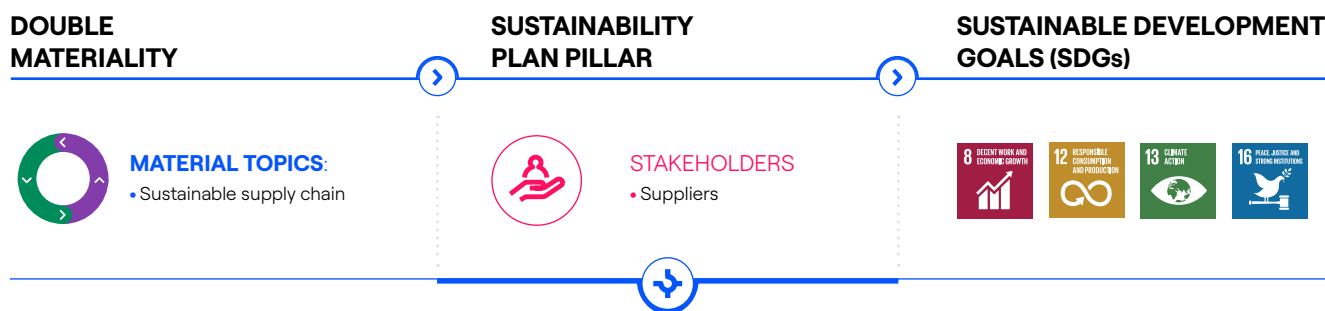


# SUSTAINABLE SUPPLY CHAIN



Enel is working toward an increasingly sustainable supply chain, focusing on decarbonization, circularity of materials, and respect for human rights at all stages of its procurement process.

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024-2026 TARGETS	MAIN SDGs
<b>RESPONSIBLE MANAGEMENT OF THE PROCUREMENT OF GOODS, SERVICES AND WORKS</b>			
Qualified suppliers assessed for health and safety aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	100%	Target outdated as it has been achieved	8 12
Qualified suppliers assessed for environmental aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	100%	Target outdated as it has been achieved	12 13
Qualified suppliers assessed for human rights or business ethics aspects for all product groups (% qualified suppliers) <sup>(1)</sup>	100%	Target outdated as it has been achieved	12 16
Value of coverage of tenders with "sustainability Ks" (% of tenders with "sustainability Ks"/total tenders)	97%	Target outdated as it has been achieved, given also the increased focus on the application of sustainability requirements gradually replacing the specific reward Ks	12
Value of tenders covered by mandatory sustainability requirements	52% <sup>(2)</sup>	>55% <sup>(3)</sup> in 2026	12
Value of supply tenders covered by ranking/target based on carbon footprint values	76%	>70% in 2026	12 13
Value of supply contracts covered by Carbon Footprint certifications (EPD, ISO CFP)	66%	68% in 2026	12 13

(1) The percentage is calculated considering the total number of suppliers with valid qualification at the end of the year and does not include large players and subsidiaries of related industry groups. Rounded values.  
 (2) Mandatory requirements in addition to basic contractual clauses regarding health and safety, environment and human rights.  
 (3) Target has been redefined to include all supply and site-related tenders (wind, solar and primary substations) launched during the year, whether awarded or in progress.

