERALI INVESTMENTS SICAV EURO FUTURE LEADERS, AS WELL AS OF THE FUNDS GENERALI SMART FUND, PIR EVOLUZIONE ITALIA AND GENERALI SMART FUNDS PIR VALORE ITALIA KAIROS PARTNERS SGR S.P.A. AS MANAGEMENT COMPANY OF KAIROS INTERNATIONAL SICAV - KEY FUND MEOBANCA SGR S.P.A. MANAGER OF THE FUNDS MEOBANCA MID & SMALL CAP ITALY AND MEOBANCA ESG EUROPEAN EQUITY; MEOBANCA SICAV; MEDIOLANUM GESTIONE FONDI SGR S.P.A. MANAGER OF THE FUNDS: MEDIOLANUM FLESSIBILE FUTURO ITALIA AND MEDIOLANUM FLESSIBILE SVILUPPO ITALIA, HOLDERS OF A TOTAL OF 55,855,061 SHARES, EQUAL TO 4.29347% OF THE SHARES WITH VOTING RIGHTS IN THE SHAREHOLDERS' MEETING OF IREN S.P.A., WHICH OBTAINED 23.46% OF THE VOTES IN RELATION TO THE VOTING CAPITAL, INDICATING THE FOLLOWING CANDIDATES

CANDIDATE No. 1 - Licia Soncini, born in Rome on 24 April 1961;

CANDIDATE No. 2 - Enrica Maria Ghia, born in Rome on 26 November 1969.

Being the CANDIDATE LIST NO. 1 submitted by shareholders who together represented more than 40% of the voting rights, it was envisaged that if the same list obtained the highest number of votes at the Shareholders' Meeting, for the election of the members of the Board of Directors, the then current art. 19.2 of the By-laws would apply, which is why 13 members of the Board were taken from list No. 1. While the remaining 2 members have been taken from list No. 2.

Following the vote, the Board of Directors was composed as follows:

1) Luca Dal Fabbro (Chairperson);

- 2) Moris Ferretti (Deputy Chairperson);
- 3) Gianni Vittorio Armani (CEO), in office until 12 June 2023;
- 4) Pietro Paolo Giampellegrini;
- 5) Tiziana Merlino;
- 6) Cristina Repetto;
- 7) Giuliana Mattiazzo;
- 8) Patrizia Paglia;
- 9) Francesca Culasso;
- 10) Francesca Grasselli;
- 11) Giacomo Malmesi;
- 12) Gianluca Micconi;
- 13) Cristiano Lavaggi;
- 14) Licia Soncini;
- 15) Enrica Maria Ghia.

In light of as further specified in paragraph 4.4 bis, it should be noted that the current Board of Directors is composed as follows:

- 1) Luca Dal Fabbro (Chairperson);
- 2) Moris Ferretti (Deputy Chairperson);
- 3) Paolo Signorini (Chief Executive Officer - in office since 30 August 2023);
- 4) Pietro Paolo Giampellegrini;
- 5) Tiziana Merlino;
- 6) Cristina Repetto;
- 7) Giuliana Mattiazzo;
- 8) Patrizia Paglia;
- 9) Francesca Culasso;
- 10) Francesca Grasselli;
- 11) Giacomo Malmesi;
- 12) Gianluca Micconi;
- 13) Cristiano Lavaggi;
- 14) Licia Soncini;
- 15) Enrica Maria Ghia.

Based on the criteria established by the Code, the Board of Directors includes three executive directors, consisting of the Chairperson, the Deputy Chairperson and the Chief Executive Officer. The remaining twelve directors can be qualified as “non-executive”, since they have not been assigned management delegations and/or do not hold executive positions; among these is the position of Director or Chairperson of the Board of Directors (without any operational delegation) in the First Level Companies of IREN Group (100% controlled by the Parent Company) or in other subsidiaries. During the financial year, the “non- executive” directors actively participated, with authority and competence, in the discussion of the matters examined by the Board.

With regard to the non-executive directors in office as at 31 December 2023: Ms Culasso, Ms Mattiazzo, Ms Paglia and Ms Repetto, were first appointed to the position of Director of IREN S.p.A. by the Shareholders’ Meeting of 21 June 2022. The other non-executive directors were already in office during the previous term.

More details on the functioning and composition of the Board are provided in **Table 2** annexed to this report. The personal and professional characteristics of each director are indicated in **Annex 1** at the end of this Report.

#### **4.4bis-Resignation of the CEO, Mr. Gianni Vittorio Armani, implementation of the Contingency Plan and appointment of the new CEO, Mr. Paolo Signorini.**

##### **Resignation of Mr. Armani from the positions of Chief Executive Officer and General Manager of the Company and implementation of the Contingency Plan.**

On 12 June 2023 and effective immediately, Mr. Gianni Vittorio Armani tendered his resignation as Director, Chief Executive Officer and General Manager of IREN S.p.A., also renouncing all proxies and powers previously granted to him. In order to ensure stability and continuity of the company management, the Board of Directors, during the meeting held on the same date (12 June 2023), in addition to acknowledging the resignation of Mr. Armani, also ascertained the existence of the prerequisites for the immediate application of the current Contingency Plan and took immediate action

to implement the Plan, consequently assigning the relative powers to the Chairperson and Deputy Chairperson as detailed below.

\* \* \*

Regarding the Chairperson, Mr. Dal Fabbro, below are the powers attributed to him for the phase so-called “emergency” i.e. for the phase between 12 June 2023 and the “establishment” of the new Chief Executive Officer, after the appointment and acceptance of the office by the appointee (for the sake of brevity, the “**Emergency Phase**”) i.e.:

- the powers originally conferred by the Board of Directors on 21 June 2022, with the exception of those relating to Institutional Relations and Communication, which were temporarily assigned to the Deputy Chairperson (see details in this paragraph on the Deputy Chairperson’s powers);
- the powers which, at the aforementioned meeting of 21 June 2022, had been conferred to the ceased CEO (Mr. Gianni Vittorio Armani) and which, as a result of the application of the Contingency Plan, were temporarily conferred to the Chairperson (on a supplementary basis) for the Emergency Phase. These powers are to be exercised by the Chairperson consistent with the current organisational structure characterised by the physical absence of a delegated body separate from the Chairperson and Deputy Chairperson.

In particular, the Board of Directors - at its meeting held on 12 June 2023 - resolved to:

- confer to the Chairperson the corporate signature and all powers within the scope of the powers conferred within the limits of the commitment indicated below, including, among other things, active and passive legal and procedural representation as provided for under art. 22 of the By-laws. The Chairperson is assigned the task of submitting, to the extent attributed to them and not delegated, resolution proposals to the Board of Directors. They operate on the basis of the multi-annual plans and annual budgets approved by the Board of Directors and guarantee and verify, as far as they are concerned, compliance with the resulting management guidelines;
- to establish that reporting to the Chairperson, Mr. Dal Fabbro, are the following functions:
  - Corporate Secretariat of the IREN Board of Directors
  - Merger & Acquisition
  - Internationalisation, Innovation and Strategic Partnerships;
- to establish that during the Emergency Phase, reporting *pro tempore* to the Chairperson, Mr. Dal Fabbro, in addition, are the following functions:
  - (i) Administration, Finance and Control, Investor Relations
  - (ii) Personnel and Organisation
  - (iii) Technologies and Information Systems
  - (iv) Procurement, Logistics and Services
  - (v) Legal Affairs
  - (vi) Regulatory Affairs
  - (vii) Permitting
  - (viii) Waste Management Business Unit
  - (ix) Market Business Unit
  - (x) Networks Business Unit
  - (xi) Energy Business Unit

Whereas, the functions:

- Communication and External Relations
- Institutional Relations and Public Affairs; Relations with Regulators, Regions and Local Authorities

during the aforementioned Emergency Phase report *pro tempore* to the Deputy Chairperson;

- confer to the Chairperson the powers to take any decision falling within the competence of the Board of Directors on an urgent basis, together with the Deputy Chairperson, and to notify the Board of Directors at the first subsequent meeting;
- confer to the Chairperson, pursuant to art. 25.2 of the By-laws, the following delegations and powers to be exercised within the commitment limits indicated below and with the exclusion of that reserved by law and/or the By-laws for the Shareholders’ Meeting and/or the Board of Directors, and in particular without prejudice to the limits set out in Article 25 of the By-laws:

- (i) preside over and direct the conduct of the Shareholders' Meeting;
  - (ii) establish the agenda of the Board of Directors, taking into account the proposals of the Deputy Chairperson and/or other Directors;
  - (iii) chair and direct the work of the Board of Directors and manage the secretariat of the Board of Directors of Iren S.p.A.;
  - (iv) implement, to the extent of their competence, the decisions of the Shareholders' Meeting and the Board of Directors;
  - (v) designate, in consultation with the Deputy Chairperson, the Chairpersons of the Group's non first-level companies;
  - (vi) analyse, prepare and submit to the Board of Directors extraordinary mergers & acquisitions transactions including purchases or disposals or other acts of disposals (in any way carried out) relating to corporate holdings and companies, to sign confidentiality agreements, letters of intent and agreements for the performance of the related due diligence activities;
  - (vii) entrust professional assignments of any type functional to mergers & acquisitions transactions with a spending limit of 500,000.00 Euro within the Group procedures and through the competent functions;
  - (viii) implement - in the interest of the Company and the Group - merger & acquisition transactions with the following limitations:
    - A. purchase or sale transactions or other acts of disposal (in any way carried out) involving equity investments, companies or business units and having a value for the company and/or its subsidiaries not exceeding 10,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) not exceeding 10,000,000.00 Euro, per individual transaction, or even for transactions of a lower value, but functionally linked, which taken together do not exceed the threshold indicated;
    - B. establishment of joint ventures that involve the company and/or its subsidiaries in expenditure/investment commitments or charges of any other nature not exceeding 10,000,000.00 Euro per transaction, or even for transactions of a lower value, but functionally linked to each other, which taken together do not exceed the threshold indicated;
 transactions and constitutions referred to in points (A.) and (B.) above, of value / expenditure / investment commitments even exceeding the limits of 10,000,000.00 Euro, if they are expressly and analytically indicated in the approved business and financial plan and/or in the approved annual Group budget;
- to also confer pro tempore to the Chairperson, Mr. Luca Dal Fabbro, in accordance with the provisions of the Contingency Plan in force, for the Emergency Phase (between 12 June 2023 and the "establishment" of the new Chief Executive Officer, after appointment and acceptance of the position by the appointee) the delegation of authority for the management and administration of the Company and the Group: (i) with the exclusion of what is reserved by law and/or by the By-laws to the Shareholders' Meeting and/or the Board of Directors; (ii) and specifying that he operates on the basis of the multi-year plans and annual budgets approved by the Board of Directors and that he guarantees and verifies compliance with the management guidelines resulting therefrom;
  - confer pro tempore to Mr. Dal Fabbro, for the aforementioned Emergency Phase, the powers and proxies set forth below by way of example but not exhaustive or limiting the foregoing, to be exercised within the limits of the law and the By-laws and, in particular, without prejudice to the limits set forth in Article 25 of the By-laws:
    - (i) implement the decisions of the Shareholders' Meeting and the Board of Directors, except where the Deputy Chairperson is responsible;
    - (ii) implement the Group's corporate strategies, within the framework of the directives established by the Board, and exercise the delegated powers, and in particular those listed herein, in accordance with such strategies and directives;
    - (iii) exercise, on the basis of the guidelines of the Board of Directors, management, coordination and control functions, and in particular organisation and strategic planning, with indication of objectives and with monitoring and control of activities and results concerning the companies of the Group, as well as proposing to the Board of Directors the appointment and/or dismissal of the Chief Executive Officer of each first-level Company;



- (iv) prepare the multi-year plans, business plan and annual budget to be submitted to the Board of Directors;
- (v) open and close current accounts with banks and credit institutions, withdraw sums from accounts in the Company's name, for this purpose issue the relevant cheques or equivalent, and arrange for transfers to be made from actual availability and from current account credit facilities;
- (vi) carry out deposits into bank and postal accounts of the Company, and endorse the amounts credited on current accounts for the same cheques and money orders;
- (vii) draw a bill of exchange upon customers, also endorsing promissory note discounts, bills, drafts as well as cheques of any kind and carrying out consequential transactions;
- (viii) assign receivables of the Company with and/or without recourse and operating with companies and factoring institutions by signing all the relative deeds and issuing the relative receipts; it being understood that the aforementioned transactions, if not indicated in the approved business and financial plan and/or the approved annual Group budget, are subject to an amount limit of 10,000,000.00 Euro per individual transaction;
- (ix) enter into centralised cash pooling contracts with directly and indirectly controlled companies;
- (x) represent the Company actively and passively before the financial administration and commissions of every order and level, as well as Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices, public administrations and private individuals; by way of example:
  - A. sign tax and VAT returns as well as any other tax fulfilments. In particular, the representation conferred includes, by way of example, the power to represent the Company in relation to the central and peripheral offices of the tax authorities with regard to the assessment, settlement and payment of indirect and direct taxes, in relation to the latter, both with regard to the Company's own income and the emoluments paid by the Company. This power also includes the power to sign declarations (annual and periodic), certifications, proxies for payment, questionnaires, minutes and any other act necessary for the correct fulfilment of the Company's tax and currency obligations, issuing proxies and mandates of any kind relating to the items listed above; issue guarantees of up to 60 million Euro for refunds of VAT credits;
  - B. lodge complaints, file petitions and appeals;
  - C. perform any operation at the Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices for shipments, storage, release and collection of goods, values, parcels, packets, registered and insured letters, issuing receipts and granting discharge;
- (xi) represent the Company in all negotiations and disputes of a tax and fiscal nature before the competent bodies and reaching, if necessary, agreements and compositions;
- (xii) within the limits set out in point (viii) above, enter into, amend and terminate credit opening agreements, loans of any type and duration and related derivative contracts;
- (xiii) request the use of financing tranches;
- (xiv) subject to the limits set out in point (viii) above, provide guarantees and grant loans as well as enter into contracts for bank and insurance surety policies, and grant loans and/or guarantees to non-controlled Group companies up to a maximum of 10 million Euro per individual transaction;
- (xv) issue, accept and endorse negotiable instruments;
- (xvi) constitute, register and renew mortgages and privileges against third parties and for the company's benefit; permit cancellations, reductions and liens registered in favour of the Company as well as subrogations in favour of third parties; renounce mortgages and mortgage subrogations including legal ones and carry out any other mortgage transaction, always against third parties and for the company's benefit, and therefore receivable, relieving the competent land registrars of any and all liabilities;
- (xvii) withdraw securities and values owed to the Company, issuing the relevant receipts;
- (xviii) issue and negotiate collection orders;
- (xix) sign forms for the receipt of accompanying letters for values and documents relating to invoices issued by the Company;
- (xx) hire, appoint and dismiss personnel, excluding executives, determining, from time to time, their overall remuneration in line with the forecasts contained in the annual budgets; adopt and promote disciplinary sanctions, dismissal and any other measures against personnel;

- (xxi) informing the Deputy Chairperson for the areas related to their respective delegated powers, hire, appoint and dismiss executives, determining, from time to time, their total remuneration consistent with the forecasts contained in the annual budgets; the Board of Directors shall be kept informed of the identification, hiring, appointment and dismissal of Senior executives with strategic responsibilities, without prejudice to the responsibilities of the Remuneration and Appointments Committee;
- (xxii) represent the Company before public and private entities in the stipulation of deeds relating to the personnel area;
- (xxiii) define the organisation and functional structures of the Company and the Group as well as the related activities and staff, within the framework of the general guidelines established by the Board; establish the criteria for the recruitment and management of personnel in compliance with the annual budget of the Company and the Group; all without prejudice to coordination with the Deputy Chairperson in relation to the organisation of the structures referred to their respective powers;
- (xxiv) designate the chief executive officers of non-first-level Group companies on the understanding that the designation of the chairpersons of these companies is the responsibility of the Chairperson after hearing the Deputy Chairperson, and that it is the responsibility of the Deputy Chairperson, after hearing the Chairperson, to designate the members of the Control Bodies;
- (xxv) represent the Company for the fulfilment of tax, insurance, accident and social security obligations relating to personnel management;
- (xxvi) enter into, amend and terminate employment contracts in any form permitted by law;
- (xxvii) negotiate and define any dispute of a trade union nature and representing the Company in trade union negotiations, with the right to conclude company agreements; represent the Company before trade union representatives, welfare and assistance offices and bodies, trade associations, labour and M.O. offices, Employment Offices and the Labour Inspectorate, the Social Security and Assistance Institute for Managers, Administrations and Bodies in general responsible for accident prevention and occupational hygiene, Health and Local Organisations and Institutes of Medicine and Surgery and Occupational Hygiene, as well as the Financial Administration of the State and the Local Authorities with regard to the substitute tax relationships of the Company's employees;
- (xxviii) represent the Company as well as reconcile and settle any labour and social security and compulsory assistance disputes at every state and level of justice, also in accordance with the provisions of the Code of Civil Procedure, as well as issue powers of attorney to reconcile and settle as above and request any evidence and oppose it, testify freely or formally, elect domiciles, appoint lawyers, attorneys and arbitrators and do whatever else is necessary for the successful outcome of the cases in question;
- (xxix) within the limits set out in point (viii) above, enter into currency contracts, including forward contracts;
- (xxx) within the limits referred to in the previous point (viii), participate, as far as he/she is concerned, in any kind of public or private bid in Italy and abroad;
- (xxxi) within the limits set out in point (viii) above, enter into, amend and terminate trade and service agreements of any kind with companies and entities;
- (xxxii) within the limits referred to in point (viii) above, stipulate, with all the appropriate clauses, assign and terminate contracts and agreements in any case inherent to the corporate purpose - including those concerning intellectual property, trademarks, patents - also in consortium with other companies;
- (xxxiii) establish, in the interest of the Company, consulting relationships with external experts and professionals, setting time frames and methods of payment with a spending limit of 500,000.00 Euro;
- (xxxiv) within the limits referred to in point (viii) above, provide for all the Company's expenses for investments and the valuation thereof; enter into, amend and terminate the relevant contracts, of whatever nature, in particular for:
  - A. works and supplies required for the conversion and maintenance of buildings and facilities;

- B. purchases and disposals of furniture, equipment, machinery and movable property in general, including those entered in public registers, as well as financial leases and rentals of the same, with a limit on the annual fee;
- C. commercial information, confidentiality agreements, letters of intent and the performance of due diligence activities;
- D. purchases, including those for the annual premium, and orders relating to EDP programmes;
- (xxxv) within the limits referred to in point (viii) above, enter into the appropriate contracts, both in the form of purchase and sale, in the form of securities and real estate leases, in the form of service and/or works contracts, and in the form of supply contracts, to guarantee the Company the resources necessary to achieve the Company's objectives, accepting arbitration clauses, agreeing on exceptions to jurisdiction, including the power to request, obtain and sign sureties, letters of patronage and other typical and atypical forms of guarantee linked to the contracts signed;
- (xxxvi) intervene as a representative of the Company, either as the parent company or the principal company, in the establishment of joint ventures, TACs, (Temporary Associations of Companies), EEIGs (European Economic Interest Grouping), consortia and other bodies, giving and receiving relevant mandates, in order to participate in tenders for the award of works, services and supplies;
- (xxxvii) participate, to the extent of its competence, on behalf of the Company, including in TACs (Temporary Associations of Companies), EEIGs (European Economic Interest Grouping), consortia and other bodies, in tenders or concessions, auctions, private bids, private negotiations, tenders-contracts and other public national, EU and international contracts, including state aid, for the award of works, supplies of equipment, including "turnkey" and/or goods and/or studies and/or research and/or services in general with any national, EU and international, public or private party; submit applications for requests to participate from the pre-qualification phase; submit tenders; in the event of award, sign the relevant deeds, contracts and commitments, including the issue of guarantees and/or the constitution of security deposits, with the widest possible powers to negotiate, agree and/or finalise all the clauses that it deems necessary and/or useful;
- (xxxviii) carry out the following transactions that are not indicated in the Group's business and financial plan and/or annual budget: investments, purchases and/or disposals, including en bloc, of assets or legal relationships, assumption of loans and/or issue of guarantees having, for the company and/or for the Group's subsidiaries, a total value not exceeding 10,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) not exceeding 10,000,000.00 Euro, or even for transactions of a lower value but functionally linked that, taken together, do not exceed the indicated threshold;
- (xxxix) provide for the distribution and organisation of the Group's logistics, entering into the necessary contracts and taking care of the rational structure and planning of activities in the area;
- (xl) ensure the management and organisational control and coordination of the companies subject to the management and coordination of the parent company or in any case controlled by it pursuant to Article 2359 of the Italian Civil Code, identifying their specific objectives and areas of competence and synergy, in line with the Group's strategies and the risk profiles connected to them and exercising, also as a preventive measure, management control as well as adopting measures and procedures deemed appropriate for this purpose. exercise control and coordination over the purchase and sale of raw materials (gas, electricity, etc.);
- (xli) grant and revoke powers of attorney and mandates within the above powers, for individual acts or categories of acts, both to employees of the Company and to third parties, including legal persons;
- (xlii) legally represent the Company in litigation of any kind, including civil, criminal or administrative litigation, before any judicial, conciliation or arbitration authority of any order and level, and therefore also before Justices of the Peace, Tribunals, Courts of Appeal, the Court of Cassation, Tribunale Amministrativo Regionale - TAR (Regional Administrative Court - RAC), the Council of State and the Constitutional Court, as well as in all procedural phases of bankruptcy and compulsory administrative liquidation, preventive agreements, of all types, receivership proposals and extraordinary administration with express authorisation to proceed, on behalf of the Company, to all voting to be cast in each phase of the aforementioned procedures and to issue receipts for the amounts that, as a result of the procedures, will be due to the Company;

- (xliii) reconcile and settle, extrajudicially and judicially, any dispute in any state and at any level of judgement, also pursuant to the provisions of the Code of Civil Procedure, as well as issue powers of attorney to reconcile and settle as above, file a complaint of perjury, disallow private records, refer and take oaths, sign arbitration compromises and arbitration clauses, and designate and appoint arbitrators;
  - (xliv) represent the Company and the Group and manage relations with market bodies and investors, also with the support of the “Communication and External Relations” and “Corporate Affairs” functions;
  - (xlv) prepare documentation for financial analysts and rating agencies;
  - (xlvi) represent the Company and the Group and manage relations with CONSOB and Borsa Italiana S.p.A. also with the support of the “Corporate Affairs” function;
  - (xlvii) manage financial, commercial and internal Group communication;
  - (xlviii) in conjunction with the Deputy Chairperson, managing insurance policies with the support of the “Procurement, Logistics and Services” and “Legal Affairs” functions;
  - (xlix) certify that copies of the Company’s documents and those in any case acquired in the Company’s records conform to the original;
  - (l) sign requests, also to public bodies, for news and information, certificates or attestations, permits, authorisations, concessions, licenses and any other clearance;
  - (li) manage and develop integrated group systems (QAS);
- o establish that the entire organisational structure reports to the Chairperson, with the exception of the functions that report to the Deputy Chairperson;
  - o confer also to the Chairperson a residual general proxy for all acts and activities relating to the administration of the Company not expressly reserved for the Board of Directors;
  - o establish that the Chairperson may grant and revoke powers of attorney and mandates within the above powers, for individual acts or categories of acts, both to employees of the Company and to third parties, including legal persons;
  - o establish that the Chairperson has the corporate signature and all powers with reference to the delegations conferred above, including, inter alia, active and passive legal and procedural representation;
- in relation to the powers and delegations conferred to him as indicated above, identify in Mr. Luca Dal Fabbro, the role and functions of:
    - a) Employer and Principal of Iren S.p.A. pursuant to current legislation on workplace safety and hygiene and, also, pursuant to and for the purposes of art. 2 of Legislative Decree No. 81 of 9 April 2008 and subsequent additions and amendments, with the tasks provided for therein, with the power to take all measures deemed necessary and unavoidable in terms of safety at work and with the power to delegate, to the extent permitted by law, the performance of any useful and/or necessary activities aimed at ensuring safety conditions at work and compliance with the law, with the exception of sectors and structures for which the role of employer is otherwise identified;
    - b) Legal Representative and Manager of Iren S.p.A. with reference to current legislation on environmental protection and with the right to delegate, to the extent permitted by law;
    - c) Subject to whom are attributed the exercise of the powers and functions, which are assigned to Iren S.p.A. as Data Controller pursuant to current legislation on the protection of persons with regard to the processing of personal data; therefore attributing to Mr. Dal Fabbro the powers and responsibilities defined pursuant to EU Regulation 2016/679, Legislative Decree no. 196/2003 and subsequent amendments and additions, with the right to delegate to the extent permitted by law;

report for these roles and functions directly to the Board of Directors.

- establish that all powers conferred to the Chairperson, unless otherwise stipulated, shall be exercised by single signature, with the power to sub-delegate;
- establish that the Chairperson, tasked with risk management in relation to respective mandates, acts in conjunction with the Deputy Chairperson;

- establish that the Chairperson shall be entrusted with the coordination of the activities that Internal Audit shall perform on the functions and activities falling within the competence of the Deputy Chairperson as well as on the companies in which the Deputy Chairperson of Iren may hold the office of Director.

\* \* \*

With regard to the Deputy Chairperson, Mr. Ferretti, the powers attributed to him for the **Emergency Phase** are listed below, namely:

- the powers originally conferred by the Board of Directors on 21 June 2022;
- the powers which, at the aforementioned meeting of 21 June 2022, had been conferred to the ceased CEO (Mr. Gianni Vittorio Armani) and which, as a result of the application of the Contingency Plan, were temporarily conferred to the Deputy Chairperson (on a supplementary basis) for the Emergency Phase. These powers are to be exercised by the Chairperson consistent with the current organisational structure characterised by the physical absence of a delegated body separate from the Chairperson and Deputy Chairperson.

In particular, the Board of Directors - at its meeting held on 12 June 2023 - also resolved to:

- confer to the Deputy Chairperson the corporate signature and all powers within the scope of the powers conferred within the limits of the commitment indicated below, including, among other things, active and passive legal and procedural representation as provided for under art. 22 of the By-laws. The Deputy Chairperson is assigned the task of submitting, to the extent attributed to them and not delegated, resolution proposals to the Board of Directors. They operate on the basis of and in compliance with the multi-annual plans and annual budgets approved by the Board of Directors and guarantee and verify, as far as they are concerned, compliance with the resulting management guidelines;
- confer to the Deputy Chairperson the powers to take any decision falling within the competence of the Board of Directors on an urgent basis, together with the Chairperson, and to notify the Board of Directors at the first subsequent meeting;
- to establish that the following functions report to the Deputy Chairperson:
  - (i) Corporate Affairs
  - (ii) Corporate Social Responsibility and Local Committees
  - (iii) Risk Management
  - (iv) Internal Audit and Compliance;
- to establish that, limited to the aforesaid Emergency Phase (between 12 June 2023 and the “establishment” of the new Chief Executive Officer, after the appointment and acceptance of the office by the appointee), the following functions shall also report pro tempore to the Deputy Chairperson:
  - (v) Communication and External Relations;
  - (vi) *Public Affairs*
 all within the organisational structure established by the Chairperson, consistent with the functions assigned to the Deputy Chairperson;
- confer, pursuant to art. 25.2 of the By-laws, to the Deputy Chairperson the following delegations and powers to be exercised within the commitment limits indicated below and with the exclusion of that reserved by law and/or the By-laws for the Shareholders’ Meeting and/or the Board of Directors, and in particular without prejudice to the limits set out in Article 25 of the By-laws:
  - (i) implement, to the extent of their competence, the decisions of the Shareholders’ Meeting and the Board of Directors;
  - (ii) verify implementation of the corporate governance rules also in implementation of the powers reserved for the Board of Directors;
  - (iii) verify execution of the resolutions of the Company’s collegial bodies and the indications of the internal Committees also on the basis of the reports that the internal auditing service produces regularly;
  - (iv) manage the 231/01 system, including through updates and adjustments of the management and control organisation model and related protocols, without prejudice to the autonomy and independence of the Supervisory Board;

- (v) manage the Privacy System (GDPR) in support of the Owner and the Data Protection Officer (DPO);
- (vi) verify the quality indicators provided and monitoring the perceived quality indicators and the issues related to environmental impacts and social sustainability (corporate social responsibility) of company activities and processes;
- (vii) prepare, also with the support of the Communication and Image function, the draft corporate social responsibility report to be submitted to the Board of Directors, considering the growing focus on sustainability and its importance in the Group's business plan, with the aim of ensuring maximum coordination with the various corporate functions and consistency with the business plan, the Chairperson will be involved in the development of the sustainability report;
- (viii) designate, in consultation with the Chairperson, the members of the supervisory bodies (chairpersons, standing and alternate members) of the Group's non first-level companies;
- (ix) propose to the Board of Directors the candidates for members of the Committees (Internal Committees of the Corporate Governance Code and Local Committees);
- (x) issue guidelines on the functioning of the Local Committees and supervising their activities, verifying their effectiveness and the frequency of meetings;
- (xi) verify the integrated management of the Group's Enterprise Risk Management (ERM) System: methodological approach, definition of policies and monitoring of the System;
- (xii) in conjunction with the Chairperson, take out and manage insurance policies with the support of the "Procurement, Logistics and Services" and "Legal Affairs" functions;
- (xiii) entrust professional assignments of any type functional to the matters falling within the Deputy Chairperson's area of responsibility with a spending limit of 500,000.00 Euro within Group procedures and through the competent functions;
- (xiv) propose to the Board of Directors, in agreement with the Chairperson, the appointment, dismissal and remuneration of the operating manager of the Internal Auditing function;
- (xv) formulate proposals to the Chairperson (to whom the Personnel and Organisation areas report during the aforementioned Emergency Phase) concerning the composition of the budget for measures relating to the personnel of the structures reporting to the Deputy Chairperson;
- (xvi) the Deputy Chairperson, within the scope and limits of their powers, in conjunction with the Chairperson, is responsible for supervising the functionality of the internal control system. To this end, as far as he/she is responsible, the Deputy Chairperson:
  - A. supports the Control and Risk Committee in the activity of identifying the main business risks, taking into account the characteristics of the activities performed by the Company and by its subsidiaries and in the periodic submission of the same to the examination of the Board of Directors,
  - B. executes the guidance defined by the Board of Directors ensuring that the competent corporate structures plan, put in place and manage the internal control and internal auditing system, checking constantly its overall adequacy, effectiveness and efficiency, acting also to adapt this system to the trends in the operating conditions and the legislative and regulatory framework;
- also grant *pro tempore* to the Deputy Chairperson, in accordance with the provisions of the current Contingency Plan and limited to the aforementioned Emergency Phase, the additional powers and proxies set forth below:
  - (i) manage external communications of an institutional nature of the Company and the Group, interacting where appropriate with the investee companies concerned or through the same;
  - (ii) manage the promotion and publicity activities for the image of the Company and the Group;
  - (iii) represent the Company and the Group in institutional relations;
  - (iv) manage Group sponsorships directly or through Group companies in line with the budget;
- establish that within the scope of the direction and management of the Internal Auditing function, the coordination of activities that Internal Audit will carry out as regards the functions and activities for which the Deputy Chairperson is responsible as well as in relation to the companies in which the Deputy Chairperson of Iren holds the position of Director, will be delegated to the Chairperson;
- establish that all powers conferred to the Deputy Chairperson, unless otherwise stipulated, shall be exercised by single signature, with the power to sub-delegate.



#### **Appointment of Mr. Paolo Signorini as Chief Executive Officer and General Manager of IREN S.p.A. and reformulation of powers, proxies and responsibilities to the Chairperson and Deputy Chairperson**

Following the indications received from the Voting and Blocking Syndicate Committee and formulated pursuant to Article 4.1. of the Shareholders' Agreement, the Board of Directors of IREN S.p.A. - at the meeting held on 30 August 2023 - resolved, inter alia, (i) to appoint, pursuant to Article 2386 of the Italian Civil Code, Mr. Paolo Signorini as Director of the Company, with a term of office until the next Shareholders' Meeting; (ii) to appoint the same as Chief Executive Officer, assigning him the relevant proxies; (iii) to ascertain that the conditions for the application of the Contingency Plan have ceased to exist, as well as the conclusion of the Emergency Phase, effective as of 30 August 2023; (iv) reformulation of the powers, proxies and responsibilities of the Chairperson and Deputy Chairperson.

In the context of paragraph 4.8, further details are provided in relation to the powers granted by the Board of Directors to the Chairperson, Deputy Chairperson and Chief Executive Officer as of 30 August 2023.

#### **4.5-Criteria and diversity policies within the administrative body: evaluations and strategic guidelines of the previous Board on the size, competence and professionalism of the current Board, also in relation to gender quotas.**

In view of the renewal of the administrative body scheduled to take place at the Shareholders' Meeting to approve the Financial Statements as at 31 December 2021, based on a preliminary investigation conducted by the Remuneration and Appointments Committee, at the meeting held on 13 April 2022, consistent with the provisions of Recommendation no. 23 of the Corporate Governance Code (January 2020 edition), the Board of Directors, on 20 April 2022, formulated its guidelines to the Shareholders on the quali-quantitative composition of the Board of Directors for the three-year period 2022-2024, also providing indications (i) on the size of the Board of Directors itself and of the Committees constituted within it, (ii) on the professional and managerial figures whose presence on the administrative body would be deemed appropriate; (iii) regarding the maximum number of positions of Directors compatible with holding office at IREN S.p.A. as well as (iv) with regard to the adequacy of the remuneration recognised for holding the office of Director and member of the Board Committees. This document (available to the public on the Company's website [www.gruppoiren.it](http://www.gruppoiren.it) in the section *Governance - Shareholders' Meeting - 2022 - Ordinary Shareholders' Meeting of IREN S.p.A. convened on single call for 21 June 2022*) was disseminated and made available to the Shareholders' Meeting, in order to allow shareholders to make the necessary assessments in view of the appointment of the Board of Directors for the three-year period 2022-2024. In particular, in the context of the lists submitted for the renewal of the board by the Shareholders' Meeting of 21 June 2022, the Shareholders declared that they had taken these guidelines into account when submitting their nominations.

As far as the quantitative aspect is concerned, in accordance with best practices in the field of corporate governance, the number of members of the administrative body must be established to an adequate extent in relation to the size and complexity of the Company's organisational structure, in order to effectively oversee the Company's entire operations, both in terms of management and control. The correct size of the administrative body is also determined in relation to the number and composition of the Board committees, which have advisory, propositional and investigative functions in which a decisive role is entrusted to non-executive and independent Directors. On the occasion of the renewal of the board for the three-year period 2022-2024, as discussed below (paragraph 6 et seq.), in order to reshape the composition of the Board Committees, with the aim of guaranteeing, in addition to compliance with the recommendations of the Code, an optimal balance of professionalism and skills represented therein, considering the personal characteristics of the various members, set the number of members of all Committees at 4.

With reference instead to qualitative aspects, without prejudice to the provisions of the By-laws concerning the possession of the requirements of good repute, the Board of Directors formulated a wish that, for the composition of the Board of Directors appointed for the three-year period 2022-2024, different professional and managerial profiles should be combined, recognising the value attributed to the complementarity of experience and skills, together with gender and age diversity, for the proper functioning of the Board itself. In the Board of Directors in office, in terms of age, 5 of the current 15 members are aged between 30 and 50, 8 are aged between 51 and 60 and 2 are over 60; the overall average age is 54.

With specific reference to gender diversity, taking into account the adjustment, in March 2020, of the By-laws to implement the regulations regarding "gender quotas" (adjustment to Law 157/2019, which converted Decree Law 124/2019), the Board of Directors considered that this was adequately represented on the administrative body in office in the previous three years and - in light of this - expressed a wish for this representation to be maintained in the future. In compliance with the above-mentioned regulations on gender balance, in the current Board of Directors the female gender is represented by 8 out of 15 members.

