Environmental Policy

Protecting the environment and natural resources, combating climate change, and striving to achieve sustainable economic development are all strategic factors in planning, carrying out, and developing Enel’s activities, and are decisive in consolidating its leadership in energy markets.

Since 1996, Enel has observed a Group environmental policy which is based on four key pillars:

1. Protecting the environment by preventing impacts to it.
2. Improving and promoting the environmental sustainability of products and services.
3. Creating shared value for the Company and stakeholders.
4. Complying with legal obligations and voluntary commitments, promoting ambitious environmental management practices.

And pursues ten strategic objectives:

1. Organisation-wide application of internationally recognised Environmental Management Systems based on the principle of continuous improvement and the adoption of environmental indicators to measure the environmental performance of the entire organisation.
   a. Annual maintenance of ISO 14001 certifications and extension to cover the entire Group perimeter.
   b. Rationalisation and harmonisation of certification in the various organisational areas; search for synergies and sharing of best practice with regard to environmental management.

2. Reducing environmental impact by applying the best available technologies and best practice in the stages of plant construction, operation, and decommissioning, taking into consideration a life cycle analysis approach and the circular economy concept.
   a. Environmental impact assessment for the construction of plants or significant changes.
   b. Study and application of Best Available Technologies (BAT).
   c. Protection and monitoring of the quality of surface and groundwater in areas around the plants.
   d. Internal development and application of international best practices.

3. Siting industrial plants, infrastructure and buildings, while safeguarding the territory and biodiversity.
   b. Development of biodiversity protection projects, taking into account the specific features of local environments (conservation of the habitats of protected species, reintroduction of particular species, replanting of native flora, in collaboration with research centres and nature observatories).
   c. Carry out bio-monitoring activities (land, seas, rivers).
   d. Use of technologies to protect biodiversity.
   e. Mitigation of the visual impact and of the impact on the landscape of generation and distribution plants.

4. Leadership in renewables and in low-carbon electricity generation and efficient use of energy, water resources, and raw materials.
   a. Growth in renewable energy production.
   b. Improvement of the efficiency of power plants.
   c. Reduction in grid losses associated with electricity distribution.
   d. Efficient management of water resources for industrial uses, focusing in particular on “water stress” areas.
   e. Value the by-products of electricity generation as raw materials for other production processes.
   f. Promotion of services and products for energy efficiency in the end-uses.
5. **Optimal management of waste and wastewater and promotion of circular economy initiatives.**
   a. Reduction in waste production.
   b. Reduction of polluting effect of wastewater.
   c. Increase in the recovery percentage of waste and wastewater produced.
   d. Qualified selection of suppliers of waste disposal services and use of IT systems for the traceability of waste.

6. **Development of innovative technologies for the environment.**
   a. Implementation of systems for increasing plant efficiency and reducing emissions.
   b. Promotion and development of smart grids as well as solutions based on the digital management of assets designed to improve environmental performance.
   c. Development of innovative solutions for renewable energy production (photovoltaic, geothermal, wind, marine energy) including the integration of renewable energy and energy storage.
   d. Promotion and development of electric mobility.

7. **Report transparently on the Company’s environmental results to citizens, institutions and other stakeholders.**
   a. Publication of the Sustainability Report and open-data access to the Group’s main environmental parameters.
   b. Communication with analysts and participation in various sustainability indices.
   c. Consultation and engagement with local stakeholders.
   d. Dissemination of environmental initiatives through the Internet.

8. **Employee training and awareness-raising on environmental issues.**
   a. Training on environmental issues.
   b. Employee engagement in campaigns to raise awareness about the environment.

9. **Promotion of sustainable environmental practices among suppliers, contractors and customers.**
   a. Use of qualification criteria for the selection of suppliers based on environmental performance.
   b. Training initiatives and meetings to inform suppliers about the Enel expectations in terms of management of the environmental impacts due to activities to be undertaken, starting from the work start stage.
   c. Assessment of suppliers based on the environmental performance achieved during the activities carried out on behalf of Enel.

10. **Complying with legal obligations and voluntary commitments.**
    a. Guarantee that operations are carried out in compliance with the legal obligations and the commitments undertaken voluntarily, in the various countries.
    b. Resolving any cases of non-compliance with regard to the obligations and voluntary commitments undertaken.
    c. Consider further actions and voluntary commitment to protect the environment, even if not part of our legal obligations.

Francesco Starace
Chief Executive Officer
and General Manager