## Goals



## Progress



N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

# SUSTAINABLE SUPPLY CHAIN



| 2-6 | 3-3 | 204-1 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1 |

**66%**

**SUPPLY CONTRACTS FOR WHICH CARBON FOOTPRINT CERTIFICATIONS MUST BE SUBMITTED (% OF TOTAL)**

62% in 2022 ➔ **+6.5%**

**76%**

**SUPPLY TENDERS WHERE CARBON FOOTPRINT TARGETS HAVE BEEN APPLIED (% OF TOTAL)**

68% in 2022 ➔ **+11.8%**

Around **8,300**

**NUMBER OF QUALIFIED SUPPLIERS WITH A CONTRACT ACTIVE AT THE END OF 2023**

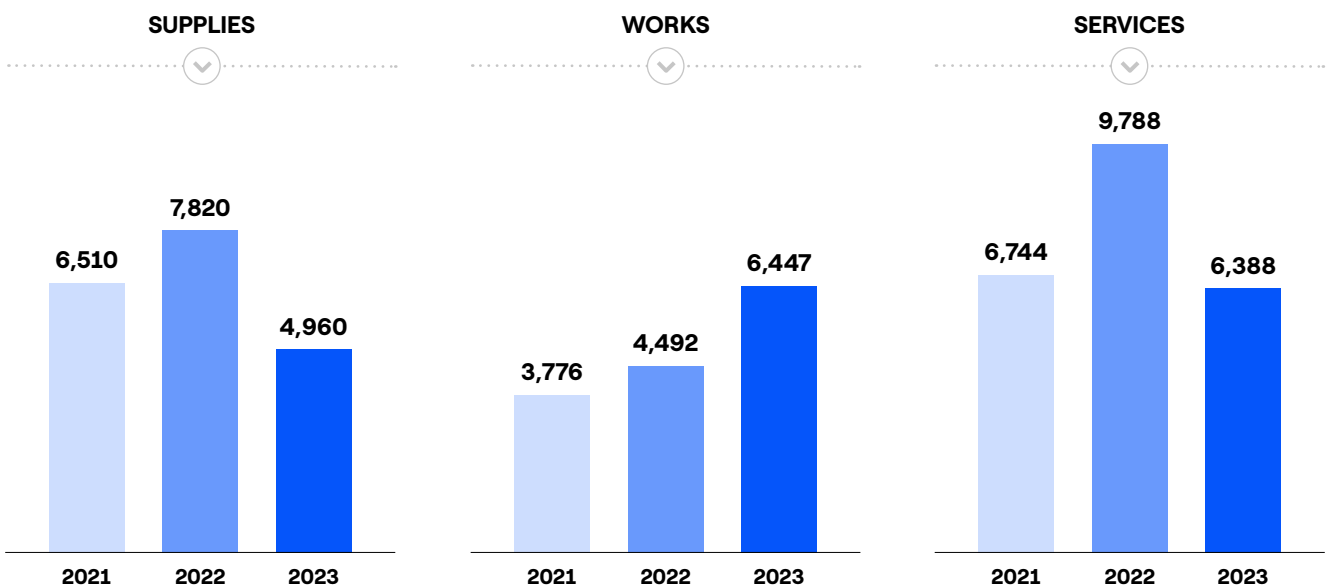
around 9,400 in 2022 ➔ **-11.7%**

The transformation of the energy system, alongside the digital revolution, entails changing and evolving the way works are performed and how goods and services are supplied. It also means suppliers are essential partners to achieve sustainable progress across the entire context in which the Company operates.

Enel requires that suppliers not only operate in compliance with applicable laws and authorizations, but that they also commit to adopting best practices in terms of governance, ethics, human rights, health, safety and the environment, in line with the Group's strategy, some of its

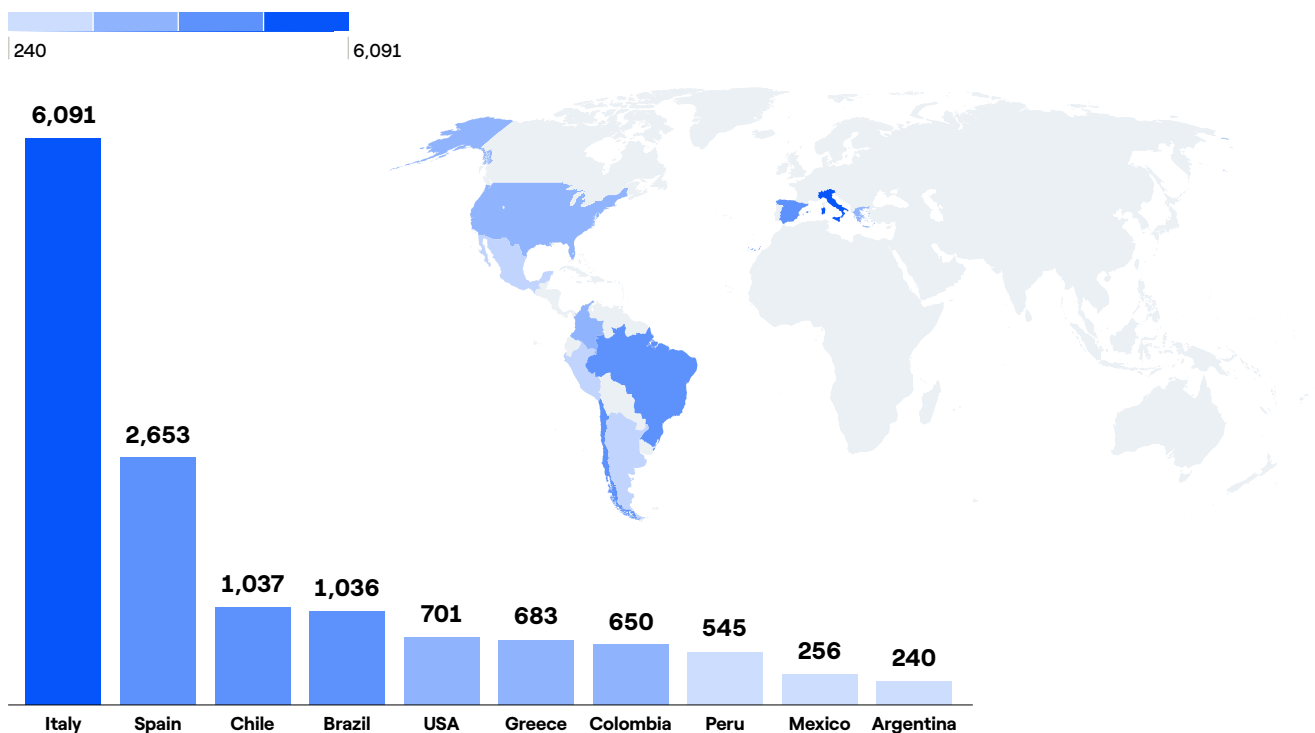
codes of conduct (the Human Rights Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan approved by the Enel SpA Board of Directors) and its global compliance programs. Enel works with suppliers to maximize the economic, productive, social and environmental benefits of the transition and strives to create sustainable, innovative and circular processes to mitigate the impact generated by its activities through efficient use of resources, technological innovation and proper waste management, mindful of the need to prevent pollution and reduce energy consumption and emissions, including gas emissions.

