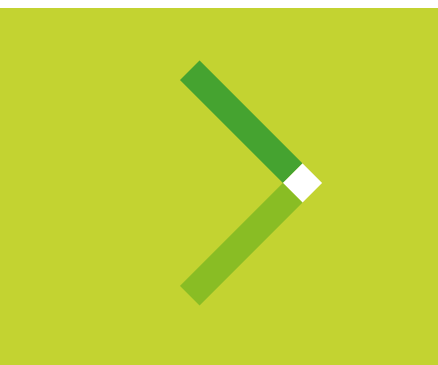




# Policy on the relations with territories and local communities

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## Scope and target

This Policy defines the principles and methods that govern and characterise Edison's actions in its relations with the local communities and territories in which it operates, for the purpose of better understanding the specific context with its ensuing risks and opportunities, of guaranteeing the acceptability, operability and efficiency/effectiveness of its business activities, of informing and interacting with its stakeholders to improve processes relating to authorisations and operating permits, and of preventing and handling any dissent from its actions.

Edison is committed to an active dialogue with its local stakeholders, understanding - and where possible accepting through constructive solutions - their expectations, building and maintaining a climate of trust, promoting sustainable development capable of creating shared value.

The company, which intends to spearhead the country's energy transition, thus contributing to safeguarding the planet and improving people's quality of life, recognises that the territory and the communities - as relevant stakeholders<sup>1</sup> - play a fundamental role in generating a concrete positive impact, and has included the involvement of local communities, with a top-level commitment, in its multi-year sustainability objectives<sup>2</sup>.

For the purposes of this Policy, territory is understood as the physical, environmental and socio-economic context on which the company's operational sites insist as an energy operator, and local communities as the set of stakeholders that operate or carry out relevant activities in that context.

The Policy applies to all Divisions, Business Units, Departments, Corporate Functions, Offices and Sites and to all the Subsidiaries of Edison S.p.A. in Italy and abroad, taking into account the regulatory, social and cultural context of the country of reference.

## Regulatory framework of reference

The Policy has been defined in keeping with the other relevant policies and guidelines the company has adopted, together with the associated organisation, management and control systems.

More specifically, the following have been considered: (i) *the Code of Ethics*, (ii) *the Sustainability Policy*, (iii) *the Policy for Health and Safety, the Environment, Quality and Sustainable Energy*, (IV) *the Human Rights Protection Policy* and (V) *the Policy on Interest Representation*, as well as (VI) *the Organisation Model, Management and Control Model 231*, VII) *the Sponsorship and Charitable Donations Guidelines*, VIII) *the Anti-Corruption Guidelines*, IX) *the Integrity Check Guidelines*, X) *the Anti-Fraud Policy*, XI) *the Whistleblowing Policy*, XII) *the Brand Identity Policy*, and XIII) *the Sustainable Windpower Guidelines*.

The *OECD Guidelines for Multinational Enterprises* were also considered as an external reference.

<sup>1</sup> Confirmation by application of criteria dependence, responsibility, influence, proximity and representativeness (Reference: AA1000 SES - Stakeholder Engagement Standard) - Stakeholder mapping contained in the Annual Non-Financial Disclosure

<sup>2</sup> Approved by Edison BoD on December, 7, 2021 and annually reported in the Non-Financial Disclosure document



## General principles and best practices in local community relations

The presence of Edison and its network on the Italian territory, in some instances a historical one, is widespread and diversified: power generation plants, large industrial sites and natural gas storage hubs, as well as energy services to public facilities (offices, schools, hospitals) and private companies, management of public lighting, in addition to a pervasive network of physical points of sale for residential customers and partnerships with local companies for the installation of value-added solutions for households and small businesses. Local supplier companies are also located in the territories, representing valuable local allies for the company's operating sites. In this context, which relates to all the pillars of its industrial growth plan (generation from renewables, low-carbon and flexibility; customers and services; natural gas and green gas) and in which a strong bond with the local socio-economic fabric has been established over time, Edison is committed to maintaining and continuously strengthening solid relations with local stakeholders.

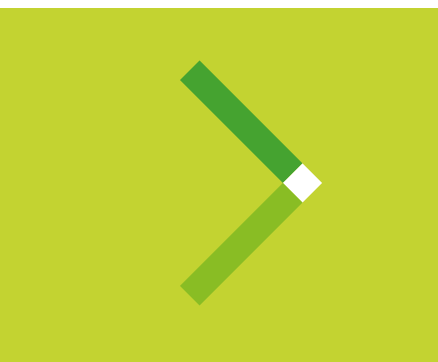
### General principles

With a view to creating shared value, Edison's relations with the local communities and territories are underpinned by the following principles:

