

## Transition in

The 'green transition' is the combination between technological innovation and actions aimed at a sustainable economic growth that fosters the transition from a system based on polluting energy sources to a virtuous model centered on green sources and social development at the same time.

This transition couples with a digital one, which initially started for operating efficiency reasons and then transformed into a driving force for innovating traditional business models.

## Enel people | Lifelong learning

The rapid and continuous evolution of the business and the support to a fair transition strategy towards low carbon technologies and services entail the need for new technical and professional profiles and the awareness that some jobs will disappear. This context prompts for an ongoing training activity accompanying people throughout their personal and professional life in a sort of "circular path", starting from school up to when the working activity ends and returning consolidated knowledge to new generations and to the ecosystem will be key.

Similarly to 'transition out', however, the path to a 'green' and digital future must also be led in an inclusive way to enable all stakeholders to seize its opportunities and manage the risks involved. Like actions to promote requalification, vocational training, and self-learning, in the case of direct and indirect workers, support for business diversification and increased resilience for supply chain companies, as well as generation of value for communities, through access to local job opportunities, and facilitating access to products and services for customers.

**Empowerment** becomes therefore crucial to evolve culturally, because it allows to fully involve people, motivating them to express their potential, while at the same time providing them with opportunities for personal and professional development, and contributing to create conditions of well-being, motivation, responsibility and participation that will enable the achievement of strategic objectives.

Among the initiatives implemented:

- retraining and professional updating, up/reskilling, self-learning and knowledge transfer. Our business lines

Schools & Academies have organized existing skills improvement programs to allow participants to access more advanced career paths (upskilling) and to learn new skills (reskilling) to hold different positions and roles, also through the enhancement of soft and transversal skills. Such programs have been realized also in collaboration with university and academic partners;

- support for the dissemination of the digital culture and the utilization of digital media;
- promotion of women's presence in STEM (Science, Technology, Engineering, Mathematics) classes and jobs. We collaborate with schools, universities, and institutions to overcome gender stereotypes and spread the importance of an increasingly integrated technical-scientific culture and humanistic dimension. These STEM awareness and orientation initiatives involved nearly 10,000 high school students in 2022 (over 30,000 students in the last 6 years);
- career counseling: conversations on specific topics to increase awareness of third- and fourth-year high-school students when choosing what to study and which job to look for, together with shadowing meetings, i.e., working days spent alongside a professional to begin to understand how the working environment works and

what is the language used, and the opportunities offered by STEM courses. For more details please refer to the chapter "Empowering Enel people".

## Enel people

**96%** of population involved in training

**> 3.1** million hours of training (**>47 average hours per capita**), of which over **42%** dedicated to upskilling and reskilling

**430** thousand hours of training dedicated to **digital skills (14%** of the overall training hours)

## Suppliers | Supporting change

Suppliers are an essential partner in the journey to decarbonization.

In this sense, the actions we have in place aim, on the one hand, at supporting their increased resilience and, on the other, to minimize pressure on critical materials and components through continued technology innovation and recycling.

That is why we work jointly with them to develop new performance metrics and to promote co-innovation projects to support decarbonization and circular economy approaches, that will all have positive impacts on their production processes and on the purchasing methods.

Among such initiatives:

- we set increasingly challenging emission targets in tender processes that also factor in the contribution of innovation. These targets are shared with our suppliers and are in line with a 1.5° roadmap;
- we promote a circular supply approach through the adoption of various initiatives and mechanisms that allow us to quantify, certify and communicate objectively the environmental impacts generated throughout the

life cycle of the supplies (for core categories<sup>(5)</sup> we require the Environmental Product Declaration<sup>(6)</sup> – EPD)

- we require information about the country of origin and the quantities of each material composing the product, including recycled and recyclable material. This allows us to reward suppliers based on their recycling capabilities thus stimulating a circular culture and meeting the increasing demand for supply chain transparency and traceability aimed at minimizing potential ESG impacts of some products production processes in terms of human rights violations, bribery, water use, air pollution, CO<sub>2</sub> emissions and loss of biodiversity.

