MEMORANDUM OF UNDERSTANDING FOR “ONE SAFETY” PROJECT

INTRODUCTION

Enel Group has developed a project called “One Safety”, aimed at promoting safe behaviors for both Enel’s and Contractors’ employees.

The project, referring to contractors, aims at observing the behaviors adopted by contractors’ employees as well as subcontractors’ employees, in order to support and promote safe behaviors and at the same time correct the risky ones.

The following definitions, among others, are used in this document:

(i) “Enel”, any Company of the Group that has an ongoing contract with the Contractor that wants to participate in the “One Safety” Project;
(ii) “Contractor”, the contractor which wants to participate in the “One Safety” Project;
(iii) as “Parties”, both Enel and the Contractor;
(iv) Site “One Safety” (hereinafter referred as “Site”): area – where the work under contract is going to be performed - which represents the unit of application of the Project (it can correspond to a business unit or a part of it, a part of a power plant, a distribution zone, etc., according to the organizational criteria set by Enel).
(v) “Vademecum for the subscription to “One Safety” Project by contractors” (hereinafter referred as “Vademecum”): document aimed to provide guidelines about implementation of “One Safety” project by contractors;
(vi) “Memorandum of understanding”: this document, setting terms and conditions for subscription of the project “One Safety”;
(vii) “One Safety – contractors” Identity Guidelines (hereinafter referred as “Identity Guidelines”): document setting limits and ways to use the logo for contractors’ subscription to “One Safety” project.

“One Safety” Project respects the “no blame culture” and will be assured the anonymity of observation.

As known, Enel Group’s policies and procedures set that:

(i) no working activities can be performed damaging people’s health and safety; in this perspective, Enel is committed in spreading and consolidating the health and safety culture, promoting more attention and risk awareness, encouraging the adoption of safe and responsible behaviors from who works with and for Enel;
(ii) the achievement of a “Zero Accident” work environment is pursued.

The achievement of these goals will allow to provide a concrete answer not only to ethical and moral needs about values of human life, but also to economic aspects. In fact, each investment for health and safety
protection is widely rewarded not only on a moral level, on imagine and Corporate Social Responsibility, but also on the economic ground, in terms of reduction of expenses resulting from accidents.

Having an ongoing contract with Enel or being awarded of a contract to be executed in a Site is condition for the subscription to the Project.

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1) Following this premise, Parties, by the attorneys that subscribe this Memorandum, declare to recognize first of all an ethical and moral value, but also economical, in a collaborative relationship addressed to strengthen and spread right inside the health and safety culture and realize the best condition for health and safety on working place.

2) Sharing the principles exposed before, the Contractor, signing the Memorandum of understanding, subscribes to “One Safety” Project since the date reported in this document.

3) Subscription to the Project by the Contractor is limited to the Sites where contractor operates (reported in Annex 1) and it is regulated by guidelines provided in the “Vademecum” (see Annex 2), that the Contractor declares to know and accept totally. In any case, subscription to “One safety” Project refers to all Sites included in the work agreement and to all the contracts ongoing.

4) Taking into account the aforementioned principles, in case of Consortia/Temporary Associations of Firms, subscription to the project shall involve all the Companies associated.
   In such case, the agent company/association leader company (that is the Company who is the legal representative of the Consortium/Association and acts on behalf of the associated firms) shall sign the Memorandum of understanding.
   The agent company/association leader company shall ensure the central coordination and by 2 months shall present a time schedule reporting the gradual subscription to the project of all the associated Companies, if they don’t participate in the project all together at the beginning of the project. The time schedule shall be approved by Enel.

5) Because of this subscription, Enel will provide to Contractor:
   - Documentation about “One Safety” Project
   - Check lists to be used for observations
   - Template for the digital collection of observations

6) Moreover Enel will also carry on to Contractor’s subjects involved in the Project, an informative session, lasting 1 day, aimed to illustrate:
   - objectives of “One Safety” and fulfillment methods of the observation sheets;
   - how to make observations and perform feedbacks activity.

7) After signing the Memorandum of understanding Enel will recognize to Contactors that participate in the “One Safety” Project, the following bonus, according to what is defined in the document “Vademecum” and in compliance with local applicable law:
   - A bonus in the Vendor Rating score
• A bonus in terms of reduction in the amount of contract guarantee
• The right to use the Logo concerning subscription to “One Safety”, according to the terms and conditions set in the Annex 3.

8) Signing the sign the Memorandum of understanding, and consequently participating in the “One Safety” Project, the Contractor provides to Enel, in accordance to time schedule defined in the Vademecum:
   • Observation Plans
   • Improvement Plans
   • filled-in template for observations’ data collection by IT system (that will be uploaded in the system by Enel)

9) Contractor will sustain all the costs, including the training and management ones related to its own personnel, deriving from the signing of the sign Memorandum of understanding, and consequently from the participation to “One Safety” Project.

10) In workplaces where there are procurement contracts with Enel, will be in force controls and audit processes in compliance with contract documentation that sets obligations and liabilities of Parties

11) Signing of the Memorandum of understanding and consequently the subscription to the “One Safety” Project:
   a) Doesn’t modify in any way the content of obligations of the Parties set in the procurement contract
   b) Doesn’t limit in any way liabilities of the Contractors in case of non compliance with contractual and legal obligations, including also the ones related to safety issues at work.

12) The validity of the Memorandum of understanding and consequently the subscription of the Contractor will end when the agreement between Parties expires.

13) In case of:
   a) suspension or cancelation of qualification due to a fatal or severe accident occurred during performing of contracts with Enel;
   b) monitoring because the safety index in the Vendor Rating system achieved a score below the threshold

the Contractor may participate in the “One Safety” project. In such cases, the bonus will be provided when:
   a) suspension or cancelation of qualification will be cancelled
   b) the safety index in the Vendor Rating system will achieve a score equal or above the threshold.

14) The Memorandum of understanding will be terminated if according to unquestionable judgment of Enel:
   a) a fatal or severe accident occurs to Contractors’ employees due to Contractor’s liability;
b) Contractor interrupts submission to Enel of improvement plans for at least 2 consecutive quarters;

c) Contractor does not fulfill any obligation set in Annex 3 related to the use of the Logo concerning subscription to “One Safety” Project.

15) Contractors, performing the obligations set in the Memorandum of understanding, will operate fully respecting the applicable protection of personal data law.

16) Enel may terminate the Memorandum of understanding in any moment and according to its unquestionable judgment, without any charge or compensation by Enel, sending, at this purpose, a written communication to Contractor, without prior notice.

17) Notwithstanding the obligations set by Vademecum and in the Annex 3 related to the use of the Logo concerning subscription to “One Safety” project and bonus cancelation, in any case the termination and/or dissolution of the Memorandum of understanding will cause timely bonus cancelation.

Contractor must return to Enel the original copy, on letterhead, of the Memorandum of understanding with double signature by its legal representative or its prosecutor duly authorized, annexing an Identity Document, signed too, in order to complete the Memorandum of understanding.

Date 

Contractor’s signature