

IREN Group is still growing in the sustainable finance and issued its third Green Bond for an overall amount of 500 million euros

Reggio Emilia, 7 October 2019 – Today, Iren S.p.A. has successfully concluded and for the third consecutive year, the issue of a Green Bond, further improving the path followed in the sustainable finance and being the first Italian local utility for the number of instruments issued in this format (3 Green Bonds of 500 million euros).

Considering also the refine in 2019, of the unsecured credit line to be allocated to green initiatives and projects, of the “committed” credit lines defined as Sustainability linked revolving credit facility (RCF) and of the “Climate Action & Circular Economy” loan with EIB, Iren with this additional issue of green type consolidates the use of innovative financial instruments capable of enhancing the sustainability of its investments.

The bond placement made (BBB expected rating for Fitch in line with that of Iren) it is characterized for an overall amount of 500 million euros under the Euro Medium Term Notes (EMTN) Program of 2.5 billion euros subject to the Supplement dated 13 September 2019 approved by the Central Bank of Ireland and deposited at the regulated market of the Irish Stock Exchange (Euronext Dublin), where the EMTN Program is listed.

The Notes, which have a minimum unit denomination of 100,000 euros and mature on 14 October 2029, pay gross yearly interest of 0.875% and have been placed at an issue price of 99.345%. The gross effective return at maturity is 0.944%, corresponding to a return of 110 basis points above the 10-year midswap rate. The settlement date has been fixed for 14 October 2019. On this date the bonds will be listed on the regulated market of the Irish Stock Exchange (Euronext Dublin) and be admitted to trading on the "ExtraMOT PRO" facility organized and managed by *Borsa Italiana* in the segment dedicated to green bonds.

The operation has attracted high demand, receiving subscriptions for more than 2.1 billion euros (more than 4 times oversubscribed) with investors of high quality and wide geographic diversification with a significant participation (approximately 50%) by the so-called Socially Responsible Investors (SRI).

The terms of the bond, show the strong appreciation of credit by investors also thanks to the "green" format, as well as the issuer's ability to select the best market window.

The Green Bond issued today, which is primarily intended for the refinancing of environmental sustainability projects, represents a tool capable of giving even greater concreteness to the “green” vocation that has characterized the Group since its birth and contributes to strengthening the commitments declined in the new Business Plan which has identified in the protection of the water resources, in the circular economy, in the

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decarbonisation and in the resilient cities the investment area linked to the 2030 sustainable development target indicated by the United Nations.

The list of the projects refinanced by the Green Bond has been drawn up by IREN, and its correspondence to precise environmental criteria is guaranteed by an external entity, DNV GL. In order to ensure constant attention to transparent communication to all its stakeholders as well as the correct use of funds, the Group has internal monitoring and reporting procedures in place. For the entire remaining life of the bond, it will be published in its Sustainability Report the list of "eligible" projects financed with the proceeds of the bond in addition to the main performance indicators. An external body will also check these data annually. For more information on this, the "Sustainable Financing Framework" is available on the Group website <https://www.gruppoiren.it/green-bond>.

The placement operation has been organised by Banca IMI, Credit Suisse, Goldman Sachs, Mediobanca, Société Générale, UBI Banca and Unicredit as Joint Bookrunners and Banca Akros as Other Bookrunner.

Renato Boero and **Massimiliano Bianco**, respectively Chairman and CEO of Iren Group declared: *"The issue of the third Green Bond further confirms the Group's attention to sustainability topic, one of the strategic pillars of the new business plan presented last September 2019, in which are planned investments linked to combating climate change for an amount of roughly 2 billion euros.*

Tue funds raised will allow financing projects, which will contribute to increasing the Group's profitability, and to improve the environmental and social sustainability indicators because the projects financed will generate positive effects in the territories in which they will be developed.

The high request received demonstrates both the appreciation of investors towards the use of funds raised thanks to the Green Bonds issued in recent years, and the value that the market recognizes to the Group and its objectives, including the improvement of the financial soundness achieved thanks to a careful management of resources and the profitability constant increase".

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