We have also worked on several initiatives to walk the talk in terms of supporting business reconversion and diversification:

- Supplier Development Program, initially launched in Italy (where it is currently open to over 6,000 suppliers) and being extended to other countries of presence, which places a specific focus on SMEs operating in strategic sectors that will benefit from our direct support for an easier access to services such as liquidi-

(5) Core categories are the ones strategic for the business, and include wind turbines, smart meters, photovoltaics, transformers, street lighting, smart home solutions, storage systems.

(6) Document describing the environmental impacts related to the production of a specific quantity of product or service: for example energy consumption and raw materials, waste production, emissions into the atmosphere and discharges into water bodies.

ty sources, management and technical training programs to encourage their business requalification to serve the energy transition, advice on sustainability, circular economy, strategy, M&A and internationalization, access to catalogues of means of transport and work machines, certificates;

- “Sportello imprese” (business counter), which consists in meeting periodically with companies belonging to the traditional energy production sector to support their growth and requalification in areas such as renewables or new services related to energy efficiency;
- courses focusing on the reskilling/ upskilling of workers connected to jobs that risk disappearing, on fostering entrepreneurship and strengthening the Italian productive and economic fabric, such as:
  - Digital Management Program: an initiative aimed at stimulating and encouraging businesses digital development. Our Digital Innovation Hub of Lazio has collaborated to developing a project of consolidation and growth of managerial skills of leading companies in the region. The training, that took place in 2022, was held after an initial stage of assessment instrumental to raise awareness about digital skills and improving them. The project has then given rise to the Digital Management Program which, in 2022, involved 20 companies of the local territory for a total of 24 hours of training provided by Luiss Business School;
  - courses for photovoltaic panel installers: during 2022, we launched the initiative also in Brindisi. It aims at requalifying local suppliers training them so that they can work in solar photovoltaic plants building sites. This activity builds on what was done in 2021 for Civitavecchia and Montalto di Castro suppliers involved in the Alto Lazio energy transition and that have decided to requalify their business in order to be able to work in the renewables field;

- “Energie per Crescere” (Energy for Growth), a program launched at the end of 2021 with the aim of training about 8,200 new technicians, including 5,500 by 2023, creating highly requested professional profiles in the electricity sector (cable pullers, cable splicers, substations assemblers, live-line workers) to be hired by Enel grids partner companies; the remaining 2,700 technicians will be trained and hired by 2025 and the training will focus on renewable profiles for partner companies (electrical specialists, junior site managers, civil-mechanical specialists). During 2022, some 2,100 new technicians were trained and recruited from grids suppliers;
- “Energie per la Scuola”, a program for final year students attending technical and vocational schools with the aim of training them for the ‘most wanted’ roles in the electricity sector so that, after graduation, they can be hired by Enel’s suppliers. The first edition of the program (school year 2020/2021) involved 11 schools, 8 suppliers of e-distribuzione and a total of some 100 students who were all hired by Enel’s suppliers at the end of the training. The second edition, aimed at 2022/2023 school year students, is currently underway and it involves over 60 schools and some 500 students.

For full details, please refer to [“Sustainable supply chain”](#).

Moreover, also in 2022 we have promoted employment stability in Italy thanks to the application of the so-called “social clause” in our purchasing procedures. Such clause mandates a supplier taking over another in the provision of the same service to ensure continuation of the employment of the persons employed by the former supplier. This allowed 3,700 people to keep their job.

Our efforts also go in the direction of supporting a greater diversification of the supply chain of key technologies for the transition, like for solar PV.

This is the case of [3SUN](#), our PV modules producing factory in Catania, Sicily which is a European leader in the manufacturing of innovative bifacial cells and panels.

The planned capacity expansion (from the current 200 MW to roughly 3,000 MW per year by 2024) will involve an investment of around 600 million euros and the creation of direct and indirect jobs.

For further details, please refer to "[Clean electrification](#)".

## Suppliers

**8,200** people involved in training aimed at new technical profiles to be hired in supply chain companies

**5,500** people for grids, of which 2,100 have been already trained and employed (full achievement by 2023)

**2,700** people for renewables (full achievement by 2025)

## Communities | Creating shared value

Our commitment to support communities goes through initiatives that promote inclusion (with particular attention to people in conditions of physical, social and economic vulnerability) both in terms of access to local working opportunities and to facilitating access to products and services.

