



## **Lojas Renner signs agreement with Enel to buy sustainable energy from wind farm that will supply 100% of the demand of 170 stores and new DC**

*Contract will serve almost half of the Renner brand's units in the country, in line with company's strategy to combat climate change and promote sustainability*

Lojas Renner, Brazil's largest fashion omni-retailer, will use wind power generation to supply 100% of the energy demand of 170 stores and its new distribution centre (DC) that is under construction in Cabreúva (SP), from a plant built and operated by the Brazilian renewable energy subsidiary of Enel Group, Enel Green Power Brasil Participações Ltda. ("Enel Green Power"). With the agreement, 80% of Renner's corporate energy consumption, which includes administrative buildings, distribution centres and stores, will be supplied by renewable sources, 15 percentage points more than at the end of 2020 and five points above the target of 75% set for the end of this year in a public commitment. Considering Renner stores alone, 40% of the company's energy consumption in Brazil will be supplied with the amount of energy provided for in the contract with Enel.

*"The operation with Enel is an important initiative among private companies to contribute effectively to the fight against climate change and reinforces our purpose to act in line with ESG criteria to achieve environmental, social and economic sustainability of the business. We are recognized nationally and internationally for our solid strategy of responsible fashion and we are advancing day by day on this front",* said the **CEO of Lojas Renner, Fabio Faccio**.

Today, Renner already consumes energy from solar facilities and small hydroelectric plants (SHP). The partnership with Enel will allow Renner to diversify and expand the use of renewable sources. The energy to supply the needs foreseen in the contract will be produced by a portion of Enel Green Power's Fontes dos Ventos II wind complex, which is currently under construction in the municipality of Tacaratu, in the São Francisco river basin in Brazil's northeastern state of Pernambuco.

Through Enel Trading, Enel's arm in the Brazilian free energy market, Renner signed a 15-year Power Purchase Agreement (PPA) for the purchase of renewable energy generated by Enel Green Power. Finally, Renner has also signed contracts with Enel Green Power for the commercialization of international renewable energy certificates (I-REC's) which certify the origin of the energy foreseen in the agreement. The IREC's are a global system for tracking environmental attributes of energy designed to provide transparency and reliability in carbon accounting.

*"The partnership with Renner is an important step forward in our strategy to act as the sustainable enabler of the energy transition and green generation. More than leading solar and wind generation in the country, contributing to the diversification of the Brazilian energy mix, we are committed to drive the consolidation of renewable energy sources through all the value chain of various sectors of the economy, offering our partners and customers a safe, sustainable and economically competitive energy in the Brazilian free market",* said **Nicola Cotugno, Enel's Country Manager in Brazil**.

In May 2020, Enel Green Power received authorization from the National Electric Energy Agency (Aneel) to implement Fontes dos Ventos II wind farm and the plant is expected to start commercial operation in December 2021. From 2023 on, Renner will be served with the



maximum amount of energy foreseen in the contract or 11.3 average megawatts (aMW), equivalent to a consumption of about 100 GWh/year. Fontes dos Ventos II wind farm has a total installed capacity of 99MW and will require a total investment of around US\$84 million.

### **Less CO<sub>2</sub> and more savings**

By contracting wind power, Lojas Renner will prevent the emission of approximately 6.2 thousand tons of carbon dioxide (CO<sub>2</sub>) per year in comparison with what is released in the production of energy sold directly in the Regulated Contracting Environment (the captive market). It will also have an approximate 40% reduction in the tariffs paid, which means an accumulated saving of more than R\$ 550 million over the 15 years.

According to ANEEL, Brazil currently has 694 wind power plants in activity with supervised power of 17,400 MW, or 9.9% of all the country's generating capacity.

### **Pioneering in sustainability**

Before concluding its first wind power contract, Lojas Renner was already a pioneer in the implementation of strategies focused on sustainability. In 2011, it was the 1st Brazilian fashion retailer to conduct a greenhouse gas emissions inventory and, since 2016, it has neutralized 100% of its inventoried emissions in scope 1, 2 and 3. In 2018, in addition to committing to reaching the mark of 75% of corporate energy consumption coming from low-impact renewable sources by the end of 2021, it set for the same date the goal of reducing carbon dioxide emissions released into the atmosphere by 20% compared to the 2017 inventory.