The Members in office in the current mandate have proven expertise in the sector, in finance, economics, law, science and in environmental and social (ESG) sustainability issues. Moreover, the presence within the Board of Directors of different backgrounds, deriving from the educational backgrounds and international professional experiences of more than 50% of the Members, guarantees the integration of different cultural contributions with respect to the area in which the Group operates.

Finally, as regards the adoption, by the Company, of measures to promote equal treatment and opportunities between genders within the entire corporate organisation and in the companies directly and indirectly controlled by the Parent Company IREN S.p.A., reference is expressly made to the specific section of the 2023 Sustainability Report, available on the company's website [www.gruppoiren.it](http://www.gruppoiren.it). In particular, IREN S.p.A. has drawn up a policy on diversity and inclusion (available on the company website [www.gruppoiren.it](http://www.gruppoiren.it) in the Sustainability - Sustainability Governance - Diversity and Inclusion section) and has set up a specific corporate unit to implement this policy and achieve the related objectives also included in the Business Plan.

## 4.6 - Induction programme and board evaluation

### Induction Programme

The Chairperson ensures participation of all the members of the board of directors and control body, after the appointment and during the mandate, in initiatives aimed at providing them with adequate knowledge of the industry in which the Issuer operates, the company dynamics and their evolution, also in relation to the Issuer's sustainable success. Such initiatives also cover the risk management issues as well as any relevant part of the regulatory and self-regulatory framework.

In this regard, the Directors actively participated in the meetings of the Board of Directors and the Board Committees, receiving ample information on matters related to decisions to be made.

Also in 2023, in continuity with previous years, both within the framework of formal board meetings and in meetings accompanying them, training sessions were organised in a series of meetings lasting up to about two hours each.

The course covered the following topics: (i) focus on the new compliance between anti-money laundering and anti-corruption in public contracts and in the PNRR (National Recovery and Resilience Plan); (ii) focus on the WASTE MANAGEMENT BU, MARKET BU and NETWORKS BU; (iii) focus on the internal control system/executive remuneration; (iv) focus on the succession plans for SESR and key man and diversity initiatives in IREN Group; (v) focus on CYBER SECURITY; (vi) focus on artificial intelligence.

In addition to the involvement of company managers for the discussion of the various aspects inherent to the different businesses and staff activities, external consultants (selected according to company procedures) also made their contribution, talking about national and international cases in different areas, according to Iren's situation.

At the urging of the Chairperson, as per practice and in line with the provisions of the Corporate Governance Code, participation in courses and conferences for the benefit of board members and members of the Board of Statutory Auditors was favoured and encouraged. These are training and in-depth events on the duties and responsibilities inherent in the office of members of the administrative and control bodies of listed companies, in line with the recommendations of the Corporate Governance Code, aimed at the members of corporate bodies in office in listed companies.

During the year, as the health emergency eased, a visit to a plant complex in the hydroelectric power generation sector could also be conducted.

All the aforementioned initiatives have been, in various ways, important training, information and communication opportunities, in relation to the corporate, economic, social and environmental aspects.

### Board Evaluation

During 2023, second year of the Board current mandate, in compliance with the provisions of art. 4 and in particular, Principle XIV of the Corporate Governance Code, in line with international "best practices" and as recommended in the letter of 25 January 2023 from the Chairperson of the Italian Corporate Governance Committee, the Board of Directors, after an investigation conducted by the Remuneration and Appointments Committee and with the assistance of an external consultant, carried out - and completed in February 2024 - the annual self-assessment activity, referring to the 2023 financial year, on the functioning of the Board itself and its Committees as well as on their size and composition (board evaluation), also taking into account elements such as the professional characteristics, experience, including managerial experience of its members, their seniority in office and taking into account the diversity criteria pursuant to Principle VII and Recommendation 8 of the Corporate Governance Code.

In carrying out this activity, the aforementioned Committee decided to make use of an external consultant. In compliance with IREN Group's current procedures on the matter, following a beauty contest, the task of providing support in carrying

out the board evaluation activity for the three-year period 2022-2024 was assigned to Korn Ferry (IT) S.r.l., a consulting firm specialised, inter alia, in corporate governance issues. Prior to the appointment of the advisor, the Committee has verified that the services provided by the advisor in favour of IREN or its subsidiaries are of such a nature and extent that they do not compromise the characteristics of independence required by the appointment.

Consistent with the tasks assigned to it by the administrative body, the Remuneration and Appointments Committee and the Chairperson of the Board of Directors played a central role in the activity in question, supervising the preparation of the contents of the self-assessment questionnaire by the external consultant.

Specifically, the self-assessment process has developed through five stages:

Phases	Description
1. Process and questionnaire design	Initial meetings between the Korn Ferry team and the Chairperson to direct the intervention and provide useful information for understanding the business context. Review of main documentation (Board mandate and objectives, decision-making processes, minutes, previous Board Reviews, etc.). Design and administration of confidential questionnaires completed by all board members.
2. Completion of questionnaires	Distribution of questionnaires to Director via an online platform.
3. Conducting interviews	Individual face-to-face interviews with each Board representative to elaborate on the answers provided in the questionnaires. Interviews lasting about an hour provided an in-depth insight into the functioning and internal dynamics of the Board.
4. Data analysis and report preparation	Analysis of data extracted from questionnaires and interviews and collected by main topics. Preparation of a summary document that reported the results of the data processing, the consultant’s observations and recommendations for improving the effectiveness of the Board’s functioning.
5. Sharing results	Summary of the consultant’s findings, observations and conclusions in a detailed report, which included recommendations for change and improvement of the Board’s overall effectiveness as a preliminary guide in the first phase of establishment.

The self-assessment report was elaborated following 8 areas of analysis investigated through the questionnaire and interviews, as indicated below.



At its meeting of 29 February 2024, the Board of Directors examined the aggregate results of the self-assessment questionnaires and individual interviews in which it emerged, in brief, that: (i) the composition of the Board of Directors is deemed satisfactory, both in terms of quantity and in terms of age, seniority in office and gender diversity; it guarantees an adequate balance of skills and experience, and the consequent fulfilment of its mandate; (ii) the Directors provide a solid contribution inherent to their areas of expertise, in a climate of mutual respect and collaboration (iii) the work carried out by the Committees and their Chairs during the Board's term of office is globally esteemed; (iv) Sustainability and ESG issues are adequately discussed and applied to the procedures and business practices adopted by the Company; (v) the Secretariat provides adequate support to the Board.

A number of areas for improvement have been identified, relating to the following macro-aspects: (i) system of proxies currently in place, in order to coordinate the powers and proxies of the three Delegated Bodies; (ii) taking into account the significant changes that occurred in the composition of the Company's Board of Directors during 2023, continuing to build a climate of cohesion and synergy between the Chief Executive Officer and the non-executive Directors; (iii) deliver the material provided in anticipation of meetings earlier so as to allow for more careful and thorough preparation by the Directors; (iv) demonstrate greater convergence in terms of the Company's overall interests compared to the current focus.

#### 4.7-Role of the Chairperson of the Board of Directors

Without prejudice to as indicated in paragraph 4.4bis and as indicated in more detail in paragraph 4.8, in the exercise of the functions assigned to him/her by the law, the By-laws and other corporate documents, in line with the provisions of the Corporate Governance Code, the Chairperson of the Board of Directors acts as a liaison between the executive and non-executive Directors and, with the support of the Secretary, ensures the effective functioning of the Board's activities. In particular, also in accordance with the provisions of the Regulation for the Functioning and Management of Board Disclosures, the update of which was last approved on 13 October 2022, the Chairperson, with the assistance of the Secretary, ensures:

- (i) that the pre-meeting disclosure and additional information provided at meetings is adequate to allow the Directors to act in an informed manner in carrying out their role.

For these purposes, for the discussion of the items on the agenda, supporting documentation is made available to the Directors and Auditors, through the special IT system, in order to provide them with the information they need to adequately understand and assess the issues, in relation to the subject of the resolutions that the Board of Directors is expected to take during the meeting. The Chairperson, with the support of the Secretary, ensures that the information documents are prepared by the competent Functions of Iren S.p.A. and/or - through and in coordination with the Managers of the First Level Business Units - Companies and/or the main subsidiaries, depending on the subject to be submitted to the Board of Directors. The aforementioned Functions, with adequate advance in order to allow compliance with the deadline identified as appropriate for making the documentation available to the Secretary, proceed as mentioned above after having acquired the authorisation of the Delegated Body to which they respond.

- (ii) that the activities of the Board Committees are coordinated with those of the Board of Directors.

For these purposes, liaison takes place through the constant exchange of information and sharing of documentation between the Board Secretariat and the Committees' Secretariat, including for the purpose of setting the calendar and agendas for their respective meetings.

In particular, for the purposes of preparing the information documentation for the meetings of the Board of Directors, if the Control, Risk and Sustainability Committee and/or the Remuneration and Appointments Committee and/or the Related Party Transactions Committee are expected to carry out the related preliminary, recommendatory or advisory activities, the documentation prepared or reviewed by these Committees is sent to the Chairperson of the Board of Directors by the Committees' Secretariats through the Secretary of the Board. The documentation thus received is made available to the Board of Directors.

The Chairperson - in agreement with the CEO and/or the Deputy Chairperson, depending on the issues to be discussed during the meeting - works together with the Secretary so that the Executives of the Company and those of the Group companies belonging to it, the Managers of the corporate departments responsible for the relevant issues, as well as other subjects or external consultants can take part in the Board's meetings, also upon request of single Directors, in order to provide any in-depth information on the issues on the agenda, as well as any additional information with regard to the pre-meeting documents made available in the Board's Area. These individuals are required to comply with the confidentiality requirements applicable to board meetings.

As indicated in paragraph 4.1, in addition to the Secretary and Director of Corporate Secretariat, meetings of the Board of Directors are usually attended by the Director of Administration, Finance and Control - Financial Reporting Manager, and the Director of Legal and Corporate Affairs.

- (iii) with the support of the competent Remuneration and Appointments Committee, the adequacy and transparency of the self-evaluation process of the Board of Directors. In this regard, please refer to paragraph 4.6 above.

With reference to the dialogue that took place with shareholders, where relevant, the Chairperson in conjunction with the Deputy Chairperson and the CEO provides information to the Board of Directors.

In September 2023, following the appointment of Mr. Signorini as the new IREN Chief Executive Officer, in compliance with the aforementioned Policy for the management of dialogue with shareholders and investors, a so-called two-way engagement meeting was held between the Company - represented by its top management, including the Chairperson of the Board of Directors - and a number of institutional investors, focused, inter alia, on the procedures for the identification of the Chief Executive Officer, related professional profile, the allocation of proxies among the Directors holding particular offices, as well as the remuneration envisaged for the aforementioned office.

## Board Secretary

As required by art. 22.2 of the By-laws, the Chairperson, in order to carry out its functions, on 21 June 2022, on the occasion of the first meeting of the Board of Directors, appointed the Secretary of the Board of Directors.

The Regulation for the Functioning and Management of Board Disclosure, the update of which was most recently approved on 13 October 2022, provides that, with effect from the first renewal of the Board of Directors following the approval of the regulation, taking into account the recommendations of the Corporate Governance Code, the Chairperson expresses the intention to appoint a specific candidate as Secretary of the administrative body and the Board, to the extent of its competence in line with the Recommendations of the Code, resolves on the appointment.

As a general rule, the Secretary shall be selected from among Executives of the Company with appropriate expertise and experience in corporate law and corporate governance. These requirements must be met even if the Secretary is selected from outside the Company.

The Secretary supports the activities of the Chairperson of the Board of Directors, according to the terms described in the aforementioned Regulations, and provides impartial assistance and advice to the Chairperson, the Deputy Chairperson and the CEO as well as to all the other Members of the Board of Directors on any aspect relevant to the proper functioning of the Board of Directors.

For the purposes of advising and assisting the Board of Directors on the corporate governance system, the Secretary coordinates with the corporate organisational departments responsible for such matters (corporate law and governance), as well as with the Secretariats of the Board Committees.

In addition to the duties set forth in other provisions of the Regulation, as previously indicated, the Secretary shall support the Chairperson in ensuring that the activities of the Committees are coordinated with those of the Board of Directors, for which purpose he or she shall liaise with the Committees' Secretariats.

Further information on the role of the Chairperson of the Board of Directors is also provided in paragraph 4.8 "Executive Directors" below.

## 4.8-Executive directors

Pursuant to article 25.2 of the current By-laws, the Board of Directors delegates its powers to one or more of its members, subject to the limits set forth in art. 2381 Italian Civil Code and, in particular, may grant the Chairperson, Deputy Chairperson, and Chief Executive Officer delegated powers, provided they do not conflict with each other. It is also provided that it falls within the powers of the Chairperson, the Deputy Chairperson and the Chief Executive Officer, within the limits of the powers assigned to them, to grant proxies and powers of representation of the company for individual acts or categories of acts to employees of the company and also to third parties. Finally, the Board may appoint, for individual acts or categories of acts and also on an ongoing basis, attorneys, determining their powers and attributions, including the use of the company's signature.

Recalling the contents of paragraph 4.4-bis above, following the ascertainment that the conditions for the application of the Contingency Plan had ceased to exist, the conclusion of the Emergency Phase, and the indications received from the Voting and Blocking Syndicate Committee, the Board of Directors, during its meeting of 30 August 2023, appointed Mr. Paolo Signorini to the office of Chief Executive Officer, also resolving to redefine the powers, delegations and responsibilities of the Chairperson and Deputy Chairperson in office, in order to facilitate the entry of the new Chief Executive Officer into a Board of Directors' term already underway.

### Executive Chairperson of the Board of Directors and Strategic Director Finance, Strategies and Delegated Areas

As of 30 August 2023, consistent with the provisions of the shareholders' agreements that regulate the governance of the Company, it was specifically established that Mr. Luca Dal Fabbro, as Executive Chairperson of the Company, has the following functions report to him: (i) Corporate Secretariat of the IREN Board of Directors; (ii) Communication and External Relations; (iii) Institutional Relations and Public Affairs (including relations with Regions, Local Authorities and Associations); (iv) Regulatory Affairs; (v) Merger & Acquisition; (vi) Internationalisation and strategic partnerships; (vii) Permitting; (viii) Finance and Investor Relations; (ix) Innovation, all in accordance with the organisational powers and mandates provided for by art. 26.2 of the By-laws for the Chief Executive Officer.

At the Board of Directors' meeting of 30 August 2023, it was also decided:

- with regard to functions related to: "Merger & Acquisition ("M&A")", "Institutional Relations", "Permitting", "Internationalisation and Strategic Partnerships", "Innovation", "Regulatory Affairs", "Finance" that the Chairperson,



with a view to presiding over and governing management and strategic activities with a unified vision in order to achieve the Group's objectives, inform and involve the Chief Executive Officer, in order to guarantee an appropriate coordination of the company's activities and of the Group as a whole;

- confer to the Chairperson the powers to take any decision falling within the competence of the Board of Directors on an urgent basis, together with the CEO and/or Deputy Chairperson, and to notify the Board of Directors at the first subsequent meeting;
- confer, pursuant to art. 25.2 of the By-laws, to the Chairperson the following delegations and powers to be exercised within the commitment limits indicated below and with the exclusion of that reserved by law and/or the By-laws for the Shareholders' Meeting and/or the Board of Directors, and in particular without prejudice to the limits set out in Article 25 of the By-laws:
  - (i) preside over and direct the conduct of the Shareholders' Meeting;
  - (ii) establish the agenda of the Board of Directors, taking into account the proposals of the Chief Executive Officer and the Deputy Chairperson and/or other Directors;
  - (iii) chair and direct the work of the Board of Directors and manage the secretariat of the Board of Directors of Iren SpA;
  - (iv) implement, to the extent of their competence, the decisions of the Shareholders' Meeting and the Board of Directors;
  - (v) designate, in consultation with the Deputy Chairperson and the Chief Executive Officer, the Chairpersons of the Group's non first-level companies. It is understood that: (i) the designation of the chief executive officers of these companies is the responsibility of the Chief Executive Officer and that the designation of the non-executive directors of these companies is the responsibility of the Chief Executive Officer, after consultation with the Deputy Chairperson and the Chairperson; (ii) the designation of the members of the Control Bodies of these companies is the responsibility of the Deputy Chairperson, after consultation with the Chairperson;
  - (vi) manage external communications of an institutional nature of the Company and the Group, interacting where appropriate with the investee companies concerned or through the same;
  - (vii) manage the promotion and publicity activities for the image of the Company and the Group;
  - (viii) represent the Company and the Group in institutional relations;
  - (ix) manage Group sponsorships directly or through Group companies in line with the budget;
  - (x) analyse, prepare and submit to the Board of Directors extraordinary mergers & acquisitions transactions including purchases or disposals or other acts of disposals (in any way carried out) relating to corporate holdings and companies, to sign confidentiality agreements, letters of intent and agreements for the performance of the related due diligence activities. Taking into account the Group's business model, (i) the Chairperson will inform, of the opportunities being evaluated, the CEO, as head of the B.U. of Iren; (ii) the Chief Executive Officer: a) will propose preliminary opportunities to the Chairperson for analysis; b) will coordinate with the Chairperson for subsequent development activities;
  - (xi) entrust professional assignments of any type functional to mergers & acquisitions transactions with a spending limit of 500,000.00 Euro within the Group procedures and through the competent functions;
  - (xii) implement - in the interest of the Company and the Group - merger & acquisition transactions with the following limitations:
    - A. purchase or sale transactions or other acts of disposal (in any way carried out) involving equity investments, companies or business units and having a value for the company and/or its subsidiaries not exceeding 10,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) not exceeding 10,000,000.00 Euro, per individual transaction, or even for transactions of a lower value, but functionally linked, which taken together do not exceed the threshold indicated;

B. establishment of joint ventures that involve the company and/or its subsidiaries in expenditure/investment commitments or charges of any other nature not exceeding 10,000,000.00 Euro per transaction, or even for transactions of a lower value, but functionally linked to each other, which taken together do not exceed the threshold indicated;

transactions and constitutions referred to in points (A.) and (B.) above, of value / expenditure / investment commitments even exceeding the limits of 10,000,000.00 Euro, if they are expressly and analytically indicated in the approved business and financial plan and/or in the approved annual Group budget, communicating the operation to the Board of Directors at the first subsequent meeting;

- (xiii) formulate proposals to the Deputy Chairperson (to whom the Personnel and Organisation areas report), who will inform the CEO, concerning the composition of the budget for measures relating to the personnel of the structures reporting to the Chairperson;
- (xiv) carry out the following transactions indicated in the approved Group business and financial plan and/or annual budget: take out, using, amend and extinguish loans with all related acts (i.e. derivatives and guarantees). Carry out the aforementioned transactions that are not indicated in the Group's business and financial plan and/or annual budget approved having, for the company and/or for the Group's subsidiaries, a total value not exceeding 10,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) not exceeding 10,000,000.00 Euro, or even for transactions of a lower value but functionally linked that, taken together, do not exceed the indicated threshold;
- (xv) represent the Company actively and passively before the financial administration and commissions of every order and level, as well as Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices, public administrations and private individuals;
- (xvi) represent the Company and the Group and manage relations with market bodies and investors - having informed the CEO -, also with the support of the "Communication and External Relations" and "Corporate Affairs" functions;
- (xvii) prepare documentation for financial analysts and rating agencies, subject to coordination with the CEO;
- (xviii) represent the Company and the Group and manage relations with CONSOB and Borsa Italiana S.p.A. - having informed the Chief Executive Officer - also with the support of the "Corporate Affairs" function;
- (xix) manage financial, commercial and internal Group communication;
- (xx) manage corporate security, having informed the Chief Executive Officer, with reference to institutional relations with national and local public security bodies (by way of example only: State Police, Carabinieri Corps, Civil Defence, etc.);

Finally, the Board of Directors has established: (i) that all powers conferred to the Chairperson, unless otherwise established, are exercised with single signature, with the right to sub-delegate; (ii) that the Chairperson, as the person in charge of managing the risks pertaining to delegated powers, acts in liaison with the Chief Executive Officer; (iii) that the Chairperson is entrusted with coordinating the activities that Internal Audit will perform on the functions falling within the competence of the Deputy Chairperson as well as on the companies in which the Deputy Chairperson of Iren may hold the office of Director; (iv) that the Chairperson is attributed the power to grant and revoke proxies and mandates within the scope of the aforementioned powers, for single acts or categories of acts both to employees of the Company and to third parties, including legal persons; (v) to acknowledge that the resolutions previously passed and relating to the same subject are revoked in those parts that are incompatible with the above resolutions.

In line with the requirements of the new organisational structure that emerged after the conclusion of the Emergency Phase, it was decided at the Board of Directors' meeting of 30 August 2023 to appoint Mr. Luca Dal Fabbro to the position of Strategic Director of Finance, Strategies and Delegated Areas, assigning the relevant proxies, powers and responsibilities and, in particular:

- confer to the Strategic Director of Finance, Strategies and Delegated Areas the power to sign on behalf of the Company and all powers within the scope of the delegated powers conferred within the limits of the commitment set forth below, including, inter alia, representation of the Company. The Strategic Director of Finance, Strategies and Delegated Areas operates on the basis of multi-annual plans and annual budgets approved by the Board of Directors and guarantees and verifies compliance with the resulting management guidelines.
- confer to the Director of Strategies and Delegated Areas the following delegations and powers to be exercised - in coordination with the Chief Executive Officer and General Manager - within the limits of the law and the maximum amounts of expenditure set forth below:
  - (i) implement the decisions of the Board of Directors, as far as he is responsible;
  - (ii) coordinate and verify the implementation of the Group’s corporate strategies, within the framework of the directives established by the Board, and exercise the delegated powers, and in particular those listed herein, in accordance with such strategies and directives;
  - (iii) exercise, on the basis of the guidelines of the Board of Directors, management, coordination and control functions within the scope of the delegated powers, to achieve the targets set out in the business plan and budget, participating in the definition;
  - (iv) coordinate the performance of the analysis and study of the macroeconomic market scenarios of the Group’s businesses as well as the reference competitive context and the main trends that characterise it by interacting with all areas of the Group’s corporate and business staff;
  - (v) represent the Company in relations relating to regulatory aspects with Associations such as Utilitalia, Confservizi, Confindustria, identified by way of example, as well as with the other sectoral Associations to which the Group adheres, with the right to sign conventions or agreements and to enter into deeds or contracts, interacting where appropriate with the relevant investee companies or through them;
  - (vi) stipulate, amend and terminate financing contracts of any type and duration and related derivative contracts, it being understood that the aforementioned transactions, if not indicated in the approved business and financial plan and/or the approved annual Group budget, are subject to an amount limit of 1,000,000.00 Euro per individual transaction;
  - (vii) request the use of financing tranches;
  - (viii) coordinate the performance of activities relating to relations with rating agencies, investors and the market in general, after reporting to the Chief Executive Officer and General Manager;
  - (ix) establish, in the interest of the Company, consulting relationships - in the delegation areas as Chairperson - with external experts and professionals, setting time frames and methods of payment with a spending limit of 250,000.00 Euro;
  - (x) certify that copies of the Company’s documents and those in any case acquired in the Company’s records conform to the original;
  - (xi) sign requests, also to public bodies, for news and information, certificates or attestations, permits, authorisations, and any other clearance;
- establish that the Strategic Director of Finance, Strategies and Delegated Areas may grant and revoke powers of attorney and mandates within the above powers, for individual acts or categories of acts, both to employees of the Company and to third parties, including legal persons;
- establish that the Strategic Director of Finance, Strategies and Delegated Areas has the corporate signature and all powers with reference to the delegations conferred above;
- establish that all powers conferred to the Strategic Director Finance, Strategies and Delegated Areas, unless otherwise provided for, shall be exercised by single signature, with the right to sub-delegate;
- establish that the powers and proxies are intended to be redefined, as necessary, as previously granted by the Board of Directors to Mr. Dal Fabbro as Executive Chairperson, always within said limits. Where the powers granted in the capacity of Chairperson correspond to those granted as Strategic Director of Finance, Strategies and Delegated Areas, they shall be deemed to be exercised in the latter capacity.

#### **Executive Deputy Chairperson of the Board of Directors and Strategic Director Human Resources, CSR and Delegated Areas.**

Already Deputy Chairperson of the Company in the previous mandate, by resolution of 21 June 2022, immediately following the Shareholders’ Meeting that appointed the administrative body of IREN S.p.A. for the three-year period 2022-2024, Moris Ferretti was appointed as Executive Deputy Chairperson of IREN S.p.A. by the Board of Directors.

At the end of the Emergency Phase, at the meeting of the Board of Directors on 30 August 2023. At that meeting, it was decided that the following functions would report to the Deputy Chairperson: (i) Corporate Affairs; (ii) Corporate Social Responsibility and Local Committees; (iii) Internal Audit and Compliance; (iv) Personnel and Organisation, all in

accordance with the organisational powers and delegations provided for in Article 26.2 of the By-laws for the Chief Executive Officer.

At the same meeting, it was also established, with regard to the following functions relating to: “Corporate Affairs”; “Personnel and Organisation”; Corporate Social Responsibility and Local Committees; that, taking into account the significant size of the Company and the Group, with a view to presiding over and governing management and strategic activities with a unified vision in order to achieve the Group’s objectives, the Deputy Chairperson informs and involves the Chief Executive Officer, in order to ensure appropriate coordination of the Company’s activities and those of the Group as a whole.

The Deputy Chairperson is assigned the task of submitting, to the extent attributed to them and not delegated, resolution proposals to the Board of Directors. They operate on the basis of and in compliance with the multi-annual plans and annual budgets approved by the Board of Directors and guarantee and verify, as far as they are concerned, compliance with the resulting management guidelines.

At the aforementioned meeting, it was also resolved to confer to the Executive Deputy Chairperson:

- the corporate signature and all powers within the scope of the powers conferred within the limits of the commitment indicated below, including, among other things, active and passive legal and procedural representation as provided for under art. 22 of the By-laws;
- the powers to take any decision falling within the competence of the Board of Directors on an urgent basis, together with the Chairperson and/or Chief Executive Officer, and to notify the Board of Directors at the first subsequent meeting;
- pursuant to art. 25.2 of the By-laws, the following delegations and powers to be exercised within the commitment limits indicated below and with the exclusion of that reserved by law and/or the By-laws for the Shareholders’ Meeting and/or the Board of Directors, and in particular without prejudice to the limits set out in Article 25 of the By-laws:
  - (i) implement, to the extent of their competence, the decisions of the Shareholders’ Meeting and the Board of Directors;
  - (ii) verify implementation of the corporate governance rules also in implementation of the powers reserved for the Board of Directors;
  - (iii) verify execution of the resolutions of the Company’s collegial bodies and the indications of the internal Committees also on the basis of the reports that the internal auditing service produces regularly;
  - (iv) manage the 231/01 system of the Parent Company and subsidiaries, including through updates and adjustments of the management and control organisation model and related protocols, bodies, without prejudice to the autonomy and independence of the Supervisory Board;
  - (v) manage the Privacy System (GDPR) in support of the Owner and the Data Protection Officer (DPO);
  - (vi) verify the quality indicators provided and monitoring the perceived quality indicators and the issues related to environmental impacts and social sustainability (corporate social responsibility) of company activities and processes;
  - (vii) prepare, also with the support of the Communication and External Relations function, the draft corporate social responsibility report to be submitted to the Board of Directors; considering the growing focus on sustainability and its importance in the Group’s business plan, with the aim of ensuring maximum coordination with the various corporate functions and consistency with the business plan, the Chairperson and Chief Executive Officer will be involved in the development of the sustainability report;
  - (viii) designate, in consultation with the Chairperson, the members of the supervisory bodies (chairpersons, standing and alternate members) of the Group’s non first-level companies. It is understood that: (i) the designation of the chairpersons of these companies is the responsibility of the Chairperson, after consulting the Deputy Chairperson and the Chief Executive Officer; (ii) the designation of the chief executive officers of these companies is the responsibility of the Chief Executive Officer and that the designation of the non-executive directors of these companies is the responsibility of the Chief Executive Officer, after consulting the Chairperson and the Deputy Chairperson;
  - (ix) propose to the Board of Directors the candidates for members of the Committees (Internal Committees of the Corporate Governance Code and Local Committees);
  - (x) issue guidelines on the functioning of the Local Committees and supervising their activities, verifying their effectiveness and the frequency of meetings;
  - (xi) entrust professional assignments of any type functional to the matters falling within the Deputy Chairperson’s area of responsibility with a spending limit of 500,000.00 Euro within Group procedures and through the competent functions;
  - (xii) propose to the Board of Directors, in agreement with the Chairperson, the appointment, dismissal and remuneration of the operating manager of the Internal Auditing function;

- (xiii) prepare the Staff budget, after receiving proposals from the Chairperson and the Chief Executive Officer for measures relating to the staff of the structures reporting to the Chairperson and the Chief Executive Officer;
- (xiv) hire, appoint and dismiss personnel - on the basis of the Chief Executive Officer's proposals and having consulted the Chairperson in relation to the areas under the latter's authority - determining, from time to time, their total remuneration in line with the forecasts contained in the annual budgets. Take and promote disciplinary sanctions, dismissal and any other measures against staff;
- (xv) hire, appoint and dismiss managers:
  - a. on the basis of proposals received from the Chief Executive Officer, for all areas and directorates under related responsibility;
  - b. on the basis of proposals received from the Chairperson, for all areas and directions under responsibility, in agreement with the CEO;
  - c. with regard to the areas and company departments falling within the competence of the Deputy Chairperson, the latter will act in agreement with the CEO;
 determining, from time to time, their total remuneration consistent with the forecasts contained in the annual budgets; the Board of Directors shall be kept informed of the identification, hiring, appointment and dismissal of Senior executives with strategic responsibilities, without prejudice to the responsibilities of the Remuneration and Appointments Committee;
- (xvi) define the organisation and functional structures of the Company and the Group, with the related activities and staff, within the framework of the general guidelines established by the Board of Directors, based on the proposals formulated by the Chief Executive Officer in accordance with the powers vested attributed by Article 26.2 of the By-laws and having informed and involved the Chairperson;
- (xvii) represent the Company before public and private entities in the stipulation of deeds relating to the personnel area;
- (xviii) enter into, amend and terminate employment contracts in any form permitted by law;
- (xix) negotiate and define any dispute of a trade union nature and representing the Company in trade union negotiations, with the right to conclude company agreements; represent the Company before trade union representatives, welfare and assistance offices and bodies, trade associations, labour and M.O. offices, Employment Offices and the Labour Inspectorate, the Social Security and Assistance Institute for Managers, Administrations and Bodies in general responsible for accident prevention and occupational hygiene, Health and Local Organisations and Institutes of Medicine and Occupational Hygiene, as well as the Financial Administration of the State and the Local Authorities with regard to the substitute tax relationships of the Company's employees;
- (xx) manage and develop integrated group systems (QAS)
- (xxi) represent the Company for the fulfilment of tax, insurance, accident and social security obligations relating to personnel management;
- (xxii) represent the Company as well as reconcile and settle any labour and social security and compulsory assistance disputes at every state and level of justice, also in accordance with the provisions of the Code of Civil Procedure, as well as issue powers of attorney to reconcile and settle as above and request any evidence and oppose it, testify freely or formally, elect domiciles, appoint lawyers, attorneys and arbitrators and do whatever else is necessary for the successful outcome of the cases in question;
- (xxiii) the Deputy Chairperson tasked with risk management in relation to respective mandates, acts in conjunction with the CEO.

Finally, the Board of Directors has established: (i) that within the scope of the direction and management of the Internal Auditing function, the coordination of the activities that Internal Audit will carry out on the functions and activities pertaining to the Deputy Chairperson, as well as on the companies in which the Deputy Chairperson of Iren possibly holds the position of Director, will be delegated to the Chairperson; (ii) that all the powers conferred to the Deputy Chairperson, unless otherwise established, are exercised with single signature, with the right to sub-delegate; (iii) that the Deputy Chairperson is attributed the power to grant and revoke proxies and mandates within the scope of the aforementioned powers, for single acts or categories of acts both to employees of the Company and to third parties, including legal persons, in agreement with the CEO for the Group companies; (iv) to acknowledge that the resolutions previously passed and relating to the same subject are revoked in those parts that are incompatible with the above resolutions.

In line with the requirements of the new organisational structure outlined after the conclusion of the Emergency Phase, again during the Board of Directors' meeting of 30 August 2023, it was resolved to appoint Mr. Moris Ferretti to the position of Strategic Director of Human Resources, CSR and Delegated Areas, attributing the relevant proxies, powers and responsibilities, and in particular:

- confer to the Strategic Director Human Resources, CSR and Delegated Areas the power to sign on behalf of the Company and all powers within the scope of the delegated powers conferred within the limits of the commitment set forth below, including, inter alia, representation of the Company. The Director Human Resources, CSR and Delegated Areas operates on the basis of multi-annual plans and annual budgets approved by the Board of Directors and guarantees and verifies compliance with the resulting management guidelines;
- confer to the Strategic Director Human Resources, CSR and Delegated Areas the following delegations and powers to be exercised - in coordination with the Chief Executive Officer and General Manager - within the limits of the law and the maximum amounts of expenditure set forth below:
  - (i) implement the decisions of the Board of Directors, as far as he is responsible;
  - (ii) coordinate and verify the implementation of the Group's corporate strategies, within the framework of the directives established by the Board, and exercise the delegated powers, and in particular those listed herein, in accordance with such strategies and directives;
  - (iii) exercise, on the basis of the guidelines of the Board of Directors, management, coordination and control functions within the scope of the delegated powers, to achieve the targets set out in the business plan and budget, participating in the definition;
  - (iv) establish, in the interest of the Company, consulting relationships - in the delegation areas as Executive Deputy Chairperson - with external experts and professionals, setting time frames and methods of payment with a spending limit of 250,000.00 Euro;
  - (v) prepare the tax, insurance, accident and social security obligations relating to personnel management and consequently represent the Company;
  - (vi) represent the Company before public and private entities in the stipulation of deeds relating to the personnel area;
  - (vii) represent the Company before welfare and assistance offices and bodies, trade associations, labour and M.O. offices, Employment Offices and the Labour Inspectorate, the Social Security and Assistance Institute for Managers, Administrations and Bodies in general responsible for accident prevention and occupational hygiene, Health and Local Organisations and Institutes of Medicine and Occupational Hygiene, as well as the Financial Administration of the State and the Local Authorities with regard to the substitute tax relationships of the Company's employees;
  - (viii) manage and develop integrated group systems (QAS);
  - (ix) manage the activities functional to the preparation of the Group's non-financial statement according to the international standards of reference;
  - (x) define the engagement, management and analysis plan of the results of the dialogue with stakeholders;
  - (xi) take care of the implementation of Customer Satisfaction surveys for the companies and the Group, as part of the already established monitoring activities under Corporate Social Responsibility;
  - (xii) certify that copies of the Company's documents and those in any case acquired in the Company's records conform to the original;
- establish that the Strategic Director Human Resources, CSR and Delegated Areas may grant and revoke powers of attorney and mandates within the above powers, for individual acts or categories of acts, both to employees of the Company and to third parties, including legal persons;
- establish that the Strategic Director Human Resources, CSR and Delegated Areas has the corporate signature and all powers with reference to the delegations conferred above;
- establish that all powers conferred to the Strategic Director Human Resources, CSR and Delegated Areas, unless otherwise provided for, shall be exercised by single signature, with the right to sub-delegate;
- establish that the powers and proxies previously granted by the Board of Directors to Mr. Ferretti as Executive Deputy Chairperson shall be redefined, to the extent necessary, within the aforementioned limits. Where the powers granted in the capacity of Executive Deputy Chairperson correspond to those granted as Strategic Director Human Resources, CSR and Delegated Areas, they shall be deemed to be exercised in the latter capacity.



