



Environmental Policy





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POLICY AMBIENTALE DEL GRUPPO EL.EN.

1. PREMISE

This document was adopted in November 2019 but, since its establishment, El.En. and subsequently all its subsidiaries have attached fundamental importance to the Environment and its protection. As stated in the Code of Ethics, “The environment is a primary asset that El.En. Group is committed to safeguarding; to this end, it plans its activities by seeking a balance between economic initiatives and unavoidable environmental needs, in consideration of the rights of future generations. The Group is therefore committed to keeping the environmental impact of its activities under control, as well as to preventing risks to the environment not only in compliance with current legislation, but also taking into account the development of scientific research and the best experiences in the field”. (*Section 6.10 Code of Ethics*).

This document is approved by the Board of Directors of the parent company El.En. S.p.A., and by the Group’s subsidiaries, translated if necessary into the local languages and sent to all employees. This Policy is also available to all Group employees on the company intranet and/or notice boards as well as on the corporate website www.elengroup.com in the Governance/Ethics, Integrity and Compliance section.

El.En. Group intends to help ensure that the use of environmental resources, necessary to meet its current needs, is managed responsibly, so as not to damage and impoverish them for use by future generations.

Pursuing the objective of creating value for its stakeholders, the group supports the search for innovative solutions that reduce the environmental impact while maximising energy performance, promoting social and cultural progress and supporting a governance model that makes sustainability a key development resource. El.En. Group is constantly striving to minimise its environmental impact, with particular regard to CO₂ emissions, the rational use of water and energy resources, harmful emissions and waste generation, setting itself ambitious short-, medium- and long-term improvement targets, constantly measuring and monitoring their achievement.

2. GENERAL INDICATIONS

The objective of the indications contained in our Environmental Policy is that of defining effective and realistic solutions in terms of an organizational procedure and individual behavior which produce a positive ecological impact and incentivize all of our employees to maintain correct conduct in relation to the use and disposal of resources.

Our Environmental Policy applies to all the companies belonging to the El.En. Group and its collaborators¹ as well as to all those who operate on behalf of the Company.

The policy will be periodically updated according to possible changes in the context and the level of achievement reached for the environmental objectives and in order to stay aligned with the best international practice.

¹ “Collaborators” are defined as administrators, managers, and employees as well as all those who work with the Group on a contractual basis, even occasional or temporary, at all levels of the organization.

3. PRINCIPLES OF THE GROUP

The Environmental Policy of the Group is based on the following principles:

- Compliance with all applicable laws in the countries where the Group has its operational offices, with relevant regulations, and with the company’s guidelines on environmental protection;
- The Group is committed to remaining aligned with regulatory environmental obligations to ensure compliance and a timely response to requirements;
- Periodically assess and constantly monitor the risks and impacts on environmental aspects arising from the Group’s activities and processes, identifying and implementing initiatives and measures to prevent possible incidents that have negative repercussions on the territory and that lead to fines and reputational damage;
- Make all employees aware of the sustainability goals set by the Group and the actions to be taken to achieve them, through progressive and ongoing awareness and engagement campaigns. Stimulate people to actively participate in environmental protection;
- Manage production activities in such a way as to minimise the environmental impacts, paying attention to the management of the waste produced and the risks associated with the possible use of pollutants;
- Promote the substitution and/or reduction in the use of substances of concern and implement procedures leading to the phasing out, where possible, of substances of very high concern, particularly in the case of uses that are not essential to the Group;
- Prevent, monitor and continuously update procedures governing the use of substances of concern for the prevention and control of pollution and for the protection of occupational health and safety. The results of any reports to the competent authorities are also included in these systems for preventing, monitoring and updating procedures;
- Promote a process so that waste from repair, upgrading and remanufacturing activities is, where possible, reused, recycled or disposed of, in the latter case in accordance with the sorting and/or disposal procedure that follows the destination of the waste;
- Pursue separate waste collection with a constant focus on the reuse and recycling of materials;
- Use means and materials that comply with current regulations and which are, where possible, energy-efficient, environmentally friendly and recyclable;
- Promote policies that lead, where possible, to the progressive substitution of the use of virgin resources, with the consequent increase in the use of recycled resources, especially on packaging and the sourcing, where possible, of renewable resources;

