

ENVIRONMENTAL

POLICY

Enel Generación Chile S.A.

enel

Index

Commitment of Enel Generación Chile S.A. with the environment

The Environmental Policy

The protection of the environment and natural resources, the fight against climate change, and efforts to achieve sustainable economic development are the strategic factors in the planning, implementation, and development of the activities of Enel Generación Chile and its subsidiaries, indispensable to consolidate the leadership of the company in the energy markets.

The policy is part of the group's environmental policy in force since 1996, updated in 2018, which is based on four basic principles:

1. To protect the environment by preventing impacts.
2. To improve and promote the environmental sustainability of products and services.
3. To create shared value for the company and interest groups.
4. To adopt and comply with voluntary commitments, and to promote ambitious environmental management practices.

And it establishes ten **strategic objectives**:

1. Application of internationally recognized Environmental Management Systems in the entire organization based on the principle of continuous improvement and the adoption of environmental indices to measure the environmental performance of the entire organization.

- a. Maintenance of existing ISO 14001 certifications and extension of the latter to all activities of the Group.
- b. Rationalization and harmonization of certifications in the different areas of the organization; search for synergies and exchange of best environmental management practices.

2. Reduction of environmental impact through the application of the best available technologies and best practices in the construction, operation, and dismantling phases of the facilities, from a perspective of life cycle analysis and circular economy.

- a. Evaluation of the environmental impact derived from the construction of facilities or extensive modifications to them.
- b. Study and application of the Best Available Technologies (BAT).
- c. Protection and control of the quality of surface and groundwater in the areas surrounding the facilities.
- d. Internal development and application of international best practices.

3. Placement of industrial facilities and buildings, while protecting territories and biodiversity.

- a. Development and updating of a biodiversity conservation plan.
- b. Development of projects that protect biodiversity taking into account the characteristics of local environments (conservation of the habitats of protected species, reintroduction of certain species, reforestation of native flora in collaboration with research centers and nature observatories).
- c. Development of bio-monitoring activities (terrestrial, marine, and fluvial).
- d. Use of technologies for the protection of biodiversity.
- e. Reduction of the visual impact on the scenery surrounding the generation and distribution plants.

4. Leadership in renewable energies and the generation of electricity with low emissions, efficient use of energy resources, water, and raw materials.

- a. Progressive expansion of the generation park with renewable energy.
- b. Improvement of the efficiency of the generation facilities.
- c. Reduction of losses in the electric power distribution grid.
- d. Efficient management of water resources for industrial uses, with special attention to areas suffering from water stress.
- e. Valorization of by-products of the generation of electricity as raw materials for other productive processes.
- f. Promotion of services and products for energy efficiency in end uses.

5. Optimal management of waste and discharges, and promotion of circular economy initiatives.

- a. Decrease in waste production.
- b. Decrease in the polluting effects of discharges.
- c. Increase in the percentage of recovery of waste and discharges produced.
- d. Qualified selection of waste management service providers.
- e. Use of computer programs for the traceability of waste.

6. Development of innovative technologies for the environment.

- a. Implementation of systems to improve the efficiency of facilities and reduce emissions.
- b. Promotion and development of smart grids and solutions based on the digital management of facilities that can improve environmental performance.
- c. Development of innovative solutions for renewable production (photovoltaic, geothermal, wind, and wave and tidal energy), integrated with energy storage systems.
- d. Promotion and development of electric mobility.

7. Inform citizens, institutions, and other stakeholders about the company's environmental results in a clear and transparent manner.

- a. Publication with free access to the Groups Sustainability Report and the main environmental indicators.
- b. Dialogue with financial analysts and participation in several sustainability indexes.
- c. Consultation and involvement of local stakeholders.
- d. Dissemination of environmental initiatives through the web.

8. Training and boosting awareness of employees in environmental matters.

- a. Training in environmental matters.
- b. Involve collaborators in campaigns for the protection of the environment.

9. Promotion of sustainable environmental practices among suppliers, contractors, and customers.

- a. Use of qualification criteria of suppliers based on environmental performance.
- b. Training initiatives and meetings to inform suppliers about Enel Generación Chile's expectations in terms of managing the environmental impacts of the activities to be developed, from the start.
- c. Evaluation of suppliers based on the environmental performance of the activities developed for Enel Generación Chile.

10. Go beyond legal obligations.

- a. Ensure that operations are developed according to the legal obligations and the commitments acquired voluntarily.
- b. Correct any non-compliance derived from voluntary obligations and commitments.
- c. Evaluate other voluntary conduct and actions to protect the environment, even if they are not included in the legal obligations.

This current Policy was approved by the Directory of Enel Generación S.A. in 2018



enel