## Chief Executive Officer (CEO) and General Manager

Also in the current Board term of office, the Board of Directors has proceeded in accordance with art. 26 of the By-laws, which provides that the Board of Directors, by qualified majority, as per art. 25.5 (xi) of the same By-laws, appoints a Chief Executive Officer who is vested with powers for the day-to-day management of the Company in accordance with the guidelines and policies formulated by the Board of Directors, as well as organisational powers and operational proxies for each of the business areas if they are organised into divisions.

Where, as envisaged in the current organisational structure of IREN Group, the business areas are structured in the form of companies, the Chief Executive Officer, based on the guidelines of the holding company's Board of Directors, exercises functions of strategic planning, indication of objectives and control over the subsidiaries and proposes to the Board of Directors the appointment and/or dismissal of the Chief Executive Officer of each First Level Company.

In light of the foregoing, the Board of Directors, which met on 30 August 2023, appointed, pursuant to Articles 25.5(xi) and 26 of the By-laws, Mr. Paolo Signorini as Chief Executive Officer of IREN S.p.A., granting the relevant powers.

In particular, the Chief Executive Officer is vested with:

- the corporate signature and all powers within the scope of the powers conferred within the limits of the commitment indicated below, including, among other things, active and passive legal and procedural representation as provided for under art. 22 of the By-laws. The Chief Executive Officer has also been assigned the task of submitting proposals for resolutions to the Board of Directors, except for matters falling within the competence of the Chairperson and Deputy Chairperson and those delegated to them. They operate on the basis of the multi-annual plans and annual budgets approved by the Board of Directors and guarantee and verify compliance with the resulting management guidelines;
- pursuant to articles 25.2 and 26.2 of the By-laws, the delegation of management and administration of the Company until dismissal or resignation, with the exclusion of that reserved by law and/or the By-laws for the Shareholders' Meeting and/or the Board of Directors and/or Chairperson and/or Deputy Chairperson;
- the powers to take any decision falling within the competence of the Board of Directors on an urgent basis, together with the Chairperson and/or Deputy Chairperson, and to notify the Board of Directors at the first subsequent meeting.

It was also established that the following functions report to the CEO: (i) Administration, Planning and Control; (ii) Information Technology and Systems; (iii) Procurement, Logistics and Services; (iv) Legal Affairs; (v) Risk Management; (vi) Energy Management; (vii) Business Development; (viii) Waste Management Business Unit; (ix) Market Business Unit; (x) Networks Business Unit and (xi) Energy Business Unit.

Furthermore, taking into account the significant size of the Company and the Group, with a view to presiding over and governing management and strategic activities with a unified vision in order to achieve the Group's objectives, and in order to guarantee coordination between the Company's sectors and functions, the Board has established that the CEO be informed and involved by the Chairperson and Deputy Chairperson about activities and projects within the following areas of delegation:

- "Merger & Acquisition ("M&A")", which reports to the Chairperson;
- "Institutional Relations, Public Affairs, Relations with Regions, Bodies and Associations", which reports to the Chairperson;
- "Permitting", which reports to the Chairperson;
- "Regulatory Affairs", which reports to the Chairperson;
- "Corporate Affairs", which reports to the Deputy Chairperson;
- "Personnel and Organisation", which reports to the Deputy Chairperson;
- "Corporate Social Responsibility and Local Committees", which reports to the Deputy Chairperson.

In turn, in order to ensure coordination between the corporate sectors and functions, the Chief Executive Officer will inform the Chairperson and Deputy Chairperson of activities and projects within the areas of delegation under authority, as set forth in point (i) to (xi) above.

The Chief Executive Officer has been granted, by way of example but not limited to the above, the following powers and proxies, to be exercised within the limits of the law and the By-laws and in particular without prejudice to the limits set forth in art. 25 of the By-laws:

- (i) implement the decisions of the Shareholders' Meeting and the Board of Directors, except where the Chairperson and Deputy Chairperson are responsible;
- (ii) implement the Group's corporate strategies, within the framework of the directives established by the Board, and exercise the delegated powers, and in particular those listed herein, in accordance with such strategies and directives;
- (iii) exercise, on the basis of the guidelines of the Board of Directors, management, coordination and control functions, and in particular organisation and strategic planning, with indication of objectives and with monitoring

- and control of activities and results concerning the companies of the Group, as well as proposing to the Board of Directors the appointment and/or dismissal of the Chief Executive Officer of each first-level Company;
- (iv) prepare the multi-year plans, business plan and annual budget to be submitted to the Board of Directors;
  - (v) define and implement the actions for the development of the approved business plan, according to the targets, in compliance with the guidance objectives and the set economic-financial indicators;
  - (vi) represent the Company actively and passively before the financial administration and commissions of every order and level, as well as Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices, public administrations and private individuals; by way of example:
    - A. sign tax and VAT returns as well as any other tax fulfilments. In particular, the representation conferred includes, by way of example, the power to represent the Company in relation to the central and peripheral offices of the tax authorities with regard to the assessment, settlement and payment of indirect and direct taxes, in relation to the latter, both with regard to the Company's own income and the emoluments paid by the Company. This power also includes the power to sign declarations (annual and periodic), certifications, proxies for payment, questionnaires, minutes and any other act necessary for the correct fulfilment of the Company's tax and currency obligations, issuing proxies and mandates of any kind relating to the items listed above; issue guarantees of up to 60 million Euro for refunds of VAT credits;
    - B. lodge complaints, file petitions and appeals;
    - C. perform any operation at the Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices for shipments, storage, release and collection of goods, values, parcels, packets, registered and insured letters, issuing receipts and granting discharge;
  - (vii) represent the Company in all negotiations and disputes of a tax and fiscal nature before the competent bodies and reaching, if necessary, agreements and compositions;
  - (viii) constitute, register and renew mortgages and privileges against third parties and for the company's benefit; permit cancellations, reductions and liens registered in favour of the Company as well as subrogations in favour of third parties; renounce mortgages and mortgage subrogations including legal ones and carry out any other mortgage transaction, always against third parties and for the company's benefit, and therefore receivable, relieving the competent land registrars of any and all liabilities;
  - (ix) propose preliminary opportunities to the Chairperson to be analysed with regard to innovation projects and new technologies; coordinate with the Chairperson for subsequent development activities;
  - (x) proceed, with regard to non first-level Group companies, to designate: (i) the chief executive officers; (ii) the non-executive directors, having first consulted with the Chairperson and Deputy Chairperson. It is understood that: (i) the designation of the chairpersons of these companies is the responsibility of the Chairperson after hearing the Deputy Chairperson and the CEO; (ii) it is the responsibility of the Deputy Chairperson, after hearing the Chairperson, to designate the members of the Control Bodies;
  - (xi) participate, to the extent of related competence, in any type of public or private auction or auction in Italy and abroad with a limitation of 10,000,000.00 Euro per individual transaction, unless the transactions are indicated in the approved business and financial plan and/or in the approved annual Group budget;
  - (xii) within the limits set out in point (xi) above, enter into, amend and terminate trade and service agreements of any kind with companies and entities;
  - (xiii) within the limits referred to in point (xi) above, stipulate, with all the appropriate clauses, assign and terminate contracts and agreements in any case inherent to the corporate purpose - including those concerning intellectual property, trademarks, patents - also in consortium with other companies;
  - (xiv) establish, in the interest of the Company, consulting relationships with external experts and professionals, setting time frames and methods of payment with a spending limit of 500,000.00 Euro;
  - (xv) within the limits referred to in point (xi) above, provide for all the Company's expenses for investments and the valuation thereof; enter into, amend and terminate the relevant contracts, of whatever nature, in particular for:
    - A. works and supplies required for the conversion and maintenance of buildings and facilities;
    - B. purchases and disposals of furniture, equipment, machinery and movable property in general, including those entered in public registers, as well as financial leases and rentals of the same, with a limit on the annual fee;
    - C. commercial information, confidentiality agreements, letters of intent and the performance of due diligence activities;
    - D. purchases, including those for the annual premium, and orders relating to EDP programmes;
  - (xvi) within the limits referred to in point (xi) above, enter into the appropriate contracts, both in the form of purchase and sale, in the form of securities and real estate leases, in the form of service and/or works contracts, and in the form of supply contracts, to guarantee the Company the resources necessary to achieve the Company's objectives, accepting arbitration clauses, agreeing on exceptions to jurisdiction, including the power to request, obtain and sign sureties, letters of patronage and other typical and atypical forms of guarantee linked to the

- contracts signed;
- (xvii) intervene as a representative of the Company, either as the parent company or the principal company, in the establishment of joint ventures, TACs, (Temporary Associations of Companies), EEIGs (European Economic Interest Grouping), consortia and other bodies, giving and receiving relevant mandates, in order to participate in tenders for the award of works, services and supplies;
  - (xviii) participate, to the extent of its competence, on behalf of the Company, including in TACs (Temporary Associations of Companies), EEIGs (European Economic Interest Grouping), consortia and other bodies, in tenders or concessions, auctions, private bids, private negotiations, tenders-contracts and other public national, EU and international contracts, including state aid, for the award of works, supplies of equipment, including “turnkey” and/or goods and/or studies and/or research and/or services in general with any national, EU and international, public or private party; submit applications for requests to participate from the pre-qualification phase; submit tenders; in the event of award, sign the relevant deeds, contracts and commitments, including the issue of guarantees and/or the constitution of security deposits, with the widest possible powers to negotiate, agree and/or finalise all the clauses that it deems necessary and/or useful;
  - (xix) carry out the following transactions that are not indicated in the Group’s business and financial plan and/or annual budget: investments, purchases and/or disposals, including en bloc, of assets or legal relationships, for the company and/or for the Group’s subsidiaries, a total value not exceeding 10,000,000.00 Euro or gross invested capital (net equity plus financial indebtedness) not exceeding 10,000,000.00 Euro, or even for transactions of a lower value but functionally linked that, taken together, do not exceed the indicated threshold;
  - (xx) provide for the distribution and organisation of the Group’s logistics, entering into the necessary contracts and taking care of the rational structure and planning of activities in the area;
  - (xxi) ensure the management and organisational control and coordination of the companies subject to the management and coordination of the Parent Company or in any case controlled by it pursuant to art. 2359 of the Italian Civil Code, identifying their specific objectives and areas of competence and synergy, in line with the Group’s strategies and the risk profiles connected to them and exercising, also as a preventive measure, management control as well as adopting measures and procedures deemed appropriate for this purpose. exercise control and coordination over the purchase and sale of raw materials (gas, electricity, etc.);
  - (xxii) legally represent the Company in litigation of any kind, including civil, criminal or administrative litigation, before any judicial, conciliation or arbitration authority of any order and level, and therefore also before Justices of the Peace, Tribunals, Courts of Appeal, the Court of Cassation, Tribunale Amministrativo Regionale - TAR (Regional Administrative Court - RAC), the Council of State and the Constitutional Court, as well as in all procedural phases of bankruptcy and compulsory administrative liquidation, preventive agreements, of all types, receivership proposals and extraordinary administration with express authorisation to proceed, on behalf of the Company, to all voting to be cast in each phase of the aforementioned procedures and to issue receipts for the amounts that, as a result of the procedures, will be due to the Company;
  - (xxiii) reconcile and settle, extrajudicially and judicially, any dispute in any state and at any level of judgement, also pursuant to the provisions of the Code of Civil Procedure, as well as issue powers of attorney to reconcile and settle as above, file a complaint of perjury, disallow private records, refer and take oaths, sign arbitration compromises and arbitration clauses, and designate and appoint arbitrators;
  - (xxiv) certify that copies of the Company’s documents and those in any case acquired in the Company’s records conform to the original;
  - (xxv) sign requests, also to public bodies, for news and information, certificates or attestations, permits, authorisations, concessions, licenses and any other clearance;
  - (xxvi) open and close current accounts with banks and credit institutions, withdraw sums from accounts in the Company’s name, for this purpose issue the relevant cheques or equivalent, and arrange for transfers to be made from actual availability and from current account credit facilities;
  - (xxvii) carry out deposits into bank and postal accounts of the Company, and endorse the amounts credited on current accounts for the same cheques and money orders;
  - (xxviii) draw a bill of exchange upon customers, also endorsing promissory note discounts, bills, drafts as well as cheques of any kind and carrying out consequential transactions;
  - (xxix) assign receivables of the Company with and/or without recourse and operate with companies and factoring institutions by signing all the relative deeds and issuing the relative receipts; it being understood that the aforementioned transactions, if not indicated in the approved business and financial plan and/or the approved annual Group budget, are subject to an amount limit of 10,000,000.00 Euro per individual transaction;
  - (xxx) stipulate, negotiating the conditions, centralised treasury contracts (cash pooling and intercompany financing) with directly and indirectly controlled companies;
  - (xxxi) within the limits set out in point (xxix) above, enter into, use, amend and terminate contracts for credit opening and short-term loans in support of Treasury;

- (xxxii) subject to the limits set out in point (xxix) above, provide guarantees and grant loans as well as enter into contracts for bank and insurance surety policies, and grant loans and/or guarantees to non-controlled Group companies up to a maximum of 10 million Euro per individual transaction;
- (xxxiii) issue, accept and endorse negotiable instruments;
- (xxxiv) within the limits set out in point (xxix) above, enter into currency contracts, including forward contracts;

Finally, the Board of Directors has established: (i) that the entire organisational structure reports to the Chief Executive Officer, in compliance with Article 26 of the By-laws and for the exercise of the powers provided for by the same article, with the exception of the organisational structures in charge of the functions reporting directly to the Chairperson or Deputy Chairperson; (ii) that the Chief Executive Officer, within the scope and limits of delegated powers, in connection with the Chairperson and Deputy Chairperson, is entrusted with overseeing the functionality of the internal control system. To this end, as far as responsible, the CEO:

- ❖ supports the Control and Risk and Sustainability Committee in the activity of identifying the main business risks, taking into account the characteristics of the activities performed by the Company and by its subsidiaries and in the periodic submission of the same to the examination of the Board of Directors;
- ❖ executes the guidance defined by the Board of Directors ensuring that the competent corporate structures plan, put in place and manage the internal control and internal auditing system, checking constantly its overall adequacy, effectiveness and efficiency, acting also to adapt this system to the trends in the operating conditions and the legislative and regulatory framework;

(iii) that the Chief Executive Officer may grant and revoke proxies and mandates within the scope of the aforementioned powers, for individual acts or categories of acts, both to employees of the Company and to third parties, including legal persons; (iv) that the Chief Executive Officer shall avail of the corporate signature and all powers with reference to the powers granted above, including, inter alia, active and passive legal and procedural representation; (v) that all powers granted to the Chief Executive Officer, unless otherwise established, shall be exercised with single signature, with the right to sub-delegate.

The Chief Executive Officer is also granted a residual general proxy for all acts and activities relating to the administration of the Company not expressly reserved for the Board of Directors and/or the Chairperson and/or Deputy Chairperson.

Moreover, during the aforementioned meeting, the Board of Directors attributed to Mr. Signorini, in relation to the powers and proxies conferred to him in his capacity as Chief Executive Officer of the Company, the role and functions of:

- a) Employer and Principal of Iren S.p.A. pursuant to current legislation on workplace safety and hygiene and, also, pursuant to and for the purposes of Article 2 of Legislative Decree No. 81 of 9 April 2008 and subsequent additions and amendments, with the tasks provided for therein, with the power to take all measures deemed necessary and unavoidable in terms of safety at work and with the power to delegate, to the extent permitted by law, the performance of any useful and/or necessary activities aimed at ensuring safety conditions at work and compliance with the law, with the exception of sectors and structures for which the role of employer is otherwise identified;
- b) Legal Representative and Manager of IREN S.p.A. with reference to current legislation on environmental protection and with the right to delegate, to the extent permitted by law;
- c) Subject to whom are attributed the exercise of the powers and functions, which are assigned to IREN S.p.A. as Data Controller pursuant to current legislation on the Protection of persons with regard to the processing of personal data, therefore attributing to the same, the competencies and responsibilities defined in accordance with EU Regulation 2016/679, of Italian Legislative Decree 196/2003 and subsequent amendments and additions, with the right to delegate to the extent permitted by law.

The Board of Directors has also established that the Chief Executive Officer is directly answerable to the Board of Directors for the roles and functions described in (a), (b) and (c).

Lastly, it should be noted that the Board of Directors, in its meeting of 30 August 2023, in line with the current organisational structure, also appointed Mr. Paolo Signorini as General Manager of IREN S.p.A., granting him, at the same time, the corporate signature and all the powers within the conferred proxies within the limits of the commitment set forth below, including, inter alia, the representation of the Company.

The General Manager operates on the basis of multi-annual plans and annual budgets approved by the Board of Directors and guarantees and verifies compliance with the resulting management guidelines.

In particular, the Board of Directors granted Mr. Signorini as General Manager the following delegations and powers to be exercised - in coordination with the Director of Strategies and Delegated Areas and the Director of Human Resources, CRS and Delegated Areas - within the limits of the law and the maximum amounts of expenditure set forth below:

- (i) implement the decisions of the Board of Directors, as far as he is responsible;
- (ii) coordinate and verify the implementation of the Group's corporate strategies, within the framework of the directives established by the Board, and exercise the delegated powers, and in particular those listed herein, in accordance with such strategies and directives;
- (iii) exercise, on the basis of the guidelines of the Board of Directors, management, coordination and control functions within the scope of the delegated powers, to achieve the targets set out in the business plan and budget, participating in the definition; coordinate and manage the work of the Management Committees of Iren;
- (iv) provide the necessary fulfilments for the distribution and organisation of the Group's logistics, entering into the necessary contracts and taking care of the rational structure and planning of activities in the area;
- (v) coordinate the performance of the analysis and study of the macroeconomic market scenarios of the Group's businesses as well as the reference competitive context and the main trends that characterise it by interacting with all areas of the Group's corporate and business staff;
- (vi) represent the Company, in agreement with the Chairperson, in relations relating to regulatory aspects with Associations such as Utilitalia, Confservizi, Confindustria, identified by way of example, as well as with the other sectoral Associations to which the Group adheres, with the right to sign conventions or agreements and to enter into deeds or contracts, interacting where appropriate with the relevant investee companies or through them;
- (vii) ensure the operational requirements to open and close current accounts with banks and credit institutions, withdraw sums from accounts in the Company's name, for this purpose issuing the relevant cheques or equivalent, and arrange for transfers to be made both from actual availability and from current account credit facilities;
- (viii) carry out deposits into bank and postal accounts of the Company, and endorse the amounts credited on current accounts for the same cheques and money orders;
- (ix) draw a bill of exchange upon customers, also endorsing promissory note discounts, bills, drafts as well as cheques of any kind and carrying out consequential transactions;
- (x) assign receivables of the Company with and/or without recourse and operate with companies and factoring institutions by signing all the relative deeds and issuing the relative receipts; it being understood that the aforementioned transactions, if not indicated in the approved business and financial plan and/or the approved annual Group budget, are subject to an amount limit of 1,000,000.00 Euro per individual transaction;
- (xi) stipulate, negotiating the conditions, centralised treasury contracts (cash pooling and intercompany financing) with directly and indirectly controlled companies;
- (xii) prepare the documentation to be submitted to the financial administration and commissions of all grades and levels, as well as to the Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices, public administrations and private entities; by way of example:
- (xiii) tax and VAT returns and any other fulfilment of a fiscal nature, statements (annual and periodic), certificates, questionnaires, minutes and any other act necessary for the correct fulfilment of the Company's tax and currency obligations, issuing powers of attorney and mandates of any nature relating to the items listed above;
- (xiv) complaints, petitions and appeals;
- (xv) transactions at the Cassa Depositi e Prestiti, Banca d'Italia, customs, postal and telegraph offices for shipments, storage, release and collection of goods, values, parcels, packets, registered and insured letters, issuing receipts and granting discharge;
- (xvi) within the limits set out in point (x) above, enter into, use, amend and terminate contracts for credit opening and short-term loans in support of Treasury;
- (xvii) within the limits set out in point (x) above, provide guarantees and loans and take out contracts relating to bank and insurance policies;
- (xviii) constitute, register and renew mortgages and privileges against third parties and for the company's benefit; permit cancellations, reductions and liens registered in favour of the Company as well as subrogations in favour of third parties; renounce mortgages and mortgage subrogations including legal ones and carry out any other mortgage transaction, always against third parties and for the company's benefit, and therefore receivable, relieving the competent land registrars of any and all

- liabilities;
- (xix) withdraw securities and values owed to the Company, issuing the relevant receipts;
- (xx) issue and negotiate collection orders;
- (xxi) sign forms for the receipt of accompanying letters for values and documents relating to invoices issued by the Company;
- (xxii) within the limits set out in point (x) above, enter into currency contracts, including forward contracts;
- (xxiii) participate, to the extent applicable, in any type of public or private auction or auction in Italy and abroad, without prejudice to the fact that the preceding operations, if not indicated in the approved business and financial plan and/or in the Group's annual budget approved, are subject to an amount limitation of 1,000,000.00 Euro per single operation;
- (xxiv) within the limits set out in point (x) above, enter into, amend and terminate trade and service agreements of any kind with companies and entities;
- (xxv) within the limits referred to in point (x) above, stipulate, with all the appropriate clauses, assign and terminate contracts and agreements in any case inherent to the corporate purpose - including those concerning intellectual property, trademarks, patents - also in consortium with other companies;
- (xxvi) establish, in the interest of the Company, consulting relationships - in the delegation areas as CEO - with external experts and professionals, setting time frames and methods of payment with a spending limit of 250,000.00 Euro;
- (xxvii) within the limits set out in point (x) above, enter into securities and real estate lease agreements;
- (xxviii) provide, both as the parent company and the principal company, the necessary fulfillments for the establishment of joint ventures, TACs (Temporary Associations of Companies), EEIGs (European Economic Interest Grouping), consortia and other bodies, giving and receiving relevant mandates, in order to participate in tenders for the award of works, services and supplies;
- (xxix) certify that copies of the Company's documents and those in any case acquired in the Company's records conform to the original;
- (xxx) sign requests, also to public bodies, for news and information, certificates or attestations, permits, authorisations, concessions, licenses and any other clearance;
- (xxxi) take care of the drafting, management and signing of the Group's intercompany contracts;
- (xxxii) provide the necessary fulfilments for the distribution and organisation of the Group's logistics, entering into the necessary contracts and taking care of the rational structure and planning of activities in the area;
- (xxxiii) manage, within its scope of competence, insurance policies with the support of the "Procurement, Logistics and Services" and "Legal Affairs" functions; without prejudice to the fact that the preceding operations, if they are not indicated in the approved business and financial plan and/or in the approved annual Group budget, are subject to an amount limitation of 1,000,000.00 Euro per single operation.

The Board of Directors, at the aforementioned meeting, decided: (i) that the General Manager may grant and revoke proxies and mandates within the scope of the aforementioned powers, for individual acts or categories of acts both to employees of the Company and to third parties, including legal persons; (ii) that the General Manager has corporate signature and all powers with reference to the proxies granted above; (iii) that all powers conferred on the General Manager, except where expressly provided, are exercised by single signature, with the right to sub-delegate; (iv) that the powers and proxies conferred by the Board of Directors to Mr. Signorini as CEO shall be redefined, to the extent necessary, always and in any case within the aforementioned limits. Where the powers granted in the capacity of Chief Executive Officer correspond to those granted as General Manager, they shall be deemed to be exercised in the latter capacity.

#### 4.9-Other executive directors

Except as reported above in **para. 4.8**, there are no other directors on the Board of Directors of IREN S.p.A. who qualify as executive directors under the definitions in the Corporate Governance Code (January 2020 edition), taking into account IREN S.p.A.'s governance assessments.

## 4.10-Independent directors

### Legal provisions, By-laws and recommendations of the Code

Pursuant to art. 147-ter, paragraph 4, Consolidated Law on Finance, at least one of the members of the Board of Directors, or two if the body has more than seven members, must meet the independence requirements established for statutory auditors in art. 148, paragraph 3, Consolidated Law on Finance, as well as, if the By-laws so provide, the additional requirements set forth in codes of conduct drawn up by regulated market management companies or trade associations. Pursuant to art. 18.2 of the current By-laws, at least two directors meet the requirements of the laws in force at the time. Recommendation No. 5 of the current Corporate Governance Code stipulates that *“The number and competencies of independent directors shall be appropriate to the needs of the business and the functioning of the board of directors, as well as the establishment of relevant committees”*, according to the guidelines in the same Code, and that *“In large companies with concentrated ownership, independent directors constitute at least one-third of the board of directors”*. In this regard, it is specified that, at present, in light of the definitions offered by the Code, IREN S.p.A. would appear to be one of the large companies with concentrated ownership. However, for the current term 2022-2024, the percentage of Independent Directors exceeds the minimum percentage specified therein.

### The assessment of the Board of Directors of IREN S.p.A. and control of the Board of Statutory Auditors

The assessment of the existence of the requirements for independence by Directors is carried out by the Board of Directors of the Company after the related appointment and annually thereafter. It concerns both the criteria defined by the Consolidated Law on Finance and the hypotheses set out in Recommendation No. 7 of the current Corporate Governance Code (indicated, non-strictly and non-exhaustively, as *“signs of non-independence”*, without prejudice in this regard to any more punctual verification, having regard more to substance than to form, and taking into account the governance solutions adopted by the Company with particular regard to letters c), d), e) and h) of the same Recommendation), and is carried out on the basis of information provided by the interested parties (through the completion and signing of periodic self-assessment questionnaires, kept on file, or through statements made by the interested parties and reported in the board minutes) or otherwise available to IREN S.p.A., as well as through checks carried out on the basis of information already available at the Company and/or acquired through the consultation of public data, making use of the internal corporate structures. Evaluation is also made when circumstances regarding independence arise.

In this regard, the Board of Statutory Auditors, within the scope of the tasks assigned to it by law, checks the correct application of the verification criteria and procedures adopted by the Board to assess the independence of its members and discloses the outcome of the audit to the market in the Corporate Governance Report or in the Auditors' Report to the Shareholders' Meeting.

### Solutions adopted by the Board of Directors of IREN S.p.A. to further specify the Code's recommendations

In the document highlighting the governance solutions adopted by the Company with reference to the provisions of the Code, approved by the Board of Directors currently in office on 06 July 2022, certain clarifications are provided with regard to some of the non-independence circumstances identified by Recommendation 7 of the Code, set forth below:

- with reference to the provisions of lett. c), the Board of Directors currently in office has decided to “limit” “significant” commercial, financial or professional relations to those which exceed, when considered as a whole, an amount of 95,000.00 Euro, without prejudice to any more precise verification regarding (a) the impact of the relations on the economic-financial situation of the person concerned; (b) the importance for their prestige and (c) any connection with important IREN S.p.A. operations;
- always with reference to the provisions of lett. c), it was agreed that the Board of Directors will also consider any relations with top executives and managers of the main Public Shareholder Municipalities which, jointly, by virtue of the Agreements, control the Company;
- with reference to the provisions of lett. d), the Board of Directors has considered that a significant additional remuneration with respect to the “fixed” emolument of a non-executive director for the issuer constitutes a total remuneration exceeding 65,000 Euro. In this regard, consideration was given to the Q&A to the Code published in November 2020;
- with reference to the provisions of lett. e), it was agreed that, for the purposes of this letter, of note is also the position of Director of issuing companies from which the merger originated IREN S.p.A. for more than nine years in the past twelve years;
- with reference to the provisions of lett. h), the Board of Directors agreed to include among the so-called “close family members”: the spouse, relatives or relatives-in-law up to the second degree of kinship, as well as the other subjects mentioned in art. 3.3 of the current IREN S.p.A. Procedure for Transactions with Related Parties;
- also with reference to the provisions of lett. h), the Board of Directors agreed to evaluate, at present, the Chairperson as an executive director, given the allocation of management powers.



### Checks carried out from 01 January 2023 to the date of approval of this Report

Specifically:

- in the sessions held on **16 February 2023**, with continuation of the work on the following **17 February**, and on **4 April 2023**, for the purposes of the annual update and, also, the drafting of the Report on Corporate Governance and Ownership Structure 2022, the Board of the Directors, on the basis of the declarations made by the Directors and confirmed in the meeting by each Director, as well as on the basis of the checks carried out on the basis of information already available at the Company and/or acquired through the consultation of public data, making use of the internal company structures, has confirmed the independence assessments pursuant to the TUF and pursuant to the Corporate Governance Code carried out previously;
- at the meeting held on **29 February 2024**, for the purposes, also in this case, of the annual update as well as the preparation of this Report, the Board of Directors once again carried out the activities described in the previous point and, as a result thereof, confirmed the findings of the aforementioned independence assessments.

Lastly, it should be noted that, as reported above (see **para. 4.8**), Mr. Paolo Signorini cannot be considered independent pursuant to either the Consolidated Law on Finance or the Corporate Governance Code, given his appointment - by co-option, pursuant to Article 2386 of the Italian Civil Code, by the Board of Directors pursuant to the resolution passed on 30 August 2023, following the resignation from the same office of Mr. Gianni Vittorio Armani - as Chief Executive Officer, as well as General Manager, and the attribution to the latter of operational delegations, cannot be considered independent either pursuant to the TUF or pursuant to the Code. For the same reasons, by virtue of the powers granted, the above independence requirements do not apply to the Chairperson and Deputy Chairperson.

The Board of Statutory Auditors took note of the information provided from time to time by the individuals concerned and of the information reported by them at the aforementioned meeting, both for the purposes of the verifications, for which the Board of Directors and the Board of Statutory Auditors are responsible in accordance with the provisions of the Code, concerning the existence of the independence requirements of the Directors and the application of the assessment procedures adopted by the Board, based on the declarations of the individuals concerned, confirmed in the respective meetings, as well as on the basis of the checks carried out based on information already available at the Company and/or acquired through the consultation of public data, making use of the internal corporate structures.

For a detailed illustration of the existence of the independence requirements pursuant to Articles 147-ter, paragraph 4, and 148, paragraph 3 of the Consolidated Law on Finance and/or the Code for the Directors of the Company, please refer to **Table 2** below.

### Meetings held in 2023

As at 31 December 2023, there has been 1 meeting of Directors, currently in office, who meet the independence requirements pursuant to articles 147-ter, paragraph 4, and 148, paragraph 3 Consolidated Law on Finance/Recommendation No. 7 of the Code.

On this occasion, the Directors discussed the following topics: (i) the reorganisation of the management powers referred to in the resolution passed by the Board of Directors on 30 August 2023, to be divided among the new Chief Executive Officer, as already mentioned, appointed at the same meeting by co-option pursuant to Article 2386 of the Italian Civil Code, the Chairperson and the Deputy Chairperson; (ii) governance and the system of proxies in IREN; (iii) the possible formulation of proposals, to be submitted to the Board of Directors, regarding the appointment of a lead independent director.

The meeting was coordinated by Director Licia Soncini, who, since the inauguration of the Board of Directors for the three-year period 2022-2024, has held the role of Coordinator of the Independent Directors, with the respective functions contained in the Regulation "Group of Independent Directors: Operating Guidelines", adopted by the Directors themselves.

### Lead independent director

The Board of Directors currently in office - in line with the approach adopted by the Management Body in the previous 2019-2021 term - did not deem it necessary to proceed with the appointment of an Independent Director as lead independent director, given the presence of a Coordinator of Independent Directors. However, also taking into account what was discussed at the meeting of the Independent Directors held in 2023, the appropriate investigations were initiated with a view to the possible appointment of the Lead Independent Director during the financial year 2024.

#### 4.11 - Maximum number of positions held in other companies

In compliance with Principle XII of the Corporate Governance Code (January 2020 edition), each Director shall ensure that adequate time is available for the diligent performance of the duties assigned to him or her. Furthermore, in compliance with Recommendation no. 15 of the same Code, the Board of Directors expresses its guidelines on the maximum number of offices that can be considered compatible with the effective performance of the office of director of the company, taking into account the commitment resulting from the role held. The relevant offices are those held in corporate bodies of other listed companies and of companies having a significant size.

To this end, in formulating its guidelines to Shareholders on the quali-quantitative composition of the Board of Directors for the three-year period 2022-2024, on the basis of the commitment required of directors for the performance of their duties in IREN, the Board of Directors of IREN, then in office, at its meeting held on 20 April 2022, approved, after preliminary investigation by the Remuneration and Appointments Committee, the document "Guidelines of the Board of Directors of IREN S.p.A. to the Shareholders on the quali-quantitative composition of the Board of Directors for the three-year period 2022-2024". This document contains, inter alia, the following guidelines on the maximum number of positions held by Directors:

- an Executive Director should not hold: i. the office of executive director in another listed company, Italian or foreign, or in a company with a net worth or consolidated annual turnover exceeding 500 million euro; ii. the office of non-executive director or statutory auditor (or member of another supervisory body) in more than three of the companies indicated under (i) above;
- the Chief Executive Officer may not serve as a director of another issuer not belonging to the same group, of which another director of the Company is Chief Executive Officer;
- a Non-Executive Director (even if independent), in addition to the office held in the Company, should not hold: iii. the office of executive director in more than one listed company, either Italian or foreign, or with a consolidated net worth or annual turnover exceeding 500 million euro and the office of non-executive director or statutory auditor (or member of another control body) in more than three of the companies indicated above; or iv. the office of non-executive director or statutory auditor (or member of another control body) in more than four of the companies indicated above under (iii).

For the purposes of calculating the maximum number of offices held, positions held within IREN Group subsidiaries or internal committees are not relevant.

When assessing each subjective position - which shall be carried out in the interest of the Company - the Board may take into account the concrete circumstances and professional commitments (not limited to the office held) of each single Director, both to allow for a possible derogation to the limits of offices and to provide for a possible lowering of the maximum number of offices that can be held. The Board of Directors, if appropriate, will invite the Director to make the resulting decisions. The attendance of individual Directors expected at Board and Board Committee meetings during the year shall not be less than 80%, unless justified.

Following the establishment of the Board of Directors currently in office, the Administrative Body took note of the above guidelines and made them its own.

**Table 4** attached to this report provides further details on the positions of Director or Auditor held in other companies listed on regulated markets, including foreign markets, in financial, banking, insurance or large companies, as well as any other positions.

## 5-INTERNAL MANAGEMENT AND EXTERNAL DISCLOSURE OF CORPORATE INFORMATION

The correct management of corporate information is a key element in protecting shareholder and market interests.

In this regard, IREN has adopted and continually keeps a specific procedure updated to ensure that legislative and regulatory provisions on Market Abuse are applied appropriately.

More specifically, EU Regulation No. 596/2014 (Market Abuse Regulation) and the relative European Commission Implementation Regulations amended EU legislation on inside information and market abuses. These changes, combined with the main directives provided by the Consob Guidelines "Management of Inside Information" of October 2017, were most recently incorporated in the updated version of the "Procedure for the internal management and external communication of relevant information and/or Inside Information and the retention of the Insider Register", approved by the Board of Directors on 13 May 2019.

The update to the procedure referred, inter alia, to the introduction of a stage in Relevant Information is identified and mapped, intended as a preliminary and preparatory process to promptly identifying information, which given its insider nature, needed to be communicated to the public “as soon as possible”. In this regard, the Company has also adopted a “Relevant Information List” (“RIL”), which lists people that have access to Relevant Information. This list is added to the existing “Insider List” Register, which on the other hand, lists people with access to Inside Information.

The current procedure requires that when Relevant Information becomes Inside Information, the people included in the RIL are cancelled from the RIL Register and added to the Insider List, with immediate notification provided to the Market or the delayed disclosure procedure initiated.

