

# Stakeholders' engagement

We promote a broad engagement of stakeholders, both internal and external, in line with our Open Power approach, aimed at enhancing their awareness and developing a constructive dialogue that can contribute valuably to

## Analysis of stakeholders' priorities

Routinary and direct involvement of all our stakeholders through a structured process of 'materiality' analysis is one of the pillars of the definition of Enel's strategy. This allows to identify material topics, i.e., topics that represent the most significant impacts of the organization on the

## Awareness raising campaigns

Awareness raising campaigns are a focal element to empower our stakeholders in the transition to net zero. Our activities to this end are tailored to:

- people working in the organization, to support their commitment and sense of purpose as well as nurturing a culture of inclusion;
- suppliers, to support their path of change and growth since the transformation of the energy sector coupled

## Advocacy

Promoting a just transition at all institutional levels is fundamental since there is a need to agree on what public policies need to be in place to ensure achievement of decarbonization objectives.

Both our direct and indirect advocacy activities are conducted in line with the objectives of the Paris Agreement and with our decarbonization roadmap. Specifically, we involve institutional stakeholders, trade associations, non-governmental organizations, and academia, in order to promote our vision on climate and low-carbon policies, to contribute to the evolution of the regulatory framework towards ambitious climate goals and to promote an economy in which carbon pricing drives long-term investments. To this end, we interact directly with policy makers, contribute to the positioning of trade associations, and involve a broader set of stakeholders to build consensus and support for specific policy proposals.

For full details on our direct and indirect advocacy activities, please refer to "[Advocacy about climate change policies](#)"

### • *Joint statement on just energy transition*

In November 2021, the European social partners - Eurelectric, IndustriALL and EPSU - signed a joint state-

a just transition. Such activities may be overarching, take the form of advocacy or of participation to initiatives promoting a fair and inclusive transition, as well as being tailored to specific stakeholders categories.

economy, environment, and people, including impacts on human rights.

For more details, please refer to "[Materiality analysis process and results for 2022](#)".

with the push on digital requires a different approach to executing works or providing goods and services;

- communities in our area of influence, with whom we have a structured approach to set up a broad, inclusive and ongoing dialogue and identify shared solutions;
- customers, whose active participation to the transition needs to be fostered and supported.

ment on just energy transition, based on the principles defined in the ILO Just Transition Guidelines.

Through such statement they have fully subscribed to the objectives of the European Green Deal while acknowledging the need for a more consistent effort by the EU to define a European strategy for the electricity sector and the transition of its workforce as well as the establishment of a coherent regulatory framework.

Recommended actions include:

- requiring countries to implement inclusive governance and participatory mechanisms, social dialogue and full transparency of transition planning;
- setting a European framework on the anticipation and management of change;
- offering employees lifelong learning to maintain a qualified workforce since the 'twin transition' (decarbonization and digitalization) prompts development of new business models thus spurring continuous changes in terms of job profiles needed.

Commitments include:

- promoting social dialogue and collective bargaining, at all levels;
- supporting the anticipation of skills and the need to provide workers with the opportunity to update their skills

— supporting and promoting reskilling and upskilling through continuous professional development and life-long learning.

- *European Works Council*

We maintain a high-profile social dialogue also through the European Works Council, last renewed in July 2016, a body introduced by European Directive 94/45/EC representing the European employees of a company. Through it, workers are informed and consulted by management on the progress of the business.

In March 2022, a plenary meeting was held and attended by several representatives of Enel's management, sharing the Group's positioning on the transition and the various initiatives in place in the company to ensure a fair process and a workforce increasingly prepared for change. For further details, please refer to "[Industrial relations](#)" in "Empowering Enel people".

- *United Nations Framework Convention on Climate Change – COP27*

The Sharm El Sheikh [Implementation Plan](#) includes a clear reference to just transition resolving to implement ambitious, just, equitable and inclusive transitions to lower emission and climate-resilient development in line with

the Paris Agreement. It affirms that sustainable and just solutions to the climate crisis must be founded on meaningful and effective social dialogue and participation of all stakeholders and notes that the global transition to low emissions provides opportunities and challenges for sustainable economic development and poverty eradication. It also emphasizes that a just and equitable transition encompasses pathways that include energy, socioeconomic, workforce and other dimensions.

A work program, including a yearly ministerial meeting, was also decided to discuss about the necessary steps to achieve the Paris Agreement objectives.

- *Electric mobility*

We actively promote e-mobility as a key factor in reducing road transport emissions and contributing to the European Union's energy efficiency targets.

Mobility is a critical aspect of social inclusion and an important contributor to human well-being, especially for vulnerable groups.

Transport, recognized as an essential service in the European pillar of social rights, meets a fundamental need in enabling citizens to integrate into society and the labor market.