These initiatives, as specified in the chapter "[Engaging communities](#)", are the result of solid and lasting relationships that include a broad, inclusive and continuous dialogue based on clearly defined phases of "Stakeholder engagement" in line with international reference standards.

We have, for example, put in place many projects focusing on digitalization to support connectivity in rural areas, computer literacy, as well as to encourage the participation of women in STEM subjects. These include the following:

- Lethbridge College (Alberta, Canada) - partnership for wind engineers

Support to the training program for wind turbine engineers and involvement of students belonging to the Piikani Nation community (indigenous population of the Alberta region, Canada).

The partnership creates opportunities for STEM education and access to the world of work for indigenous and other students living in the areas of influence of several of our wind farms in the southern part of the province.

- Ruta Pehuenche (Maule Region, Chile) - program for the growth of local small entrepreneurs

Engagement with the local community of the area of influence where the construction of the Los Cóndores hydroelectric plant is underway has generated educational and working opportunities, with the birth of a micro-entrepreneurial fabric led by women.

The project was born with the twofold objective of promoting the economic growth of the whole community, through training courses, and improving living conditions, thanks to the use of environmentally friendly technologies for water supply, for the cultivation of food, for the construction of housing, for access to energy and for sanitary facilities. In the four years since the start, more than 80 participants attended the courses, including 70 women.

- È viva la scuola, Helpcode (Italy)

In partnership with Helpcode, the project aims at supporting educational institutions in their activities, by integrating training contents and strengthening curricular teaching, with the additional aim of increasing the awareness of children on issues of topical importance for Enel such as the energy transition, digitalization and human rights. The project also provides specific training for teachers.

For more details, please refer to "[Sustainability projects and initiatives](#)" in the chapter "[Engaging communities](#)".

## Communities

**2,300** socio-economic development projects

**3.7 million people<sup>(1)</sup>** having benefited from inclusive and equitable quality education (SDG 4)

**4.9 million people<sup>(2)</sup>** eligible for sustained, inclusive and sustainable economic growth (SDG 8)

- (1) 2015–2022 cumulated data of total SDG 4 beneficiaries.  
(2) 2015–2022 cumulated data of total SDG 8 beneficiaries.

## Customers | Empowering the transition

Energy and digital technologies are key enablers for empowering consumers through new services, better insights and more control.

The first stone that must be laid is a smart meter. This is a piece of technology that allows customers to access their own consumption data more easily, increasing awareness of their energy use habits and encouraging behaviors that are more efficient and sustainable.

It also enables personalized electricity rates that are better suited to different consumer habits, with dynamic and highly flexible pricing.

Recently improved technology also makes it possible to integrate energy consumption monitoring with smart home management systems for electrical appliances, boilers, air conditioners and lights. Finally, it facilitates real time monitoring of self-produced energy from users' own distributed generation systems, like photovoltaics and or batteries.

The second step is putting the increasing number of connected home devices (home appliances, mobile technology, heat pumps and EVs) to the best to manage energy use. Energy suppliers and service providers can help consumers use the power of new technology by designing easy-to-use services and offers that reduce complexity and costs while increasing control and gaining new revenues (sale of the excess self-produced electricity or of unutilized available power capacity) and keeping technology innovation and evolution always in the radar to always provide the most effective and relevant solutions.

Affordability of green technologies whether EVs, solar PVs, batteries or heat pumps is a relevant barrier, especially for low-income and vulnerable customers who are already affected by a low spending capacity for primary energy uses and who might be the ones to benefit the most from adopting them.

The enormous amount of data created by the growing role of connected devices offers a great opportunity to engage customers in the transition with tailored solutions but data security and privacy shall be preserved and transparency about how data is being used and shared must also be ensured with simple terms and conditions. For further details, please refer to "[Clean electrification](#)" and "[Managing human rights](#)" chapters.

## Customers

Sold

**>70,000** smart home products

**>5,000** photovoltaic products

**approx 90 MW** of capacity through solutions for renewable energy self-production