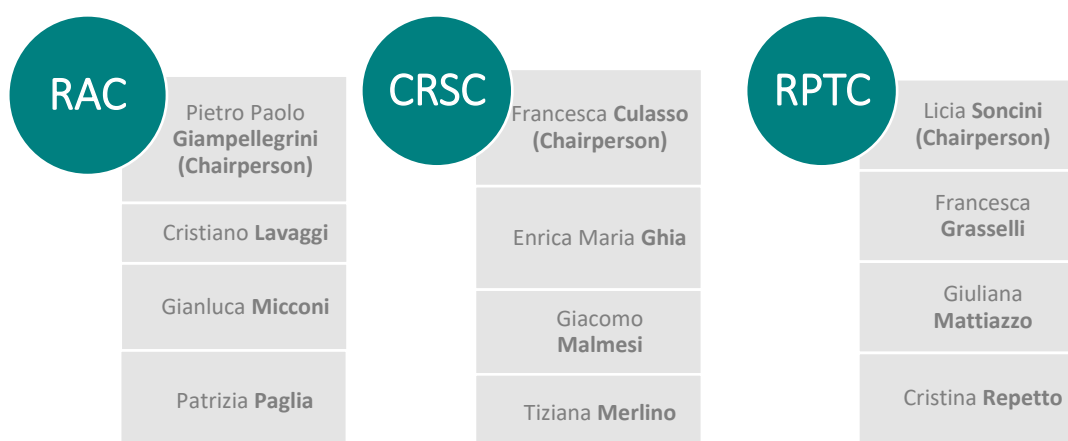
The procedure published on the Company’s website ([www.gruppoiren.it](http://www.gruppoiren.it)) in the section “Investors– Corporate Governance– Corporate Documents”, mainly serves to:

- a) identify the organisational functions designated to manage and process relevant and inside information;
- b) identify and map Relevant Information Flows;
- c) qualify and manage Inside Information;
- d) define the procedures for communicating Inside Information to the market, and set out the ensuing requirements;
- e) assess whether the conditions exist to delay disclosure to the market and set out the ensuing requirements;
- f) define the criteria for retaining the Register of People with access to Inside Information (Insider List) and the Register of People with access to Relevant Information (RIL);
- g) stipulate the confidentiality obligations referring to Relevant and Inside Information.

Furthermore, pursuant to applicable legislation on the subject, Relevant Persons and Persons closely associated with Relevant Persons, namely the people identified on the basis of the criteria stipulated under Article 152-sexies of the Issuers’ Regulation, must notify Consob and the public within 3 business days, of transactions to purchase, sell, underwrite or trade shares issued by the issuer or financial instruments related to these, which have been undertaken by the latter or by persons closely associated with them, where the amount exceeds the cumulative threshold of 20,000 Euro by the end of the year. The procedure detailing the disclosure obligation on operations on IREN Group securities carried out by people with access to inside information (the Internal Dealing Procedure, approved by the IREN S.p.A. Board of Directors on 10 December 2010 and most recently amended on 13 May 2019) and the list of Relevant Parties, are available on the Company website ([www.gruppoiren.it](http://www.gruppoiren.it)) in the section “Investors – Corporate Governance – Internal Dealing - Annexes”.

In accordance with the provisions in the aforementioned procedure, Relevant Parties may not carry out transactions on Company shares or the related Financial Instruments in the 30 days (black-out period) prior to the date scheduled for the disclosure of the annual or interim or quarterly results to the market, which IREN is obligated to disclose.

## 6-INTERNAL BOARD COMMITTEES



To ensure its corporate governance model complies with the recommendations in the Code, the IREN S.p.A. Board of Directors in office established the following committees on the basis of the resolution taken at the meeting held on 21 June 2022:

- a **Remuneration and Appointments Committee** (hereafter also “RAC”), for the exercise of the functions provided for by Recommendations no. 19 - regarding appointments - and no. 25 - regarding remuneration (for a detailed list of which please refer to the Regulations approved by the Board of Directors of the Company on 1 August 2018, which will be discussed below in **para. 8**), comprising four non-executive directors, with the majority having the independence requirement. The Chairperson was chosen from among the independent members.

In line with the flexibility principle characterising the Code, since 2014, the Company's Board of Directors made the decision to combine the remuneration and appointment functions into a single Committee for organisational purposes, due to the specific nature of the Board.

This decision was undertaken in accordance with the rules on the composition of both Committees.

- a **Control, Risk and Sustainability Committee** (hereinafter also "**CRSC**") providing general support, through appropriate preliminary work, to the assessments and decisions of the Board of Directors relative to the internal control and risk management system, and those relative to the approval of the financial and non-financial periodic reports. More specifically, the Control, Risk and Sustainability Committee exercises the functions pursuant to Recommendation 33 of the Code (support for Board of Directors' resolutions on a series of subjects, including the appointment/revocation and remuneration of the Head of the Internal Audit Function), Recommendation 35 (reference is made below to **para. 9**), additional functions to provide consultation and make proposals on sustainability, and additional functions in terms of the respective Regulation approved by the Company's Board of Directors on 5 April 2019. This Committee is composed of four non-executive and independent directors.

In addition to the Committees recommended by the Corporate Governance Code, in compliance with the Procedure on Transactions with Related Parties (hereinafter "**RPT Procedure**"), the Board established the specific Related Party Transactions Committee (hereinafter also "**RPTC**"),

consisting of four Directors holding the independence requirements contemplated by articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Law on Finance and the additional requirements set by the Code.

The Related Party Transactions Committee formulates its opinion on the performance of transactions of lower and greater importance with Related Parties and, in general, performs all the other functions assigned to it regarding transactions with Related Parties, pursuant to the Regulation on transactions with related parties adopted by Consob with resolution no. 17221 of 12 March 2010, as amended (hereinafter "**CONSOB RPT Regulation**").

The functioning of the Remuneration and Appointments Committee and the Control, Risk and Sustainability Committee are governed by specific Regulations (adopted by the Board of Directors in office at the time on 1 August 2018 and 5 April 2019 respectively, and which the current Board of Directors has adopted as its own).

These Regulations set out clear and standardised rules on (i) the appointment procedures and subjective requirements for Committee members; (ii) operating procedures, including the deadlines for convening meetings and making available support documentation, focusing on the information flows in respect of administrative and control bodies; (iii) powers and means at the disposal of the Committees, including the option of using consultants; (iv) the functions assigned to the Committees, without prejudice that as stipulated in the Code, these are defined on the basis of a Board of Directors' resolution.

More information about individual committees and their activities during 2023 is provided below. More details on the composition of the Committees are provided in **Table 2** annexed to this report.

## 7-REMUNERATION AND APPOINTMENTS COMMITTEE

### *Composition and requirements*

In compliance with Recommendations nos. 20 and 26 of the Corporate Governance Code, with a resolution passed in the meeting held on 21 June 2022, the Board of Directors in office set up a Remuneration and Appointments Committee, in the persons of:

- Pietro Paolo Giampellegrini (acting as Chairperson);
- Cristiano Lavaggi;
- Gianluca Micconi;
- Patrizia Paglia.

At the time of the appointment, on the basis of the professional CVs, the Board of Directors assessed that all its members possess adequate knowledge and experience in the field of remuneration policies.

A prior assessment was made regarding the independence requirements pursuant to articles 147-ter and 148, paragraph 3 of the Consolidated Law on Finance and in terms of the Code, and the following members met the aforementioned requirements:

- Pietro Paolo Giampellegrini (Chairperson)
- Gianluca Micconi
- Patrizia Paglia.

Mr. Cristiano Lavaggi does not meet the independence requirements pursuant to Recommendation No. 7 of the Code.

### *Functions and activities conducted during the year (reference)*

The Remuneration and Appointments Committee is a body providing consultation and draws up proposals, which the Board of Directors has assigned the duties detailed in the Regulation approved by the Board of Directors on 1 August 2018 and outlined below:

- attends to the preliminary work for the preparation of the remuneration policy for the Group's executive directors and Group Senior Executives with Strategic Responsibilities, needed for the Company's Board of Directors to adopt the measures it is responsible for; the Committee liaises beforehand with the Company's Control, Risk and Sustainability Committee with regard to the risk profile;
- presents proposals or expresses opinions to the Company's Board of Directors on the remuneration of executive Directors and other Directors who hold special positions and establishing performance objectives relating to the short and medium/long-term variable component connected with this remuneration;
- monitors the application of the decisions adopted by the BoD by verifying, in particular, the actual fulfilment of short and medium/long-term performance objectives, referred to in the point above;
- formulates proposals concerning the remuneration of the members of the Company's Board Committees;
- periodically assesses the adequacy, overall consistency and actual application of the policy on remuneration of directors with delegated powers and Senior Executives with strategic responsibilities, utilising the information provided by the relevant delegated bodies in the case of the latter, and formulates proposals to the Board of Directors in this respect.

The Remuneration and Appointments Committee also has the task of conducting a preliminary examination – with respect to the decisions the Board of Directors is responsible for – of the annual Report on the Remuneration Policy and Compensation Paid pursuant to Article 123-ter of the Consolidated Law on Finance, to be made available to the public in view of the annual Shareholders' Meeting convened to approve the separate financial statements (see **para. 8** and relative reference).

Providing this Committee with the remuneration functions referred to above, serves to ensure the broadest transparency and information on the fees paid to IREN S.p.A. executive directors and to Group Senior Executives with strategic responsibilities, including the relevant methods used to determine the remuneration.

The Remuneration and Appointments Committee has only proposing and advisory functions, while the power to determine the remuneration of Executive Directors and Directors holding special offices, in accordance with Art. 2389, third paragraph, of the Italian Civil Code, remains in any case in the hands of the Board of Directors which, pursuant to article 21 of the current By-laws, shall do so after hearing the Remuneration and Appointments Committee and the Board of Statutory Auditors.

In terms of Article 7.2 of the **RPT Procedure**, during 2023, the Committee has also performed the duties regarding related-party transactions in the case of transactions referring to the remuneration of Company Directors and Senior Executives with Strategic Responsibilities, given that its members meet the minimum requirements of independence and non-relation stipulated by the Consob Regulation.

More detailed information on the Committee's role and activities carried out during the year are available in the Report on the 2024 Remuneration Policy and Compensation Paid in 2023, to which reference is made.

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As mentioned above, in terms of the current Board mandate, the Remuneration and Appointments Committee is also assigned duties relating to appointments as per Recommendation 19 of the Corporate Governance Code, adapted to the Company's specific governance structure. This is detailed further in the Regulation approved by the Board of Directors on 1 August 2018 and set out below:

- formulates opinions to the Board of Directors on the subject of the dimensions and composition of the same and of its Committees (including the requirements of professionalism, integrity and independence of the related members) and proposes recommendations on the professional and managerial figures whose presence on the Board of Directors is considered opportune, also on the basis of the diversity recommendations under the Code applicable *pro tempore*;
- provides recommendations to the Board of Directors as regards the maximum number of appointments as Director or Statutory Auditor in other listed companies in regulated markets (including abroad), in financial, banking and

insurance companies or in large companies, compatible with effectively fulfilling the appointment as Director of IREN, taking into consideration the participation of Directors in the Board's Committees, and as regards the exceptions to the prohibition on competition provided for in art. 2390 of the Italian Civil Code;

- in line with the current statutory provisions, proposes candidates to the Board of Directors for the position of Director in the cases of co-option pursuant to art. 2386 paragraph 1 of the Italian Civil Code, if it is necessary to replace Independent Directors, ensuring observance of the prescriptions on the minimum number of independent directors and on the quotas reserved for the less represented gender;
- carries out the preliminary work on preparation of the plan for the succession of the Executive Directors, if adopted by the Company.

The Remuneration and Appointments Committee has also been given the task of instituting the annual self-evaluation process regarding the Board and its Committees, also in terms of their size and composition, pursuant to Principle XIV of the Corporate Governance Code. Specifically, after coordinating with the Chairperson of the Board of Directors, the Committee identifies the subjects for the evaluation and, having regard to best practices, also avails itself of the assistance of a consultant with expertise in the sector.

The combined functions of remuneration and appointments vested with the Remuneration and Appointments Committee meets the composition requirements indicated in the Code.

More detailed information on the appointments made by the Committee during the year is available in specific paragraphs in this Report, to which reference is made.

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### *Meetings, operating procedures, information flows and resources*

During 2023, the Remuneration and Appointments Committee held 18 (eighteen) meetings (of which 3 - three - held jointly with the IREN S.p.A. Control, Risk and Sustainability Committee), with a participation of 90% of its members (for further details see below **Table 2**). The average duration of the meetings was 50 (fifty) minutes.

The work of the Committee was coordinated by the Chairperson and the related meetings were regularly recorded with the assistance of the Secretary, external to the Committee.

All Committee meetings held during the year were attended by the Chairperson of the Board of Statutory Auditors in office and/or other Standing Auditor/s of the Company.

In carrying out its preparatory duties, the Remuneration and Appointments Committee makes use of the relevant Company structures. By invitation of the Committee, Directors with specific mandates and Company Managers attended certain meetings of the Remuneration and Appointments Committee, so as to provide input on individual agenda items pertaining to their areas of responsibility. In any case, the Remuneration and Appointments Committee discusses and adopts resolutions related to the remuneration of Directors, Directors with delegated powers and Senior Executives with Strategic Responsibilities without the attendance of those directly involved, unless this refers to proposals regarding general members of the Board's Committees.

An information flow to the Board of Directors is required. More specifically, the Committee Chairperson regularly reports to the Board of Directors at the first meeting thereafter, on the activities performed by the Committee, giving a separate account of the activities performed regarding remunerations and appointments as required by the Italian Corporate Governance Committee.

The Committee reported to the shareholders on the methods of exercising its functions; to this end, the Annual Shareholders' Meeting, held on 04 May 2023, was attended by two members of the Committee.

A specific Regulation disciplines (i) the appointment procedures and subjective requirements for members; (ii) operating procedures, including the deadlines for convening meetings and making available support documentation, focusing on the information flows in respect of administrative and control bodies; (iii) powers and means at the disposal of the Committee, including the option of using consultants; (iv) the functions assigned to the Committee, on 1 August 2018, the Board of Directors in office at the time approved the specific Regulation, which the Board of Directors adopted at its own.

As detailed above (see also **para. 4.5**), during 2023, the Committee in office used third party and independent consultants to conduct the duties it was assigned. In particular, the Committee in office: (i) with regard to the activity carried out in the field of "appointments", continued to use a third-party and independent consulting firm to carry out the annual self-evaluation activity of the Board of Directors and the Committees established within it; (ii) with regard to the activity carried out in the area of "remuneration," it engaged (a) a third-party independent consultant for the preliminary study of the protection tools to be adopted in the event of departure from the Group of key resources; (b) a third-party and



independent consultant to assist in the preparatory activities for the preparation of the Report on 2024 Remuneration Policy and Compensation Paid in 2023, including in the definition of the Remuneration Policy Guidelines for 2024.

The Remuneration and Appointments Committee has a budget of 90,000.00 Euro gross annually for 2024, allocated by the Company's Board of Directors.

In the current year, at the date of approval of this Report, the Remuneration and Appointments Committee had held 6 (six) meetings, one of which, jointly with the Control, Risk and Sustainability Committee. In line with the work scheduled during previous years, the Committee is expected to hold at least another 5 meetings over the course of the year.

## 8-REMUNERATION OF DIRECTORS

For information concerning the above, reference is made to the Report on the 2024 Remuneration Policy and Compensation Paid in 2023, drafted in terms of Article 123-ter of the Consolidated Law on Finance, which is published according to the time limits stipulated by law.

## 9-CONTROL, RISK AND SUSTAINABILITY COMMITTEE

### *Composition and requirements*

Pursuant to Recommendation no. 35 of the Corporate Governance Code, with resolution passed in the meeting held on 21 June 2022, the Board of Directors in office, which carries out a role of guidance and assessment of the adequacy of the system, set up the Control and Risk Committee as per Recommendation no. 32, letter (c) of the Corporate Governance Code, in the persons of:

- Francesca Culasso (Chairperson);
- Enrica Maria Ghia;
- Giacomo Malmesi;
- Tiziana Merlino.

At the time of the appointment, on the basis of their respective professional backgrounds and taking into account the provisions of the Committee Regulations approved on 5 April 2019, the Board of Directors considered: (i) for Francesca Culasso, the possession of adequate experience in accounting and finance, as well as internal control and risk management; (ii) for the lawyer Enrica Maria Ghia, acknowledging that she possesses adequate experience in matters of internal control and risk management; (iii) for the lawyer Giacomo Malmesi, possession of adequate experience in internal control and risk management; (iv) for Tiziana Merlino, the possession of adequate experience in accounting and finance and risk management.

After verification to this effect, all members of the Committee are found to meet the independence requirements pursuant to articles 147-ter and 148(3) of the Consolidated Law on Finance and pursuant to Recommendation No. 7 of the Code.

During the year, the composition of the Committee complied with the provisions of the Code Recommendations.

### *Functions and activities conducted during the year*

The Control, Risk and Sustainability Committee performs the general task of supporting, through adequate preliminary activities, the assessments and decisions of the Board of Directors relating to the internal control and risk management system, as well as those concerning approval of the financial and non-financial periodic reports.

Pursuant to Article 8 of the relevant Regulation, it shall give its preliminary opinion in order for the Board of Directors to make its own decisions:

- on the definition of the guidelines of the internal control and risk management system, so that the main risks relating to IREN and its subsidiaries are correctly identified, as well as adequately measured, managed and monitored, as well as on the determination of the degree of compatibility of these risks with company management consistent with the strategic objectives identified; in particular, the Committee examines the risk analysis carried out: (a) with reference to Iren Group's multi-year Business Plan, prior to its approval by the Board of Directors of IREN; (b) with reference to strategic initiatives, including merger & acquisition operations, carried out by the Company and/or its subsidiaries, where these fall within the competence of the Board of Directors of IREN;
- on the evaluation, at least annually, of the adequacy of the internal control and risk management system with respect to the characteristics of the company and the risk profile assumed, as well as its effectiveness; to this end,



the Committee reports to the Board of Directors, at least half-yearly, at the time of the approval of the annual and half-year financial report, on the activities carried out as well as on the adequacy of the internal control and risk management system;

- on the approval, at least annually, of the Audit Plan prepared by the Head of the Internal Audit Function; on the description, in the Report on Corporate Governance and Ownership Structure, of the main features of the Company's internal control and risk management system and the manner of coordination between the parties involved in it, expressing its evaluation of the adequacy of that system;
- on the assessment of the findings set out by the Auditing Firm in the Letter of Recommendation, if any, and in the report on key matters arising from the Statutory Audit;
- on the appointment and revocation of the Head of the Internal Audit Function, on the provision for the same of adequate resources for the latter to discharge the relative responsibilities and on the relative remuneration, defined in accordance with company policies.

The Committee is also responsible for exercising the functions set forth in Recommendation 35 of the Corporate Governance Code, listed below:

- evaluate, together with the Financial Reporting Manager (see below **paragraph 11.6** and **Annex 3**) and having consulted with the Independent Auditor and the Board of Statutory Auditors, the proper use of the accounting principles and their consistency for the purpose of drafting the IREN Consolidated Financial Statements;
- on an annual basis, review the outcomes of the asset impairment testing;
- conduct a prior review of the six-monthly reporting to the Board of Directors prepared by the Financial Reporting Manager, relating to the activities performed at Group level, any critical issues emerging and the measures undertaken to overcome these, and regarding the outcomes of the evaluation done on the internal control system on the accounting and financial information, necessary for the certifications required by legislation to the Delegated Administrative Body and the Financial Reporting Manager;
- express opinions on specific aspects related to identifying the main business risks; in particular, the Committee expresses opinions on specific aspects related to the Risk Policies, identifying the main business risks and the Audit Plan, and on Guidelines for the internal control and risk management system;
- examine the periodic reports prepared by the relevant functions, concerning the evaluation of the internal control and risk management system, and those of particular significance drafted by the Internal Audit Function;
- to monitor the independence, adequacy, effectiveness and efficiency of the Internal Audit Function;
- to request that the Internal Audit Function carry out checks on specific operational areas, communicating simultaneously with the Chairperson of the Board of Statutory Auditors;
- report to the Board of Directors, at least every six months, upon approval of the annual and interim Financial Report, on its activity and on the adequacy of the internal control and risk management system;
- based on appropriate preliminary work, support the assessments and decisions of the Board of Directors in relation to the management of risks deriving from prejudicial events, which the Board of Directors has become aware of.

In accordance with the Committee Regulations approved on 05 April 2019, the Company's Board of Directors also assigned the following functions on sustainable business management to the Control, Risk and Sustainability Committee:

- express opinions to the Board of Directors of the Company on (a) the definition of "sustainability" policies and principles of conduct, in order to ensure the creation of value over time for the shareholders and for all the other stakeholders; (b) the definition of a sustainability plan (strategic priorities, commitments and objectives) for the development of the economic, environmental and social responsibility of the Group;
- to supervise the "sustainability" policies and observance of any principles of conduct adopted on the subject by the Company and its subsidiaries;
- to examine the issues being investigated in terms of the long-term sustainability of the founding principles and guidelines of strategic planning, the business plan and short-term programming, and monitoring how these are implemented;
- assess, together with the competent Group Function and after consulting the Independent Auditors, the proper use of the standards adopted for the purposes of preparing the non-accounting disclosures provided for in the current legislation;
- supervise the system for assessing and improving the environmental, economic and social impacts deriving from the business activities in the local areas;
- examine the periodic reports on the implementation of the structured comparison measures with stakeholders in the local areas where the Group operates, in particular through Local Committees, and those concerning consistency with corporate social responsibility issues of cultural activities and promotion of the Group's image.

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The following is a summary of the main topics reviewed during 2023 by the Committee.

Specifically, with reference to the functional tasks of monitoring the autonomy, adequacy, effectiveness and efficiency of the Company's Internal Auditing and Compliance Department, the Committee reviewed: (i) the Group Audit Plan 2023-2024, expressing in this regard its favourable opinion to the Board; (ii) the Periodic Reports (relating to the 2nd half of 2022 and the 1st half of 2023) of the Internal Audit Manager, containing an evaluation of the suitability of the internal control and risk management system; (iii) the Periodic Reports of IREN Group's Data Protection Officer, prepared to report on the activities carried out by him/her during the reporting periods; (iv) the outcomes of the monitoring on the implementation of the corrective actions planned in response to the findings (follow-up, an activity carried out on a six-monthly basis), focusing in particular on the resolution of the relevant issues outstanding downstream of the follow-up activity carried out by the structure, as well as the results of the audits requested by the Committee itself or by the control and supervisory bodies; (v) the Whistleblowing Procedure adopted by the Group pursuant to Legislative Decree 24 of 10 March 2023.

During the year, the Committee reviewed audits conducted by the Internal Auditing Department in connection with events or circumstances that required the Committee's involvement.

With reference to the functions assigned by the Code regarding the system of internal control over financial reporting, the Committee met with the Financial Reporting Manager, the relevant departments of the Company and the contact persons of the Auditing Firm, as well as examined: (i) the periodic reports (relating to the second half of 2022 and the first half of 2023) of the Financial Reporting Manager; (ii) the Impairment Procedure and its outcomes, formulating requests for further details, in advance of the Board of Directors; (iii) the accounting standards applied in the preparation of the financial statements of IREN S.p.A. and the consolidated financial statements of Iren Group as at 31 December 2022 as well as the Half-Yearly Financial Report as at 30 June 2023, expressing a positive evaluation of the use of the accounting standards and their uniformity for the purpose of preparing the interim financial reports and the consolidated financial statements.

With reference to the sustainability functions assigned by the Board of Directors, the Committee has: (i) evaluated, on the basis of as reported by the Corporate Social Responsibility and Local Committees Department of IREN S.p.A. and having consulted with the statutory auditor, the correct use of the standards adopted for the purpose of preparing the Sustainability Report / Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 of IREN pertaining to 2022; (ii) reviewed the periodic reports on the initiatives put in place by the aforementioned Department for structured discussion with the stakeholders of the local areas in which IREN Group operates, on the activities of the Local Committees and the respective projects being implemented, as well as on the sustainability initiatives launched by the Company.

During 2023, the Committee also preliminarily examined: (i) the section on the internal control and risk management system of the Report on Corporate Governance and Ownership Structure for the year 2022, expressing its opinion on the same; (ii) the Guidelines on the Remuneration Policy for Executive Directors and Senior Executives with Strategic Responsibilities of the Group for 2023, jointly with the Remuneration and Appointments Committee, within the scope of their respective functions, for the purpose of the resolutions ultimately falling under the responsibility of the Board of Directors of IREN; (iii) the updating of the Policy for the Management of Dialogue with shareholders and investors made necessary following the redefinition of the delegations in place from 30 August 2023; (iv) the updating of the Guidelines of the Internal Control and Risk Management System and the Sustainability Policy of IREN Group.

During the year, with specific reference to the monitoring of risks, the Committee also examined the periodic reports prepared by the Risk Management function, in order to correctly identify corporate risks and the indicators through which they are controlled, formulating to this end, requests for more in-depth studies on specific risks deemed to be of particular importance.

Pursuant to Recommendation No. 35 of the Corporate Governance Code, the Committee reported semi-annually to the Board of Directors (specifically, on 22 March and 27 July 2023) on its activities to continuously verify the suitability of Iren Group's Internal Control and Risk Management System.

The Committee also examined the results of the risk assessments carried out by the aforementioned corporate function with reference to strategic initiatives or merger and acquisition operations carried out by the Parent Company or its subsidiaries during the year, in support of the Board of Directors' decisions (by way of example, with reference to the

consolidation operation of the company Siena Ambiente S.p.A. and the operation to acquire 50% of the NewCo to which the EGEA Group's operating branches will be transferred).

During a meeting held jointly with the RAC, the Committee was promptly involved following the resignation on 12 June 2023 from the offices of Director and Chief Executive Officer of IREN S.p.A. and from the position of General Manager of the Company by Mr. Armani, in order to ascertain the existence of the prerequisites for the application of the current Contingency Plan for Directors holding special offices at IREN S.p.A., a Plan that has been implemented until the appointment of the new Chief Executive Officer, on 30 August 2023.

In preparation for its approval by the Board of Directors, the Committee also examined the risk analysis related to the Company's Budget 2024, with the assistance of the Company's Risk Management, Planning and Control and Corporate Social Responsibility and Local Committees functions.

### *Meetings, operating procedures, information flows and resources*

During 2023, the Control, Risk and Sustainability Committee held 21 (twenty-one) meetings (of which 3 - three - meetings held jointly with the Remuneration and Appointments Committee), with 99% participation of its members (for further details see below **Table 2**). The average duration of the meetings was about 2 (two) hours.

The work of the Committee was coordinated by the Chairperson and the related meetings were regularly recorded with the assistance of the Secretary, external to the Committee.

As recommended by Recommendation No. 37 of the Corporate Governance Code, the Committee meetings held during the year were attended by the current Chairperson of the Board of Statutory Auditors and/or other Standing Auditor(s) of the Company.

Pursuant to Recommendation no. 17 of the Corporate Governance Code, the meetings of the Committee held in the 2023 financial year were attended, at the invitation of the Committee itself, through its Chairperson, by Delegated Bodies, managers and employees of the Company, advisors of the Company and of the Committee, as well as representatives of the Independent Auditors, also for the purpose of reporting, each to the extent of their competence, on individual points on the Agenda.

In carrying out its functions, the Committee had the right to access the information and corporate functions necessary to carry out its tasks (mainly the Departments reporting to the Chief Financial Officer, the Internal Audit and Compliance Department, the Risk Management Department and the Corporate Social Responsibility and Local Committees Department of IREN S.p.A.) as well as making use of external consultants.

An information flow of the Committee to the Board of Directors is required. Specifically, during 2023, the Chairperson regularly reported on the Committee's activities at the first useful meeting of the administrative body.

A specific Regulation approved on 05 April 2019 by the Board of Directors disciplines (i) the appointment procedures and subjective requirements for members; (ii) operating procedures, including the deadlines for convening meetings and making available support documentation, focusing on the information flows in respect of the administrative and control bodies; (iii) powers and means at the disposal of the Committee, including the option of using consultants; (iv) the functions assigned to the Committee.

The Control, Risk and Sustainability Committee has a budget of 100,000.00 Euro gross annually for 2024, allocated by the Company's Board of Directors.

During the current year, as of the date of approval of this Report, 5 (five) meetings of the Control, Risk and Sustainability Committee were held, including one held jointly with the Remuneration and Appointments Committee, one held in preparation for the Board of Directors' approval of the Draft Financial Statements as at 31 December 2023, the Sustainability Report/Consolidated Non-Financial Statement pursuant to Legislative Decree 254/2016 of IREN pertaining to the financial year 2023 as well as one preparatory to the approval by the Administrative Body of this Report.

For the remainder of the financial year, indicatively at least 5 further meetings are planned, one of which will be held on the occasion of the Board of Directors' meeting to approve the Half-Year Report.

## 10-RELATED PARTY TRANSACTIONS COMMITTEE

### *Composition and requirements*

In compliance with the current RPT Procedure updated on 28 June 2021, with effect from 1 July 2021, the Committee in office is composed of four Directors in possession of the independence requisites provided for by art. 147-ter, paragraph 4, and 148, paragraph 3, Consolidated Law on Finance and the additional requirements provided for by art. 3 of the Corporate Governance Code. In application of these provisions, with a resolution of the Board of Directors on 21 June 2022, the following Independent Directors were appointed as members of the Related Party Transactions Committee (the "RPTC")<sup>3</sup>:

- Licia Soncini;
- Francesca Grasselli;
- Cristina Repetto;
- Giuliana Mattiazzo.

By virtue of the aforementioned resolution, the Board of Directors appointed Licia Soncini as Chairperson of the Committee (confirming the role already held in the previous mandate).

In order to guarantee the double requirement of independence and "non-correlation" (i.e. extraneousness with respect to the counterparty of a specific transaction and its related parties) in the individual transaction to be examined, since they fall within the scope of application of the RPT Procedure, it is envisaged that the RPTC, preliminary to the relevant discussion, preliminarily verifies the existence of both requirements for its members, through declarations acquired in the documents and recalled in the minutes of the first available meeting.

If, based on the outcome of this verification, it is ascertained that one or more members of the RPTC do not meet the requirement of independence and/or non-relation in the transaction to be examined and (i) for minor transactions, there are not at least two independent unrelated directors or (ii) for major transactions, there are not at least three independent unrelated directors, a person responsible, alternatively, for the preliminary investigation shall be identified as follows:

- if the Iren Board of Directors should have other independent Directors unrelated to the transaction in question, the composition of the RPTC will be supplemented by the appropriate replacements; the Board of Directors is responsible for identifying a Sub-Committee in order of seniority, and taking into account the duties already assigned in terms of the RPT Procedure and/or Italian Corporate Governance Code, comprising at least two (for minor transactions) or three (for major transactions) independent Directors not associated with the related parties in the individual transaction in question;
- if there is not even one member of the RPTC or of the Board of Directors that has the above requisites of independence and non-relation to the transaction in question, the investigation shall be assigned to an Independent Expert appointed by the Company's Board of Directors as Alternative Overseers.

### *Functions and activities conducted during the year (reference)*

The Related Party Transactions Committee formulates its opinion on the performance of transactions of lower and greater importance with Related Parties and, in general, performs all the other functions assigned to it regarding transactions with Related Parties, pursuant to the Consob Regulation on transactions with related parties.

During 2023, the RPTC was entrusted with reviewing certain transactions with related parties qualified both as being of lower importance and greater importance in terms of the RPT Procedure and the Consob RPT Regulation.. For more information, reference is made to the Annual Report on Operations.

### *Meetings, operating procedures, information flows and resources*

During the financial year 2023, the Related Party Transactions Committee held 6 (six) meetings. Attendance at meetings by members was 100% (for details see below - **Table 2**) and the average duration of meetings was approximately 50 (fifty) minutes.

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<sup>3</sup> Until 21 June 2022, the RPTC, by virtue of the resolutions passed by the previous Board of Directors' meetings held on 22 and 30 May 2019, is composed of the following independent directors: Licia Soncini (Chairperson), Alessandro Giglio, Ginevra Virginia Lombardi and Giacomo Malmesi.

All RPTC meetings were attended by the Chairperson of the Board of Statutory Auditors and, some meetings, another member of the Board of Statutory Auditors.

The work of the RPTC was coordinated by the Chairperson and the related meetings were regularly recorded with the assistance of the Secretary, external to the RPTC.

Some meetings of the RPTC held in 2023 were attended, at the invitation of the Committee itself, through its Chairperson, by managers and employees of the Company as well as directors, managers and employees of the Group companies, in order to report, to the extent possible, on specific issues brought to the attention of the RPTC.

The functioning of the RPTC responds, to the extent applicable, to the Recommendations of the Corporate Governance Code, for any aspect not expressly regulated by the RPT Procedure.

In particular, in accordance with Recommendation 17 of the Corporate Governance Code, in performing its duties, the RPTC has the right to access information and the corporate functions necessary to carry out its tasks and to avail itself of external consultants to formulate the opinions it has responsibility for in terms of the RPT Procedure.

The RPTC has a budget of 60,000.00 Euro gross annually for 2023, allocated by the Company's Board of Directors. This is without prejudice in any case to the provisions of the RPT Procedure.

An information flow is required in respect of the relevant Parent Company and subsidiary structures (when involved in transactions with related parties) as specified in the RPT Procedure.

On the date of approval of this Report, the RPTC had held 3 (three) meetings in the current year. Given the nature of the activities performed, it is not possible to plan the RPTC work for the remainder of the year.

## 11-INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

IREN adopted an Internal Control and Risk Management System consisting of a set of rules, procedures and organisational structures for an effective and efficient identification, measurement, management and monitoring of the main risks, aimed at contributing to the sustainable success of the company.

The Board of Directors defines the guidelines of the Internal Control and Risk Management System in accordance with the company's strategies and annually assesses its adequacy and effectiveness.

The Board of Directors defines the principles concerning the coordination and the flow of information among the parties involved in the Internal Control and Risk Management System. Such principles aim at maximising the effectiveness of the system itself, reducing the duplication of activities and ensuring the successful performance of the duties of the control body.

The organisation of the Internal Control and Risk Management System, each according to their respective competencies, involves:

- a) the Board of Directors, which plays a role in guiding and assessing the adequacy of the system;
- b) the Directors in charge of establishing and maintaining the Internal Control and Risk Management System i.e. the Chairperson, the Deputy Chairperson and the Chief Executive Officer each with reference to the area to which their respective delegated authority pertains;
- c) the Control, Risk and Sustainability Committee, set up within the Board of Directors, with the task of supporting the Board's assessments and decisions relating to the Internal Control and Risk Management System (ICRMS) through adequate investigation activities and relating to the approval of periodical financial and non-financial reports;
- d) the Head of the Internal Audit Function who is in charge of verifying that the Internal Control and Risk Management System is functional, adequate and consistent with the guidelines defined by the board of directors;
- e) the other corporate functions involved in the internal control and risk management system (such as the Risk Management Department and the functions dealing with legal and non-compliance risk), which are articulated in relation to Iren Group's size, sector, complexity and risk profile, among which, in particular, the Risk Management Director. The latter reports hierarchically and functionally to the CEO of the Company and is responsible for: a) taking care of the design, implementation and maintenance of the Group's Enterprise Risk Management system; b) taking care of the identification of the main corporate risks through the elaboration of the Risk Map, submitted periodically to the review of the Appointed Directors, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions and ultimately to the approval of the Board of Directors; c) controlling the correct application of the Risk Policies that monitor the risks considered most

- relevant according to the characteristics of the activities carried out by IREN S.p.A. and its subsidiaries (Enterprise Risk Management, Financial, Energy, Operational, Cyber, Climate Change, Tax Control Model), and by submitting a dedicated report every six months for the review of the Appointed Directors, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions and ultimately for the approval of the Board of Directors; d) preparing risk analysis related to the risks pertaining to the Business Plan, as well as to strategic initiatives (M&A, industrial, etc...) where they fall within the competence of the Board of Directors of IREN S.p.A. e) managing Group insurance programmes and asset and liability claims; f) overseeing the Business Continuity Management (BCM) Model, to ensure the continuity of business processes
- f) the Board of Statutory Auditors, which monitors the effectiveness of the Internal Control and Risk Management System.