## Other multi-stakeholder initiatives

- *Just Transition Think Lab*

Among the main initiatives promoted by the Global Compact, the Think Lab, developed in collaboration with the International Labor Organization (ILO) and the International Trade Union Confederation (ITUC) brings together global leading companies on the topic, clarifying the strategic importance for the business to support and engage in a fair transition that leaves no one behind, examining challenges, opportunities and encouraging the sharing of best practices and joint policy-advocacy actions.

In 2022 we contributed to the development of the following business briefs:

1. [Introduction to Just Transition](#) – outlining the behaviors and priority actions for companies to undertake a right transition.
2. [Just Transition for Climate Adaptation](#) – exploring how mitigation and adaptation actions implemented by companies to address the risks and impacts of climate change must consider a fair and equitable approach from a social standpoint.
3. [Financing a Just Transition](#) – focused on the role of finance in promoting a fair transition. The report also includes two Enel case studies: SDG-Linked Bonds and Futur-E.

- *Business Commission to Tackle Inequality (BCTI)*

Promoted by the World Business Council for Sustainable Development (WBCSD), it brings together business leaders and key stakeholders with the aim of building a new common narrative on the role of companies in the fight against inequalities, raising the issue of inequality in business agendas and strategies.

We are part of both the Commissioners' group and of the following working groups: 1. Respect for human rights; 2. Access to essential products and services; 3. Diversity, equity and inclusion 4. Preparing people for the future of work. We also contributed to the launch of the introductory report "Tackling inequality: The need and opportunity for business action" and we are cooperating for the launch of the initiative Flagship Report, expected in late 2023.

- *CSR Europe Leaders Hub for an Inclusive Green Deal*

Selected group of CSR Europe members who have worked on identifying the actions and tools needed by companies to facilitate a fair transition in the context of the green and digital transformations. We have been involved both in the Steering Committee and in working groups on workforce, communities and consumers. A [Roadmap for a Just Transition](#) was presented during the European SDG Summit, with the aim of providing companies with a strategic direction to contribute substantially to a just transition.

The document contains three Enel case studies: Value 4 Disability, Soft Leadership and Re-generation. In the first months of 2023, a second document was also launched, the 'European Business Toolbox for Just Transition' which provides additional tools for integrating just transition into business strategies.

- *Solar stewardship initiative*

It is an initiative launched by the member-led association Solar Power Europe with the aim to ensure that solar products imported to our continent are not associated to human rights violations, as well as being aimed at enhancing the level of transparency, including a broader approach to sustainability, and therefore addressing the requirements that might be included in the upcoming European Union legislation.

## Tailored engagement activities

### Enel people | Playing a leading role in the transition

Listening and actively engaging the people working in Enel are core elements to foster their commitment and action on the strategy the Group is pursuing. Hereafter, the most relevant activities:

- *Enel Digital Days*

The format runs on a proprietary digital platform that includes live streaming and on-demand content, designed according to accessibility and inclusivity standards (voice over and sub-titles in the languages spoken in the organization<sup>(2)</sup>).

2022 edition: the narration hinged on the decade of electrification and the central role played by customers to achieve the transition, with focus areas on decarbonization and renewables, digitalization and data-driven, role of the distribution grids, energy communities. Contents are still available on-demand and the campaign achieved 36,000 unique users and 300,000 content views.

- *Strategic alignment tracking*

In 2021, we also launched a data-driven program to measure, on a rolling basis, how much the people working in our organization feel empowered to navigate through the transition, across strategic levers such as electrification of uses, acceleration of the decarbonization path, customer centricity and the new way of working.

- *Global Alliance for Sustainable Energy*

An independent global alliance, open to all actors recognizing the urgency of tackling the climate emergency according to 'just transition' principles and the need to promote and embed sustainability and social responsibility in the renewable energy industry.

The Alliance's initial efforts will focus on four key themes: net-zero & CO<sub>2</sub> footprint; circular design & economy; human rights; and water footprint. In addition to representatives of industry, industry associations, academia, the Global Alliance for Sustainable Energy<sup>(1)</sup> involves civil society and especially young people to accelerate the energy transition. An energy transition that is just and leaves no one behind.

Main objectives of the program are:

- keep track of the sentiment of our people about the company;
- understand their level of knowledge and engagement with respect to the key strategic pillars, as well as to specific projects developed to:
  - spread Enel's clean electrification pathway;
  - spread key notions around health, safety and well-being, diversity and inclusion, job opportunities, learning and development, listening and feedback, among others;
  - stimulate them to become 'enablers', like contributing to the SDGs, customer centricity, digitalization and data-driven culture, cybersecurity and data protection, technological innovation and circular economy;
- identify the communication channels that facilitate understanding of a topic;
- develop internal communication action/remediation plans on the topics/programs least understood;
- track results and effectiveness of actions implemented over time.

Overall population breaks down in 4 clusters, each representative of the composition of the full workforce by **gender, age, role, and seniority**, the survey is carried out 4 times a year (4 waves), and results are on an aggregate basis as well as per country. After each wave, results are analyzed jointly with countries/business lines/staff functions so as to define an immediate action plan, if necessary.

