

Our strategy and our commitment for a just transition



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“ Respecting Human Rights is a fundamental element to empower sustainable progress.

We promote the growth of a **constructive dialogue** that can really help – in an effective way – **with tackling the challenges brought by the social impacts of decarbonization strategies in line with the Paris Agreement, and we have committed to a just transition that does not leave anyone behind.**

Continuous innovation and embedding of circularity principles are also cornerstones for building a competitive, inclusive and sustainable business model. Indeed, a sustainable business conduct based on international reference standards **is key to unlock multiple competitive advantages, such as increasing talent attraction & retention, strengthening corporate resilience, meeting customers & civil society expectations, improving access to stock & capital markets, shaping regulation & promoting system advocacy.**”

Every day we work for an inclusive transition by leveraging engagement of our stakeholders (Enel people, suppliers and financial and commercial partners, communities in the areas of influence of our operations, our customers, the financial community) since we are aware that we belong to the territory and we are an essential element in the lives of people, business and society at large.

Our contribution to an affordable, secure and sustainable energy system goes through accelerating **decarbonization of our energy production mix**, in line with the Paris Agreement targets, thanks to the development of **renewable capacity**, coupled with energy storage, and the pro-

gressive phase-out of thermal generation sources. At the same time, we are strengthening the role of **distribution networks**, which in the future, due to the combination of greater use of electricity and greater diffusion of green technologies, will have to be increasingly reliable and digitalized in order to act as inclusive platforms for all our **customers** with whom our challenge will be to facilitate their switch to electricity for all uses and to new highly-digital services.

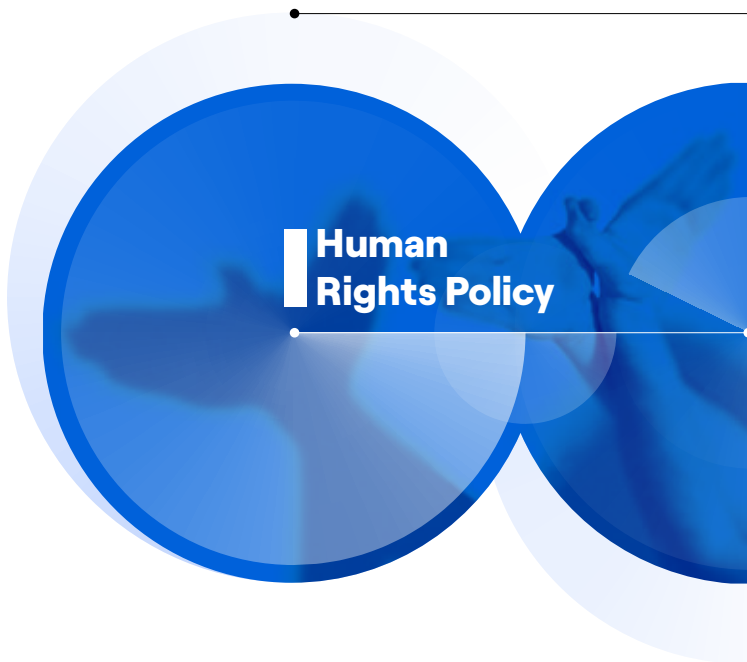
All of this while leveraging **innovation** and **circular economy** which act as accelerators of this path since they reduce pressure on materials and technologies critical to the achievement of our goals as well as making it possible for

business models to evolve in an even more sustainable direction.

Further information is available at [“Our strategy for sustainable progress”](#).

We fully support the principles of a just transition, as outlined in the **International Labour Organization (ILO) Just**

Transition Guidelines, so that no one is left behind, and we are aware of the social impact of our decarbonization strategy, which is **in line with the Paris Agreement**, and that we manage by taking into account our overall commitment in terms of respecting human rights throughout the value chain, as also set out in our Human Rights Policy which states that:



“ A fair and inclusive transition does not leave anyone behind and takes into account the needs of all the stakeholders, and, specifically, the most vulnerable ones.

To this end we:

- proactively consider the needs and priorities of people and wider society because this leads to process and product innovation which is key for a competitive, inclusive and sustainable business model, including the adoption of circularity principles, protection of natural capital and of biodiversity;
- promote the involvement of the main external and internal stakeholders to enhance awareness and develop a constructive dialogue that can provide a valuable contribution to the creation of solutions that mitigate climate change. ”

(Enel's commitment to respecting human rights)

At the heart of our strategy is our contribution to building a fairer and more inclusive society across the whole value chain, since we believe that our integrated business model coupled with a sustainable business conduct enables contribution to the 2030 Agenda.

In 2019, we signed the **United Nations Pledge Letter on business commitment to a just transition and green, decent jobs** and we have committed to:

- [promoting multi-stakeholder engagement and social dialogue with institutions, workers' and their representatives](#), respecting workers' rights, encouraging social protection (including pensions and health care), and providing wage guarantees, in line with the core and occupational health and safety standards of the International Labor Organization (ILO);
- [working with existing and new suppliers that respect these standards](#), supporting them to increase their resilience in a transitioning economy, while advocating and acting for diversification of the supply chain of technologies critical to net zero achievement;
- [contributing to the social and economic development](#)

[of local communities](#), particularly so in the case of those most exposed to the transition out from fossil fuels and into green technologies;

- [supporting customers in their electrification journey while at the same time allowing for an affordable, secure and green access to energy.](#)

During the United Nations Framework Convention on Climate Change – COP27, we signed jointly with other 270 corporates and civil society leaders, a declaration reciting **“We stand ready to deliver a just transition and an equitable and inclusive future for all. We want to work with governments in building an enduring legacy based on our collective efforts to secure 1,5 °C”**.

We have therefore defined specific plans and lines of work for a just transition, also at country level, consistently with the Group's strategy to decarbonize its generation capacity, with the objectives of the Paris Agreement, with the principles of the ILO's Just Transition Guidelines and the UN pledge, as well as with the public commitments outlined in our human rights policy.

The plan hinges on three pillars:

- **involving** internal and external stakeholders to increase their awareness about a just transition and foster a constructive dialogue that can contribute valuably;
- **transition out** of high carbon activities, supporting the vocational requalification of direct and indirect workers, developing socio-economic plans for affected commu-

nities and helping customers to quit conventional technologies;

- **transition into** green technologies, facilitating access to new job opportunities for direct and indirect workers, and the development of inclusive and accessible solutions for communities and customers.

Our plan and our lines of work for a just transition