The IREN S.p.A. Internal Control and Risk Management System also involves the Supervisory Board (SB) appointed by the Board of Directors, pursuant and to all effects of Italian Legislative Decree No. 231/2001 (for the current composition see below **para. 11.3**).

On the basis of the measures undertaken by the relevant company structures, the underlying aspects of the IREN Internal Control and Risk Management System are as follows:

*Control environment*, comprising:

- ethical values and relative principles of conduct set out in the Code of Ethics approved by the IREN Board of Directors and main subsidiaries;
- commitments made in the Sustainability Policy approved by the IREN Board of Directors;
- Guidelines and Procedures for compliance with current legislation issued by the Parent Company also applicable to the Subsidiaries;
- Organisational structure, with the assignment of duties and responsibilities and the delegation of powers;
- Organisation, management and control model, pursuant to Italian Legislative Decree No. 231/2001;
- Procedure pursuant to Law 262/2005 (Financial Reporting Manager);
- Organisational structure, pursuant to European Regulation on the Protection of Personal Data (GDPR) 2016/679 and Italian Legislative Decree No. 196/2003 and subsequent amendments (Privacy Code);
- ISO certified systems on quality, safety, environment and information security;
- human resources management policies;
- Risk Policies;
- Business Continuity Plan;
- General Crisis Management Procedure.

*Risk Assessment*: is a cardinal aspect of the Internal Control and Risk Management System, based on an Enterprise Risk Management (ERM) System. This System provides for a methodological approach for the identification, assessment and integrated management of risks (treatment, control and reporting) of the Group.

The person in charge of the integrated management of the Enterprise Risk Management (ERM) System for IREN Group (methodology layout, definition of Risk Policies and System monitoring) is a member of the Board of Directors, who has been conferred a mandate to steer and manage the Risk Management Department. In this case, at the date of this Report, the Delegated Body is the CEO of IREN, Mr. Paolo Signorini.

The Risk Management Director reports on a hierarchical and functional level to the mandate holder, and oversees:

- a) planning, implementation and update of the Group's Enterprise Risk Management system;
- b) identification of the main corporate risks, through the elaboration of the Risk Map submitted periodically to the review of the Directors in charge of the Internal Control and Risk Management System, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions, and finally to the approval of the Board of Directors;
- c) control of the correct application of the Risk Policies, through which the risks deemed most relevant according to the characteristics of the activities carried out by IREN and its subsidiaries are placed under control, submitting a dedicated report every six months for review by the Director in charge of the Internal Control and Risk Management System, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions and ultimately for approval by the Board of Directors.
- d) assessment of risks relating to the Business Plan and Strategic Initiatives (M&A, industrial, etc.) where these fall within the competence of the Board of Directors of IREN S.p.A.
- e) stipulation and management, in liaison with the CEO, of insurance policies, with the support of the Procurement, Logistics and Services and Legal Affairs functions, as well as management of asset and liability claims. A periodic assessment process is also in place with regard to adverse events in the various sectors and across all Group's areas

in order to describe in detail their causes and implement the most suitable methods for preventing and/or limiting the impacts of the events;

- f) oversight of the Business Continuity Management (BCM) Model, aimed at ensuring the continuity of business processes deemed critical in case of disruption.

The Risk Management System envisages specific Risk Policies, with the primary goal of fulfilling strategic guidelines, organisational/managerial principles, macro-processes and techniques necessary for the active management of the related risks. Each Policy provides for specific Commissions, which are coordinated by the Risk Management Department, with respect to the following types of risk:

- Financial Risks (liquidity, interest rate, exchange rate and related limits);
- Credit Risk;
- Energy Risks, attributable to the procurement of gas for thermoelectric generation and to the sale of electricity, heat and gas, and to the hedging derivative markets;
- Cyber Risks, linked to potential events (threats) that by exploiting vulnerabilities result in the loss of confidentiality, integrity or availability of data or information after which negative impacts on the organisation, people, operations or other organisations could derive;
- Risks from Climate Change, which include risks due to the transition to a low carbon dioxide emission economy (transition risks) and risks of a physical nature (physical risks) that may result from catastrophic environmental events (acute risks) or from medium- to long-term changes in environmental patterns (chronic risks);
- Tax Risks, associated with potential transactions carried out in violation of tax regulations or in contrast with the principles or purposes of the tax system;
- Operational Risks, associated with asset ownership, involvement in business activities, processes, procedures, information flows and the corporate image.

The Risk Policies outline the strategies to follow in relation to other risk factors, the management methodology, the Risk Model for risk sources (contained in the ERM Policy), the types of risk managed, the organisational models, risk thresholds and reporting procedures.

The Risk Policies are approved by the Board of Directors of Iren S.p.A. upon the proposal of the Director in Charge of the Internal Control and Risk Management System with delegated powers in the field of Risk Management, formulated in agreement with the Chairperson of the Board of Directors and the Deputy Chairperson (also identified as Directors in Charge of the Internal Control and Risk Management System), to the extent of their respective competences, subject to the non-binding opinion of the Control, Risk and Sustainability Committee as well as after informing the Board of Statutory Auditors. The Risk Policies are subject to update on an annual basis, and in case of substantial changes, these must be approved by the Board of Directors of Iren S.p.A. Once approved, the Risk Policies are circulated within the Group.

In accordance with the Code, the Risk Management Department presents a Risk Map with the main risks in terms of impact and probability and the applied/applicable mitigation actions (of operational, contractual and insurance nature). The Risk Management Department is in charge of periodically updating the Group Risk Map through interviews with Group Risk Owners and the sharing and fine tuning of the results; the risk map contains qualitative-quantitative assessments of each elementary risk, as well as timely description of existing or prospective controls and mitigation actions

The development of the Group Risk Map follows the approval process provided for Risk Policies. The Group Risk Map was revised as part of the risk assessment of the Business Plan to 2030, with a detailed qualitative-quantitative analysis of risks with impact in the Plan years.

*Control activities*, guaranteed on the basis of:

- procedures defined by the holding company and Subsidiaries in order to regulate internal processes, guard against risks pursuant to Legislative Decree 231/2001 and formalise controls to ensure the reliability of administrative-accounting information;
- management and reporting control system;
- segregation of roles with relative check-and-balance mechanisms;
- authorisations on the basis of delegation of powers system;
- validation via IT systems set up to segregate functions;
- a system of indicators.

*Information and Communication*: are ensured by methods and procedures aimed at ensuring internal information flows relating to objectives, values and company rules, and external disclosure that complies with applicable regulations and the principles of correctness and transparency.



*Monitoring*: is the series of activities aimed at verifying and assessing the adequacy, functioning and effectiveness of the internal control system, which can be carried out by:

- those in charge of organisational structures and Management, which carry out continuous supervision on a hierarchical and/or functional level, on the current management of activities and an assessment of the control system relating to the activities they have responsibility for, so as to check that the relative risks are adequately managed (“primary line controls”);
- specialist company systems that carry out monitoring with regard to specific areas, such as, the Quality, Safety and Environment functions, referring to Certified Systems, the Financial Reporting Manager, the Supervisory Board pursuant to Italian Legislative Decree No. 231/2001, the Risk Management Department, the Data Protection Officer (“second-level controls”);
- the Internal Audit Department, which conducts periodic assessments of the System as a whole and the adequacy and effectiveness of the line and hierarchical controls (“third-level controls”).

Taking into consideration the reports received from time-to-time from the Control, Risk and Sustainability Committee, which are based on the reports of the Head of Internal Audit and contributions from company managers, the Board of Directors has assessed the internal control system, and found that it is overall functional, adequate and effective in relation to the aforementioned objectives.

Reference is made to **Annex 3** to this Report for a description of the main characteristics of the existing internal control and risk management system in relation to the financial disclosure process pursuant to Article 123-bis, paragraph 2, letter b) of the Consolidated Law on Finance.

### 11.1-Directors responsible for the Internal Control and Risk Management System

As already indicated in the 2020 Report on Corporate Governance and Ownership Structure, as referred to in the 2021 Report, with reference to the indications of the previous Corporate Governance Code (July 2018 edition), with particular reference to Principle 7.P.3, during 2019, the Board of Directors of IREN had identified one or more Directors in charge of the establishment and maintenance of an effective internal control and risk management system (hereinafter “**ICRMS Appointed Directors**”).

Lastly, with a resolution passed on 30 August 2023 and in line with the resolutions adopted by the administrative body in office in the previous term, having regard to the division of the powers assigned to them, the Board of Directors of IREN S.p.A. in office has identified, as ICRMS Appointed Directors, Mr. Luca Dal Fabbro (Chairperson of the Board of Directors), Mr. Moris Ferretti (Deputy Chairperson) and Mr. Paolo Signorini (Chief Executive Officer and General Manager of the Company as of 30 August 2023) each with regard to the functions and proxies pertaining to them. It should be noted that, previously and until 12 June 2023, Mr. Gianni Vittorio Armani (Chief Executive Officer and General Manager in office at the time) had been identified as the Directors in charge of the ICRMS for what concerns his functions and delegations.

Each of the Directors responsible for the internal control and risk management system, within the scope of their respective roles and mandates, are assigned the duties referred to in Recommendation 34 of the Code.

In 2023, Mr. Armani (until 12 June 2023), Mr. Luca Dal Fabbro, Mr. Ferretti and Mr. Signorini (starting from 30 August 2023) - with reference to the areas of their competence and in compliance with the delegations granted - in their capacity as ICRMS appointed Directors:

- a) identified the main business risks, taking into account the characteristics of the activities performed by Iren S.p.A. and by its subsidiaries and checked that the same were submitted periodically for review by the Board of Directors; more specifically, based on IREN’s current governance system, the ICRMS Director responsible for Risk Management, in consultation with the other ICRMS Appointed Directors in the scope of their respective responsibilities, also submitted the Risk Policies and the Audit Plan for review by the Board of Directors;
- b) (i) put into practice the guidelines defined by the Board of Directors; (ii) ensuring that the relevant company structures attend to the planning, creation and management of the internal control and risk management system and checking constantly its adequacy and effectiveness, as well as taking care of its adaptation to the dynamics of operating conditions and the legislative and regulatory landscape;

In addition, pursuant to the Code and IREN S.p.A.’s Governance evaluations, the ICRMS Appointed Directors:

- c) may entrust the Internal Audit Function with the performance of audits on specific operating areas and on compliance with the internal rules and procedures in the execution of business operations, communicating this at the same time to the Chairperson of the Board of Directors, to the Chairperson of the Control, Risk and Sustainability Committee and to the Chairperson of the Board of Statutory Auditors;

- d) report promptly to the Control, Risk and Sustainability Committee on the problems and critical issues that have emerged in performance of their work or which they have in any case been informed of, so that the Committee may take the opportune initiatives.

### 11.2-Head of the Internal Audit Function

In terms of art. 6, Recommendation 36 of the current Corporate Governance Code, the Head of the Internal Audit Function, responsible for checking that the internal control and risk management system is operational and adequate, is appointed by the Company's Board of Directors, on the basis of the proposal from the relevant delegated body (also in the capacity of the Director responsible for the internal control and risk management system) and Chairperson (should this not correspond with the latter), subject to a vote in favour by the Control and Risk Committee and after consulting the Board of Statutory Auditors.

The Head of the Internal Audit function is not responsible for any operational area and, without prejudice to the competence of the Board of Directors in matters of appointment, revocation, remuneration and adequacy of resources, and without prejudice to the "administrative" department/management of the Internal Auditing function being in the hands of the Deputy Chairperson, the Head of Internal Audit - and the structure that reports to the latter - reports to the Control, Risk and Sustainability Committee - and, on its behalf, to its Chairperson - for everything concerning the concrete and effective performance of internal auditing activities.

Furthermore, pursuant to art. 6, Recommendation 36 of the current Code, the Head of the Internal Audit Function:

- on a continuous basis and with regard to specific requirements and in relation to international standards, checks on the functioning and suitability of the internal control and risk management system, based on an audit plan, approved by the Board of Directors, on the basis of a structured analysis process and prioritising of the main risks;
- has direct access to all the information needed to discharge the appointment;
- draws up regular reports with adequate information on the activities carried out, the methods whereby risk is managed, and adherence to the plans formulated to contain said risks. These regular reports include an assessment on the suitability of the internal control and risk management system;
- promptly prepares reports on significant events;
- sends the reports mentioned in the two previous points concurrently to the Chairpersons of the Board of Statutory Auditors, the Control and Risk Committee, and Board of Directors, as well as the Directors responsible for the internal control and risk management system;
- within the scope of the Audit Plan, checks on the reliability of the information technology in the accounting recording systems.

The Corporate Governance Code requires that the Internal Audit Function as a whole, or individual operating segments, may be entrusted to an external party to the issuer, provided that they have the necessary professionalism, independence and organisation prerequisites and that the adoption of these organisational decisions, which are adequately justified, are communicated to shareholders and to the market in the Corporate Governance Report. IREN S.p.A. has opted to establish within its organisation the Internal Audit Function except as specified below with reference to the activities of Payment Institution carried out by the subsidiary Iren Mercato S.p.A.

In 2023, the role of Head of the Internal Audit Function was covered by Mr Roberto Cogorno, duly appointed by the IREN S.p.A. Board of Directors on 27 January 2015, as proposed by the Chairperson of the Board of Directors (to whom the Internal Audit function reported at the time); this was later confirmed with resolutions on 28 June 2016, 19 June 2019 and more recently, with the resolution of 21 June 2022 based on the proposal by the Deputy Chairperson, to whom the administrative management of the Internal Audit function reports, in agreement with the Chairperson and Chief Executive Officer, and subject to the vote in favour by the Control, Risk and Sustainability Committee and after consultation with the Board of Statutory Auditors. Subject to the vote in favour by the Control, Risk and Sustainability Committee and after consultation with the Board of Statutory Auditors, the Board of Directors ensures that the function is provided with adequate resources to discharge its responsibilities and defines the remuneration in line with the relevant company policies.

As of the second half of 2020, by virtue of authorisation obtained from the Bank of Italy, the subsidiary Iren Mercato began to lend, by means of the establishment of special Assigned Capital, in accordance with the provisions of Art. 114 - terdecies of Italian Legislative Decree 385/1993, as amended, Consolidated Banking Law (hereinafter the "T.U.B."), the activity of providing payment services referred to in Article 1, paragraph 2, letter h-septies.1), nos. 7 and 8 of the T.U.B. as so-called non-financial "hybrid" Payment Institution, within the meaning of Articles 114-novies et seq. of the T.U.B.

In view of the specialisation required to carry out the audits on this type of service, the Internal Audit Function in charge of monitoring these Payment Institution activities has been entrusted to a person outside the Group with appropriate professionalism, independence and organisational requirements.

The results of the audits carried out by the aforementioned Outsourced Function are taken into account for the purpose of the overall evaluation of the suitability of the Group's Internal Control and Risk Management System.

It should be noted that the Audit Plan referring to IREN S.p.A. and its subsidiaries, is submitted by the Head of the Internal Audit Function - after consultation with the relevant Delegated Body and the other Directors responsible for the internal control system and risk management and the Board of Statutory Auditors - for review by the Control, Risk and Sustainability Committee, and then for the approval of the Board of Directors. The Audit Plan for the year also includes audits of risk areas under Italian Legislative Decree 231/2001 and is then submitted to the Supervisory Board of IREN S.p.A.

With regard to 2023, the Head of Internal Audit responsible for checking that the internal control and risk management system is functional and suitable, at the time of the approval of the Half-yearly Financial Report and Budget, submitted a summary report on the activities carried out to the Control, Risk and Sustainability Committee, in order to verify that the internal control system was suitable and functional.

More specifically, the aforementioned reports dealt with the following:

- presentation of the current configuration of the IREN internal control system, as updated in the course of the half-years, with reference to the constituent elements of the same as identified in the COSO Report (Committee of Sponsoring Organisations of the Treadway Commission) Internal Control - Integrated Framework ("2013 Framework") Report namely: control environment, risk assessment and risk management, control activities, reporting and communication, monitoring;
- information on the company risk management system (main activities performed by the Risk Management Department over the period);
- outcomes of the audits conducted by the Internal Audit and Tenders Audit function at the Group primary companies, with the aim of monitoring the internal control system pertinent to IREN more significant processes and the main subsidiaries. A summary of the findings was presented for each audit, together with any recommendations made;
- a summary of the activities performed at IREN and First-Level Companies, with regard to the update and implementation of the Organisation, Management and Control Models, pursuant to Italian Legislative Decree 231/01 approved by their respective Boards of Directors, as well as, in the course of 2023, with particular reference to the adoption of the "whistleblowing" reporting system in accordance with the provisions of Legislative Decree 10 March 2023 No. 24, referred to in paragraph 11.3;
- summary of the activities to continuously update the personal data management system in accordance with European Regulation 2016/679 (GDPR) as well as the activities carried out by the DPO,
- summary of the activities carried out by the Financial Reporting Manager with regard to the requirements of Law 262/05;
- updates on the follow-ups (monitoring on the implementation of the recommendations made and agreed on by management in the audits conducted).

As of 31 July 2019, also in implementing the standards issued by the Institute of Internal Auditors, the Internal Audit Function Mandate has been effective, which identifies the Function's mission, purpose, powers and responsibilities, as approved by the Board of Directors. The provisions in the Mandate were formulated in accordance with applicable legislation and corporate governance rules.

The current Board of Directors at its meeting on 28 March 2024 approved a further updated version of the Mandate.

### **11.3-Organisation Model pursuant to Italian Legislative Decree No. 231/2001**

IREN S.p.A. and the Group companies have adopted organisation, management and control models under the terms of Italian Legislative Decree No. 231/2001 (hereinafter "Models 231") with the objective of creating a structured and organic system of protocols, procedures and control activities aimed at preventing, as far as possible, conduct that can entail committing the crimes contemplated by Italian Legislative Decree No. 231/2001 ("Administrative liability of Entities").

Models 231 are subdivided

in the "General Part", which includes:

- a description of the regulatory framework;
- a description of the business environment, governance model and company's general organisational structure;
- the method followed in formulating the Model;

- the company’s sensitive activities;
- the composition, functioning and characteristics of the Supervisory Board;
- the disciplinary and sanctions system;
- the training and communications plan;
- the criteria for updating and adapting Model 231;

and in “Special Parts”, where

- the sensitive activities of the Company at risk of potential commission of the offences provided for by Legislative Decree 231/01 are identified
- general principles of conduct, general control protocols and specific control protocols that all recipients of Model 231 must follow are defined in order to prevent the commission of the offences provided for in the Decree.

The constant commitment to strengthening the “231 crime risk prevention system”, the continuous extension by the legislator of administrative responsibility to new types of predicate crimes, the development activities for internal and external lines, as well as the frequent organisational changes that characterise Iren Group companies make it necessary to continuously implement projects to review and update the organisation, management and control models of the various companies, so as to preserve their suitability for the prevention of crimes prescribed by the aforementioned Decree.

An essential part of the Organisation, Management and Control Model is the Code of Ethics. The most recently updated version was approved by the IREN Board of Directors on 18 December 2020 and, subsequently, by the Administrative Bodies of the Subsidiary Companies.

The revision of Models 231 carried out in 2023 involved, among other things, the following main interventions:

- revised mapping of processes, identifying the 231 crimes that are potentially applicable and relative risk assessment activity;
- review and implementation of specific control protocols already included in the Model;
- reorganisation and integration of the special parts;
- update with respect to the legislative changes that have taken place;
- if not already included during the previous financial year, reference to and outline of the principles of sustainability, in order to emphasise that compliance, of which Model 231 is a relevant element, is also a fundamental tool for spreading the culture;
- updating of the general part of each Model 231 with reference to the new reporting system under Legislative Decree 24/2023 on whistleblowing.

As a final stage, the projects envisage the presentation of the updated Model 231 first to the Supervisory Board of the Company to which it refers, in order to acquire its positive opinion, and subsequently to the competent Board of Directors - or the competent Administrative Body - for its approval, which determines its entry into force.

In particular, during 2023, Models 231 of the following Companies were updated and/or approved: Iren S.p.A., Ireti, Iren Energia, Iren Ambiente Toscana, San Germano, BSA, Futura and Manduriambiente.

The Models 231 of the Companies ASM Vercelli, Iren Green Generation, Iren Green Generation Tech, Iren Energia, Maira, Alfa Solutions and Uniproject have been fully revised and in some cases already, finalised, submitted to the Supervisory Bodies and submitted to the respective Boards of Directors for approval in the first months of 2024.

In relation to the ever-increasing need to continue to make IREN personnel aware of the issues of the 231 regulation, training is provided in e-learning mode.

IREN has opted for a collegial composition to its Supervisory Board, in that this decision establishes a body that as a whole can meet the requisites of autonomy, independence, professionalism and continuity in operations required by law.

The current members were identified in the persons of Lawyer Giovanni Catellani (Chairperson), Lawyer Maria Grazia Pellerino and Lawyer Giorgio Lamanna and appointed by the Board of Directors on 22 June 2022. The Board of Directors also appointed the Head of “231 System Compliance and Privacy” Function as the internal Contact Person within the SB in order to ensure the coordination and continuity in operations of the Board itself and having a constant reference in the Company.

IREN Supervisory Board, availing itself of the competent corporate functions, performs checks on areas of activity considered at risk under the terms of Italian Legislative Decree 231/2001 and reports semi-annually to the Board of Directors about the activities carried out and the findings: where necessary, the Supervisory Board makes suggestions aimed at improving the control system of activities and monitors implementation thereof.

Both the General Part of the Model and the Code of Ethics are available on the Company's website ([www.grupporenen.it](http://www.grupporenen.it)) under Governance / Internal Control, Risk Management, Compliance / Model 231 and Corporate Administrative Responsibility.

The Boards of Directors of the Group Subsidiaries appointed during the year appointed their new Supervisory Boards.

#### *Whistleblowing - Legislative Decree 24 of 10 March 2023*

On 13 July 2023, the Board of Directors of IREN S.p.A. approved the Procedure prepared pursuant to Legislative Decree no. 24/2023 on whistleblowing, aimed at regulating the reporting management process, and in particular the subject of the report, the subjects who can make a report, the methods and channels for transmitting the reports, the person responsible for receiving and management of reports (the "Whistleblowing Committee" composed of the Director of Internal Audit and Compliance, the Director of Legal Affairs and the Director of Personnel and Organisation of the Parent Company), the applicable sanctions and the methods of archiving and maintaining reports.

The same procedure was the subject of approval by the Boards of Directors of the main companies in the Group and of specific information to all employees.

In accordance with Legislative Decree 24/2003, reports are transmitted through a special IT channel accessible from the corporate intranet, IREN Group's website and directly from the browser, which guarantees the confidentiality of the identity of the whistleblower, of the persons involved and in any case mentioned, as well as of the content and the relevant documentation.

### **11.4 - GDPR 679/2016 on the protection of natural persons with regard to the processing of personal data**

In order to ensure compliance with the provisions of the GDPR and the relevant national legislation in force, in 2023, activities continued for the updating, implementation and monitoring of the corporate management system for the protection of personal data for Iren S.p.A. and Group Companies with the implementation, inter alia, of the following activities:

- 
- continuous analysis of regulatory developments concerning the processing of personal data;
- support to the Business in the management of the rights of data subjects;
- support to Group companies in defining regulatory/contractual aspects relevant to the correct processing of personal data;
- implementation of personal data protection measures with regard to initiatives undertaken in line with current regulations;
- continuation of the digitalisation activities of the Privacy System - to improve the governance processes of the corporate system for the protection of personal data;
- stylistic revision of the information provided to data subjects, taking into account the infographics proposed by the Supervisory Authority, and review of the legal foundations guaranteeing the lawfulness of processing;
- further updating and revision of procedures, including those concerning the management of video surveillance as well as images and video;
- due to the organisational updates that have taken place in some subsidiaries over time, the necessary appointments to positions of responsibility have been prepared and issued;
- analysis of the context scenarios of initiatives, assessment of impacts on data subjects, regulatory compliance and implementation of privacy measures;
- constant updating of processing registers, with particular reference to first-level companies, in collaborative mode, and additional perimeter subsidiaries;
- analysis of privacy risks on the processing operations recorded in the IREN S.p.A. register;
- carrying out specific control audits and follow-up of previous audits;
- e-learning delivery of the course on personal data protection.
- periodic meeting of the Privacy Committee, convened by the DPO, attended by the Owners (Chief Executive Officers) of IREN S.p.A. and of first/second-level companies and Directors/Managers particularly involved in Privacy issues, aimed at periodically updating on the status of implementation of the Group's Privacy System.

### **11.5-Independent Auditors**

As illustrated in the previous Report for the financial year 2022, the Shareholders' Meeting - with a resolution passed on 22 May 2019 - on the recommendation of the Board of Statutory Auditors, in its capacity as the "Internal Control and Audit Committee" (pursuant to art. 19 of Legislative Decree no. 39/2010 - "IAIAC") - appointed KPMG S.p.A. to perform

the services described below. This resolution was taken at the end of a complex selection procedure that was carried out in accordance with the provisions of art. 16 of Regulation (EU) 537/2014 (the “*Tender Process*”).

In light of the above, on 25 November 2019, the Parent Company - also in the name and on behalf of the companies directly or indirectly controlled and, therefore, falling within the scope of the so-called Tender Process, hereinafter referred to as “**Subsidiaries**” - and KPMG S.p.A. signed a framework agreement (the “**Framework Agreement**”) containing terms and conditions (technical and economic) for the performance by KPMG of the services related to: (i) the statutory audit of the statutory and consolidated financial statements of IREN for the nine-year period 2021-2029 and of the statutory financial statements of the Subsidiaries for the period 2021-2023, with regard to the latter with an option to renew for one or two further three-year periods; and (ii) the limited audit of the consolidated non-financial statement (“NFS”) of IREN Group for the period 2021-2023, also with an option to renew for one or two further three-year periods. The services referred to in point (i) above also include, under the same terms detailed above, the activities concerning: the limited audit of the consolidated half-yearly financial reports; the limited audit of the situations as at 30 June of each year for the purpose of inclusion in the aforesaid consolidated report; the examination of the conformity of the separate annual accounts prepared in accordance with the Integrated Accounting Unbundling Act; the audit of the statement of debit and credit balances with Public Entities for the purposes provided for by Legislative Decree 118/2011.

The Shareholders’ Meetings of each consolidated company included in the Tender Process, on the basis of a reasoned proposal from their respective Boards of Statutory Auditors, have therefore appointed KPMG S.p.A. to audit their accounts for the 2021-2023 three-year period (with an option to renew for two additional three-year periods), in accordance with the terms and conditions of the Framework Agreement, formalised through the stipulation of specific application contracts.

Recalling what was also reported in the previous Report for the financial year 2022, it should be noted that, following the signing of the Framework Agreement, the dynamism that has characterised the Group, both in terms of external growth and in terms of internal reorganisation, has given rise to situations that have entailed changes to the original audit scope entrusted to the independent auditors. In consideration of these medium-term changes, it became necessary to amend the Framework Agreement in April 2021 and in April 2023 through the execution of two addenda (Addendum No. 1 and Addendum No. 3) between IREN - which did so also in the name and on behalf of the subsidiaries, from time to time, concerned - and KPMG S.p.A. It should be noted, also for the sake of completeness, that in July 2021, IREN and KPMG S.p.A. signed a further addendum to the Framework Agreement (which, chronologically, was Addendum No. 2) aimed solely at specifying the procedures for the regulation of the so-called “out-of-pocket expenses” (e.g. relating to travel and accommodation) in favour of the Independent Auditors.

Without prejudice to the foregoing, in order to take into account the changes that occurred in Iren Group’s structure in the period between the signing of Addendum No. 3 and 31 December 2023 (i.e., at the end of the financial year to which this Report refers), the need arose to further redefine the services covered by the Framework Agreement. For this reason, a fourth addendum to the Framework Agreement (the “**Addendum No. 3**”) is being formalised between IREN - which, as previously, will also act in the name and on behalf of the companies, directly or indirectly, controlled, affected by the expansion of services - and KPMG S.p.A., the contents of which, it should be noted, were approved by the Company’s Board of Directors on 30 January 2024.

This need, in particular, arose in order to: (i) extend the statutory audit that KPMG S.p.A. is required to perform, starting from 2023, also with respect to the financial statements of companies consolidated in the medium term, following the approach of the sole auditor of the group on which the Tender Process is based; (ii) redefine the terms and conditions of certain audit engagements already assigned to - and performed by - KPMG S.p.A. More in detail, in view of the above, the extension/redefinition mentioned above concerned: (i) statutory audit of the IREN separate financial statements; (ii) statutory audit of the financial statements of subsidiaries; (iii) statutory audit of the consolidated financial statements of IREN Group; (iv) limited audit of the consolidated half-yearly report; (v) limited audit of the half-yearly report of IREN subsidiaries; (vi) conformity examination of the separate annual accounts prepared in accordance with the Integrated Accounting Unbundling Act; (vii) audit of the statement of debit and credit balances with Public Entities; (viii) limited audit of the NFS of IREN Group. The above took place in accordance with the provisions of art. 5 of the Framework Agreement, which defines the terms and conditions for, inter alia, the expansion of the services in question as well as the (objective) criteria for the rescheduling of the relevant fees.

As had been anticipated in the Report for the 2022 financial year, on 16 March 2023, KPMG S.p.A. formally submitted a request to adjust the (original) fees due to it - by IREN and its subsidiaries - for the performance of the audit engagements

assigned to it, due to the increase in the rate of inflation recorded after the signing of the Framework Agreement, as amended/supplemented, and the aforementioned application contracts (the “**Adjustment Request**”). In this regard, the IREN Shareholders’ Meeting of 4 May 2023 - upon proposal of the IAAC, pursuant to art. 13, paragraph 1, of Legislative Decree no. 39/2010 - approved the Adjustment Request, annual and with effect from 01.07.2022, agreed at a percentage equal to the increase in the ISTAT index relating to the cost of living, to be determined on the basis of the consumer price index for families of workers and employees (FOI) net of tobacco, compared to 30 June of the previous year (therefore initially compared to 30 June 2021) for the excess part - and, therefore, net - of a percentage of 1.5%. A similar procedure is adopted by IREN subsidiaries. It should also be noted that Addendum No. 4 acknowledges, *inter alia*, the inflation adjustments of the fees - due by the Parent Company and its subsidiaries - for the year 2022 (effective as of 1 July 2022) and for the year 2023.

It should also be noted that at the same time as the approval of the financial statements for the year ending 31 December 2023, the audit engagements (with a three-year term, for the period 2021-2023) conferred to KPMG S.p.A. by certain IREN subsidiaries will expire. These companies - through their respective Bodies, in accordance with their respective competences - will take the necessary steps to renew the audit appointments in favour of KPMG S.p.A. for the next three-year period 2024-2026, a renewal option that, as already noted, is expressly provided for in the Framework Agreement (as well as in the application contracts entered into by the individual subsidiaries).

Finally, it should be recalled that in order to preserve the independence of the Independent Auditors, the Group has adopted a specific Guideline that governs the assignment of tasks to the same or of activities to the related network by Group companies. Based on this procedure, the IAAC issues a preliminary binding opinion should Group companies intend entrusting additional appointments, other than the primary audit function to the Group’s principal Independent Auditor or network member firms, and when there is no incompatibility in terms of the law.

### 11.6-Financial Reporting Manager

In terms of Article 33 of the By-laws, after obtaining the mandatory and non-binding opinion of the control body, the Board of Directors appoints and revokes the Financial Reporting Manager (required pursuant to Article 154-bis of the Consolidated Law on Finance, as introduced by Italian Law No. 262/2005 and amended by Italian Legislative Decree No. 303/2006 and by Italian Legislative Decree 195/2007) and determines the relative fee.

The same article further stipulates that the Financial Reporting Manager must have the professionalism requirements and specific expertise in administration, control, accounting, budgets, as well as accounting and financial disclosures. The Board of Directors verifies this expertise, which should have been acquired through work experience at an appropriate level of responsibility, over a period of time spent in the Company or in other comparable companies.

The IREN Board of Directors, held on 9 November 2023, with the favourable opinion of the Board of Statutory Auditors, appointed the Chief Financial Officer of IREN S.p.A., Mr. Giovanni Gazza, for the aforementioned position, effective 1 December 2023 and for an indefinite period, having verified that he meets the requirements of the By-laws.

Pursuant to Article 154-bis of the Consolidated Law on Finance, the Financial Reporting Manager, in conjunction with the relevant company functions, prepares the administrative/accounting procedures so as to compile the periodic accounting documentation and any other financial disclosure; together with the Chief Executive Officer, the Financial Reporting Manager certifies that this is effectively applied over the year that the accounting documents refer to. The Board of Directors ensures that the Financial Reporting Manager has adequate powers and means to discharge the tasks assigned, and that administrative and accounting procedures are effectively complied with.

In its meeting on 26 August 2010, the Board of Directors had approved the “Regulation governing administrative and accounting procedures”, and (i) had granted the Executive Committee in office at the time a mandate to make the amendments to the “Regulation” that were deemed necessary to ensure a more effective and timely application of the provisions that became applicable from time-to-time, duly reporting to the Board in this regard; (ii) had granted the Executive Committee in office at the time a mandate to determine an expense budget for the Manager to be used in discharging the relevant functions in the best way possible; (iii) had determined remuneration for the Manager for the same amount recognised by the Shareholders’ Meeting to individual members of the Board of Directors. Following the governance changes made during 2013, and the consequent elimination of the Executive Committee, the functions of the latter were then transferred to the Board of Directors.

In its meeting on 10 July 2017, the IREN Board of Directors (i) approved the update to the “Regulation governing Administrative and Accounting Procedures”, assigning the Financial Reporting Manager the task of implementing this



within the Iren S.p.A. and Group company structures, where the Regulation applied; (ii) authorised the Financial Reporting Manager to draw up company accounting documents and make the regulatory and organisational changes to the “Regulation”, including any updates to the corporate perimeter, which were deemed necessary to ensure the more effective and timely application of the Regulation, and duly reporting to the Board in this regard.

Furthermore, to ensure the Financial Reporting Manager could fully discharge the tasks assigned, and for obvious reasons of uniform management at Group level, companies falling within the scope of application of Law 262/05 took the necessary measures to ensure the Regulation was effectively implemented in their respective areas.

To carry out the relevant activities, the Financial Reporting Manager may make use of the organisational structures of the IREN Administration, Finance and Control Department (reporting in hierarchical terms to the latter), and rely on the full cooperation of other Parent Company and subsidiaries’ structures, which provide regular information flows and specific certifications for the interim and annual financial statements. This solution makes the reference activities more structured, coordinated and comprehensive and allows for evaluation of the adequacy of the system that governs the preparation of company accounts.

Additional information on the main characteristics of the existing Risk management and internal control system in relation to the financial information process is available in **Annex 3**.

### 11.7-Coordination between those involved in the Internal Control and Risk Management System

As indicated in the introductory part of this paragraph 11, IREN adopted an Internal Control and Risk Management System consisting of a set of rules, procedures and organisational structures for **an effective and efficient identification, measurement, management and monitoring of the main risks, aimed at contributing to the sustainable success of the company**. IREN has provided for coordination procedures between the various parties referred to above, so as to maximise efficiency in the internal control and risk management system and reduce any duplications in activities.