## PURCHASES AND TENDERS FOR GOODS AND SERVICES SUPPLIES, WORKS AND SERVICES CONTRACTS (mil euros)



## TOP 10 ENEL SOURCING COUNTRIES

no. of suppliers



The countries shown in the chart represent the locations of suppliers with active contracts.

**In 2023, the total for works, services and supply contracts amounted to over 18 billion euros, of which about one half in Italy, followed by Spain, Chile and Brazil.**

Together with suppliers, Enel works to define new metrics and to promote co-innovation projects in the perspective of a decarbonization and circular economy pathway, which should have positive impacts on both power generation processes and purchasing methods. Specifically:

- **Product Carbon Footprint (PCF) certifications**, including the Environmental Product Declaration (EPD) and the ISO PCF, are sought from suppliers in the core categories<sup>(1)</sup>, with the aim of objectively quantifying, certifying and communicating the environmental impacts generated throughout the life cycle of supplies. Certified data enables Enel to measure emissions along the entire supply chain, supporting the Group's decarbonization pathway;
- as part of its tendering process, Enel sets **increasingly challenging reduction targets** on core supply categories, which also take into account the contributions of innovation. These targets are shared with suppliers

and are in line with the Paris Agreement, which calls for a less than 1.5 °C temperature increase containment path. In line with the digitalization process, a tool has also been developed to calculate, both on a daily basis and automatically, supply chain emissions (Scope 3 upstream) and projected reduction curves to 2030 and 2040 (see also the box dedicated to the "GoZero Dashboard");

- **a responsible supply approach** to energy commodities is encouraged, with suppliers asked to adhere to the principles to which Enel is committed (the Human Rights Policy, the Code of Ethics and the Zero Tolerance of Corruption Plan).

In the bidding processes for core commodity categories Enel requires suppliers to **declare the quantities of each component material in the product**, including recycled and recyclable materials. The acquisition of this information allows suppliers to be rewarded based on their recycling capacity, thereby stimulating a circular culture and reducing potential ESG impacts associated with pressure on materials and technologies critical to the transition, en-

(1) Core categories are those that are strategic for the business including wind turbines, inverters, smart meters, photovoltaics, switches, panels, cables, transformers, electric car charging points, street lighting, smart home solutions and storage systems.

environmental degradation associated with their extraction and processing, and carbon emissions arising therefrom.

Also with regard to the core categories, in the tender phase suppliers must fill out a form through which they **map the geographical areas of extraction and production of raw materials** involved in the supply of the product being tendered, all backed up by relevant documentation.

A tool has also been developed which, on the basis of data from the literature and information also acquired through interviews with suppliers, arrives at an initial identification of **potential human rights issues**, so as to better guide strategic sourcing choices (see also the dedicated box entitled “Assessment of potential human rights issues in the supply chain”).

## Supplier management and assessment processes

3-3

In addition to ensuring the necessary quality standards, supplier performance must go hand in hand with a commitment to adopt best practices according to the highest sustainability criteria. The criteria underlying procurement practices are reviewed periodically to ensure their alignment with conduct policies (including the Human Rights

Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan and global compliance programs) and evolving ESG requirements relevant to the Group. Analysis and monitoring activities are also carried out throughout the procurement process.



### Supplier qualification system

Enel has adopted a qualification system to identify suppliers who meet the requirements necessary to cooperate with the Group. Supplier qualification is organized by commodity categories called Product Groups (PGs)<sup>(2)</sup>. Taking into account its own business, each company can undertake a qualification pathway for one or more PGs, selecting the countries in which to supply goods and services. The assessment process varies depending on the level of risk (high, medium or low) associated with the PG for each issue (technical, safety, environmental, reputational aspects, etc.). In addition, regardless of the risk level of PGs, checks are carried out on the following aspects:

- **legal/reputational.** In addition to compliance with the

relevant laws and regulations, suppliers are required to adhere to the principles to which the Company has committed itself with its Human Rights Policy, its Code of Ethics, its Zero Tolerance of Corruption Plan and its global compliance programs, with specific reference to the absence of conflict of interest (including potential);

- **economic-financial.** These audits aim to assess the economic and financial viability of suppliers based on an analysis of their financial statements;
- **sustainability.** Completion of a questionnaire on all sustainability topics is required, specifically:
  - **health and safety:** the “Safety Self-Assessment” is required, as it informs suppliers in a straightforward

(2) Product Group (PG): specific category of goods/works/services that Enel purchases. The qualification process and related verifications that Enel carries out vary depending on the level of risk associated with each PG. There are 4 risk components: technical, safety, environmental, and reputational. The risk of each component is assessed according to type of goods/works/services (and related activities) and the country context.

way of the fundamental requirements on which to work and grow together;

- **environment:** on a scale of 1 to 3 (1=worst; 3=best, respectively), different environmental criteria are evaluated depending on the relevant PG and its associated level of risk;
- **human rights:** through the use of a questionnaire regarding how the supplier manages labor practices (such as rejection of forced or child labor and respect for diversity) and community relations (local, indigenous and tribal peoples).