(1) Industrial members: 3M, Acciona, Adani renewables., EDP, Eletrobras, Enel Green Power, Goldwind, Iberdrola, JA Solar, Nordex, NTPC, Prysmian, Risen Energy, Trina Solar. Advisory members: European Space Agency, Global Solar Council, Global Wind Energy Council, Politecnico di Milano, Politecnico di Torino, Student Energy and Youth Climate Leaders. Supporting members: IRENA coalition for action

(2) 6 for the 2022 campaign and 5 for the 2022-2023 campaign as a result of the Group's exit from Russia.

In 2022, redemption was equal to 33.4%, higher than similar preceding surveys. Among the internal communication channels, the company intranet turns out to be the most effective means of communication.

In terms of reputation, perception is positive and generally higher than the average of other companies belonging to heterogeneous sectors (for example, telecommunications, financial) and with a perimeter comparable to the one of the Group (multinational companies).

Positive aspects concern the care given to the people working in the organization, who are rewarded equitably, the responsible and transparent conduct in communication and relations with the stakeholders, protection of environment and commitment to generate both environmental and social positive impacts. Among the aspects to work on further, the ability to offer increasingly accessible products and services. In addition, people working with us identify with the "Open Power for a Brighter Future" purpose, feel involved in the strategy, and actively promote it, both internally and externally, and would recommend Enel as a workplace.

## Suppliers | Thematic events

Suppliers are our partners in the sustainable growth path. We promote a cooperative joint effort to maximize the economic, productive, social and environmental advantages of the transition. We are committed to creating sustainable processes, both innovative and circular, that allow to better quantify, and then mitigate, total impacts they generate. We have in place thematic events concerning decarbonization, adopting circular business models, respecting human rights with the aim of sharing best practices and multi-stakeholder approaches in line with the international reference standards for a sustainable conduct.

## Communities | Ongoing dialogue

We collaborate with communities with the intent of identifying how we can work together for their socio-economic development, including fostering access to energy, fighting energy poverty, supporting quality education.

Activities include spreading the notion that a transition to green technologies to fight climate change is not just beneficial to the environment and the preservation of the related human rights but that it brings socio-economic development. Indeed, the creation of new jobs is estimated to outweigh the loss of fossil-fuel related ones,<sup>(3)</sup> and may represent a further tool to contribute to improving gender balance in the working environment as well as contributing to an improved quality of life.

(3) IEA, 2022 World Energy Outlook.

## Customers | Communication campaigns and international initiatives

### • Social media and website

We develop initiatives to raise public awareness on decarbonization and electrification of uses.

Worth mentioning:

- [#WattAChange](#), a campaign to highlight the importance of green technologies in the European energy context,
- the Enel website section dedicated to the strategic role of electricity in driving decarbonization and also enhanced through the social channels of the Enel Group (<https://www.enel.com/company/our-commitment/electricity-role-europe-decarbonization>).

### • Power2People

Power2People is a Eurelectric initiative aimed at fostering customers' engagement in actively taking part in the energy transition and how different actors in the new energy ecosystem can support them on this journey. We take part into this initiative as chair of the customers and new services working group.

Examples of facts-based actions to empower customers to utilize digital green technologies are:

- the publicly available study on the critical role heat-pumps play. On average, European households save 39% on their bills when switching from fossil fuel powered heating systems to electric heat pumps. In addition, they provide an up to 400% efficiency gain over comparable gas boilers when installed in properly insulated homes and the flexibility of the technology allows for their use in a variety of household settings, including in multifamily homes, or as part of district heating and cooling systems;
- the publicly available study on [smart thermostats](#), a relatively easy to use and implement technology which helps households and enterprises of all sizes improve their [energy efficiency](#) and optimize consumption without reducing user comfort and providing flexibility to the power system by adjusting consumption during peak periods. They can also provide consumers with an average of 10-15% of energy savings when connected to climate control devices like electric heat pumps or air conditioning units.

### • 15 Pledges to customers

15 Pledges to customers was launched in March 2020 by Eurelectric and co-signed by more than 90 European electricity retailers, supported by their National Associations, who have committed to accompany cit-

izens in the energy transition with the broad aim to ensure a future European electricity system that is sustainable, reliable and inclusive. By signing the pledge electricity suppliers commit to developing a range of solutions to make sure that everyone can benefit from [carbon neutral electric solutions](#) and to facilitate the adoption of [electro-mobility](#), energy efficiency services and renewable generation. The scope of the initiative also included understanding the key barriers prevent-

ing consumers from engaging in the energy transition by identifying common trends and local differences across nine countries (Ireland, Norway, Netherlands, Italy, Spain, Portugal, Germany, Czech Republic and Poland) involved in the joint collaboration effort with Eurelectric and Accenture through their national associations representing the electricity industry. For further details, please refer to "[Customers | Empowering the transition](#)", in the "Transition in" section of this chapter.