Eni and the people-centred transition

Focus report on Just Transition initiatives for workers, suppliers, communities and consumers





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Consumers

Stakeholder engagement. Eni considers dialogue and the direct involvement of all stakeholders as an essential element of its work. Eni and Plenitude have identified the following Stakeholders they con-

stantly engage with in order to promote actions leading to support a just and sustainable transition: Consumer Associations, Institutions and customers themselves (with a focus on spreading the culture of sustainable energy usage). Numerous meetings and workshops are held with Presidents, General Secretaries and Energy Managers of the national and local Consumer Associations on sustainability issues.

Prosumer Road	A workshop in stages, at Eni's operating sites in Ravenna, Taranto, Porto Marghera, San Donato, Crescentino, Mantova and Matera (in 2022), which aims to activate a debate between the various parts of civil and productive society such as consumer associations, Confindustria, institutions and the academics to contribute on the solutions available and the short and medium term prospects in the places of energy production and research and development, also in consideration of the constantly evolving geopolitical context.
Circular Lab	An initiative launched in 2019 through the involvement of national representatives of Consumer Associations, the Scuola Superiore Sant'Anna in Pisa and Eni colleagues from the various business units to gather ideas on the theme of the circular economy, with the aim of implementing concrete projects. One of the most important results was the drafting of the "Circular Consumption Charter", signed for the first time in Italy by all the Consumer Associations and presented in 2021 at an event attended by Eni's CEO and important representatives of the institutions, academia and business.
Conciliazione Paritetica (Joint Conciliation System)	In compliance with the standards defined by the relevant Regulatory Authority (ARERA) on non-compliance with quality levels (which entails compensation to end customers of automatic reimbursement), Plenitude has implemented a Joint Conciliation system (Conciliazione Paritetica), an out-of-court resolution procedure for disputes between the Company and customers, compliant with the Alternative Dispute Resolution method. The procedure can be activated via a simple online application in reference to disputes arising from complaints relating to the sale and distribution of natural gas and electricity.



Power

Gas

In the rest of this chapter we will focus in particular on the activities of Eni Plenitude SpA Società Benefit⁵ (100% Eni) present in four continents with over 2,000 employees and operating in the production of renewable energy, in the sale of electricity, natural gas and energy solutions to families, condominiums and businesses and in electric mobility, through a large network of charging points for electric vehicles.

The "Renewables" business area involves the production and sale of energy from renewable sources, mainly wind power for 53% of the installed capacity, photovoltaic for 46% of the installed capacity and 1% of storage. Energy from renewable sources is produced by owned or managed dedicated infrastructures, including strategic joint ventures. At June 30th 2022, renewable energy plants in operation with an installed capacity of 1.5 GW⁶, with a target to exceed 6 GW

of installed capacity by 2025 and 15 GW by 2030.

The "Retail" business deals with the purchase and sale of gas and electricity to approximately 10 million residential and business customers. Currently, 65% of customers are buying natural gas, however the ambition is to increase the market share of electricity. Plenitude plans to further increase its customer base to 15 million by 2030.

Moreover, the **e-mobility business** area offers charging services for electric vehicles through its subsidiary BePower and the Be Charge brand, with over 12,000 public access charging points (November 2022) installed throughout Italy, with a presence also in Eni's service stations. The company is one of the few European integrated operators across the entire value chain and is active in 9 European Countries. Plenitude is committed to increasing the capillarity of its charging stations throughout the territory and to increasingly focus on high and very high power charging up to 400kW. Huge investments are in fact planned over the next few years, with the aim of reaching over 30,000 recharging points installed in 2025 and 35,000 by 2030. In the B2B segment, the Company offers integrated recharging solutions that meet any market need (company fleet recharging, ho.re.ca segment, dealers, condominiums).

In 2021, Plenitude has set out a decarbonization strategy with the purpose of achieving carbon neutrality Scope 1,2 and 3 emissions by 2040.

Decarbonization products and servic-

es. Plenitude's commitment to its decarbonization journey aims at developing and delivering an offer that supports customers in their energy transition, for the benefit of the whole community, in line with the Company Bylaws.

Part of the electricity supplied by Plenitude is certified through guarantees of european origin as put into the grid and produced by plants powered by 100% renewable sources?. In 2021, out of a total of 16.49 TWh of electricity supplied to the retail market in Europe⁸, about 7 TWh of electricity have been certified through

guarantees of origin⁹. By the end of 2022, Plenitude will cover the whole residential customers' electricity demand through electricity certified by guarantees of European origin¹⁰, while for business customers the aim is to achieve the supply of certified electricity by 2030.

Since 2021, for residential customers in Italy subscribing a Plenitude's contract for the supply of natural gas – among those which includes the offsetting of CO₂ emissions - it is provided that 100% of the CO2 emissions related to the combustion of natural gas¹² subject of the offer will be offset through the purchase of carbon credits generated by projects aimed at reducing or avoiding the release of greenhouse gases into the atmosphere. These projects, certified by third-party bodies (e.g. VERRA) are aligned with the main international standards that ensure the reduction of emissions through the generation of carbon credits. In particular, by signing the above-mentioned contracts, customers virtually adhere to financing REDD+ (Reducing Emissions from Deforestation and Forest Degradation) projects. The aim is to offset emissions equal to more than 1 billion cubic meters of natural gas every year, through the adoption of this system by 2025.

In addition to offsetting emissions, Plenitude plans to expand its commercial proposal by introducing the use of biomethane and hydrogen produced from renewable sources. The integration will be gradual, through the introduction of biomethane starting from 2026 and of hydrogen from 2030, prior favorable market and technological conditions and will be completed - according to the Company's estimates - by 2040 for the entire customer base.