With regard to health, safety and environmental aspects, for the highest risk PGs, an on-site assessment at the supplier’s premises or worksites is always required, an activity performed partially through outsourcing.

If the outcome of these analyses and assessments is positive, individual suppliers can qualify and be added to the Supplier Register for 5 years and then be invited to participate in the Group’s procurement procedures. Enel monitors the maintenance of qualification requirements throughout the period of inclusion in the Supplier Register. Should it be found that even one of the requirements

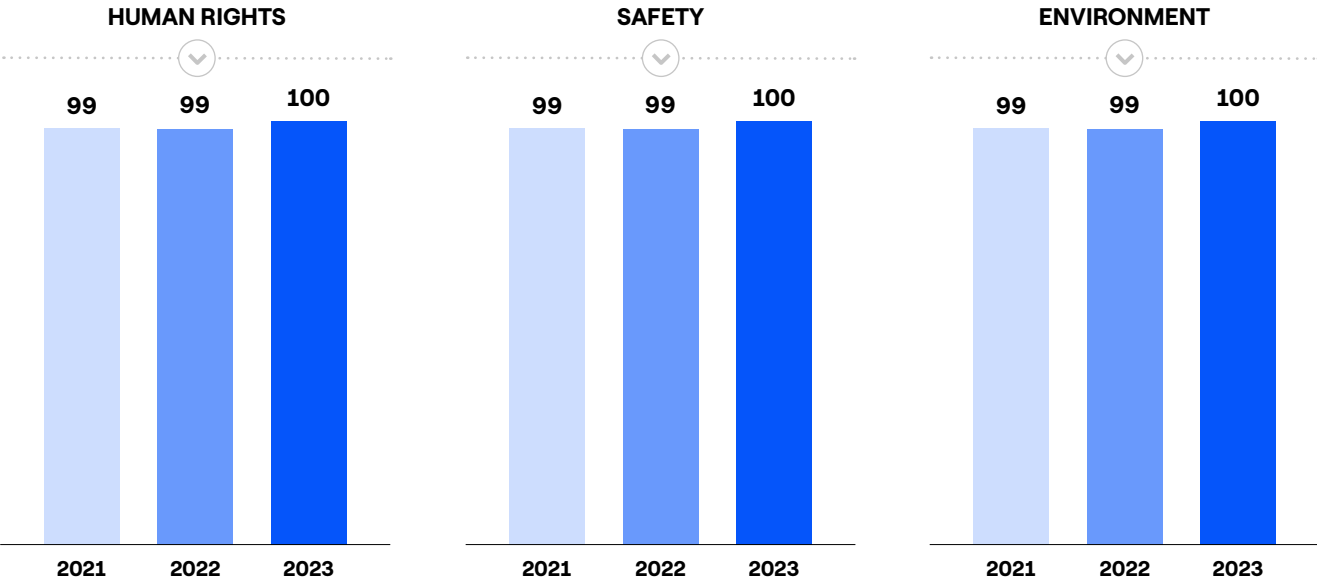
has been lost, the supplier’s qualification status will be temporarily suspended for the period necessary to carry out the appropriate investigations that may lead either to readmission to the Register or revocation of the qualification.

Evaluation of the actions described above is the responsibility of the **Qualification Commission**, which is present in all major countries, is in charge of assessing requests for qualification, as well as possible suspensions, and of examining proposals for changes to the technical qualification requirements and Product Group tree made by Business Lines.

**As of December 31, 2023, 100% of qualified suppliers were assessed according to social, environmental and safety criteria. The total number of qualified suppliers with a contract still active at the end of 2023 was about 8,300 (more or less 60% of active suppliers as of December 31), while the total number of active qualified companies was approximately 35,332.**

The following table shows the trend in the qualified suppliers’ percentage for the three aspects analyzed by process.

**% QUALIFIED SUPPLIERS FOR SOCIAL, ENVIRONMENTAL AND SAFETY ASPECTS AS AT DECEMBER 31**



## Tendering and contracting processes

Consistent with its commitment to introduce sustainability aspects into the tendering processes, Enel adopted a structured process for defining sustainability “**requirements**” (the conditions necessary for a supplier to participate in the tendering process) and **sustainability “Ks”** (optional factors whereby a score/prize is awarded to the supplier who possesses them) that can be used by the various purchasing and monitoring units throughout the entire life of the contract.

The process includes two “**Libraries**”, in which all “sustainability requirements and Ks” are catalogued, grouped into the macro-categories of certification, environmental and circularity aspects, such as waste management and carbon footprint assessments according to UNI EN ISO 14067:2018, as well as social aspects, such as training and employment of people from local communities and actions to respect gender diversity.