The Board of Directors, with the support of the Control, Risk and Sustainability Committee:

- a) defines the guidelines of the Internal Control and Risk Management System consistently with the company’s strategies and assesses, at least once a year, the adequacy of the internal control and risk management system with respect to the company’s characteristics and its risk profile, as well as its effectiveness;
- b) appoints and dismisses the Head of the Internal Audit Function, defining their remuneration which is consistent with the company policies. The board ensures that they have adequate resources to carry out their duties. If the Internal Audit function is entrusted, as a whole or by operating segments, to an external entity, the board ensures that it meets the adequate requirements of professionalism, independence and organisation, providing adequate reasons for this choice in the corporate governance report;
- c) approves, at least once a year, the work plan prepared by the Head of the Internal Audit Function, based on the opinion of the control body and the Director in charge of the internal control and risk management system. The Board of Directors approved the 2023/2024 Audit Plan at its meeting on 04 April 2023;
- e) evaluates the opportunity to take measures to ensure the effectiveness and impartial opinion of the other corporate functions mentioned in recommendation 32, lett. e) (such as the Risk Management Departments and the monitoring of legal and non-compliance risk), verifying that they have adequate professionalism and resources;
- f) assesses, after consultation with the Board of Statutory Auditors, the results presented by the statutory auditor in any letter of suggestions and in the additional report addressed to the control body;
- g) describes, in the corporate governance report, the main characteristics of the internal control and risk management system and the methods of coordination among the subjects involved. The report provides information about the national and international reference models and best practices adopted and the board’s overall assessment of the adequacy of the system itself. Moreover, it provides an adequate explanation of the composition of the supervisory board referred to in letter e) above.

It is also the responsibility of the Company’s Board of Directors, subject to the opinion of the Control, Risk and Sustainability Committee: i) the definition of “sustainability” policies and principles of conduct, in order to ensure the creation of value over time for the shareholders and for all the other stakeholders; ii) the definition of a sustainability plan (strategic priorities, commitments and objectives) for the development of the economic, environmental and social responsibility of the Group; iii) the approval of the General Crisis Management Procedure.

The Director responsible for the internal control system and risk management:

- a) identifies the main business risks, considering the characteristics of the activities carried out by the company and its subsidiaries, and periodically submit them to the examination of the Board of Directors;
- b) implements the guidelines defined by the Board of Directors, providing for the design, implementation and management of the internal control and risk management system and constantly verifying its adequacy and

effectiveness, as well as adapting it to the dynamics of the operating conditions and the legislative and regulatory landscape;

- c) may entrust the Internal Audit Function with the performance of audits on specific operating areas and on compliance with the internal rules and procedures in the execution of business operations, communicating this at the same time to the Chairperson of the Board of Directors, to the Chairperson of the Control, Risk and Sustainability Committee and to the Chairperson of the Board of Statutory Auditors;
- d) reports promptly to the Control, Risk and Sustainability Committee on problems and critical issues that emerged in the performance of his or her activity or of which he or she nevertheless has information so that the Committee can take appropriate actions.

The current Board of Directors has resolved to appoint the Chairperson, Deputy Chairperson, and Chief Executive Officer as “Directors in Charge of the Internal Control and Risk Management System,” each with reference to their areas of responsibility, respectively. The CEO, within the scope and limits of their powers, in conjunction with the Chairperson and the Deputy Chairperson, is responsible for supervising the functionality of the internal control system. The Chairperson and Deputy Chairperson, each tasked with risk management in relation to their respective mandates, act in conjunction with the CEO.

In assisting the Board of Directors, the Control, Risk and Sustainability Committee:

- a) assesses, together with the Financial Reporting Manager and having consulted with the Independent Auditor and the Board of Statutory Auditors, the proper use of the accounting principles and their consistency for the purpose of drafting the IREN Consolidated Financial Statements;
- b) assesses the suitability of periodic financial and non-financial information to correctly represent the company’s business model, strategies, the impact of its activities and the performance achieved;
- c) examines the content of periodic non-financial information relevant to the internal control and risk management system;
- d) expresses opinions on specific aspects concerning the identification of the main corporate risks and supports the assessments and decisions of the Board of Directors concerning the management of risks deriving from prejudicial facts of which the latter has become aware;
- e) examines the periodic and particularly relevant reports prepared by the Internal Audit Function;
- f) monitors the independence, adequacy, effectiveness and efficiency of the Internal Audit Function;
- g) can entrust the Internal Audit Function with the performance of checks on specific operational areas giving immediate notice to the Chairperson of the Board of Statutory Auditors;
- h) reports to the Board of Directors, when the annual and half-yearly financial reports are approved, on the activities carried out and on the adequacy of the internal control and risk management system;
- i) supports, with adequate investigations, evaluations and decisions of the Board of Directors relating to the management of risks arising out of prejudicial acts, which the Board of Directors has become aware of;
- j) supervises the “sustainability” policies and observance of any principles of conduct adopted on the subject by the Company and its subsidiaries;
- k) reviews the issues in the preliminary work in terms of long-term sustainability of the underlying principles and guidelines of strategic planning, the business plan and short-term planning, monitoring the effective implementation thereof;
- l) in conjunction with the relevant Group function and having consulted the Independent Auditors, assesses the correct use of the standards adopted in order to draft the non-financial information required by the legislation in force;
- m) supervises the system for assessing and improving the environmental, economic and social impacts deriving from the business activities in the local areas;
- n) examines the periodic reports on the implementation of the structured comparison measures with stakeholders in the local areas where the Group operates, in particular through Local Committees, and those concerning consistency with Corporate Social Responsibility issues of the Group’s cultural and image promotion activities.

The IREN S.p.A. Control, Risk and Sustainability Committee reviews the risk analysis performed: (a) with reference to Iren Group’s Business Plan, prior to its approval by the Board of Directors of IREN S.p.A.; (b) with reference to strategic initiatives, including Merger & Acquisition operations, carried out by the Company and/or its subsidiaries, where these fall within the competence of the Board of Directors of IREN S.p.A.

The Control, Risk and Sustainability Committee currently in office comprises four non-executive directors, the majority of which are independent, with the Chairperson chosen among the independent directors. At least one member of the committee has sufficient experience in accounting and financial matters or risk management, which was considered suitable by the Board of Directors at the time of appointment.

The Chairperson coordinates the work of the Control, Risk and Sustainability Committee. Minutes are prepared of meetings, and the Chairperson reports to the Board of Directors at the first meeting thereafter.

The Chairperson of the Board of Statutory Auditors or another Statutory Auditor designated by the former may attend Committee meetings; in any case, other statutory auditors may also attend.

The Head of the Internal Audit function - identified in Iren S.p.A. as the Internal Audit and Compliance Director - is not responsible for any operational area and, for this role, reports hierarchically to the Board of Directors, in the manner further specified below, from which it received a specific Mandate, most recently updated on 28 March 2024, pursuant to the International Standards on Internal Auditing. He/She has direct access to all information that is useful for carrying out their duty. Under the IREN S.p.A. governance system, without prejudice to the competence of the Board of Directors in matters of appointment, revocation, remuneration and adequacy of resources, and without prejudice to the "administrative" department/management of the Internal Auditing function being in the hands of the Deputy Chairperson, the Head of Internal Audit - and the structure that reports to the latter - reports to the Control, Risk and Sustainability Committee - and, on its behalf, to its Chairperson - for everything concerning the concrete and effective performance of internal auditing activities.

As also indicated above in paragraph 11.2, the Head of the Internal Audit Function:

- a) on a continuous basis and with regard to specific requirements and in relation to international standards, checks on the functioning and suitability of the internal control and risk management system, based on an audit plan, approved by the Board of Directors, on the basis of a structured analysis process and prioritising of the main risks;
- b) draws up regular reports with adequate information on the activities carried out, the methods whereby risk is managed, and adherence to the plans formulated to contain said risks. These regular reports include an assessment on the suitability of the internal control and risk management system;
- c) also at the request of the Board of Statutory Auditors, reports on events of particular relevance;
- d) sends the reports mentioned in points c) and d) above, concurrently to the Chairpersons of the Board of Statutory Auditors and the Control, Risk and Sustainability Committee, and Board of Directors, as well as the Director responsible for the internal control and risk management system, except in cases where the subject of such reports specifically concerns the activity of such persons;
- e) within the scope of the Audit Plan, checks on the reliability of the information technology in the accounting recording systems.

The Risk Management Director, who reports hierarchically and functionally to the CEO:

- a) oversees the planning, implementation and monitoring of the Group's Enterprise Risk Management system, including providing coordination for the preparation and updating of the risk policy and risk map;
- b) oversees the identification of the main corporate risks, through the elaboration of the Risk Map submitted periodically to the review of the Appointed Directors, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions, and finally to the approval of the Board of Directors;
- c) monitors the correct application of the Risk Policies through which the risks identified as "top" are placed under control according to the characteristics of the activities carried out by IREN S.p.A. and its subsidiaries (Enterprise Risk Management, Financial, Energy, Operational, Cyber, Climate Change Risk Policy, Tax Control Model), and submits a dedicated reporting every six months for review by the Appointed Directors, the Board of Statutory Auditors and the Control, Risk and Sustainability Committee for their opinions and ultimately for approval by the Board of Directors;
- d) draws up the risk analysis relating to all the risks involved in the Business Plan, as well as the strategic M&A, industrial initiatives, etc.) where these fall within the competence of the IREN S.p.A. Board of Directors;
- e) manages Group insurance programmes and asset and liability claims;
- f) oversees the Business Continuity Management (BCM) Model, to ensure the continuity of business processes.

## 12-DIRECTORS' INTEREST AND TRANSACTIONS WITH RELATED PARTIES

The Board of Directors adopts appropriate operating solutions to facilitate the identification and adequate management of situations where a Director may be vested with personal interests or interests on behalf of third parties.

As provided for in art. 2391 of the Italian Civil Code, Directors that have (personally or on behalf of third parties) an interest in a particular transaction must provide advance notice to the other Directors and the Board of Statutory Auditors, specifying the nature, terms, origin and scope thereof; in the case of executive Directors, the latter must also refrain from executing the transaction, designating the Board of Directors to do so. Resolutions taken by the Company's

Board of Directors in the cases referred to above, must justify the reasons and feasibility for the Company to carry out the transaction.

Pursuant to Article 2391-bis of the Italian Civil Code, the IREN Board of Directors adopts rules to ensure the transparency and substantial and procedural correctness in transactions with related parties and discloses them in the Report on Operations. To this end, it may consider seeking the assistance of an independent expert, depending on the nature, value or characteristics of the transaction. The Board of Statutory Auditors oversees compliance with the adopted rules and refers to them in its Report to the Shareholders' Meeting.

### **IREN S.p.A. related-party transactions' procedure**

In implementing the mandate under art. 2391-bis of the Italian Civil Code, on 12 March 2010, in terms of Resolution No. 17221 of 12 March 2010, Consob approved a Regulation stipulating that listed companies must adopt procedures by 1 December 2010 that would ensure transparency and substantial and procedural correctness in transactions with related parties (hereinafter "**Consob Regulation**"). In this regard, also taking into consideration the recommendations in the Stock Exchange Code applicable at the time, on 30 November 2010, the IREN S.p.A. Board of Directors unanimously approved an internal Regulation for related-party transactions (hereinafter the "**IREN Regulation**"), which came into force from 1 January 2011, and was subsequently amended in February and December 2013, and more recently in March 2015.

On 15 March 2016, the Company's Board of Directors in office at the time, adopted an Operating Procedure to manage Related-party Transactions, which supplemented and detailed the provisions of the aforementioned IREN Regulation.

In implementing the provisions under art. 14.1 of the IREN Regulation, on 12 April 2018, the Company's Board of Directors approved with the deferred effective date of 1 July 2018, a new Procedure for related-party transactions (hereinafter the "**RPT Procedure**"). From the above date, this is the only reference document in the Group, and is available on IREN Group's website ([www.gruppoiren.it](http://www.gruppoiren.it)), in the Section "*Investors – Corporate Governance – Related Parties*".

With a view to simplifying and rationalising, from 1 July 2018, the RPT Procedure replaced any company documentation applicable up to then on transactions with related parties.

On 2 July 2018, the Company's Board of Directors in office at the time, approved certain revisions in the Procedure, relating to para. 8.5 in the document.

On 30 May 2019, the Board of Directors in office at the time, approved an update to the Procedure, after amending art. 7.1, on the quantitative composition of the Related Party Transactions Committee.

Recently, with resolution adopted on 28 June 2021, effective as of 1 July 2021, the Company's Board of Directors in office at the time, approved an update to the Procedure, implementing the amendments made by Consob Resolution no. 21624 to the text of the Consob Related Parties Regulation.

The Independent Directors Committee voted in favour with regard to the decisions vested with the Company's Board of Directors (as from December 2014, this referred to the IREN S.p.A. Related Party Transactions Committee) referring to the IREN Regulation, including the relative intervening updates, and the RPT Procedure, including its updates.

Also with regard to the contents of the RPT Procedure, the favourable opinion of the Company's Related Party Transactions Committee in office at the time was preliminarily obtained.

The applicable RPT Procedure, similarly to prior documents, refers to the definitions and provisions in the Consob Regulation from the perspective of improving protection and operations.

The RPT Procedure was therefore prepared in implementation (i) of the provisions regarding transactions with related parties set forth in art. 2391-bis of the Italian Civil Code, as most recently amended by Legislative Decree 10 May 2019, No. 49 regarding "*Implementation of Directive 2017/828 of the European Parliament and of the Council of 17 May 2017, amending Directive 2007/36/EC as regards the encouragement of long-term shareholder commitment*"; (ii) the Consob Regulation as amended over time (in particular, with the resolution no. 22144 of 22 December 2021), taking into account the indications set forth in Consob Communication No. DEM/10078683 of 24 September 2010; (iii) the provisions of art. 114 of Legislative Decree 24 February 1998, No. 58 (the "*Consolidated Law on Finance*" or "*CFA*").

The main changes made in the adoption of the RPT Procedure were, in brief, as follows:

- (i) in art. 3.1, the notion of Related Party, which, as of the effective date of the new Procedure, is aligned with the IFRS in force from time to time (in particular, IAS 24);
- (ii) in art. 3.2, the notion of Related Party Transaction, with a view to aligning it with the IFRS and, in particular, with IAS 24;
- (iii) in art. 3.3.1, the introduction of a new definition regarding the Directors involved in the Transaction, who are required to abstain from voting on the Transaction itself, both for Minor Transactions and for Major Transactions;
- (iv) in art. 3.3.5, a better illustration of the Conditions that can be considered equivalent to Market or Standard Conditions, identified in the participation in tenders in certain hypotheses identified by the Procedure;
- (v) in art. 6.2, the introduction of an information flow to the Committee with respect to exemptions;

(vi) in articles 9 and 10, (a) the specification that the opinion issued by the Committee is to be understood as a separate document from the minutes of the meeting; (b) the reinforcement of the checks by the Committee regarding the independence of the experts appointed to support the examination of the Transaction;

(vii) in art. 14.5, the provision for the involvement of the Committee, at least on an informational basis, with regard to Ordinary Major Transactions and those concluded at Conditions equivalent to Market or Standard Conditions.

### The type of transactions

In accordance with the provisions of the Consob Regulation, transactions with related parties were divided into transactions of greater importance, transactions of lower importance and transactions for small amounts and transactions excluded from the RPT Procedure's scope of application, with the provision of procedural arrangements and transparency differentiated according to the type and importance of the transaction.

### Persons responsible for preliminary work and nature of the opinion

Duties and responsibilities for transactions with Related Parties, including the relevant opinion on Transactions, where applicable in terms of the Applicable Procedures, are entrusted to the Related Party Transactions Committee (hereinafter the "RPT Committee"), comprising four independent Directors.

In the case of transactions involving the remuneration of Directors with Specific Duties and Senior Executives with strategic responsibilities, the Remuneration and Appointments RPT Committee is responsible for the preliminary work, where this duty has not been specifically assigned to the RPT Committee, and in any case is limited to cases where the Remuneration Committee meets the minimum requirements of independence and non-relation of its members as required by the Consob Regulation.

To ensure the Independence and/or Non-Relation requirement in the Transactions to be examined, the Committee firstly verifies that its members have both these requirements, on the basis of the declarations included in the minutes of the first available meeting.

If, based on the outcome of said verification, it is ascertained that the requirement of independence and/or non-relation does not exist in the transaction to be examined in the case of one or more members of the RPTC, and (i) for minor transactions, there are not at least two independent unrelated directors or (ii) for major transactions there are not at least three unrelated independent directors, an alternate person in charge of the investigation is identified, as follows (i) if there are other independent and unrelated directors on the Board of Directors of IREN in the transaction to be examined, the composition of the RPTC shall be supplemented by appropriate substitutions, assigning the Board of Directors the task of identifying, in order of seniority, taking into account the availability and positions already assigned pursuant to the Procedure and/or the Corporate Governance Code, a Sub-Committee composed of at least two (for minor transactions) or three (for major transactions) independent and unrelated Directors in relation to the individual related party transaction to be examined; (ii) if there is not even one member of the Committee nor of the Board of Directors who meets the requirements of independence and non-relation with regard to the transaction to be examined, an Independent Expert appointed by the Company's Board of Directors will be assigned as Alternative Overseer.

For information on the composition and functioning of the Company's Remuneration and Appointments Committee and Related Party Transactions Committee reference is made above to **paragraphs 7 and 10**, as well as below in **Table 2**.

Specifically, the RPTC or body or the person/s responsible for the preliminary work:

- (i) with regard to transactions of lower importance, expresses/express a preliminary justified non-binding opinion on the Company's interest in carrying out the transaction and the feasibility and substantial correctness of the relative conditions;
- (ii) with regard to transactions of greater importance, without prejudice to the Board of Directors' right to make decisions, is/are involved in the preliminary work stage and expresses/express a binding justified opinion in advance in favour on the Company's interests in carrying out the transaction, and on the feasibility and substantial correctness of the relative conditions.

### Internal and public disclosure

With regard to public disclosure, the provisions in the Consob Regulation on the subject are fully referenced herein.

In terms of the applicable RPT Procedure, the RPTC (possibly supplemented by the Designated Members) is continually kept updated, even after the transaction is concluded, in respect of all the executive actions put in place by the parties involved, receiving a copy of all the relevant documentation, which should also highlight any critical aspects or anomalies that arose.

### The Board of Statutory Auditors' supervisory role

The Board of Statutory Auditors monitors that the applicable RPT Procedure complies with the principles in the Consob Regulation, and that it is adhered to.

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The Company and its subsidiaries apply the principles of transparency and correctness to relations with related parties, made known in the Report on Operations (in accordance with Article 2391-bis of the Italian Civil Code). These transactions mainly concern services provided to customers in general (gas, water, electricity, heat, etc.) or following concessions and the awarding of services, in particular for the waste management segment, and are governed by the contracts applied in these situations.

Where this does not refer to the provision of the aforementioned services, transactions are governed by specific agreements, the terms of which are established, where possible, in accordance with normal market conditions. If these references are not available or significant, the contract conditions are also defined in consultation with independent experts and/or professionals.

## 13-BOARD OF STATUTORY AUDITORS

### 13.1 - Appointment and replacement

Without prejudice to shareholder agreement provisions on the subject, under **para. 2.6**, similarly to the By-laws referring to the appointment of Board members, Statutory Auditors (Standing and Alternate) are also appointed using the “voting list” mechanism, to ensure that an appropriate number of designations for these positions is held by non-controlling interests, and that there is gender balance within the Board in line with best practices, and in any case, in accordance with the minimum proportions stipulated by *pro tempore* applicable legislation. Articles 28 and 29 of the By-laws govern the deadlines and procedures for filing and publishing lists, and the relevant documentation, in accordance with applicable regulations.

More specifically, art. 29, paragraph 2 of the current By-laws requires that candidate lists are filed at the company’s registered office, together with the relative support documentation (as detailed in paragraph 5 of the article cited above), within the twenty-fifth day preceding the date of the Shareholders’ Meeting in first or single call, with the relevant publication by the Company at least twenty one days prior to the date of the Shareholders’ Meeting, again in first or single call, based on the procedures contemplated by applicable legislation.

The deadlines and procedures for filing lists are specified by the Company in the respective call notice.

#### Eligibility to present lists.

Each shareholder may submit or contribute to the submission of one single list, even via a third party or trust company. More specifically, lists may only be presented by shareholders who, either autonomously or with other Shareholders, represent at least 1% of the share capital with voting rights in the Shareholders’ Meeting, or to the lesser extent contemplated by law or regulations, where applicable. The minimum shareholding required to present candidate lists for election to IREN’s control body for the 2021-2023 term, was confirmed by Consob (with Decision No. 92 of 31 January 2024) as being 1%, the same as the percentage specified under Article 29, paragraph 1 of the current By-laws.

On the other hand, Shareholders belonging to the same Group and those who enter into a Shareholder Agreement concerning Company shares may not submit more than one list, even via a third party or trust company.

#### Composition of lists.

The lists for the appointment of the Board of Statutory Auditors in office at the date of this Report was collated in accordance with the details in the relevant paragraph in the 2020 Report, to which reference is made.

The following summarises the methods for the composition of the lists for the appointment of the control body under the current By-laws, which already incorporate the amendments/additions passed by the Shareholders’ Meeting held on 05 April 2019 and the Board of Directors at the meeting held on 25 March 2020. The relevant statutory changes, which involve increasing the number of statutory auditors from three to five and adjusting the percentage of statutory auditors (Standing and Alternate) reserved for the less represented gender to the criteria set forth in the *pro tempore* legal and regulatory provisions in force, have been subject to application as of the renewal of the Board of Statutory Auditors for the 2021-2023 term, at the Shareholders’ Meeting called to approve the 2020 financial statements.

Each list, in which candidates are listed by a sequential number, is divided into two sections: one for candidates for the office of standing auditor and the other for candidates for the office of alternate auditor. Subsequent to the increase in Standing Auditors mentioned above, in accordance with art. 28, paragraph 1 of the current By-laws, and gender balance



regulations applicable under applicable pro tempore legislative and regulatory provisions, the lists for both sections must list male and female candidates alternately.

Within the time limit prescribed by law, as referred to in art. 29, paragraph 2 of the By-laws in force, each list, pursuant to paragraph 5 of the same article, must be filed together with: (i) information on the identity of the Shareholder(s) who has/have submitted the lists, indicating the total percentage of the shares held, attested by a certification that can also be produced subsequently as long as it is within the term set for the publication of the lists by the Companies; (ii) a declaration by Shareholders other than those who hold a controlling interest or relative majority, indicating the absence of association relationships with the latter, as required by law, including regulations, *pro tempore* in force; (iii) the personal and professional curricula of each candidate; (iv) each candidate's declaration, certifying that they hold the requisites of professionalism, integrity and independence, as prescribed by applicable *pro tempore* legislation; (v) the declaration accepting the candidature; (vi) the list of roles held in other companies.

### Appointment mechanisms.

Following the introduction of the benefit of increased voting under Article 127-quinquies Consolidated Law on Finance, to the maximum extent allowed by law (double voting, for which see **para. 2.6**), in accordance with art. 28, paragraphs 2 and 3 of the current By-laws, the appointment of the members of the Board of Statutory Auditors for the three-year period 2021-2023 took place as represented below:

*- If the list obtaining the highest number of votes was submitted and voted by shareholders holding at least 40% of the voting rights in the Shareholders' Meeting resolutions requiring a majority vote:*

(i) three standing auditors and one alternate auditor will be taken from this list, in the sequential order in which they are listed in the respective sections of the list;

(ii) the fourth and fifth standing auditor and other alternate auditor (of a different gender from the candidate taken from the list with the highest number of votes) will be taken, in the sequential order in which they are listed in the respective sections of the list (and based on which, the chairmanship will vest with the standing auditor listed under number 1), from the list which has received the second highest number of votes among the lists presented and voted by the shareholders not associated – according to the pro-tempore current legislation – with the shareholders that have presented or voted the list that has obtained the highest number of votes.

*- If the list obtaining the highest number of votes was submitted by shareholders holding voting rights in the Shareholders' Meeting resolutions requiring a majority vote of less than 40%:*

(i) three standing auditors and one alternate auditor will be taken from this list, in the sequential order in which they are listed in the respective sections of the list;

(ii) from the list with the second highest number of votes (which has not been submitted or voted for by shareholders associated with the shareholders who submitted or voted for the lists that had the most or third most number of votes, in accordance with the current *pro tempore* legislation) the first candidate of a different gender to the majority of the candidates taken from the list referred to in point (i) above shall be drawn as standing auditor, following the candidates listed order;

(iii) from the list that obtained the third highest number of votes (and which has not been submitted or voted by related Shareholders, in accordance with the legislation in force at the time, with the Shareholders who submitted or voted on the lists that resulted first or second by number of votes), one standing auditor (who will have the role of Chairperson of the Board of Statutory Auditors) and one alternate auditor are taken in the progressive order in which they are listed in the respective sections of the list, the latter of a different gender from the candidate drawn from list referred to in point (i) above.

*In the event of a tie between two or more lists*, the eldest candidate (i) is elected as statutory auditor, subject to compliance with the gender balance requirements, as well as (ii) is appointed as Chairperson of the Board.

*In the case of submission of a single list*, the Shareholders' Meeting resolves according to the majorities of the law, without prejudice to the provisions of art. 6.1-bis of the current By-laws and compliance with the gender balance requirements.

*For the appointment of Statutory Auditors that for whatever reason are not appointed on the basis of voting lists*, the Shareholders' Meeting decides on the basis of the majorities stipulated by law. Therefore, in the event of no list being presented, the candidates proposed during the Shareholders' Meeting and voted by the Shareholders' Meeting are elected, without prejudice to the provisions of art. 6.1-bis of the current By-laws and respect for the balance between genders. Similarly, the Shareholders' Meeting elects the Standing and Alternate Auditors required to make up the composition of the Board of Statutory Auditors, and ensure that members are replaced, should the total number of candidates in the voted list be insufficient to achieve this result. In the cases above, candidates for the position of Standing Auditor submitted to the Shareholders' Meeting must be included in one or more lists, where the composition in terms of gender must comply with the principles of proportionality referred to above.



## Replacement of Standing Auditors.

The voting list procedure only applies to the replacement of the entire Board of Statutory Auditors.

Otherwise, in the event of a standing auditor being replaced, the alternate auditor from the same list as the standing auditor being replaced shall take over; where this is not possible, the eldest alternate auditor shall take over or, where this would not comply with the gender equality requirements, following the order in which the alternate auditors were listed, the first alternate auditor that meets this requirement shall take over.

Pursuant to Article 2401 of the Italian Civil Code, the appointment of statutory auditors to complete the composition of the Board of Statutory Auditors is made by the Shareholders' Meeting, with the majorities stipulated by law, selecting from the names in the list that the resigned standing auditor was listed in, without prejudice to gender balance; where this is not possible, the Shareholders' Meeting will make the replacement on the basis of the majorities stipulated by law, without prejudice to the provisions of art. 6.1-bis of the current By-laws.

## 13.2 - Composition.

In accordance with the By-laws applicable<sup>4</sup>, and without prejudice to shareholder agreement provisions on the subject under **para. 2.6**, the Board of Statutory Auditors in office at the date this Report is approved, comprising five standing auditors and two alternate auditors (who may be re-elected at the end of their mandate), was appointed by the Shareholders' Meeting held on 06 May 2021 for the three-year period 2021 - 2023. Therefore, their respective terms of office expire at the Meeting for approval of the 2023 financial statements.

For the appointment of the Board of Statutory Auditors in office - and whose mandate is about to expire - two lists of candidates were submitted, transcribed below with the specification for each of the relative proponent and the respective percentage of votes attributed:

**CANDIDATE LIST NO. 1**, SUBMITTED BY FSU (FINANZIARIA SVILUPPO UTILITIES S.R.L.), FINANZIARIA CITTÀ DI TORINO HOLDING S.P.A AND THE MUNICIPALITY OF REGGIO EMILIA (ACTING AS THE AGENT OF IREN SHAREHOLDERS LOCATED IN THE PROVINCES OF REGGIO EMILIA, PARMA AND PIACENZA, SIGNATORIES OF THE SHAREHOLDERS' AGREEMENT SIGNED ON 20 MARCH AND 03 APRIL 2019), HOLDING A TOTAL OF 57.87% OF THE SHARES WITH VOTING RIGHTS; THIS LIST OBTAINED 68.78 % OF VOTES IN RELATION TO THE SHARE CAPITAL PRESENT:

### STANDING AUDITOR CANDIDATES

- 1) Ugo Ballerini
- 2) Cristina Chiantia
- 3) Simone Caprari
- 4) Margherita Spainì
- 5) Vittorio Guidetti

### ALTERNATE AUDITOR CANDIDATES

- 1) Lucia Tacchino
- 2) Daniela Demichelis

**CANDIDATE LIST NO. 2**, SUBMITTED UNDER THE AUSPICES OF ASSOGESTIONI BY SEVERAL ASSET MANAGEMENT COMPANIES BOTH UNDER ITALIAN AND FOREIGN LAW, ON BEHALF OF THEIR MUTUAL FUNDS AMUNDI ASSET MANAGEMENT SGRPA (MANAGER OF THE FUNDS: AMUNDI SVILUPPO ITALIA AND AMUNDI RISPARMIO ITALIA), ALETTI GESTIELLE SGR (MANAGER OF THE FUND GESTIELLE PRO ITALIA), ANIMA SGR S.P.A. (MANAGER OF THE FUNDS: ANIMA CRESCITA ITALIA, ANIMA GEO ITALIA, ANIMA ITALIA AND ANIMA INIZIATIVA ITALIA), ARCA FONDI SGR S.P.A. (MANAGER OF THE FUNDS: ARCA ECONOMIA REALE BILANCIATO ITALIA 30 AND ARCA AZIONI ITALIA), ERSEL ASSET MANAGEMENT SGR S.P.A. (MANAGER OF THE FUND: FONDERSEL PMI), EURIZON CAPITAL SGR S.P.A. (MANAGER OF THE FUNDS: EURIZON PROGETTO ITALIA 40, EURIZON PROGETTO ITALIA 70, EURIZON PIR ITALIA 30, EURIZON PROGETTO ITALIA 20, EURIZON AZIONI ITALIA, EURIZON PIR ITALIA AZIONI AND EURIZON AZIONI PMI ITALIA), EURIZON CAPITAL SA (MANAGER OF THE FUNDS: EURIZON FUND – EQUITY ITALY AND EURIZON FUND – EQUITY SMALL MID CAP ITALY), FIDEURAM INVESTIMENTI SGR S.P.A. (MANAGER OF THE FUNDS: FIDEURAM ITALIA, PIANO BILANCIATO ITALIA 30, PIANO BILANCIATO ITALIA 50 AND PIANO AZIONI ITALIA), FIDEURAM ASSET MANAGEMENT (IRELAND) LIMITED (MANAGER OF THE FUNDS: FIDEURAM FUND EQUITY ITALY AND FONDITALIA EQUITY ITALY), INTERFUND SICAV (MANAGER OF THE FUND: INTERFUND EQUITY ITALY), LEGAL & GENERAL ASSURANCE (PENSIONS MANAGEMENT) LIMITED, MEDIOLANUM GESTIONE FONDI SGRPA (MANAGER OF THE FUND MEDIOLANUM FLESSIBILE SVILUPPO ITALIA), MEDIOLANUM INTERNATIONAL FUNDS LIMITED – CHALLENGE FUNDS - CHALLENGE ITALIAN EQUITY, PLANETARIUM FUND ANTHILIA

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<sup>4</sup> The Extraordinary Meeting of 05 April 2019 - which, as mentioned above in para. 13.1, approved a number of amendments to the By-laws, including that of Article 27, which sets the number of standing members of the Board of Statutory Auditors at 5 -, also resolved "to acknowledge that the amendments to the By-laws regarding the appointment and composition of the Board of Directors and the Board of Statutory Auditors will apply to the appointments of these bodies subsequent to the expiration of the term of office of the administrative and control bodies currently in office." Therefore, the current statutory provisions for the appointment and composition of the Board of Statutory Auditors have been applied with effect from the renewal of the auditing body for the three-year period 2021-2023, at the Shareholders' Meeting to approve the 2020 financial statements.

SILVER, UBI SICAV FUND ITALIAN EQUITY AND UBI PRAMERICA SGR (MANAGER OF THE FUNDS: UBI PRAMERICA MITO 25 AND MITO 50), HOLDING A TOTAL OF 4.6981% OF THE SHARES WITH VOTING RIGHTS; THIS LIST OBTAINED 15.58% OF VOTES IN RELATION TO THE SHARE CAPITAL:

**STANDING AUDITOR CANDIDATES**

- 1) Michele Rutigliano
- 2) Sonia Ferrero

**ALTERNATE AUDITOR CANDIDATES**

- 1) Fabrizio Riccardo Di Giusto
- 2) Barbara Cavalieri

As a result of the vote at the 6 May 2021 Shareholders' Meeting, the composition of the Board of Statutory Auditors was as follows:

- Michele Rutigliano – Chairperson
- Ugo Ballerini - Standing Auditor
- Cristina Chiantia - Standing Auditor
- Simone Caprari - Standing Auditor
- Sonia Ferrero - Standing Auditor
- Lucia Tacchino - Alternate Auditor
- Fabrizio Riccardo Di Giusto - Alternate Auditor

There have been no changes in the composition of the Board of Statutory Auditors from the date of their appointment until the date of this Report.

Information on the personal and professional characteristics of each Statutory Auditor (Standing and Alternate) is available in **Annex 2** at the end of this Report

### **13.3 - Diversity criteria and policies in the control body: compliance with gender quotas and optimisation of professional skills.**

Following the entry into force of Law no. 120 of 2011, which amended the art. 147-ter of the Consolidated Law ON FINANCE, and the related Implementing Regulation pursuant to Presidential Decree no. 251 of 2012, aimed at promoting gender balance in the corporate bodies of listed companies, there has been a progressive increase in the representation of women, as the least represented gender, within the quantitative composition of the Board of Statutory Auditors, taking into account that: (i) at the first renewal of the regulation after its entry into force, in relation to the 2015-2017 term, the legally binding quota of one-fifth (in the person of one Standing Auditor) of the total number of appointable members was reached; (ii) at the next renewal, in relation to the three years 2018-2020, the minimum legally binding quota of one-third of the appointable members was exceeded, with the appointment of one female Standing Auditor and one female Alternate Auditor. As from the renewal of the Board of Statutory Auditors for the current term 2021-2023 (and for six consecutive terms), the composition of said body will ensure that the less represented gender constitutes at least a minimum of two-fifths of the total standing members, in implementation of art. 148, paragraph 1-bis Consolidated Law on Finance (as amended, most recently, by the 2020 Budget Law).

To date, the corporate bodies have not adopted and implemented any policy for possible additional diversity profiles regarding the qualitative and quantitative composition of the Board of Statutory Auditors, considering that the professionalism requirements for membership of the auditing body, pursuant to articles 2397 of the Italian Civil Code and 148 of the Consolidated Law on Finance and related implementation provisions, on penalty of nullity, together with the representativeness goals envisaged by the voting list mechanism, were deemed suitable for implementation of the ratio referred to in art. 123-bis, paragraph 2, letter d-bis) of the Consolidated Law on Finance. In any case, it should be noted that the appointment of the same individual from the previous term as Chairperson of the Board has enhanced the continuity of auditing body management activities and, therefore, the continuation of additional competence as accrued; this evidence becomes all the more important when one considers that the authority of the Chairperson of the Board is essential for the creation of a spirit of cohesion and cooperation within the auditing body, in order that its complex duties be discharged constructively and even-handedly, especially as regards interaction with other corporate bodies and with company members in general, particularly those responsible for the internal control and risk management system.