With a focus on these objectives, the retailer made the implementation of three solar energy generation projects feasible as of 2018. They are located in Vassouras (RJ), Pântano Grande (RS) and Café Sem Troco (DF), and add up to an installed power of 2 MW. Under the responsibility of partner investors, the units supply eight Renner stores in Rio de Janeiro, Porto Alegre and Brasília and provide savings of up to 27% compared to the tariffs that would be paid in the Regulated Contracting Environment.

In addition, since 2017 the new stores have followed the premises of LEED certification – and three units and the administrative headquarters have already obtained the recognition, granted by the non-governmental organization United States Green Building Council (USGBC). The new DC, in Cabreúva (SP), is also in the process of LEED certification and will receive 100% of the energy from the wind farm. All stores also have LED lighting, which consumes less energy, and 34% of them have automation and remote management systems to increase energy efficiency. The management is performed in a single platform where all the Company's consumer units (in Brazil, Uruguay, Argentina, China and Bangladesh) were included.

### **Low environmental and social impact**

Enel Green Power's sustainable construction site model of the Fontes dos Ventos II wind farm, based on best practices in health, safety and the environment, was a determining factor for Renner to decide to purchase the energy to be produced at the site. Among the studies and plans developed by the company are the environmental impact report, forest inventories, the Indigenous Basic Environmental Plan, required by the National Indian Foundation (Funai), and the Archaeological Heritage Impact Assessment Report, established by the National Historic and Artistic Heritage Institute (IPHAN).

Enel Green Power also carries out environmental protection plans and programs during construction, such as waste management, recovery of degraded areas, rescue of fauna and flora



and control and monitoring of deforestation, effluents and noise. The company also gives priority to the employment of local labor and promotes an environmental education program for the communities in the region.

### **About Lojas Renner S.A.**

Founded in 1965, Lojas Renner S.A. was the first Brazilian corporation with 100% of its shares traded on the stock exchange and is listed in the Novo Mercado (New Market), B3's highest level of corporate governance. Its fashion and lifestyle ecosystem is formed by the brands: Renner, which has clothing and accessories in different styles; Camicado, a company in the home and decoration segment; Youcom, specialized in young fashion; and ASHUA Curve & Plus Size, which offers clothing in sizes 46 to 54. There are currently more than 600 stores in operation, considering all businesses. The Company also operates Realize CFI, which supports the retail activity by offering and managing financial products. In addition to being present in Brazil with all of its brands, Lojas Renner S.A. began its internationalization process by opening Renner units in Uruguay starting in 2017 and in Argentina in 2019.

### **About Enel in Brazil**

Enel Brasil is the largest private player in the Brazilian energy sector in number of customers. It is present throughout the energy chain operating in distribution, generation, transmission and sales as well as smart energy solutions. Through four distributors in the states of Rio de Janeiro, Ceará, Goiás and São Paulo, Enel currently brings energy to around 18 million customers. Through its renewable energy subsidiary Enel Green Power Brasil, Enel is the largest solar and wind player in terms of installed capacity and project portfolio. The Group has a total installed capacity of 3.7 GW in Brazil, of which 1,498 MW are from wind, 979 MW from solar and 1,269 MW from hydro. Enel Brasil also operates a combined-cycle thermal plant (gas and vapour) with an installed capacity of 326.6 MW, located in the state of Ceará.

Enel Brasil owns and operates, in the state of Rio Grande do Sul, a strategic asset for the energy integration of Mercosur that is responsible for converting and transmitting energy from Brazil to Argentina and vice-versa. In the trading segment, Enel buys and sells conventional and incentivized energy on the free market in several states and, in 2020, it launched Enel Trading Brasil S/A, the Group's new energy trader in the country. Enel also operates in Brazil through Enel X, its business line dedicated to the design and development of products and services focusing on the principles of sustainability and circular economy to provide people, communities, institutions and companies with solutions that respect the environment and incorporate technological innovation into daily life.