- Attention to the needs, expectations or concerns, including potential ones, of territorial stakeholders with respect to the company's energy activities and the adoption of good practices for the creation of sustainable and resilient infrastructures throughout their entire life cycle, including listening to and engaging with territories, also through the "Services Conference" tool when envisaged in authorisation procedures.
- Development of shared solutions with the relevant players<sup>3</sup> such as local authorities, bodies responsible for public safety, environmental and landscape protection of territories for compliance with requirements emerging from authorisation processes and any other relevant procedures.
- Development of initiatives of social, educational, cultural and/or tourism value with local representative associations, third sector organisations, schools and training institutions.
- Enabling territorial development, by promoting socio-economic innovation, stimulating entrepreneurship, including through the activation of virtuous paths of co-planning in public-private partnerships.
- Promotion of a community energy culture, through awareness-raising and training initiatives or forms of collective and widespread production and self-consumption (such as Energy Communities).
- Proximity and assistance to customers - residential, small and medium-sized enterprises, large industry and public administration - in the territories through a network of physical points, technical partners as well as actual service and know-how platforms for the installation and maintenance of energy solutions.
- Involvement of local suppliers through corporate programmes aimed at informing and raising awareness of the principles and good practices of sustainable development, in terms of business conduct and ethics, health and safety in the workplace, respect for human rights, environmental and climate impact management.

<sup>3</sup> Reference: AA1000 SES (Stakeholder Engagement Standard) with the application of reliance, responsibility, influence, proximity and representativity criteria.





- Support for sports, educational and cultural initiatives, including the promotion of local excellence, through sponsorships and charitable donations in line with the corresponding Internal Policy.
- Monitoring and safeguarding the territory, within the scope of the responsibilities deriving from the management of its assets and in the spirit of cooperation with the public bodies in charge of its protection both in day-to-day activities and in the event of emergencies, also through the provision of know-how and equipment.

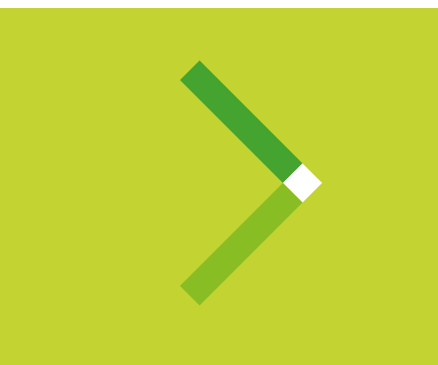
### Best practices

The initiatives undertaken by the company in its relations with the territory and local communities are categorised according to the principles of responsiveness, dialogue mode and impact capacity towards specific stakeholders.

Below, by way of example and not exhaustively, are some good company practices in this regard:

- *Stakeholder dialogue initiatives* relating to general sustainability processes (e.g. materiality analysis, presentation of annual performance for suppliers, major customers, communities and territories) or linked to specific territories for the development of business activities (e.g. events with local Confindustria and/or local institutions, local meetings for the development of new assets, Services Conferences or public consultations/debates as part of authorisation procedures).
- *Sector studies shared with regions and municipalities* aimed at the energy and economic analysis of the territories in collaboration with universities and research organisations to support local institutional stakeholders in identifying the measures necessary to reduce consumption and increase efficiency in line with decarbonisation objectives while respecting local needs and peculiarities.
- *Programmes for the engagement of communities in cultural, sports, and educational initiatives* deployed by local entities and supported or directly promoted by Edison. Among the latter:
  - *Educational initiatives* for students and future generations, such as the “ScuolaEdison” and “Intercultura per i territori” programmes. Also thanks to digital platforms, said programmes are aimed at raising awareness of Agenda 2030, promoting knowledge of the energy world, and handing out scholarships for study abroad schemes.
  - *STEM subjects awareness schemes* (with a focus on gender) and creation of professional know-how in young school leavers, such as the Accademia del Sole e del Vento and the Scuola di Mestiere in Puglia.
  - *Support*, in the form of sponsorship in cash or in kind, of local initiatives of a sporting (e.g. Tracciolino Trail, Valtellina Wine Trail, Federazione Italiana Vela,...) social (e.g. Costruiamo il Futuro award) cultural and/or touristic (e.g. FAI Open Days) nature.
  - *Projects for the active protection of the natural capital* (often with educational value) and landscape enhancement initiatives (e.g. path restoration, activities with schools in Palestro in the creation of a small park to protection of biodiversity).
  - *Social innovation projects through* Fondazione EOS - Edison Orizzonti Sociali and its activities towards civil society, the cultural world and the third sector (e.g. the ‘Traiettorie Urbane’ initiative in Palermo).





- *Adoption of guidelines inspired by international best practices for the creation of infrastructures* that are sustainable throughout their life cycle, such as the Guidelines for Sustainable Wind Energy, with strategic, design and operational choices – an integral part of corporate management systems – aimed at ensuring an infrastructure oriented towards environmental protection, safety and sustainability.
- *Crowdfunding*, with the aim of involving local communities in the financing of renewable plants under construction (e.g. hydroelectric plant in Palestro and Quassolo and district heating plant in Barge)
- *Territorial Reports*, aimed at measuring the company's contribution also in terms of value generated for local communities (<https://reportterritoriali.edison.it>) such as the Hydroelectric Territorial Reports, containing macroeconomic data on Edison's contribution to the territories where it is present with hydroelectric generation activities.