Shareholders are required to file, together with the lists, the curriculum vitae of each candidate for the position of member of the Company's supervisory board, containing comprehensive information on the skills they have acquired during their professional experience. On the other hand, in view of the imminent renewal for the three-year period 2024-2026, the outgoing Board of Statutory Auditors, on the basis of the experience gained during its term of office, prepared

an orientation document to the Shareholders and the candidates for the office of Statutory Auditor, which gathers some considerations and reflections aimed, *inter alia*, at optimising the qualitative-quantitative composition of the appointing auditing body, with a view to more efficient and effective planning of their respective activities (the “**Board Guidelines**”). The Board of Directors, at its meeting on 18 April 2024, took note of the contents of the Board Guidelines, providing for their timely publication on the institutional website [www.gruppoiren.it](http://www.gruppoiren.it), under the section *Governance - Meetings - 2024*. In any case, the competence of the auditing body members extends beyond their professional profile to the study of and constantly updated knowledge of developments in the very broad framework of company activities, not only in business terms, but also with regard to changes in the relevant legislative, regulatory and corporate governance provisions. For information regarding the induction programme over 2023, also organised for the Company’s statutory auditors, in line with the recommendations of the Corporate Governance Code, see **para. 4.6**.

### 13.4 - Independence requirements, causes of ineligibility, incompatibility and dismissal, remuneration.

In accordance with the Consolidated Law on Finance, the Standing Auditors must meet specific independence requirements, as well as the experience and integrity requirements established by regulations of the Minister of Justice together with the Ministry of the Economy and Finance. Furthermore, due to the combined provision of Recommendations 7 and 9 contained in art. 2 of the Code, the Statutory Auditors are chosen from among people who can be qualified as independent also on the basis of the criteria established by the Code itself. The Board of Statutory Auditors has responsibility for verification of the said requirements.

The Board of Statutory Auditors verified:

- the independence of its members at the first opportunity after their appointment and, more specifically, during the meeting of 13 May 2021;
- and, pending the mandate, the continuation of this requirement for its members in the meetings of 18 January 2022, 22 February 2023, for the purpose of communication within the scope of this Report for the 2022 financial year, and, lastly, of 28 February 2024 in view of the communication as part of this Report.

In making the above assessments, the corporate bodies applied the criteria set forth in the Consolidated Law on Finance and the Corporate Governance Code with reference to the independence of Directors. In any case, it should be noted that the criterion of article 2, Recommendation 7, letter d) of the Code is not applicable to the Board of Statutory Auditors, since the auditors’ compensation is fixed for the three-year term of office, as provided by law.

The members of the Board of Statutory Auditors in office must also be enrolled in the Register Of Chartered Accountants.

Under current *pro tempore* legislation, it should also be noted that the position of member of an issuer’s auditing body cannot be held by persons who hold the same office in five issuers. Unless they hold the position of member of the auditing body in a single issuer, they may hold other positions as directors or auditors in Italian corporations within the limits set by Consob in this regard, with their own regulations. The members of the Board of Statutory Auditors must, using the procedures and conditions provided by applicable regulations, to report the positions taken or terminated to Consob, who shall publish the acquired information on its website.

Recommendation 37 of the Code provides that a Standing Auditor who, on their own behalf or that of third parties, has any interest in a specific transaction of the Issuer, must promptly inform the other Auditors and the Chairperson of the Board of Directors regarding the nature, terms, origin and scope of their interest. During 2022, no situations occurred in which the members of the Board of Statutory Auditors were required to make such a statement.

With regard to the operating recommendation for determining the Auditors’ remuneration under Recommendation 30 of the Code, note that, pursuant to Article 30 of the current By-laws, the shareholders formulate the remuneration of the Board, taking into account the commitment asked of its members, the importance of their role and the size and sectoral characteristics of IREN.

In this regard, the Board of Statutory Auditors, whose term of office ended with the Shareholders’ Meeting of 06 May 2021, with the support of an *ad hoc* appointed advisor, carried out a benchmarking analysis of its own remuneration positioning with respect to the main comparables in terms of size and/or sector, the outcome of which was also brought to the attention of the Board of Directors. The results of this analysis are also referred to in the guidelines issued by the outgoing Supervisory Body.

### 13.5 – The role of the Board of Statutory Auditors.

Under the traditional model of governance adopted by IREN, the Board of Statutory Auditors, acting in complete freedom and independence within the Company and for its elector Shareholders, in accordance with the TUF (Consolidated Financial Act) and the recommendations of the Code, supervises the following:

- compliance with the law and By-laws, in force pro tempore (including, inter alia, fulfilment of the requirement to prepare and publish the Non-Financial Declaration pursuant to Italian Legislative Decree No. 254 of 30 December 2016);
- compliance of procedures adopted by IREN with the principles indicated by Consob regarding related parties, as well as respective compliance;
- compliance with the principles of proper management;
- the adequacy of the Company's organisational structure for relevant issues, the internal control system and administrative and accounting system and the latter's reliability in correctly representing management operations;
- the procedures for the practical implementation of the corporate governance rules of the Corporate Governance Code;
- the adequacy of the Company's instructions to its subsidiaries to ensure proper compliance with the disclosure obligations provided by law.

Furthermore, pursuant to art. 19 of Italian Legislative Decree No. 39 of 27 January 2010 and articles 5, 6 and 16 of European Regulation 537/2014 concerning statutory audits, the Board of Statutory Auditors, in its capacity as "Internal Audit and Independent Audit Committee" (already defined as "IAIAC"), must undertake the following:

- inform the Board of Directors of the outcome of the statutory audit and provide it with the independent auditors' report (so-called additional report) together with any observations;
- monitor the financial reporting process and present recommendations or proposals to ensure its integrity;
- monitor the effectiveness of the internal quality control and risk management systems of the company and of the internal audit, as regards the financial reporting of IREN, without breaching its independence;
- monitor the statutory audit of the Separate Financial Statements and Consolidated Financial Statements, also taking into account any findings and conclusions of the quality controls carried out by Consob;
- review and monitor the autonomy of the independent auditors, especially concerning the adequacy of the provision of non-audit services, and, more specifically: (i) contemplate the adoption of appropriate procedures for the prior authorisation of eligible non-audit services; (ii) evaluate in advance each request to refer to independent auditors for eligible non-audit services;
- undertake the selection procedure for the statutory auditor of the Group's accounts (also tasked with issuing the certificate of conformity of the non-financial declaration); following the selection procedure, it shall recommend to the shareholders' meeting the industry operators identified for the position.

The outcome of the supervisory activities of the Board of Statutory Auditors is shown in the report to the Shareholders' Meeting prepared pursuant to art. 153 of the Consolidated Law on Finance and annexed to the documentation of the financial statements. In this report, the Board also divulges the supervisory activities performed on compliance of the procedures adopted by Iren with the principles indicated by Consob concerning related parties, as well as on their compliance on the basis of the received information.

For further information on the role of the Board of Statutory Auditors and its coordination with other organs and functions under the Internal Control and Risk Management System, please refer to **para. 11.7** of this Report.

### 13.6 - Meetings and functioning.

During 2023, 12 (twelve) meetings of the Board of Statutory Auditors were held, also through the use of audio and/or video links. The average duration of meetings was about 2 (two) hours and 30 (thirty) minutes, not counting the individual preliminary activity of each Standing Auditor relating to their supervision of the auditing body.

These meetings had an average attendance of 95% of the Standing Auditors.

During the current year 2024, as of the date of approval of this Report, the Board of Statutory Auditors held 4 (four) meetings.

In order to monitor the effective operation of the internal control system and risk management of the Group, in addition to ensuring the clear scheduling of the flow of information with the relevant company functions, the Board of Statutory Auditors urges the participation of at least one of its members in the numerous meetings of the Board of Directors and, above all, of the Board Committees, in order to thoroughly examine, from the preliminary stage onwards, the themes and decisions outlined to the board by the delegated bodies. The presence of at least one Standing Auditor in these

meetings ensures a constant and timely exchange of information relevant to the performance of the respective duties of the corporate and examining bodies, having regard to the Company's business and the most important economic, financial and equity transactions performed by it and its subsidiaries, as well as to operations in which the Directors have an interest on behalf of third parties.

In this context, it should be pointed out that all explanatory documentation prepared for the above-mentioned meetings is also made available to the members of the Board of Statutory Auditors, subject to the same times and procedures for electronic access provided for Directors. In the event that none of the Standing Auditors is present at board meetings, or where the procedures described above do not ensure that information is provided at least once per quarter, each delegated body shall report in writing on their competent activities to the Chairperson of the Board within a maximum period of three months.

In carrying out its supervisory activities, the Board of Statutory Auditors has worked proactively and purposefully with the Internal Audit function, periodically acquiring information from the relevant contact persons about the progress of the Audit Plan prepared for 2023, and the results of the controls carried out, as well as requesting the execution of extraordinary audits subject to positive feedback in that regard by the competent delegated body.

As already mentioned, the Board of Statutory Auditors also coordinates its work with the Control, Risk and Sustainability Committee through participation, in the meetings of the mentioned Committee, by the Chairperson of the Board of Auditors or another Standing Auditor, in order to acquire information related to the internal control and risk management system adopted by the Company, and all information and/or clarification deemed useful for the conduct of its supervisory activities.

Finally, taking into account the provisions of the Rules of Conduct for the Board of Statutory Auditors of Listed Companies, the IREN Board of Statutory Auditors has initiated, after selection of an independent and qualified advisor, a self-assessment activity related to the years 2021, 2022 and 2023, regarding its adequate composition, with reference to the requirements of professionalism, competence, honorability and independence required by the regulations; the availability of time and resources adequate to the complexity of the task; and its functioning in relation to the planning of its activities.

The results of said self-assessment, with reference to the 2023 financial year, (and completion of the mandate of the outgoing Supervisory Body) were examined preliminarily by the Board in the session of 28 February 2024.

For more details on the composition and functioning of the Board of Statutory Auditors, please refer to **Table 3** at the end of this Report.

## 14-RELATIONS WITH SHAREHOLDERS

The Company greatly values communication with shareholders, institutional investors and financial market intermediaries, in order to ensure the broad and timely dissemination of information on the company, in compliance with the provisions issued by the competent authorities.

IREN has established within its organisational structure a dedicated Investor Relations department, with Mr. Domma appointed to the position of Investor Relations Manager. The department is responsible for managing relationships with shareholders and the financial market in general, and publishes in accordance with rules of objectivity and transparency, the information collected by Iren Group.

The Corporate Affairs Department oversees institutional relations with Consob and Borsa Italiana and, where necessary, may rely on the support of the Investor Relations Department.

The greater interest of the market in the Group is confirmed by the intensification of relationships and opportunities for contact with analysts, also following the particularly positive performance of the Group, both economic/financial and in relation to sustainability issues, supported by the ten-year Business Plan of Iren based on three strategic pillars: ecological transition, territoriality and quality of service.

Relationships with investors have continued as in previous years. The increased interest shown by investors towards the Group has required greater communication. As with previous years, the roadshow, organised from time to time by different brokers, remained the main tool for introducing Iren to Italian and foreign institutional investors, both in terms of equity and credit. In 2023, 12 virtual roadshows and conferences were held in the world's major financial markets (London, Paris, Geneva, Brussels, Luxembourg, Frankfurt). During the year, meetings were held with nearly 100 investment funds, for a total of 130 fund managers or analysts. The direct day-to-day contact with the managers of institutional funds and financial analysts that oversee the bond is of particular significance. In addition to the roadshows, the Group constantly communicates with the market using different channels, including quarterly conference calls for the presentation of the results for the period. For relations with shareholders and the financial market, IREN also makes

use of the *Investors* section of the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)), where information about Iren Group that is relevant to its shareholders is provided, in order to enable them to consciously exercise their rights.

## 15-SHAREHOLDERS' MEETINGS

The Shareholders' Meeting held on 06 May 2011, approved the adaptation of the then current By-laws to the regulations contained in Italian Legislative Decree No. 10 of 27 January 2010 (so-called "Record date"), in Article 2391-bis of the Italian Civil Code and Consob Resolution No. 17221 of 12 March 2010, as amended and supplemented (Related Party Transactions).

In addition, the Board of Directors on 14 November 2012 approved the adaptation of the By-laws to the provisions of Italian Law No. 120 of 12 July 2011 in terms of equal access to the management and control bodies of listed companies, and to Italian Legislative Decree No. 91 of 18 June 2012 concerning shareholders' rights.

The Shareholders' Meeting of 5 April 2019 resolved to amend the By-laws. The text currently in force is due to an amendment approved by the Board of Directors on 25 March 2020 by virtue of the specifications provided by Article 25.5(viii) of the same, as mentioned above.

According to the By-laws, both ordinary and extraordinary meetings are convened pursuant to law with publication on the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)), and pursuant also to any other provisions of law.

The meeting is held at least once a year no more than 180 (one hundred eighty) days from closure of the financial year for approval of the financial statements, since the Company is required to prepare consolidated financial statements. Ordinary and extraordinary meetings are called under the circumstances and procedures according to law; they are held at the registered offices or elsewhere, provided it is in Italy.

The meeting can also be called under other circumstances according to law within the legally established term. The Directors must call a Shareholders' Meeting without delays when requested by the number of shareholders representing at least one twentieth of the share capital. Shareholders may not call a meeting to discuss agenda items on which the ordinary Shareholders' Meeting resolves, in accordance with the law, on the proposal of the Directors or on the basis of a plan or report they have prepared. Shareholders requesting a meeting must prepare a report on proposals relating to agenda items; the Board of Directors shall make the report publicly available, together with their evaluations if any, at the same time as the publication of the meeting call, at the registered offices, on the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)) and by other means provided by Consob regulations.

The meeting is called under terms of law, with the publication of the announcement performed pursuant to the provisions of the law on the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)), and any other procedures provided by legislation.

Shareholders who jointly represent at least one fortieth of the share capital may request, under the terms and procedures and within the limits prescribed by current law, the extension of the list of items to be discussed, indicating in the request the additional items proposed or submitting new resolution proposals for items already on the agenda.

Ordinary and extraordinary Shareholders' Meetings are held in a single call, subject to the constitutive and deliberative quorums provided by law for Ordinary Meetings on second call and Extraordinary Meetings after the second call. If deemed appropriate by the Board of Directors, the call notice may also provide for the day for the second call, and for the Extraordinary Meeting only, for a subsequent call.

The call notice must contain an indication of the day, time, and place of the meeting, as well as the list of matters to be discussed and other information required by current laws and regulations.

The right to attend shareholders' meetings and to exercise voting rights is certified by notification to the Company, in accordance with current legislation, by an authorised intermediary, in accordance with its accounting records, supporting the person entitled to vote. The notification is effected on the basis of evidence at the end of the accounting day of the seventh trading day before the date set for the meeting in first or single call. All crediting and debiting of the accounts subsequent to said date, have no relevance for the right to exercise the right to vote at the meeting.

Each shareholder entitled to attend the Meeting may be represented by proxy pursuant to law. Electronic notification of the proxy may be made by using the appropriate section of the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)) or by message sent to the certified electronic mail address as specified in the call notice.

The Company may designate for each meeting, for the first and the subsequent calls, a person to whom shareholders may confer a proxy with voting instructions on all or some of the items on the agenda. This authorisation shall be granted according to the procedure indicated in the call notice, by the end of the second trading day before the date set for the



meeting, also for calls subsequent to the first. The proxy is not valid with regard to proposals for which no voting instructions have been conferred.

The meeting is chaired by the Chairperson of the Board of Directors or, in their absence, by the Deputy Chairperson, or in the absence of the Deputy Chairperson, the Chief Executive Officer or, in the absence all the above, by a person elected by the meeting, with the majority vote of those present.

The Chairperson of the meeting shall appoint a secretary, who may be a non-shareholder and, if appropriate, chooses two scrutineers.

The Chairperson of the Shareholders' Meeting verifies that the meeting is properly constituted, ascertains the identity and legitimacy of those present, moderates the conduct of the meeting, in compliance with the Shareholders' Meeting regulations (where applicable) and ascertains the voting results.

Pursuant to article 16 of the current By-laws, the resolutions of the Shareholders' Meetings, except as indicated below with reference to increased voting rights, are passed with the constitutive and deliberative majorities established by law. For the appointment of directors and the members of the Board of Statutory Auditors, the meeting shall resolve by relative majority and the provisions of articles 19 and 28 of the current By-laws shall in any case apply.

In particular, pursuant to Article 6-bis of the By-laws, each share gives entitlement to two votes in shareholder resolutions relating to the following matters (i) the amendment of articles 6-bis, 6-ter, 6-quater and 9 of the By-laws, (ii) the appointment and/or dismissal of members of the Board of Directors pursuant to Article 19 of the By-laws, as well as the undertaking of liability action towards them, and (iii) the appointment and/or dismissal of members of the Board of Statutory Auditors pursuant to Article 28 of the By-laws, as well as the undertaking of liability action against them, if both the following conditions are met:

- a) the voting rights are held by the same person by virtue of a valid right in rem (full ownership with voting rights, bare ownership with voting rights or usufruct with voting rights) for a continuous period of at least 24 (twenty four) months from the date of effective registration of the person in the special list referred to in Article 6-ter ("**Special List**"); is
- b) the occurrence of the circumstances under (a) results also from an appropriate communication from the intermediary pursuant to the applicable rules or by ongoing inclusion in the Special List

The resolutions of the Shareholders' Meetings, except as provided by art. 6.1-bis (increased voting rights), are validly passed with the constitutive and deliberative majorities established by law. For the appointment of directors and the members of the Board of Statutory Auditors, the meeting shall resolve by relative majority and the provisions of articles 19 and 28 of the current By-laws shall in any case apply.

The Shareholders' Meeting resolutions, passed in compliance with the provisions of law and these By-laws, are binding for all shareholders, including those absent or dissenting.

The Board of Directors may use other methods to allow votes to be cast electronically.

With reference to the regulation referred to in Application Criterion 9.C.3. of the Corporate Governance Code, the Board of Directors did not make a proposal to the Shareholders' Meeting in that regard, as the business of the meeting is ordered by the Chairperson at the start of each meeting.

The Shareholders' Meetings are normally attended by all the Directors.

The Meetings are an occasion for informing Shareholders about the Company, in compliance with regulations on inside information. In particular, the Board of Directors has reported to the Shareholders' Meeting on the activities performed and planned, and has made efforts to provide shareholders with proper and essential information for them to be able to take informed decisions on the competent matters of the Shareholders' Meeting.

On 04 May 2023, the Ordinary Shareholders' Meeting of IREN S.p.A. was held.

At the Shareholders' Meeting, 9 Directors in office as of that date attended.

## 15bis-STOCK PERFORMANCE

In 2023, the world's major stock market indices reported a positive trend, boosted by the easing of recession forecasts and lower energy supply risks, despite the geopolitical tensions that increased during the year.

The growth of the financial markets occurred in a period of restrictive monetary policies. Until October, the world's major central banks raised interest rates to try to combat inflation, and only in the latter part of the year did expectations of a future reduction in interest rates to encourage investment grow.

In this context, in 2023, the FITSE Italia All-Share (the main Italian Stock Exchange index) reported an increase of 26%, while the four Italian multi-utility recorded different performances linked to the different business model of the company. Iren Group reports a positive share price trend, among the best in the sector, supported by the update of the strategic plan to 2030, and by the increase in results expected for FY2023.



## 16-ADDITIONAL COMPANY GOVERNANCE PRACTICES

Unless already reported above in the sections of this Report, the Company does not adopt additional corporate governance practices.

## 17 - CHANGES SINCE THE END OF THE FINANCIAL YEAR 2023

Any eventual changes in the corporate governance structure of the Company between the end of 2023 and the date of approval of this Report, it is acknowledged in the respective sections.

On 20 December 2023, the Board of Directors approved the corporate events calendar for 2024. Lastly, on 29 February 2024, the Board of Directors approved a partial change to the corporate events calendar for 2024. Said calendar and related partial amendment have been communicated and published on the Company's website ([www.gruppoiren.it](http://www.gruppoiren.it)).

## 18-CONSIDERATIONS ON THE LETTER OF 14 DECEMBER 2023 FROM THE CHAIRPERSON OF THE COMMITTEE FOR CORPORATE GOVERNANCE

In a letter sent on 14 December 2023 to the attention of the Chairpersons, Chief Executive Officers and Chairpersons of the control bodies of Italian listed companies (to which the 2023 Report on the application of the Code is annexed), the Italian Corporate Governance Committee intended to communicate to the Companies the main general indications on the application of the Code that had emerged from its monitoring activities and to identify - with reference to the recommendations functional to the full implementation of the new purposes of the Code. In this regard, the Committee paid particular attention to the way the "comply or explain" principle is applied, noting the desirability of better transparency both in the practices adopted in the application of certain recommendations of the Code and in the clear identification of any deviations and explanation of the reasons for the deviation.

In execution of what was recommended therein, the letter and the related annex thereto were made available to the Board of Directors of IREN S.p.A., in the meeting of 30 January 2024, to the Committees established within it (first available meetings held in the first quarter 2023) as well as to the Board of Statutory Auditors of the Company.

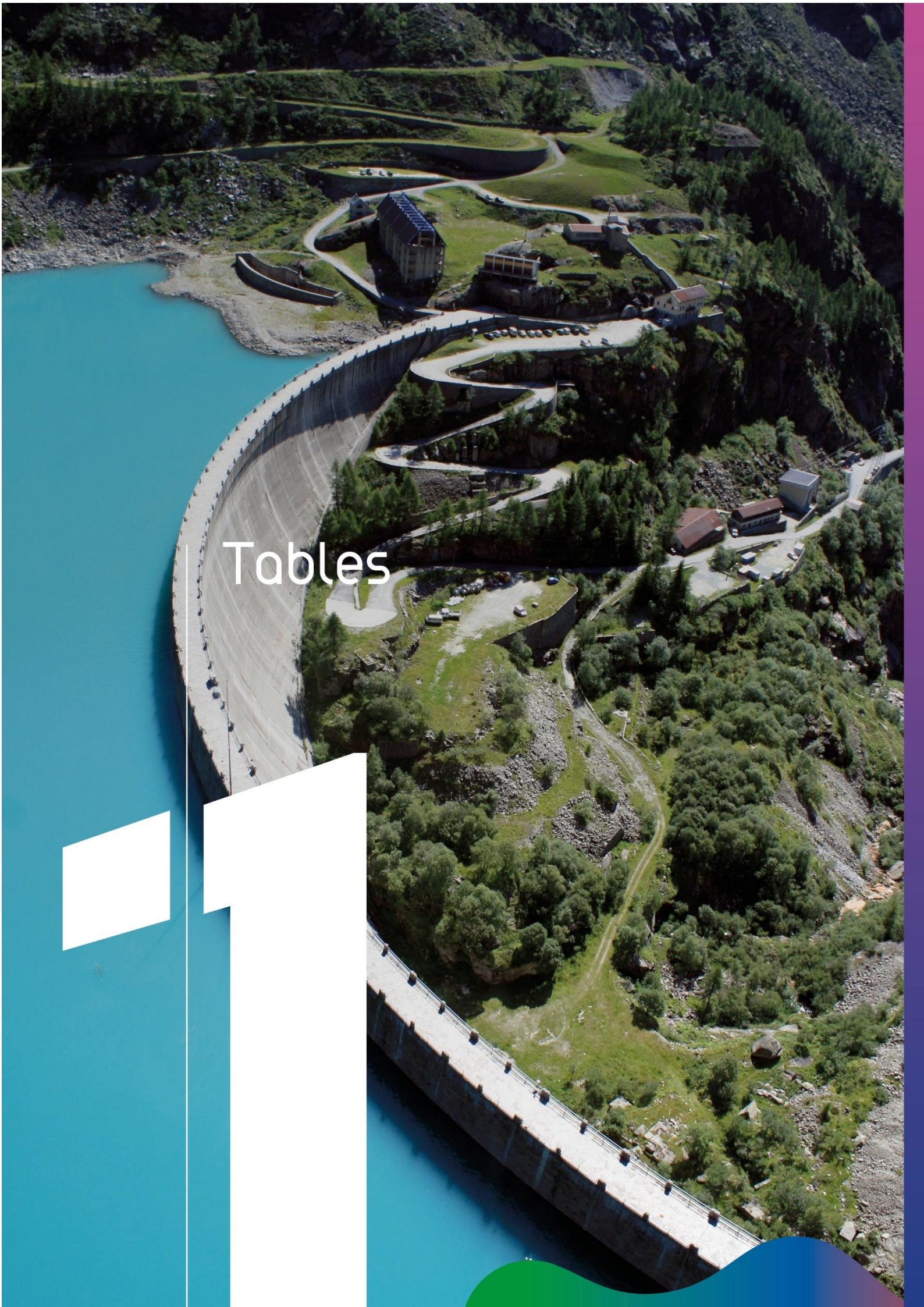
The areas for improvement are mainly inherent:

- to the subject of the "**Business Plan**", by means of an invitation to provide adequate disclosure on the involvement of the administrative body in the examination and approval of the business plan and in the analysis of issues relevant to the generation of long-term value. In this regard, during the Board of Directors' meeting mentioned above, it was agreed that the Company could provide greater disclosure of this activity carried out by the Board of Directors (supported, moreover, by the Control, Risk and Sustainability Committee for the aspects within its competence) in the Report on Corporate Governance and Ownership Structure;
- to the subject of "**Pre-Board Disclosures**", through an invitation to provide adequate justification in the Corporate Governance Report in the event of a waiver of the timeliness of pre-Board Disclosures for reasons of confidentiality, possibly provided for in the Board Regulation and/or adopted in practice;
- to the subject of "**Guidelines on Optimal Composition**", through an invitation to the Companies to provide adequate justification in the Corporate Governance Report for the failure to express, on the occasion of the renewal of the administrative body, the orientation on its quantitative or qualitative composition and/or the failure to ask those who submit a "long" list to provide information on the correspondence of the list to the orientation expressed. On this point, during the aforementioned meeting of the Board of Directors, it was specified that - in view of the renewal of the Board's mandate by the Shareholders' Meeting of 21 June 2022 - on 20 April 2022, the outgoing Management Body approved the Guidelines to Shareholders on the qualitative and quantitative composition of the Board of Directors for the three-year period 2022-2024, which were already compliant with the CG Committee's indication, also containing an invitation to Shareholders to account for its compliance with the same Guidelines in the list. Said Guidelines were published on 30 April 2022, well in time with respect to the deadline for the submission of lists for the renewal of the Governing Body, although after the date on which the Shareholders' Meeting was convened. The Board of Directors also agreed to give an account of the above in the next Corporate Governance Report. For the future, however, it could be considered to bring forward the publication of the Guidelines to a time prior to the publication of the notice of the Meeting;

- with regard to the aspects related to the issue on the **“Increased Vote”** by means of an invitation to provide adequate disclosure, in the proposals of the Board of Directors to the Shareholders’ Meeting on the introduction of the Increased Vote, of the purpose of the choice and the expected effects on the ownership and control structure and on future strategies, and to provide adequate justification for any non-disclosure of said elements. In this regard, during the aforementioned meeting of the Board of Directors, it was clarified that IREN had already introduced increased voting with the adoption of a specific Regulation approved on 9 May 2016 by the Board of Directors pursuant to Articles 6-bis, 6-ter and 6-quater of the By-laws regulating the increased voting right. The rationale behind the introduction of this instrument was made explicit in the proposal submitted to the Meeting at the time.

More specifically, the Company’s Board of Directors, at the aforementioned meeting, carefully examined the text of the letter and the points of attention highlighted therein, agreeing, in addition to the above, that the IREN Corporate Governance system, with reference to the aforementioned aspects and for the profiles falling within its competence, is substantially in line with the indications contained in the letter in question, without prejudice to the margins for continuous improvement desired by the CG Committee itself in terms of disclosure, which may be implemented.





# Tables



TABLE 2. STRUCTURE OF THE BOARD OF DIRECTORS AND THE COMMITTEES.

Board of Directors (as at 31 December 2023)													Control, Risk and Sustainability Committee		Remuneration and Appointments Committee		Related Party Transactions Committee	
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Executive	Non-executive	Independ. under Code	Independ. under CFA	(***)	no. of other positions (****)	(*****)	(***)	(*****)	(***)	(*****)	(***)
CHAIRPERSON	Luca Dal Fabbro *	08/02/1966	21/06/2022	21/06/2022	Approval FS 2024	M	YES	-	-	-	22/22	5	-	-	-	-	-	-
DEPUTY CHAIRPERSON	Moris Ferretti *	28/05/1972	04/06/2015	21/06/2022	Approval FS 2024	M	YES	-	-	-	22/22	2	-	-	-	-	-	-
CEO and GM	Paolo Signorini *	24/07/1966	30/08/2023	30/08/2022**	Approval Meeting FS 2023	M	YES	-	-	-	11/11	-	-	-	-	-	-	-
Director	Francesca Culasso	12/08/1973	21/06/2022	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	22/22	4	P	21/21	-	-	-	-
Director	Enrica Maria Ghia	26/11/1969	22/05/2019	21/06/2022	Approval FS 2024	m	-	YES	YES	YES	21/22	1	M	20/21	-	-	-	-
Director	Pietro Paolo Giampellegrini	14/11/1968	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	22/22	-	-	-	P	18/18	-	-
Director	Francesca Grasselli	13/06/1979	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	20/22	8	-	-	-	-	M	6/6
Director	Cristiano Lavaggi	08/08/1975	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	-	YES	22/22	2	-	-	M	18/18	-	-
Director	Giacomo Malmesi	29/10/1971	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	21/22	5	M	21/21	-	-	-	-
Director	Giuliana Mattiazzo	21/12/1966	21/06/2022	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	22/22	2	-	-	-	-	M	6/6
Director	Tiziana Merlino	08/06/1974	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	22/22	1	M	21/21	-	-	-	-
Director	Gianluca Micconi	19/03/1956	22/05/2019	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	21/22	1	-	-	M	16/18	-	-
Director	Patrizia Paglia	26/08/1971	21/06/2022	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	17/22	5	-	-	M	13/18	-	-
Director	Cristina Repetto	27/10/1973	21/06/2022	21/06/2022	Approval FS 2024	M	-	YES	YES	YES	22/22	1	-	-	-	-	M	6/6
Director	Licia Soncini	24/04/1961	09/05/2016	21/06/2022	Approval FS 2024	m	-	YES	YES	YES	22/22	1	-	-	-	-	P	6/6
<b>Directors terminated during 2023</b>																		
CEO and GM	Gianni Vittorio Armani	24/07/1958	02/05/2019	21/06/2022	12/06/2023•	M	YES	-	-	-	8/8	N/A	-	-	-	-	-	-
Quorum required for the submission of lists at the time of the latest appointment: 1%											BoD: 22		CRSC: 21		RAC: 18		RPTC: 6	
Number of meetings held in 2023:											BoD: 22		CRSC: 21		RAC: 18		RPTC: 6	

NOTES

- With resolution passed on 30 August 2023 and in line with the resolutions adopted by the administrative body in office in the previous term, having regard to the division of the powers assigned to them, the Board of Directors of IREN S.p.A. in office has identified, as ICRMS Appointed Directors, Luca Dal Fabbro (Chairperson of the Board of Directors), Mr. Paolo Signorini (from that date appointed CEO and General Manager) and Mr. Moris Ferretti (Deputy Chairperson), each with regard to their respective functions and delegations.
  
  - As already reported, Mr. Paolo Signorini was appointed Director of IREN S.p.A. by co-option, pursuant to Article 2386 of the Italian Civil Code, as well as Chief Executive Officer and General Manager of the Company by virtue of the resolution passed by the Board of Directors on 30 August 2023, following the resignation from the same offices by Mr. Gianni Vittorio Armani on 12 June 2023, effective immediately. Pursuant to the aforementioned provision of the Italian Civil Code, Mr. Paolo Signorini will remain in office until the date of the next Shareholders' Meeting of IREN S.p.A. called, in this regard, to adopt the decisions within its competence.
- (<sup>1</sup>) Date of first appointment means the date on which each Director was appointed for the first time (ever) to the Board of Directors of IREN, a name the Issuer assumed with effect from 1 July 2010, the effective date of the merger of Enia S.p.A. and Iride S.p.A.
- (<sup>\*\*</sup>) This column indicates the list voted by the majority (M) or by a minority (m) from which each Director was taken.
- (<sup>\*\*\*</sup>) This column indicates the number of meetings (of the Board of Directors and possibly the Board committees) that each Director participated in during the year, compared to the total number of meetings that could have been attended (No. of meetings attended/No. of meetings held during the effective term of office of the director). With regard to Mr. Paolo Signorini (current Chief Executive Officer and General Manager of IREN S.p.A.), the number of meetings has been counted from his appointment, by co-option, as Director of IREN S.p.A. (as well as Chief Executive Officer and General Manager) on 30 August 2023. As regards, instead, Mr. Gianni Vittorio Armani, said meetings were counted until 12 June 2023, the effective date of his resignation.
- (<sup>\*\*\*\*</sup>) This column indicates the number of director or auditor positions held by each Director in other companies listed or large companies, as well as any further positions (excluding those held in companies in which IREN directly or indirectly holds an interest), disclosed by the person through completion of the appropriate self-declaration and/or acquired through the consultation of public data. For a list of positions of each Director, as well as those that may be held in other Group companies, see **Table 4** below.
- (<sup>\*\*\*\*\*</sup>) This column indicates a Director's possible membership of a Board Committee and specifies the role of Chairperson ("P") and member ("M"), in accordance with the composition of Board Committees identified by IREN Board of Directors resolution of 21 June 2022, in order to ensure an optimal balance of professionalism and expertise within the committees and to safeguard compliance with Corporate Governance Code recommendations.

TABLE 3. STRUCTURE OF THE BOARD OF STATUTORY AUDITORS.

Board of Statutory Auditors (as at 31 December 2023)									
Office	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M/m) (**)	Independence under the Code	Participation in the meetings of the Board of Auditors (***)	Number other assignments (****)
Chairperson	Michele Rutigliano	06/10/1953	28/04/2015	06/05/2021	Approval of 2023 Financial Statements	m	YES	12/12	2
Standing Auditor	Ugo Ballerini	28/10/1947	06/05/2021	06/05/2021	Approval of 2023 Financial Statements	M	YES	12/12	1
Standing Auditor	Simone Caprari	10/01/1975	19/04/2018	06/05/2021	Approval of 2023 Financial Statements	M	YES	12/12	7
Standing Auditor	Cristina Chiantia	07/05/1975	19/04/2018	06/05/2021	Approval of 2023 Financial Statements	M	YES	11/12	1
Standing Auditor	Sonia Ferrero	19/01/1971	06/05/2021	06/05/2021	Approval of 2023 Financial Statements	m	YES	10/12	17
Alternate Auditor	Riccardo Fabrizio Di Giusto	20/06/1966	06/05/2021	06/05/2021	Approval of 2023 Financial Statements	m	YES	-	7
Alternate Auditor	Lucia Tacchino	18/04/1979	06/05/2021	06/05/2021	Approval of 2023 Financial Statements	M	YES	-	9
Quorum required for the submission of lists at the time of the latest appointment: 1%.									
Number of meetings held in 2023 12									

NOTES

(\*) The date of first appointment of each Auditor (standing or alternate) means the date when the Auditor was appointed for the first time ever to the Board of Statutory Auditors of the Issuer.

(\*\*) This column indicates the list voted by the majority (M) or by a minority (m) from which each Auditor (standing or alternate) was picked.

(\*\*\*) This column indicates the number of meetings that each Standing Auditor participated in during the year, compared to the total number of meetings that could have been attended (No. of meetings attended/No. of meetings held during the effective term of office of the party concerned).