These are periodically updated within a cross-functional working group dedicated to sustainability and circularity issues and which takes into account market maturity and new corporate strategies.

During the tendering process, the supplier may decide to take on additional obligations by accepting the sustainability requirements and Ks applied in the tender, the monitoring of which is carried out during the term of the contract.

**In relation to the issue of human rights**, a new sustainability requirement inherent in the supply chain mapping of core product categories was introduced in the Library in 2023. Through the implementation of this requirement, during the bidding phase suppliers are asked to complete a mapping sheet of the potential supply chain involved in the supply being tendered, reporting, for each individual material or component identified (tier), information on the countries of extraction or production.

**As for the path to Net Zero**, a key role is to be attributed to the application at the bidding stage of CO<sub>2</sub> targets aligned with the curves certified by SBTi (Science Based Targets initiative). Specifically, a model was developed during 2023 which, having set the CO<sub>2</sub> price, promptly identifies the percentage value of the K to be applied to the supplier's bid depending on the positioning according to the target of the different suppliers.

As regards **contractual aspects**, Enel has defined specific clauses which are updated periodically in all works, services and supply contracts so as to take into account different regulatory adjustments and align with international best practices.

The General Terms and Conditions of the Contract stipulate that suppliers, subcontractors, sub-suppliers, third

parties and the entire supply chain involved comply with the applicable wage, contribution, insurance and tax regulatory conditions with respect to all workers employed in any capacity in the performance of the contract. In addition, compliance with the principles set forth in the International Labour Organization (ILO) Conventions and legal obligations regarding the protection of child and women's labor, equal treatment, prohibition of discrimination, abuse and harassment, freedom of trade unions, association and representation, rejection of forced labor, safety and environmental protection, and sanitary conditions are explicitly required. In the event a conflict between the above legal obligations and the ILO Conventions, the more restrictive rules shall prevail.

The clauses further stipulate that suppliers, subcontractors, sub-suppliers, third parties, and the entire supply chain involved, must commit to prevent all forms of corruption (Art. 29.1.5 of the General Terms and Conditions of the Contract).

In addition to the legal provisions, the contractual conditions require that suppliers:

- recognize the “ten principles” of the United Nations Global Compact and declare that they manage their business activities and operations in order to meet these fundamental responsibilities in the fields of human rights, labor, the environment and the fight against corruption (Art. 28 of the General Terms and Conditions);
- acknowledge the commitments Enel has made in the principles listed in the documents below and refer to them in the execution of the contract: the Human Rights Policy, which includes a principle related to respect for the environment and biodiversity; the Code of Ethics, in which the value of fair competition is also promoted through abstention from collusive, predatory behavior and abuse of dominant position; Zero Tolerance of Corruption Plan, and global models of criminal risk prevention (Art. 29.1.1 of the General Terms and Conditions of the Contract);
- adopt suitable conduct to avoid the emergence of conflicts of interest throughout the duration of the contract and undertake to notify Enel promptly in writing if any such circumstances arise (Art. 29.2 of the General Terms and Conditions of the Contract).

Enel reserves the right to carry out any **control and monitoring activity** to check compliance with the obligations set out above by both the supplier and any of its sub-contractors, sub-suppliers, third parties of the contractor and the entire supply chain involved, and to terminate the contract if violations are ascertained.



## GOZERO DASHBOARD

As a result of the new GoZero Dashboard, it is now possible to automatically calculate supply chain emissions (Scope 3 upstream) and projected reduction curves to 2030 and 2040. This is done on a daily basis from the base year order data and unit emission factors that Enel's suppliers report during tendering or contract execution. Based on needs, the

tool enables the filtering of emission data by Business Line, country, supplier, and category of product, job, or service category, and all supporting KPIs and graphs to be clearly and immediately available. In line with digitalization processes, it is a major step forward for Procurement to be able to monitor reduction targets certified by Science Based Targets initiative (SBTi).



## ASSESSMENT OF POTENTIAL HUMAN RIGHTS ISSUES IN THE SUPPLY CHAIN

Consistent with Enel's commitment to respecting human rights throughout the value chain, a tool has been developed to assess potential human rights issues present in the supply chains of core product categories. For the purpose of the analysis, the main materials and components (tiers) of the relevant categories were identified and, based on literature data and information also acquired through interviews with suppliers, the probable countries of origin were associated with each tier. The tiers thus identified were collected into 3 macro-groups: "upstream", which represents the raw

material extraction stage; "midstream", which coincides with the raw material/component processing stage; and, lastly, "downstream", which consists of the final production stage.

The final score provides an initial identification of potential human rights issues in the supply chains under analysis with respect to the tiers considered and their countries of origin. At the end of 2023, Enel developed an updated version of the tool that includes the possibility for users to modify the list of countries associated with each tier and the relative percentage of supply, resulting in associated scores that can be used to guide strategic supply decision making processes.