All of the abovementioned initiatives are reported in official corporate reports (Non-Financial Statement) and on corporate websites.

## Creation of consensus and engagement in the local communities in plant locations

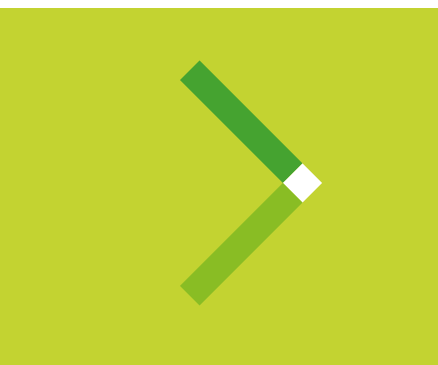
Within the broad range of activities that make up Edison's business plan and its major investment objectives, the territory and local communities play a role that is all the more crucial as the energy transition envisages, along with decarbonisation, a shift towards greater deployment of energy plants and infrastructures.

In such a scenario, the communities – frequently small-scale realities and in inland areas of the country – that host such activities often have a dual stance: on the one hand, interest and openness towards an opportunity for development, improving the quality of life and their own local economy; on the other hand, potential dissent or local tension associated with the use of 'communal goods' and the protection of the territory, natural capital and landscape.

In the Italian context, which is in any case highly complex from a regulatory point of view in terms of authorisation (e.g. Legislative Decree no. 387/2003 for renewable sources) and environmental aspects, in order to prevent or manage these risks, as well as with the ambition to characterise its presence in a distinctive manner, Edison, with particular reference to its Power Asset Division, is committed to a territorial approach declined in:

- Identification of relevant stakeholders, conducive to the creation of a network of relations with a view to long-term collaboration.
- Meeting and listening to stakeholders to identify needs/requirements, to which risks, opportunities and corresponding management systems are linked, through an integrated and timely approach, contextual to the project development phase to anticipate and manage emerging issues in advance with the various relevant corporate functions.
- Construction, commissioning and operation of plants in respect of the health and safety of company employees, third party companies and citizens, environmental profiles, natural systems and – more generally – in accordance with the principles of integrity in the conduct of business and sustainable development provided for by the law and by the aforementioned company policies and guidelines.





- Designing/planning activities of social, educational and cultural value to complement the development/management of facilities and setting up the related governance, promoting - where possible - the full involvement of the territory's strategic players, understood as long-term partners who actively contribute to the success and continuity of the initiatives themselves.
- Implementation of the abovementioned territorial activities by local actors supported by Edison, respecting their mutual roles.
- Territorial analysis and creation of an overview of local dynamics that, shared within the Company, will allow any problems to be managed in advance and potential business opportunities to be seized.
- Communication of initiatives and activities both internal and external to the company, enhancing the Edison brand and that of the local entities involved through local and national media and social networks, depending on the relevance of the activities.
- Verification and qualitative and quantitative analysis of the impact on the basis of previously defined KPIs and data specifically collected for specific types of activities (cultural, sporting, social, educational, etc.)
- Creation of a database of territorial activities capable of enhancing the relationship with the territory, measuring its intensity and quality, and implementing effective improvements to increase the acceptability of facilities and enhance the perception of Edison's presence and brand at the local level.

## **Roles and responsibilities**

Responsibility for relations with territories and communities, through clear governance steered by the CEO, is entrusted to the Division Managers, who are members of Edison's Executive Committee, with reference to their specific lines of business, in the relevant geographical areas and within the scope of the powers and responsibilities assigned to them by the general organisational provisions and the organisational, management and control models approved by the Company's BoD.

This system of responsibilities is aimed at ensuring compliance with the Principles concerning relations with the territory outlined above and the territorial approach outlined above.

## **System for monitoring and handling reports and defaults**

The monitoring of territorial issues is carried out through provisions, tools and management systems as outlined in the documents cited under "*Regulatory Framework of reference*" in this Policy.

Edison monitors risks and opportunities emerging in the territory and supports initiatives aimed at reporting to the Company any conduct acted and/or suffered by stakeholders in violation of this Policy in compliance with the principles of privacy of the reporter, through the Whistleblowing Policy.



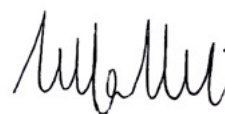


## Communication, review, and document updates

With the goal of increasing the level of disclosure and transparency and in keeping with externally recognised references, Edison pledges to provide evidence of its initiatives for the engagement of local communities and communities in its activities as an energy operator, as well as their results and impacts, in special documents, such as non-financial reporting, or dedicated sections of the corporate website ([www.edison.it](http://www.edison.it)).

This document will be periodically updated by the *Sustainability Division* in agreement with the other Divisions involved, taking into account the evolution of the regulatory framework, the territorial context of reference and the evidence that will emerge from corporate guidelines.

15 September 2023



Nicola Monti  
CEO



In the case of contradictions or discrepancies between this language version and the original Italian version the Italian language version shall prevail.