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Società partecipante al Gruppo IVA Iren
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IREN GROUP

FISCAL STRATEGY

INTRODUCTION

The IREN Group (hereinafter also referred to as the "Group") attributes fundamental importance to the tax risk management process and to the related operating methods and application tools, in order to minimise the risk of operating in violation of tax regulations, or in contrast with the principles or purposes of the tax system, and to ensure an approach based on transparency and mutual cooperation in relations with the tax authorities.

To this end, as part of the *Tax Control Framework* (hereinafter also "TCF"), the Fiscal Strategy defines the objectives and approach adopted by the Group and by IREN S.p.A. (hereinafter also the "Company") in the management of the tax variable.

The "Fiscal Strategy" document is approved and issued by IREN S.p.A.'s Board of Directors and is made available to all stakeholders in accordance with corporate regulations and is updated promptly whenever changes occur at the strategic and/or operational level for all the critical elements therein regulated.

FISCAL STRATEGY GOALS

The IREN Group, while respecting and independently making its own management decisions and in line with its sustainability policy, pursues a fiscal strategy inspired by the principles of honesty, fairness and regulatory compliance, characterised by collaborative and transparent behaviour towards the tax authorities and third parties, in order to minimise any substantial impact in terms of risk, be it fiscal or reputational.

To this end, the Fiscal Strategy aims to establish the Principles of Conduct in Tax Matters in order to:

- contain tax risk, defined as the risk of incurring in the violation of tax regulations or the abuse of the principles and purposes of the tax system, due to external factors (mainly, the uncertainty of interpretation caused by possible ambiguity or lack of clarity of certain tax regulations) and endogenous factors (typically, the incorrect and/or non-timely fulfilment of mandatory requirements, the failure to identify new regulations that have an impact on the Group's taxation, and the performance of transactions that may be deemed improper by the tax authorities).
- continue to guarantee over time the correct and timely identification and settlement of taxes due by law and the fulfilment of related obligations.

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FISCAL STRATEGY PRINCIPLES

The Group operates in accordance with the following principles of conduct in tax matters, which form an integral part of the internal control system adopted for the management and mitigation of tax risk (the so-called TCF).

In the development and ongoing implementation of the Fiscal Strategy, the Group's principles are pursued both through appropriate *governance* systems, including policies and procedures, organisational structures and communication tools, and through consistent and proportionate means and resources, in accordance with the company's propensity to tax risk.

The principles that define the guidelines for the IREN Group are:

- **Corporate Responsibility:** in managing the tax variable, the Group acts according to the values of **honesty, quality, fairness and integrity**. The Group's credibility must be based on its reputation, earned over time, solely through conduct that is integral, consistent and qualitatively impeccable.
- **Lawfulness and compliance:** the Group's pursues a conduct that is oriented towards **compliance with the tax regulations** applicable to the country where it operates and with the **timing and requirements** associated with **tax compliance** and the **accurate assessment of taxes**.
- **Tone at the top:** the Board of Directors defines the principles of conduct in tax matters, ensuring their application, and approves the Group's Fiscal Strategy.
- **Relation transparency:** the Group establishes relations with the tax authorities based on **good faith, trust and transparency**, so as to be recognised as a credible and reliable counter-party. The Group is committed to maximum **cooperation** in all its relations with the tax authorities and to this end undertakes to **respond promptly, exhaustively, and truthfully** to the requests of said authorities, providing the necessary information for the verification of facts.
- **Shareholder value:** the Group deems taxes as a cost of doing business, which must be managed as such, in compliance with the principle of lawfulness with the aim of **safeguarding the company's assets** and pursuing **the primary interest of creating value for shareholders** over the medium-long term.

GUIDELINES

Correct application of tax regulations

In order to comply with and implement the objectives related to the tax variable as identified above, the IREN Group undertakes to always operate in compliance with tax legislation, both in terms of the law and the underlying rationale, monitoring and identifying new legislations, including through continuous dialogue with the relevant institutions at the national level. The Group is committed to applying the tax laws of the country where it operates in a timely manner to ensure that the spirit and purpose of the law are met.