## Monitoring systems

Enel has equipped itself with a system for monitoring the qualification requirements of suppliers **listed on the Register**. This system is embodied in:

- **reputational monitoring**: based on the monitoring of open sources and carried out continuously. The objective is to identify potential reputational risks arising from a counterparty's involvement in criminal proceedings (including environmental crimes and those arising from health and safety regulations) and human rights violations in business practice. Each country has set up an Integrity Committee, composed of representatives from the Procurement Function, the Legal Function, the Security Function, and the Technical Functions of the Business Lines. This Committee meets whenever a critical issue emerges which may have negative repercussions on the honorability of the supplier under consideration, to analyze it and assess the application of specific actions or penalties with regard to supplier companies;



### Suppliers

**6,575 Tier 1 suppliers**

**6,319 Tier 1 suppliers assessed during 2023 (assessments made at qualification, bidding and contract award stages)**

**96% of Tier 1 suppliers were considered relevant ("critical suppliers")** in relation to their strategic importance related to the Company's business (non-substitutable or critical component suppliers), purchase volumes, and other factors that could have economic, social and environmental impacts

**99% of total procurement spent by critical Tier 1 suppliers**

- **document monitoring:** this action aims to verify legal documents (*i.e.*, criminal records) and their validity. The documents monitored take into account the legal specificities of each individual country in which the Group is present;
- **Ecofin monitoring:** verification of compliance with economic and financial requirements, defined with the Group Risk Control unit, through integration with external databases and documents provided by suppliers.

For suppliers who, in addition to being on the Register, also have an **active contract**, the following monitoring threads are additionally provided:

- **health, safety and environment:** the performance of suppliers is assessed and monitored through field inspections that identify existing non-conformities and potential hazards with respect to contractual commitments, technical standards and authorization and legislative requirements. The primary objective of the inspections is to prevent accidents, injuries, illnesses and events that may have repercussions on the environment. During field inspections, specific checklists are used to facilitate the homogeneous aggregation of non-conformity data for subsequent corrective action. The **Evaluation Group** is convened by the Health Safety Environment and Quality Function of the Holding Company and is responsible for analyzing the data coming from Health Safety Environment (HSE) monitoring and for evaluating possible consequence management measures. In addition to representatives of the competent HSEQ Functions of the Business Lines, representatives of the Procurement Function, the Legal Function and the Technical Functions of the Business Lines are also on this committee;
- **quality and punctuality:** monitoring examines information related to the quality of services and goods provided by suppliers during contract performance (*e.g.*, adherence to technical specifications, product reliability) and information related to adherence to agreed contractual timelines (*e.g.*, on-time delivery, project and schedule).

These monitoring threads feed into **Supplier Performance Management (SPM)**, a process for systematically collecting data and information related to the performance of contract subject matter of the contract the goal of which, in a collaborative effort with suppliers, is not only to take

any corrective actions during contract execution, but also to incentivize a path of improvement through actions that reward best practices. In addition, all Enel people who interact with suppliers have the opportunity to express their own assessment using the dedicated Track & Rate app. In particular, during 2023 a guideline was drawn up on aspects related to human rights and business practices to support Enel people in evaluating supplier performance in this area in the “Human rights and fairness” category.

Depending on the performance achieved by suppliers, a consequence management model is applied. This may include actions aimed at improvement, reduction of risk and measures to reward excellence. Monitoring of categories is carried out:

- **at contract level:** analysis performed periodically that takes into account the supplier’s performance during the contract period in order to minimize contract related risk. As a result of this analysis, ordinary consequence management actions can be taken (*i.e.*, termination of the contract, application of penalties, where applicable, assignment of an improvement plan and an increase in contract volume, if applicable, etc.);
- **at Product Group level:** long-term analysis carried out periodically that takes into account the supplier’s performance over the past 12 months, with the aim of implementing consequence management actions at a broader level such as maintaining listing on the Supplier Register (suspension, extension, duration of qualification, increase or decrease in award class, etc.).

To support suppliers in corrective actions, digital tools are available through which they can communicate with the relevant areas and exchange any supporting documentation.

**Through the SPM process, about 9,000 suppliers have been monitored in the past year (compared to about 7,700 in 2022).**

In addition to these audits, and again for suppliers with an active contract, there are plans to monitor the additional obligations generated by the application of sustainability requirements and Ks during the contract period. As these obligations are an integral part of the contract itself, failure to comply with them shall result in consequence management actions ranging from the application of penalties to contract termination.



# Training and information

3-3

Over the past few years, Enel has held numerous meetings with suppliers to explore topics related to decarbonization, circularity and human rights, with the aim of sharing common practices and approaches and pushing the supply chain toward the sustainability standards required by the international community. In line with the activities initiated in the area of human rights, several initiatives were undertaken during 2023 to engage suppliers on supply chain mapping aspects. Specifically, 16 workshops were

organized to which approximately 700 suppliers in the core product categories were invited to elaborate on the Group's human rights commitments, and provide guidance on the new requirements related to human rights issues in tenders and addenda to contracts.

In addition, articles are published periodically on the Procurement Function website that highlight the commitment made by the Group to these topics (<https://global-procurement.enel.com>).