(\*\*\*\*) This column indicates the number of positions of director or auditor held by each Auditor (standing or alternate) pursuant to Article 148-bis of the Consolidated Law on Finance and the related implementing provisions of the Issuers' Regulations, indicated by the party concerned via completion of a specific self-declaration. The full list of positions is published by Consob on its website ([www.consob.it](http://www.consob.it)) pursuant to Article 144-quinquiesdecies of the Issuers' Regulation.

#### TABLE 4. OFFICES HELD BY DIRECTORS IN OTHER COMPANIES

The following table shows, for each Director of IREN S.p.A. in office at the date of this Report, the positions of director or auditor held – also at the date of this Report – in other companies listed or large companies, as well as any positions in companies without these characteristics:

The Board considered that the positions mentioned below may be considered compatible with the effective performance of the role of Director of IREN S.p.A.

<b>Luca DAL FABBRO (Chairperson and Strategic Director Finance, Strategies and Delegated Areas)</b>	<b>Moris FERRETTI (Deputy Chairperson and Strategic Director Human Resources, CSR and Delegated Areas)</b>	<b>Paolo SIGNORINI (Chief Executive Officer and General Manager)</b>
Director of Simpec S.r.l.	Chairperson of IREN Acqua S.p.A.*	
Director of Trattamento Acque Holding S.r.l.	Director of Quanta Stock and Go S.r.l.	
Director with proxies of EQUITECO S.r.l. soc. benefit.	Chairperson of IREN Ambiente Toscana S.p.A.*	
CEO of Xenon Fidec	Chairperson and CEO of Utilitalia Servizi S.r.l.	
Director of S.T.A. S.r.l.		

<b>Francesca CULASSO</b>	<b>Enrica Maria GHIA</b>	<b>Pietro Paolo GIAMPELLEGRINI</b>
Director of IREN Mercato S.p.A.*	Chairperson of Jurisnet S.T.A. S.r.l.	Chairperson of IREN Mercato S.p.A.*
Director of Equiter S.p.A.		
Director of Eurizon Capital Sgr S.p.A.		
Director of Intesa San Paolo Innovation center S.p.A.		
Director of San Lorenzo S.p.A.		
Chairperson of Nord Ovest Servizi S.p.A.*		
Director of IREN Ambiente Toscana S.p.A.*		



<b>Francesca GRASELLI</b>	<b>Cristiano LAVAGGI</b>	<b>Giacomo MALMESI</b>
Deputy Chairperson and Director of GHG Holding S.p.A.	Chairperson of IREN Laboratori *	Chairperson of IRETI S.p.A. *
Director of Grasselli S.p.A.	Director of Valdarno Ambiente S.r.l.*	Director Azienda Agricola Bocchi S.p.A.
Deputy Chairperson of GHG Gourmet S.r.l.	Sole Director of Mafalda S.r.l.	Deputy Chairperson and CEO Immobiliare degli Orti S.p.A.
Deputy Chairperson of GHG RE S.r.l.	Sole Shareholder of Orizzonti S.r.l.	Director Malmscot S.r.l.
Sole Director of Mountain Sunset Holding S.r.l.		Director Nuovo Inizio S.r.l.
Chairperson of Società Agricola Il Tramicello S.r.l.		Director SICEM – SAGA S.p.A.
CEO of GWN Holding S.r.l.		
Deputy Chairperson of GHG Home S.r.l.		

<b>Giuliana MATTIAZZO</b>	<b>Tiziana MERLINO</b>	<b>Gianluca MICCONI</b>
Chairperson of IREN Ambiente S.p.A. *	Director of Servizi di Riviera S.p.A.	Director of Futura S.p.A.*
Deputy Chairperson Liftt S.p.A.	Director of TB S.p.A. *	Sole Director Centro Revisioni Diagnosi e Collaudi S.r.l.
Director of Neva sgr S.p.A.	Director of Futura S.p.A. *	Director of Bonifiche e Servizi Ambientali S.r.l.*
Chairperson of IREN Smart Solutions S.p.A.*		

<b>Patrizia PAGLIA</b>	<b>Cristina REPETTO</b>	<b>Licia SONCINI</b>
Chairperson of Confindustria Canavese servizi S.r.l.	Director of IREN Energia S.p.A. *	Chairperson NOMOS Centro Studi Parlamentari S.r.l.
CEO of Eva Green Power S.r.l.	Director of Porto Antico di Genova S.p.A.	Director of I.BLU S.r.l.*
Chairperson of Evasolar S.r.l.	Director of IREN Ambiente Toscana S.p.A. *	
CEO of ILTAR S.p.A.		
Director of IRETI S.p.A. *		
CEO of Polistamp Engineering S.r.l.		

(\*) Companies in which IREN SpA holds an interest directly or indirectly.



## ANNEX 1. PERSONAL AND PROFESSIONAL PROFILE OF EACH DIRECTOR

### **LUCA DAL FABBRO - FROM JUNE 2022, CHAIRPERSON OF THE BOARD OF DIRECTORS AND FROM AUGUST 2023, ALSO, STRATEGIC DIRECTOR FINANCE AND STRATEGIES AND DELEGATED AREAS**

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Born in Milan on 8 February 1966, after a degree in Chemical Engineering from La Sapienza University in Rome and a master's degree in International Politics from ULB at the Centre des Etudes Internationales et strategiques in Brussels, he studied Advance Management at the MIT Sloan School in Boston. He has extensive international management experience in industry, finance, energy and sustainability. He has been Chairperson of Snam, Executive Chairperson of Renovit, CEO of ENEL Energia and E.On Italia, board member of Terna. In addition, he was Deputy Chairperson of the Snam Foundation, Deputy Chairperson of Assoesco and Aiget and headed the Far East desk of the Istituto Affari Internazionali. He is currently Chairperson of the European ESG Institute, Deputy Chairperson of the Circular Economy Network, adjunct professor at LUISS University. He published in 2017 the book "L'economia del Girotondo" on circular economy issues and in March 2022 the essay "ESG - La Misurazione della Sostenibilità" published by Rubbettino.

### **MORIS FERRETTI - FROM MAY 2019, DEPUTY CHAIRPERSON OF THE BOARD OF DIRECTORS AND FROM AUGUST 2023, ALSO, STRATEGIC DIRECTOR HUMAN RESOURCES, CSR AND DELEGATED AREAS**

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Born in Reggio Emilia in 1972, he holds a degree in Marketing from the University of Modena and Reggio Emilia. He gained his professional experience in complex medium-sized enterprises in various sectors ranging from industry to services to distribution, where he held various positions over the years, such as Personnel Manager, Operations Manager, General Manager and Chief Executive Officer. Among the companies Unicarni; Unipeg; Quanta Stock and Go; Assofood; Coopbox Group; CCPL Industrial Group. He was Director and member of the Remuneration and Appointments Committee of Iren, Director of Ireti, Chairperson of the Board of Directors of Iren Mercato, Chairperson of the Board of Directors of Alfa Solutions and Chairperson of the Board of Directors of Iren Energia. He is currently Executive Deputy Chairperson in charge of Corporate Affairs, Internal Audit Compliance, Corporate Social Responsibility, Personnel and Organisation. Since 2023, he has been appointed Strategic Director Human Resources, Corporate Social Responsibility and Delegated Area.

### **PAOLO SIGNORINI - FROM AUGUST 2023, CEO AND GENERAL MANAGER**

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Born in Genoa in 1963, he graduated from the Faculty of Political Science at the University of Florence and continued his studies at Yale Law School (Yale University). He started his career at the Bank of Italy and the Ministry of Economy and Finance. He was then Head of the Department for Planning and Coordination of Economic Policies at the Presidency of the Council of Ministers (2008-2013) and Head of the Department for Infrastructure, Information Systems and Statistics at the Ministry of Infrastructure and Transport (2013-2015). Chairperson of the Port System Authority of the Western Ligurian Sea from 2016 to 2023 and Special Commissioner for the construction of the new breakwater in Genoa from 2021 to 2023. He has served on the boards of directors of companies operating in the infrastructure and transport sector such as Italferr and Telt SaS (Turin - Lyon rail line).

### FRANCESCA CULASSO - DIRECTOR

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Born in Moncalieri (TO) in 1973, she holds a degree in Economics and Commerce from the University of Turin, where she has been a full professor of Business Economics since 2017. Lecturer in Strategic Planning and Control and Advanced Management Accounting at the Department of Management of the University of Turin, she was elected its director in 2018 and is currently in her second mandate. She is a member of the teaching board of the PhD programme in 'Business and Management', a member of the Board of Governors of the 'Ferdinando Rossi' School of Advanced Studies (SSST), a member of the Management Board of the 'Interdepartmental Centre for Food Research and Anti-Fraud' at the University of Turin and a member of the Board of Directors of the Franca and Diego de Castro Foundation. She is also the University's contact person for the Memorandum of Understanding between the City of Turin, the Polytechnic University of Turin, the University of Turin and ESCP Business School for collaboration on the ecological transition and transformation of the urban energy system. She is an elected member of the Board of Directors of the Italian Association of Business Economics (AIDEA), with responsibility for doctorates and young researchers. She is affiliate professor at ESCP Business School and author of numerous national and international publications on the topics of strategic planning, risk management and management control. She holds positions as director and member of internal committees in several listed and unlisted companies.

### ENRICA MARIA GHIA - DIRECTOR

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She has been a member of the Milan Bar Association since 1998. Cassation Lawyer, she is a partner in GHIA Studio Legale Associato with offices in Milan and Rome. Her areas of specialisation are corporate law, commercial law, business crisis law and banking law. She has been involved in corporate restructuring since 2008. She is a lawyer and consultant of major Italian banks and assists numerous domestic and foreign companies operating in the industry and services sectors. She conducts her practice in both judicial and extrajudicial settings. In November 2017, she established JurisNet s.t.a. S.r.l., a law firm with 10 partners and more than 150 affiliates nationwide. In 2018, she established JurisTech S.r.l., an innovative start-up in the legal tech sector developing the JurisPlatform collaboration suite for networks of law firms and in-house legal departments of corporations.

### PIETRO PAOLO GIAMPELEGRINI - DIRECTOR

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Born in Massa in 1968, he graduated in Law in 1994 at the University of Parma, Italy. In 1997 he was admitted to Bar of Massa Carrara, subsequently qualifying to practice in the High Court and the Supreme Court of Cassation. After working for a time as a freelancer lawyer, in December 2016 he was appointed General Secretary of the Liguria Regional Government, a position that involved, among other things, the coordination of the regional council's departments and sectors. He is currently still in the post. From April 2018 to December 2020, he was Special Commissioner of the Regional Tourism Promotion Agency 'in Liguria'. He was also a Subject Tutor in ICT "Information and Communications Technology" for Public Administration at the University of Genoa and an Adjunct Professor of the teaching "Territory, Environment and Sustainable Development" supplementary to the official course "Comparative and European Constitutional Law" in the same University. He has served as member of the Board of Directors of the Carige Foundation and has been a member of the Board of Directors of Cornigliano S.p.A. One of many other positions held until 2015 was membership of the Supervisory Board pursuant to Italian Legislative Decree 231/01 of the Cassa di Risparmio di Carrara. Since 28 June 2019, he has been Chairperson of the Board of Directors of IREN Mercato.

### FRANCESCA GRASELLI - DIRECTOR

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Born in Reggio Emilia in 1979, she graduated with honours in Business Economics at the University of Modena and Reggio Emilia and gained a PhD in Financial Markets and Intermediaries at the Catholic University of the Sacred Heart (MI). Her specialisation was the evaluation of creditworthiness and the study of insolvency forecasting models in light of Basle Agreements on the minimum capital requirements of banks. From 2005 to 2009, she worked at the financial consulting firm K Finance (now Equita K Finance), gaining experience in M&A and extraordinary finance with industrial counterparts and with private equity funds. She also contributed to developing the company's rating division, which she continued to follow since 2010, until 2021, in the company KF Economics, as a member of the Scientific Committee. Since 2010, she has been working at Grasselli, a company operating in the production of machinery for the food industry, of which she is currently CEO. In addition to her role as a director of the parent company Iren

S.p.A., which she has held since May 2019, she has been a member of the Board of Directors of the University of Modena and Reggio Emilia since November 2020.

### CRISTIANO LAVAGGI - DIRECTOR

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He graduated from the School of Accountancy in 1994. In 2002, he gained a degree in Labour Consulting at the University of Siena and in 2005 completed a Masters in Labour Law and Personnel Management in Reggio Emilia. From 2008 to 2012, he undertook other Masters courses, specialising in Payroll and Personnel Management and in Bankruptcy Law. In 1998, he began to practice as a labour consultant at the Manuela Demontis Accounting School. In 2000, he was hired as a part-time employee at the Sandro Mazzi Studio, where he heads the accounting and tax declaration department. In 2004, he was worker as an external contractor for Studio Petacchi & C. srl, where he dealt with tax returns and 730, 770 and Unico forms. From 2009 to present, he has been registered with A.N.coT. as a Professional Tax Consultant and has his office in Castelnuovo Magra (SP), Via Aurelia 190. In 2010, he became a partner in Studio Petacchi & Partners S.r.l. serving as a tax and labour consultant. He was a member of the Board of Directors of I.S.I.

S.p.A. until 2016. In 2013, he founded Studio Lavaggi snc di Lavaggi C. and Marchini A., of which he is still a partner today. Also in 2013, he gained a diploma as a corporate mediation professional, accredited by the Ministry of Justice. From 2015 to June 2023, he was Sole Director of Società Liguria Patrimonio Srl, a company wholly owned by Filse spa, Liguria Region (GE). He also served as Chairperson of various local organisations until 2017 such as the Cassa Edile, Scuola Edile and CPT (Spezia Joint Committee). From September 9 to December 10, 2021, he served as a Board Member and Deputy Chairperson of ASM Vercelli S.p.A. Since May 2022, he has been Chairperson of the Board of Directors of IREN Laboratori S.p.A.

### GIACOMO MALMESI - DIRECTOR

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Born in Parma in 1971, he graduated in Law at the University of Parma, and is a lawyer admitted to the Court of Cassation. He is a legal consultant in the commercial and corporate sectors, dealing with commercial contracts, directors' liability, independent auditors and boards of statutory auditors, as well as banks' liability from aggravating financial collapse, abusive lending practices and in bankruptcy procedures. He is a consultant to the company and member of the Board of Directors. After the local football company declared insolvency in 2015, together with a group of entrepreneurs in the Parma region, he established Parma Calcio 1913. He holds the office of Deputy Chairperson and has contributed to the city's club been promoted from serie D to serie A. Since May 2019, he has sat on the Board of Directors of Iren S.p.A., of which he chaired the Control, Risk and Sustainability Committee from 2019 to 2022. From 2019 to 2022, he was a member of the Board of Directors of Iren Ambiente S.p.A. Since 2022, he has been Chairperson of IRETI S.p.A.

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### GIULIANA MATTIAZZO - DIRECTOR

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Born in Turin in 1966, she graduated in Aeronautical Engineering, PhD in Applied Mechanics at the Polytechnic University of Turin. Full Professor at the Department of Mechanical and Aerospace Engineering, Polytechnic University of Turin and Vice-Chancellor for Technology Transfer since 2018. Coordinator of the MORElab group, she deals with energy from renewable sources, mainly from the sea, and the development of energy scenarios to accompany the transition, especially for island locations. She is a founding partner of two academic spin-offs. Member of the Board of Directors of LIFTT S.p.A. and NEVA Fininvestures.

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### TIZIANA MERLINO - DIRECTOR

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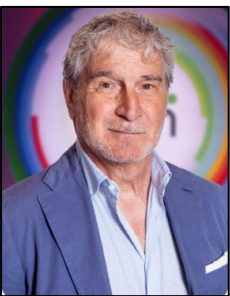


Born in Finale Ligure (SV) in 1974, she is a manager with extensive experience in innovation processes and organisational change, with particular expertise in the public sector. In 1998, she graduated with honours in politics and economics at the University of Genoa and in 1999, obtained an “Innovator of the Public Administration” Masters degree. She began her career in January 2000 with the Lattanzio Group S.p.A. and worked there until 2011 as a consultant expert in innovation processes in the public administration. From April 2011 to January 2016, she was Sales Operations Manager for Italy, Greece and Eastern Europe with a leading multinational manufacturer and supplier of dental and medical imaging systems and IT solutions. In 2016, she began her career in the environmental sector as General Manager of Finale Ambiente SpA, a multi-service company operating in urban hygiene, pay parking areas, tourism marina and cemetery services in the municipalities of Finale Ligure and Orco Feglino. From October 2017 to date, she has held management positions, including the role of General Manager, of Amiu Genova S.p.A., a company that manages the integrated waste cycle and circular economy processes in the Municipality of Genoa and 37 other municipalities of the Metropolitan City of Genoa.

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### GIANLUCA MICCONI - DIRECTOR

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Born in Ponte dell’Olio (PC) in 1956. With a scientific background, he held the role of Sole Director from March 2012 to April 2018 in the Tempi Agenzia di Piacenza (Tempi Agency of Piacenza), which deals with the mobility of Piacenza and its province, carrying out various tasks and services for local public transport users, as well as designing and planning tpl, taking care of the quality of the service and facilities, and managing the competitive procedures of service assignments. From January 2003 to December 2003, he was a director in the Consorzio Bonifica Cisterne di Piacenza. He was also Provincial Councillor for the party Alleanza Nazionale from January 1998 to December 1999. He was partner of P.C.M. srl (Piacenza Testing and Maintenance) from 2005 to 2020. He holds directorships in various types of companies including C.R.C. srl (Centro Revisioni Diagnosi e Collaudi). Since October 2021, he has been a Director of Futura SpA based in Grosseto, a company operating in the sector of integrated waste management. Since 2023, he has been a Director of Bonifiche Servizi Ambientali, a company based in Reggio Emilia that carries out site remediation and reclamation activities.



### PATRIZIA PAGLIA - DIRECTOR

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Born in Turin in 1971, she graduated in Economics and Commerce at the University of Turin, with a final grade of 110 cum laude with a research thesis on Energy Management in SMEs with the Department of Georesources and Territory of the Polytechnic University of Turin. A member of the Order of Chartered Accountants of Turin since 1996 and of the Order of Auditors of Turin since 1999, she works as a freelance director of a group of companies in the automotive sector. Since 2010, she has held representative positions in a number of local associations. She is Chairperson of Confindustria Canavese and Confindustria Canavese Servizi, member of the Confindustria National Tax Commission, member of the Turin Chamber of Commerce Council since 2020, member of the Board of Directors of C.I.A.C. Consorzio InterAziendale Canavesano per la formazione professionale. Since November 2021, she has been Chairperson of the Advisory Board North West of Unicredit Bank and member of the Advisory Board of Unicredit National.

### CRISTINA REPETTO - DIRECTOR

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In 1997, she qualified as a chartered accountant and, after significant experience in the environmental consulting sector, she also qualified as a financial advisor in 2002. She began her professional career at Bnl Investimenti where she was mainly involved in credit and in 2004, following the merger with the Allianz Group, she continued her career and training in the Private Banking sector until she was appointed Senior Partner and then Wealth Advisor at Allianz Bank Private. Today, within the bank's selected Wealth Advanced division, she focuses on the needs of HNWI clients and on investment banking and corporate finance for SMEs (M&A, minority sales to private equity investors, leveraged acquisitions for generational handover management), dealing with the needs related to asset management and related aspects, protection, corporate credit insurance, financing and access to capital markets. The role requires a multidisciplinary approach, also oriented to the analysis of aspects of assets that are not strictly financial, such as inheritance, tax and real estate issues, with the aim of covering all corporate needs of a legal, corporate and tax nature, increasingly demanded by HNWI, corporate and institutional clients. From July 2015 to February 2020, she served as Chairperson of the Board of Directors of Società Per Cornigliano S.p.A. Società Per Cornigliano SpA is the owner of the areas abandoned by the steelworks (former ILVA) in Genoa-Cornigliano and the recipient of funding allocated by various national laws for the reconversion of the same areas. In particular, she was Chairperson of the company during the dramatic event of the Morandi Bridge collapse and, with the redevelopment underway, she is committed, with a great spirit of service and teamwork, to actively contribute to the realisation of the so-called 'Papa/Superba' road and the completion of Lot 10 to allow a direct connection to the motorway from V. Guido Rossa, and make the road system of a city wounded to the heart as efficient as possible with what is available. In 2015, having completed the technical training course held by lecturers at the Catholic University of Milan, she obtained the European Qualification EIP Certification (EFPA). In 2019, she joined the Board of Directors of Porto Antico Spa following the acquisition of Fiera di Genova S.p.A. in liquidation and the "fairs" and "dock" business units, representing the new shareholder Filse/Regione Liguria. Genoa's Old Port is now the protagonist in the city's new waterfront: from the Aquarium to the Magazzini del Cotone, from the Piazza delle Feste to the Porta Siberia fortress, it expands to include the Fiera di Genova areas, with the Padiglione Blu, the Piazza sul Mare and the nautical docks.

### LICIA SONCINI

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Born in Rome in 1961, she graduated with honours in Cultural Anthropology at the "La Sapienza" University of Rome in 1986 and received a legislative consulting diploma from the Higher Institute of Legislative Studies in 1990, under the patronage of the President of the Republic. Since 1998, Chairperson and founding partner of Nomos Centro Studi Parlamentari, a company specialising in consultancy for institutional relations and lobbying activities where she has always followed and supported customers in the energy sector, since the period of privatisation of state-owned companies (Edison, Unione Petrolifera, Total, Gestore del Mercato Elettrico, Assogas) and then moved on to follow customers in the pharmaceutical sector for whom she carried out political and legislative consultancy. At the end of 2013, she founded the Nomos Health Policy Laboratory, a company specialising in research and institutional communications in the healthcare sector, with a special focus on sustainable development projects. She has been a lecturer on "Information and Publicity of Parliamentary Work," as part of the Master's programme on Lobbying and Institutional Relations organised by the Luiss Management graduate school and a lecturer on lobbying and institutional relations at the "Eidos" training school. She gained her experience in a Parliamentary Group (1985-1989) and then served as head of relations with Parliament of the Ferruzzi-Montedison Group (1989-1994), where she participated - among other activities - in the formation of the law on denationalisation of the energy sector. From 2004 to 2007 she was sole director of Stratinvest-Ru, a consulting company for Italian companies seeking to operate in Russia. From 2014 to 2017, she was Chairperson of the Nomos Health Policy Laboratory. In April 2022, she was re-elected for the second term to the Board of Directors of Atlantia S.p.A. In 2019/20, she participated in InTheBoardroom 4.0, an executive training course to prepare board members, organised by Valore D; in 2021, she was elected to the "InTheBoardroom" Representatives Committee. On her third term as a director on Iren's Board of Directors.

## ANNEX 2. PERSONAL AND PROFESSIONAL PROFILE OF EACH AUDITOR

### MICHELE RUTIGLIANO – CHAIRPERSON



financial sectors.

Born in Milan in 1953, professor at SDA Bocconi School of Management. Formerly, he was a Professor in Economics of Financial Intermediaries and a lecturer in Finance and Corporate Valuation at the University of Verona. Other lecturing work includes teaching at the Bocconi University and the Universities of Brescia and Udine. He specialised in Finance at the Wharton School, University of Pennsylvania. He is a Chartered Accountant and Statutory Auditor (Italian Ministerial Decree 15/11/1999, OJ No. 100 of 17/12/1999, No. 102591). Most of his professional activity is in arbitration and technical consulting (official and party-appointed) in banking and finance, damage assessment for infringement of intellectual property rights, corporate and intangible assets valuation. He provides consulting services to the Courts of Milan and Verona. He is the author of numerous publications on business management, banking and finance. He has held numerous positions in corporate bodies of listed and non-listed companies in the industrial and

### UGO BALLERINI - STANDING AUDITOR



Born in Pisa in 1947, he graduated with honours in law from the University of Genoa in 1972, and has been general director of FI.L.S.E. since 1980. S.p.A. (Finanziaria Ligure per lo Sviluppo Economico), a regional public-controlled company with share capital of 24,700,565.76 Euro and assets of more than 360 million. He also holds the position of Sub Commissioner Extraordinary for the reconstruction of the Polcevera Viaduct of the A10 highway. During his working career, he has held countless positions on corporate bodies and boards of auditors of subsidiary and non-subsubsidiary, industrial and financial companies. Certified Public Accountant, enrolled under No. 3143 (Ministerial Decree of 12/04/1995 OJ No. 31BIS of 21/04/1995) in the Register of Auditors, he has published numerous essays and articles in newspapers and specialised journals, he has been a speaker at international conferences and conventions and has been called on to serve on various scientific committees.

### SIMONE CAPRARI - STANDING AUDITOR



Born in Reggio Emilia, he is an associate of Baldi & Partners Avvocati e Commercialisti (Reggio Emilia). He is a former Chairperson of the Union of Young Chartered Accountants of Reggio Emilia and the Regional Coordinator for Emilia Romagna. In 2000, he received a Bachelor's Degree in Business Administration from the University of Parma, in 2006, the Qualification to practice as an Auditor and Chartered Accountant, and in 2012, the Qualification to the specialisation course "Experts in Financial Markets" organised by Borsa Italiana Spa and the National Council of Chartered Accountants. He has gained specific expertise in corporate and tax consulting; drafting financial statements, budgets and business plans; M&A and Financial Advisory transactions; Accounting and Business Due Diligence; boards of auditors in listed and unlisted industrial companies; auditing; management consulting and business process reorganisation.

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### CRISTINA CHIANTIA - STANDING AUDITOR

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Degree in Economics, Certified Public Accountant registered in the Register of Certified Public Accountants and Accounting Experts of Turin, registered in the Register of Auditors and the Register of Auditors of Local Authorities; Speaker at the School of Advanced Training of the Order of Certified Public Accountants and Accounting Experts of Turin - Practitioners Course Special Module "The Business Crisis"; Secretary of the National Commission of the Board of Auditors - UNGDCEC (National Union of Young Certified Public Accountants and Accounting Experts). She holds office as a Statutory Auditor in companies in the energy, additive manufacturing, consulting and investment sectors.

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### SONIA FERRERO - STANDING AUDITOR

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Born in Turin in 1971, a graduate of the University of Turin with a degree in Economics and Business Administration, a certified public accountant and auditor. Since 2004 in Milan, she has worked with leading Italian tax law firms and has held and still holds numerous positions in corporate bodies of listed and unlisted, industrial and financial companies.

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### LUCIA TACCHINO - ALTERNATE AUDITOR

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Born in Genoa on 18 April 1979, married to Simone Pazzaglia and with two children Lorenzo and Maddalena. Scientific high school, Istituto Luigi Lanfranconi, Genoa. She graduated with honours in Economics and Business - business major - from the Faculty of Economics and Business of the University of Genoa in May 2003.

Enrolled in the Register of Chartered Accountants of Genoa as of 2009. Enrolled in the Register of Auditors as of 2009.

PhD in Economics at the University of Genoa - XXIX Cycle - School of Social Sciences - Faculty of Economics since 21 April 2017.

Contract associate for several academic years at the University of Genoa, School of Social Sciences - DIEC.

She has participated as a speaker in various seminar initiatives concerning the field of auditing, accounting, business crisis prevention and in relation to accounting and tax issues of Non-Profit Entities. Initiatives in the non-profit sphere were also conducted in collaboration with Università Cattolica del Sacro Cuore in Milan.

Coordinator of the Non-Profit Working Group of the ACB Group Network.

A permanent associate of Studio Rosina e Associati since 2004, within whose structure she works in all areas of professional activity, providing corporate and tax advice to companies and associative entities.

Provides assistance in the context of extraordinary transactions set up between corporations.

Served as an appointed CTP at the Court of Genoa.

Statutory Auditor and Auditor at several Corporations and some Non-Profit Entities.

Board member of trust company, Internal Audit liaison.

Author of several publications in peer-reviewed journals.

#### FABRIZIO RICCARDO DI GIUSTO - ALTERNATE AUDITOR

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Born in 1966, a Certified Public Accountant, he has been registered as an auditor since 1999 and has served as an Alternate Auditor of the Company since 06 May 2021. He graduated from La Sapienza University of Rome in 1994 with a degree in economics and business administration. He began his professional practice dealing, in particular, with corporate and tax law. In 2002, he set up his own firm in Rome, which operates mainly in the field of consulting in economic-business, commercial, tax, administrative and financial matters for groups or companies of national and international importance. He has gained specific experience in the preparation of financial statements, business plans, auditing and legal. An expert in corporate governance, he has served and continues to serve as an auditor in listed and unlisted companies, both as Chairperson and as standing auditor.

## ANNEX 3. MAIN CHARACTERISTICS OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM IN RELATION TO THE FINANCIAL REPORTING PROCESS

### Foreword

IREN Group has established an internal control and risk management system applicable to the financial reporting process and based on key national and international best practices. The model for control and monitoring of administrative and accounting processes is an integral part of the system.

The system as a whole is defined as the set of rules, procedures and organisational structures which – through a process of identification, measurement, management and monitoring of the main risks that could partly or wholly compromise its purpose – pursues the objectives of soundness, accuracy, reliability and timeliness of financial reporting.

The rules, procedures and organisational structures mentioned above are described in the model of governance, management and monitoring of the administrative and accounting system (the “**Model**”), designed to monitor sensitive processes for the purposes of economic, equity, accounting and financial reporting, and are distributed to all stakeholders. The “**Model**” describes the methods used and the responsibilities relevant to the definition, maintenance and monitoring of the system of administration procedures and accounting, and the evaluation of its effectiveness and appropriateness.

The “**Model**” was adopted by Iren Group for the application of the provisions of Law 262/2005, “*Provisions for the protection of savings and regulation of financial markets*”.

### Responsibilities in the risk management and internal control system in relation to the financial reporting process

The manager in charge of financial reporting (hereinafter also “**Financial Reporting Manager**”) is responsible for the “**Model**” and to this end shall, in collaboration with the competent corporate functions, prepare the administrative/accounting procedures for the drafting of the periodic financial reports and all other financial disclosures, certifying jointly with the Chief Executive Officer (Paolo Signorini since 30 August 2023), their adequacy and effective implementation during the period covered by the accounts.

The Board of Directors ensures, in accordance with Article 154-bis of the Consolidated Law on Finance, that the Financial Reporting Manager has adequate powers and means to carry out the assigned tasks and to verify compliance with the above procedures.

The IREN Board of Directors, held on 9 November 2023, with the favourable opinion of the Board of Statutory Auditors, appointed the Chief Financial Officer of IREN S.p.A., Mr. Giovanni Gazza, for the aforementioned position, effective 1 December 2023 and for an indefinite period, having verified that he meets the requirements of the By-laws. The IREN Board of Directors, at its meeting of 26 August 2010, had approved the “Regulations for the governance of administrative and accounting procedures”, and (i) had instructed the Executive Committee to make appropriate changes to the “Regulations” to ensure the effective and timely implementation of the provisions coming into force and had informed the Board at the time of providing it with the periodic reports; (ii) had instructed the Executive Committee to determine the spending budget that the Financial Reporting Manager would draw on to best perform his specific functions; (iii) had determined the remuneration provided by Article 36 of the By-laws to the Financial Reporting Manager at an amount equal to the payment awarded that the Shareholders’ Meeting awarded to the individual members of the Board of Directors.

The Executive Committee was abolished as a result of the governance changes of 2013; its functions were therefore transferred to the Board of Directors (if not delegated to the executive directors).

The IREN Board of Directors, in its meeting of 10 July 2017 (i) approved the updating of the “Regulations for the governance of administrative and accounting procedures” and invited the Financial Reporting Manager to have it implemented by the IREN S.p.A. structures and the Group Companies to which the regulations would apply; (ii) authorised the Financial Reporting Manager to make appropriate changes to the “Regulations” to ensure the effective and timely implementation of the provisions coming into force, including any updating of the corporate perimeter, also keeping the Board informed.

The “**Model**” identified within IREN Group is made up of the “Regulations for the governance of administrative and accounting procedures”, the perimeter Companies and stakeholders, the information flows, the control and process oversight system, the methods of management and updating of the model, and identifies the perimeter Companies it addresses and the stakeholders.

### The risk management and internal control system in relation to the financial reporting process

The design and structure of governance for the implementation of the “Model” involves the performance of a series of activities using an operational approach aimed at the documentation and verification of the internal control system relating to Financial Reporting (ICFR). The core implementation activities are:

- Planning and definition of the perimeter - the identification and assessment of the main risks (risk assessment) arising from the achievement of objectives inherent to the financial reporting process is a means of identifying the accounting areas/entries and companies/processes considered relevant in terms of potential impact on the process itself. The risk assessment, incorporating a set of quantitative and qualitative parameters, is developed both for the Group and the process.
- Documentation of Processes - the risk assessment is followed by the activity of identifying, through the documentation (*risk and controls matrix* and procedures) of the relevant processes, the specific controls aimed at acceptably reducing the risk related to failure to achieve the goals of soundness, accuracy, reliability and timeliness of financial reporting, at both Company and process levels.

The Model provides the macro-system of internal controls at company level; they include assigning responsibilities, powers and duties, the application of General Computer Controls on IT systems, the segregation of incompatible tasks and the definition of controls for each of the individual processes at risk. These include, for example, verification – based on supporting documentation – of correctly performed accounting recognition, verification of the correct authorisation path, performance of reconciliations and performance of consistency checks. The controls identified at the process level have also been categorised, based on their features, as manual controls and automatic controls and, in turn, as preventive and subsequent, depending on the time at which a transaction is entered in the accounts.

- Assessment of the adequacy of the controls - Unless company events dictate an alternative periodicity, the Financial Reporting Manager performs a six-monthly assessment of the design effectiveness and operating effectiveness of the internal controls for the accounting and financial system. This is done on the basis of evidence collected regarding:
  - ✓ the macro internal control system at company level;
  - ✓ sensitive processes for accounting and financial reporting purposes, bearing in mind the control tests conducted and monitoring of the progress of corrective actions taken.

For the execution of the related activities, the Financial Reporting Manager can make use of the organisational units of the IREN Administration, Finance and Control Department (which report to him) and can also depend on the full collaboration of the other structures of the Parent Company and subsidiaries. This solution makes the reference activities more structured, coordinated and comprehensive and allows for evaluation of the adequacy of the system that governs the preparation of company accounts.

The evaluation of the design effectiveness and operating effectiveness of the controls is done through testing, performed by the Internal Audit Function (as part of the Internal Audit and Compliance Department) of the Parent Company.

- Information flows - The “Model” provides a structured system of information and Financial Reporting Manager reporting flows with IREN company structures and its subsidiaries.  
During the preparation of the annual and interim financial statements, the various corporate functions of the Parent Company and the subsidiaries provide the Financial Reporting Manager with specific certification on legal compliance, based on procedures defined in the Regulations.

The Financial Reporting Manager provides the Board of Directors with half-yearly results of the evaluations of the system of internal controls on accounting and financial reporting functional to the certifications required by law from the authorised administrative body and the Financial Reporting Manager. This is also in order to enable the Board of Directors to perform legally required oversight on effective compliance with administrative and accounting procedures and to ensure the Financial Reporting Manager has adequate powers and resources.

The information submitted to the Board of Directors is also previously presented to the Control, Risk and Sustainability Committee and the Board of Statutory Auditors for the purpose of performing the functions of oversight, provided by law and the By-laws, on the accounting system. On such occasions, the independent auditors also participate in the meetings.



This is a translation of the Italian original “Relazione sul Governo Societario e gli Assetti Proprietari 2023” and has been prepared solely for the convenience of international readers. In the event of any ambiguity, the Italian text will prevail. The Italian original is available at the website [www.gruppoiren.it](http://www.gruppoiren.it)





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