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Where regulations, obligations or tax matters are deemed unclear or subject to interpretation, on the basis of an objective assessment by management, or, in any case, such to have margins of uncertainty, the Company will seek and retain proof of external, third-party and independent advice or confirmation.

Discrepancy in the interpretation and full cooperation with the tax authorities

In the case of interpretation disagreements with the competent Tax Authority, the Group will act in full transparency to protect the interests of the company and its shareholders, to apply the correct level of taxation, in accordance with the principle of **relational transparency** that characterises *Tone at the Top* in the tax field. In addition, the Group engages in preventive discussions with the Revenue Agency to discuss issues related to tax interpretation.

Aggressive tax planning

The IREN Group will refrain from engaging in conducts and operations, and will not establish commercial relationships or implement corporate structures, that are devoid of economic meaning and aimed at obtaining undue tax advantages and that are not justified by valid economic reasons, including organisational or management reasons, or in any case consistent with the social and/or ethical objectives that the company intends to pursue.

Tax management

Acknowledging that the most effective way to ensure compliance of operations with the relevant tax regulations is to adopt an adequate internal control system, the Group implements and includes in its **Internal Control and Risk Management System (SCIGR)** - starting from the Parent Company and progressively extending it to companies of significant importance - a *Tax Control Framework*, in line with OECD guidelines. It is ensured that the Group Units that manage taxation (in the Parent Company and, where present, in the legal entities controlled by it) are provided with resources (human, material, financial) and organisational relevance suitable to guarantee the performance of the related functions. The IREN Group trains and supports all personnel involved in the management of tax-relevant activities, not limiting itself to resources specifically dedicated to tax matters, in order to ensure that all employees have the right skills and experience to fulfil their responsibilities.

Relations with Tax Authorities

The IREN Group undertakes to establish relations with the Tax Authorities based on the utmost transparency and collaboration. In particular, the Group undertakes to:

- communicate in a clear and transparent manner with the Revenue Agency any Fiscal Strategy changes, as well as tax planning in the medium and long term and any possible risks related to the most relevant transactions;

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- provide correct, accurate and timely information and respond promptly to questions and requests for information received by the Revenue Agency;
- promptly resolve any issue, including interpretative ones, before submitting tax returns.

FISCAL CONDUCT

The IREN Group follows a Code of Ethics established by IREN S.p.A. as a tool to define the ethics principles and business values that Iren and its subsidiaries recognise, accept, share and apply, and the responsibilities that they, as well as their respective employees and contractors, adopt in their internal and external relations.

Therefore, the Code of Ethics represents the structure within which the IREN Group operates and implements its Fiscal Strategy.

The Fiscal Strategy is one of the pillars of the *Tax Control Framework* which, as a Corporate Governance tool, defines the methods for managing tax risk and prevents offences that could give rise to corporate criminal liability, as established in Italian law by Legislative Decree No. 231 of 8 June 2001, and the associated reputation risks.

In this context, the *Tax Control Framework* integrates the monitoring tools established in the Organisation, Management and Control Models pursuant to Legislative Decree No. 231/2001, individually adopted by the companies belonging to the IREN Group.

AMENDMENTS AND INTEGRATIONS

The Fiscal Strategy is a document issued by IREN S.p.A.'s Board of Directors, and as such any subsequent amendments and integrations of a substantial nature to the document are the responsibility of the Board.

However, IREN's Chief Executive Officer has the power to make any formal amendments and integrations to the text and the power to introduce any changes in the document that may be necessary due to changes in the internal organisational and/or regulatory provisions of reference.

RECEPTION

The Governing Bodies of the IREN Group's legal entities are required to adopt, by means of a specific resolution, the Fiscal Strategy adopted by the Parent Company, thus undertaking the responsibility for ensuring that it is known and applied within the organisations for which they are responsible.