

# ENVIRONMENTAL POLICY OF PJSC ENEL RUSSIA



Protecting the environment and natural resources, taking urgent action to combat climate change, making commitment to use natural resources and energy in an efficient way, reducing emissions and managing waste in a responsible way, all the above mentioned issues are the strategic priorities of PJSC Enel Russia in carrying out current activity and developing future activity being essential in strengthening the leadership of the Company at the power market contributing to achievement of stable economic development.

The Company knows that the achievement of the strategic goal has a crucial role in strengthening the leadership of the Company in the energy market in the context of global environmental challenges, associated with:

- global climate change and the need to take measures to adapt to them;
- the depletion of natural energy resources and the related need to increase energy efficiency;
- reduction of biological diversity and the need for preventive and compensatory measures to protect objects of flora and fauna and their habitat;
- an increase in the amount of waste generated and the need to implement comprehensive solutions to improve the waste management system.

This goal achievement is based on the following principles of sustainable environmental development:

- **Prioritized interventions to prevent and minimize environmental pollution.** — The company prioritizes measures and technologies aimed at preventing possible negative environmental impacts; If the impact cannot be avoided, the Company takes measures aimed at minimizing such an impact and, if necessary, eliminating environmental negative consequences;
- **Enhancement and maintenance of the environmental sustainability of the Company, its products and services.** — The company is taking effective measures to increase the efficiency of resource use, the use of resource-saving and energy-efficient technologies, the introduction of more advanced and environmentally friendly technologies, and science-based environmental management.
- **Compliance with the legislative requirements.** — The company has to comply with its legal requirements confirms the desire to fulfill voluntary obligations to promote the best practices in the field of environmental management.
- **Creation of shared value for the Company and stakeholders.** — The company is aware that the achievement of environmental policy goals is possible with the maximum awareness and involvement of staff and stakeholders in resolving environmental issues.

Following the principles of sustainable environmental development, the Environmental Policy aims to achieve strategic objectives:

## 1. Responsible management of environmental issues

The Company confirms its environmental and sustainability commitments, in this connection, the Company intends to:

- fully comply with the requirements of the laws of the Russian Federation with regard to the environmental protection and use resources in a responsible way;
- undertake additional obligations on compliance with the globally accepted standards and practices, apply the best international practices in the environmental management and implement the best available technologies (BAT);
- comply with and annually verify requirements of ISO international standards, including commitment to continuous improvement of the environmental management system;
- assess the environmental impact on a regular basis and manage this impact at the stages of business development, construction, operation, modernization and decommissioning;
- prevent, control and compensate, if necessary, for the impact of hazardous environmental aspects on the environment. Make the Company's management and personnel always be ready for prevention and recovery from accidents and incidents;
- invest into new technologies, cooperate with startups to search for innovative solutions and enhance the environmental sustainability.

## 2. Developing use of renewable energy sources and commitment to decarbonization

The company monitors trends and changes in the energy sector, in connection with the, it seeks:

- progressively expand energy production from renewable sources and increase the installed capacity of low-carbon generation in the energy balance of the Company;
- timely modernize production equipment and optimize the Company's energy consumption in order to reduce greenhouse gas emissions;
- ensure regular monitoring and control of greenhouse gas emissions.

## 3. Responsible use of natural resources

The Company confirms its responsibility for sustainable use of raw and other materials, natural resources at all times of activity. In this connection, the Company:

- accepts the overriding need to reduce water and power resources consumption for the production needs;
- accepts the responsibility and will reduce consumption of minor and secondary resources;
- intends to increase the energy capacity and efficiency of equipment through timely technological upgrade of the power plants and advanced technology adoption;
- shall manage water resources in a responsible way with a focus on the water scarcity areas, reduce water intake and increase the water reuse, prevent water body pollution.

#### **4. Responsible waste management**

The Company accepts responsibility for management of waste accumulated as a result of its activity, and it shall:

- pursue the following hierarchy in waste management: preventing of waste generation if possible – ensure the recycling of waste generated – taking measures on waste recovery and decontamination – disposal is allowed in case of another acceptable methods of waste recycling / recovery absence
- reduce all types of waste generation through responsible consumption of resources and maximum waste involvement in secondary productive use.
- maximize the use of substances or objects that are formed during the production, execution of work, the provision of services or in the consumption process, introducing an approach to the management of by-products of electricity generation, taking into account the law provisions if any, the potential waste hazardousness, the environmental and health risks and considering the principle of a closed-loop economy.
- make a decision on the disposal of substances or objects that are formed during production, work, services or consumption as waste only if there are no environmental ways of their recycling;
- keep a reliable accounting of the generated waste with digital solutions
- organize its accumulation in accordance with established requirements, maximally ensuring their separate accumulation;
- search and implement the most environmentally profitable ways of waste management, giving priority to their utilization and decontamination;
- strive to reduce the amount of waste sent for disposal; when disposing of waste, use waste disposal facilities that exclude secondary pollution of the environment.

#### **5. Air quality control**

The Company confirms responsibility for management of air pollutants resulting from its activity, and it shall:

- aim at reducing air pollutant emission;
- check the efficiency of equipment operation and upgrade it on a regular basis in order to reduce air pollutant emissions;
- implement new process solutions to reduce emissions;
- carry out regular air quality monitoring and air pollution emissions control to gradually reduce them.

#### **6. Biodiversity protection**

Preservation of ecosystems and protection of biodiversity are the key principles for sustainable development. The Company accepts responsibility and need to take measures to prevent negative impact on biodiversity, and for habitat protection, it shall:

- take into account the specifics of the biodiversity of our territories during design, construction, operation and maintenance phases;
- be open to dialogue and cooperation with local communities, ecological associations, research centers for biodiversity protection.
- take the necessary measures to prevent and compensate the negative impact on the objects of the animal and plant world and their environment.

#### **7. Climate crisis risks acceptance and response**

The Company recognizes the importance of the global climate crisis and the need to take response measures. In this connection, the Company intends to:

- develop management practices and assess the Company's impact on climate change and potential climate change impact on business on a regular basis;
- take into account physical risks and transition risks associated with the climate crisis in a regular risk assessment.

#### **8. Promotion of the environmental practices and environmental responsibility in the supply chain**

The Company accepts the need to develop both its environmental practices and communicate the importance of the changes to suppliers and contractors. In this connection, the Company intends to:

- inform and hold training of suppliers as to the Company's expectations with respect to environmental impact management;
- select suppliers subject to qualification criteria based on the environmental performance;
- assess suppliers based on the environmental performance of their activity.

#### **9. Provision of transparency and raising of awareness of the environmental aspects**

As a responsible public company, PJSC Enel Russia undertakes obligations to ensure the highest possible level of transparency with regard to environmental aspects of its activity, and to be in a regular dialogue with the stakeholders on this subject, in this connection it shall:

- provide open access to the information on the environmental impact and its annual reports on a regular basis, it must be prepared in accordance with the international sustainability standards;
- seek to involve stakeholders and be ready for open dialogue on the Company environmental sustainability issues;
- hold training and raise awareness of employees in environmental protection, involve employees in environmental campaigns;
- demonstrate, by personal example of leaders, a commitment to constantly improve environmental safety;
- pursue initiatives on environmental education of the population, form and promote spreading of culture of careful attitude to environment and natural resources. Share best practices with the business community in order to improve the management approaches with regard to environmental protection and develop joint initiatives.

Management of environmental issues, achievement of strategic tasks, responsibility for the environmental requirements are imposed on the Company's top management. The Strategy Committee of the Board of Directors defines the strategic areas, revises and assesses achievement of the key indicators.

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