- Implement the installation of energy-efficient technologies, promote the purchase and/or use of energy from renewable sources and invest, where possible, in energy self-generation facilities (e.g. the installation of photovoltaic systems), in order to progressively reduce emissions;
- Encourage initiatives to reduce energy consumption and direct and indirect GHG emissions (Scope 1, Scope 2 and Scope 3)². The Group is committed to the rational use of energy sources, laying down specific reduction targets and ensuring adequate information, resources and monitoring for their achievement. Implement an environmental management system, where required;
- Encourage understanding the environmental impact of products and services throughout their life cycle, with the aim of proposing increasingly environmentally friendly solutions to the market, making improvements in product “environmental performance” a stimulus to innovation and a competitive advantage for the Group;
- Adopt “circular economy” concepts at the product design stage to favour solutions that make resources that would otherwise be destined for waste available again;
- Evaluate and monitor its supply chain for raw material sourcing, environmental policies adopted and emission reduction. Ascertain and monitor that its supply chain pursues responsible use of natural resources, with targets to reduce the environmental impact or through defined improvement paths, providing products and adopting energy-efficient processes. Ascertain and monitor that suppliers pay adequate attention to water pollution and provide efficient and appropriate control measures;
- Assess with its supply chain the possible impacts on local communities in the countries where the extraction of the raw materials supplied takes place, as well as the impact on the biodiversity of these territories. The Group is aware that it depends on raw materials for its business and that their extraction impacts on biodiversity, which is why it is committed to evaluating alternatives wherever possible;
- Periodically review business continuity plans, assuming scenarios regarding the occurrence of extreme weather events (such as floods, rain bombs, etc.) so as to have put in place continuity and business recovery plans that make it possible to adopt, where needed, the most effective actions to reduce possible interruptions or delays in production. These plans are aimed at reducing the Group’s vulnerability to physical climatic risks, both chronic and acute, favouring the resilience of business activities and infrastructures to the effects of climate change and improving the ability to react promptly to adverse events;
- Ensure transparency on environmental issues and data to all stakeholders; El.En. Group is committed to activating greater stakeholder engagement through a process of active collaboration with key groups and individuals, whose actions not only increase stakeholder awareness but can also significantly affect the company’s environmental, social and governance policies.

² Greenhouse gas emissions are divided into three categories, or ‘Scopes’, according to the Greenhouse Gas Protocol: Scope 1: Direct emissions from activities owned or controlled by the organization (e.g., fuel combustion in company vehicles). Scope 2: Indirect emissions from the purchase of electricity, heat, or steam consumed by the organization. Scope 3: Indirect emissions resulting from all other activities related to the value chain, including supply, transportation, product use, and waste disposal.

4. MONITORING AND REPORTING

Monitoring gas, energy, water and fuel consumption results in actual feedback in terms of environmental sustainability and enables a comparison of direct performance. Since the 2024 report, El.En. Group also reports on indirect emissions.

El.En. Group commits itself annually to reporting performance indicators and to reporting Group-wide activities on environmental issues and data, through the Sustainability Report.

Periodically, El.En. Group also consults its stakeholders on environmental issues, mostly through questionnaires, in order to understand whether the strategies are in line with the expectations of its stakeholders or whether they should be revised.

5. REPORTING VIOLATIONS

For the submission of reports and for the procedure for managing them, please refer to the “Whistleblowing Procedure” available on the website www.elengroup.com in the *Governance\report handling/Whistleblowing* section.

The undertaking has procedures in place to expeditiously, independently and objectively investigate incidents concerning the company’s conduct, including cases of environmental crimes.

El.En. Group guarantees the confidentiality of the sources and information that comes into its possession, without prejudice to legal obligations. The Group does not tolerate any form of retaliation against anyone who makes a report in good faith, nor against anyone who has refused to carry out actions contrary to this document, even if there have been negative consequences for the business as a result of such a refusal.

Therefore, any employee or collaborator who becomes aware of a suspected or known violation of this Policy or of regulatory environmental laws must immediately report it, even anonymously, through the channels outlined in the Whistleblowing procedure, which currently are:

by e-mail to the following address: odv.elen@gmail.com

by ordinary mail to the address of the Chairman of the Supervisory Body at the following postal address:

El.En. S.p.A. –c/o Organismo di Vigilanza
via Baldanzese 17, Calenzano (FI), 50041, Italy

The President

Calenzano (FI), January 31st, 2025

Gabriele Clementi