## Creation of sustainable value: Supplier Development Program

Enel has launched various initiatives to increase the resilience of the supply chain and make the concept of supplier centricity ever more concrete and tangible.

One example is the [Supplier Development Program](#), initially launched in Italy (where it is currently open to more than 6,000 suppliers) to support the growth path of companies in the supply chain and, at the same time, contribute to the achievement of the Group's strategic objectives. The program is aimed at companies, with headquarters or a branch in Italy, qualified or in the advanced stage of qualification in the Supplier Register and with a production value of up to 250 million euros.

By entering into agreements with major players in the financial and training fields, more favorable conditions compared to those of the market are guaranteed for access to the services offered under the program. These range from financial instruments that can facilitate access to liquidity, management training programs (with partners such as SDA Bocconi and Luiss Business School) and technical training programs (with partners such as BayWa r.e, CESI, Golder) that promote the conversion of the business towards the energy transition, from consulting services on sustainability, circular economy, strategy, M&A and internationalization, to access to catalogues of means of transport and electric, hybrid and standard work machines, to services for obtaining certifications (including product, service, and people certifications offered by APAVE and sustainability certifications offered by ICMQ and IMQ) and from personnel headhunting and recruiting, to supplies of hardware and software for process digitalization.

As of 2023, about 1,000 services were activated, with 65% referring to the financial area and the remainder to training, certifications and rental/purchase of work vehicles. Particular attention is paid to initiatives to support the reconversion and diversification of business such as the "Sportello imprese" (business desk), which consists of periodic meetings with individual traditional power

generation companies aimed at accompanying them in processes of growth and redevelopment towards areas in expansion, such as renewables or new services related to energy efficiency.

This program aims to promote:

- increased awareness of sustainability and digitalization topics;
- differentiation of the business and the consequent reduction in supplier dependence on Enel;
- an increase in financial strength;
- internationalization, which helps grow Enel's business outside of Italy and Europe.

The program is also active in Iberia where, during 2023, a series of initiatives were implemented to support supplier growth, including:

- the launch and dissemination of "Circular Confirming", a financial solution that rewards suppliers who demonstrate greater commitment to sustainability and the circular economy. Suppliers present to the credit institutions that form part of the program certifications to demonstrate this commitment and obtain from them a reduction in the expected cost of prepayment of invoices (up to a maximum of 50%). Currently more than 1,900 suppliers have signed up for this program;
- agreements with major training service providers to offer a variety of courses to suppliers on very favorable terms. The areas of training that suppliers can access are many and mostly focused on sustainability, the circular economy, security, data protection and the development of various soft skills;
- participation in the "Training Program: Sustainable Suppliers" initiative developed by the United Nations Global Compact, an outreach focused on integrating sustainability and the circular economy throughout the value chain, mainly in small and medium-sized enterprises, with more than 260 suppliers joining following an invitation from the Procurement Function;

- in collaboration with the Sustainability Area, the organization in Spain of the training workshop “Calculating and Recording Carbon Footprint”, a free training session – involving about 350 suppliers – the aim of which is to promote and expand knowledge of measuring and reducing the Carbon Footprint;
- training for solar plant construction and dismantling

activities, involving a total of 3,200 people;

- consolidation of Iberia’s Supplier Development Portal as the place to access all news, information, conditions and promotions related to the program (<https://global-procurement.enel.com/es/noticias/news/2020/03/programa-de-desarrollo-de-proveedores-un-camino-para-el-crecimiento-y-el-desarrollo-sostenible>).

## ENERGIE PER CRESCERE

At the end of 2021, the “**Energie per Crescere**” (Energies for Growth) program was launched, with the aim of training new specialized professionals in order to strengthen Enel’s supply chain in terms of executive capacity while also developing, in a diffuse way, the skills that are needed both now and even more so in the future for the country’s energy transition trajectory.

The program particularly involved e-distribution contractors, creating job profiles that are in high demand in the industry (e.g., linemen, cable splicers, secondary substation assemblers and operators working under voltage).

Energie per Crescere sees the collaboration of several actors: ELIS, a non-profit organization that provides vocational training, the major employment agencies in Italy, Accredia - certified training institutes at which the candidates, once selected, attend the planned 200 hour courses and, finally, Enel’s contracting companies that hire the participants throughout the country at the end of the training course.

The program expects to train about **5,500** people by the end of 2025. As of 2023, more than **4,000** resources had been trained, of which about **2,600** were hired by Enel contractors.

In Iberia, the same goals are being pursued through the “e-Distribution Dual Training” employment distribution training plan, already underway in 27 vocational training institutions with more than 230 students enrolled.



