



# Policies for the environment

[GRI 3-3, 203-1]

Iren Group operates in sectors that, by their nature, generate direct and indirect impacts on the environment and, in turn, are strongly influenced by the natural resources used in the processes. Consistent with the Sustainability Policy, and aware of the role it plays in the ecosystem in which it operates, the Group places the **protection of the quality of the environment** at the centre of its strategy and action, with the aim of minimising impacts on air, water, soil and the use of natural resources.



*Direct and indirect impacts of the environmental behaviour of the value chain (from clients to final customers)*

In order to ensure sustainable management and limit the environmental impacts of its processes, Iren Group, as defined in the Sustainability Policy, carries out its activities by applying state-of-the-art techniques, beyond compliance with legal requirements, and by assessing and managing environmental risks. Furthermore, it adopts prevention tools, monitors and measures the impact of its activities in the short, medium and long term, adopts processes and technologies for **sustainable water management** (reduction of withdrawals and discharges, efficient management and reuse of recovered water resources), for the **reduction of emissions** into air, water and soil and for the **sustainable use of resources**, starting from the recovery of waste as a material and the use of renewable resources. For each Business Unit, specific organisational units have been set up dedicated to ensuring compliance with environmental authorisations, sector regulatory obligations, the implementation and coordination of environmental activities (controls and verifications, monitoring of environmental data, etc.). Furthermore, with the guidance, supervision and commitment of management and the involvement of all employees, the Group has developed an environmental management system (part of the integrated certified management system, [» SEE PAGE 86](#)) that guides the operations to guarantee the lowest environmental impact of processes, through management and adequate operational control, and continuous improvement.

Also through the environmental management system, the Group incorporates an assessment of environmental risks and opportunities and related impacts into its strategic and operational decision-making processes in order to ensure a coherent and balanced growth path.

Iren Group has adopted a **development strategy active in the fight against climate change and environmental protection**, which is embodied in the Strategic Plan to 2030 that places **green transition** among its three pillars of growth, to be implemented through:

- progressive **decarbonization of all activities** through the growth of energy production from renewable sources, innovation of technologies and processes in district heating management, preparation of gas distribution networks for hydrogen transport and reduction of the carbon intensity of energy production plants to achieve the targets validated by Science Based Target Initiative (SBTi);
- strengthening of the **leadership in the circular economy** through the continuous increase in sorted waste collection, the transfer of the Group's best practices to newly acquired areas, the development of new plants in the material recovery chain that also allow producing biomethane from the organic fraction of waste, and the investment in automation and digitalisation;
- the **efficiency of the integrated water service**, significantly reducing network losses, with a consequent reduction in water resource withdrawals from the environment and energy consumption, increasing the treatment capacity and reuse of purified water.

In fact, for the purpose of obtaining and maintaining environmental/energy certifications (ISO 14001, ISO 50001, UNI CEI 11352, F-GAS and EMAS registrations), periodic analyses are carried out on all Group plants and assets: for each activity, the direct and indirect impacts relating to the main environmental aspects (consumption, waste, emissions, soil pollution, odours, traffic, electromagnetic fields, noise) are assessed, key performance indicators are monitored and specific improvement objectives are defined.

The **environmental management policy** is reflected - not only in compliance with all environmental regulations and process optimisation - but also in investments in development, research and innovation, and in awareness-raising and creation of awareness of environmental issues among stakeholders. This is the framework for the commitment, set out in the Sustainability Policy, to promoting the conscious and sustainable use of resources (energy, water, waste), both among communities and the younger generations ([» SEE PAGE 242](#)) and with the active involvement of employees, including through training and information, a necessary condition for the implementation of any programme to prevent and strengthen the culture of sustainability.

The path taken in 2023 towards these objectives, detailed in the following paragraphs, was also made possible by investments in the development of all services, plants and the acquisition of new companies in the field of renewable energy production, sorted waste collection and recovery of materials from waste: the expenses and investments made during the year that contribute to environmental protection amount to approximately 848 million Euro, allocated as follows:

- 47%** to the construction of new wastewater treatment plants, the efficiency of the aqueduct networks, the smart metering of water and gas, the upgrading of stations and the construction of new systems for the electricity distribution networks;
- 35%** to the optimisation of sorted waste collection systems to pursue the recovery objectives defined by local area plans and material recovery plants;
- 13%** to the development of energy production from renewable sources, electrical and thermal storage, district heating networks, the efficiency of production plants through flexibility interventions;
- 5%** to implement services and products with positive environmental impacts for customers (IrenPlus and IrenGo) and the development of energy communities.