## ENERGIE PER LA SCUOLA: vocational training to support the energy transition

The energy transition begins in the classroom. This is why, once again this year, Enel continues to focus on the vocational training of young people with the aim of fostering their inclusion in the working environment of the energy industry. The “Energie per la Scuola” (Energies for School) program, launched in 2021, starts from a very specific need for new skills adapted and updated with the latest technologies. For this reason, the training program coordinated by the Group puts forward for students in their final year of high school an innovative teaching method that combines classroom knowledge with vocational training, the ultimate objective being a direct job offer from Enel contractor companies upon completion of the program. The training course covers the profiles most in demand in the electrical sector. The aim is to create a bridge between education and

the professional sphere, encouraging the students to acquire the skills needed to embrace the new professions of the energy transition, and facilitating their entry into the workplace with the Group’s suppliers immediately after graduation, also through greater knowledge of the industrial realities in the industry. After the first two events dedicated to professions for the grid – with a headcount of about **550** students trained, the vast majority of whom have already been hired and the remainder of which are in the process of being hired in the businesses involved – the third event launched in 2023 extended its scope to renewables, involving additional Enel suppliers and nationwide educational institutions, with a calendar of presentations to entities throughout Italy.

These are the regions where the Energie per la Scuola program applied to renewables was launched: Basilicata, Calabria, Campania, Lazio, Lombardy, Piedmont, Apulia, Sardinia, Tuscany and Umbria. For networks, the project will involve almost the entire country.

## Energy commodity supply chain

| 2-6 | 3-3 | 301-1 |

The term energy commodity denotes those energy raw materials, or a particular category of fungible goods traded in the market, for example, coal, power and gas. Suppliers of energy commodities and related transport services are selected through the “Know Your Customer” process that, for each counterpart, evaluates the reputational and economic-financial aspects and their satisfaction of the appropriate technical and commercial requirements. With particular reference to sustainability aspects, counterparts are required to adhere to the Group’s principles, particularly the Human Rights Policy, the Code of Ethics, the Zero Tolerance of Corruption Plan, and the environmental policy. Enel reserves the right to terminate contracts in severe cases of non-compliance with those principles. Checks also ensure that suppliers are not on any specific UN, EU or Office of Foreign Assets Control (OFAC) blacklists. These lists identify individuals or organizations associated with terrorist associations, organizations under EU financial sanctions, and so-called Specially Designated Nationals (SDNs) who are subject to US sanctions on terrorism or drug trafficking charges, among others.

During 2023, these checks were strengthened further. In particular, to mitigate the risks arising from the maritime shipment of fuel, Enel has adopted a tool to vet and select the carriers used (vetting) and to analyze the counterparty’s compliance with Enel’s commitments, in line with relevant international standards. Vetting is a recognized industry standard for oil transportation. Enel, along with many other operators, also applies this methodology for dry bulk transport.

To assess the sustainability aspects of coal sources, an internal process involving different actors has been established to ensure that Group requirements for occupational safety, environment and human rights have been satisfied, which may include a site visit to coal suppliers deemed to be strategic.

In addition, a number of meetings with suppliers and counterparts related to different energy commodities have been held over the past year in order. These discuss common issues, such as emission reporting methodologies, increasingly pushing for a sustainable and shared approach throughout the supply chain.

Together with leading European electric utilities, Enel is also actively engaged in **Bettercoal**, a global multi-stakeholder initiative designed to promote continuous improvement in corporate responsibility in the coal supply chain. Bettercoal has released a code of conduct based on existing and agreed standards of social responsibility in the mining sector. This sets out in detail the guidelines for sustainable environmental and social conduct (including issues of ethics and integrity) to which mining companies can refer. Bettercoal Code establishes members' expectations regarding suppliers' practices related to four main categories – management systems, ethical commitment and transparency, human rights and environmental performance – by promoting continuous improvement and integrating proper planning of the mine closure and restoration process from the earliest stages of mine de-

velopment. After signing a letter of commitment, mining participants in the program embark on a virtuous path by accepting on-site checks, carried out by independent third parties, to verify that the code's principles have been applied, and agreeing an ongoing improvement plan to overcome any shortcomings. In addition to Bettercoal's growing presence in various forums in the area of coal and supply chain sustainability, the initiative has become an example of collaboration among the various stakeholders, geared towards improving socially responsible practices, and from this a broader collaboration related to the responsible sourcing of other energy commodities is emerging. For further information, please refer to the website [www.bettercoal.org](http://www.bettercoal.org). During 2023 Enel continued to participate in the South Africa Working Group established in 2022.

Resources used in the production process	UM	2023	2022	2021	2023-2022	%	Scope
<b>Fuel consumption for thermoelectric production</b>							
<b>from non-renewable sources</b>							
Coal	(,000 t)	4,817	8,522	5,958	-3,705	-43.5	Enel
Lignite	(,000 t)	-	-	-	-	-	Enel
Fuel oil	(,000 t)	807	889	863	-82	-9.2	Enel
Natural gas	(mil m <sup>3</sup> )	7,673	13,214	15,682	-5,541	-41.9	Enel
Diesel oil	(,000 t)	1,061	1,262	1,033	-201	-15.9	Enel
<b>from renewable sources</b>							
Biomass and waste for thermoelectric production	(,000 t)	55	65	71	-10	-15.4	Enel
Biogas	(mil m <sup>3</sup> )	0.3	1.2	0.7	-0.9	-75.0	Enel
Geothermal steam used for electricity production	(,000 t)	48,943	49,947	350,160	-1,004	-2.0	Enel