E-Mobility Plenitude, through the subsidiary BePower, and the Be Charge brand, is one of the main operators in Italy with one of the most widespread public charging networks for electric vehicles, with over 12,000 charging points installed throughout Italy, as of November 2022, covering 98% of the provinces. Plenitude is committed to expanding the coverage of the charging stations on the territory. In the next few years substantial investments are foreseen, with the aim of reaching 30,000 charging points installed in 2025 and 35,000 in 2030.

5 Benefit Companies represent an evolution of the company concept, pursuing, alongside the profit objective, the aim of having a positive impact on society, communities, people and on the environ-

ment, creating shared value not only for shareholders, but also for the community and ecosystems. 6 Eni: results for the second quarter and half year 2022: https://www.eni.com/assets/documents/press-release/migrated/2022-en/07/eni-second-quarter-2022-ceo-claudio-descalzi-comments-

results.pdf (pag. 11)
7 The electricity consumed by residential customers does not come directly from a renewable electricity generation plant. Instead, Plenitude acquires the Guarantees of Origin from third party

renewable energy producers to certify that electricity produced from renewable sources has been generated in a quantity that equals to the customer's annual consumption. 8 <u>Reference: 'Annual Report Eni 2021 (page 86).</u>

⁹ Reference: presentation Plenitude Deep Dive (page 58) available at the following link: <u>https://eniplenitude.com/ipo</u>

¹⁰ Thanks to this mechanism, Plenitude offsets emissions caused by domestic combustion by retail customers which constitute the indirect emissions produced downstream in the value chain using the products and services sold, which are included in the emissions identified as 'Scope 3'.





Energy Demand Side Management. The efficient management of energy demand and consumption is a fundamental aspect of the energy transition. Plenitude has implemented a growth plan which - thanks to the acquisition of three important players (Evolvere, Sea, Enera) and the collaboration with more than 20 business partners - has enabled the development of a wide range of energy efficiency solutions available in the different Countries in which the "Retail" business area operates.

CappottoMio*	A product for residential customers in the Italian market, solutions for the energy requalification and anti-seismic reinforcement of both condominiums and single-family buildings. This solution, which is eligible for the current tax incentives related to energy or seismic class improvements, entails the implementation of different types of intervention, such as: thermal insulation of façades and roofs with 'external cladding' systems, in compliance with CAM requirements, the certification which requires the use of materials containing a minimum percentage of recycled materials; requalification or replacement of thermal facilities with "hybrid" systems consisting of a heat pump integrated with a condensing thermal module or only with condensing boilers, whether centralized or autonomous; replacement of window fixtures; anti-seismic reinforcement; installation of PV and storage systems; installation of facilities for the electric recharging of vehicles. The creation of a thermal insulation of the building envelope, for example, can reduce heat loss between 40%-50%, generating energy consumption savings between 30% and 50% ¹¹ . This also allows customers to immediately being able to benefit from the tax deduction.
Energy Performance Contract*	Interventions of energy efficiency upgrades and requalification for industrial Customers such as large enterprises and SMEs carried out by Plenitude by means of the activity of its subsidiary SEA through the subscription to the Energy Performance Contract (EPC). The services provided under EPC contracts include the energy analysis of plants, and the identification of innovative solutions for the efficiency of plants to achieve actual energy savings (i.e., the replacement of lighting elements with high-efficiency LED systems and the optimization of thermal power station management and air conditioning systems also through BEMS systems). Through the same contractual arrangement SEA offers to companies the implementation of interventions that are functional for enabling energy production from renewable sources. SEA and Plenitude fully bear the investment and management costs. For the entire duration of the contract, the customer pays Plenitude a part of the energy savings generated by the efficiency measures.
	Plenitude EPC formula was also adopted with success even in the sport sector and in particular in the amateur one, for the energy requalifi- cation of fields and sport club buildings (e.g., the replacement of lighting systems with high efficiency LED), nursing homes for elderly and large-scale distributor (e.g. photovoltaic, replacement of lighting and air conditioning systems). These are sectors where the EPC, in addition to an indirect contribution to the emissions reduction due to lower consumption, leads also to an indirect improvement in people's comfort.
Renewable Energy Communities (RECs)	RECs are based on the collaboration between several actors to produce, self-consume, and share photovoltaic energy through the public distribution network. They are supported by an incentive tariff and encourage people to take part to self-production initiatives even without being the owner of a roof or making investments, but simply by adhering to the community. This stimulates the installation of new photovoltaic power and the local use of the energy thus produced, with a double environmental benefit. Plenitude aspires not only to supply technology but also to carry out the design and management phases of the RECs, supporting them throughout the whole lifecycle. To this purpose, Plenitude has been monitoring for over three years the regulatory path (which has not yet been finalized) that is leading to the development of communities in Italy. The company has already signed two memorandums of understanding, one with a group of municipalities in the south-east of Milan, and one with the municipality of Sante Marie (AQ).

 \star In 2021 about 21,500 tons of CO_2eq avoided thanks to the interventions carried out.

EVOLV (Plenit subsid	tude	Sales, installation, management, and monitoring services for photovoltaic systems directly to end customers, who thus become prosu- mers , meaning consumers who also produce renewable energy on their own and share it with others. In 2021, the plants owned and managed by Evolvere produced 69.5 GWh of electricity with a total installed capacity of 58.1 MW ¹² .
Renew	able energy	Main product "Sempre Tuo" : photovoltaic system with energy storage. This product allows you to access the tax deduction of 50% on the total price; other products "Sempre": storage system for prosumers who already have their own photovoltaic system; "Sereno" the service for monitoring and managing the photovoltaic system.
Energy Solutio	y Efficiency ons	"Eugenio" product, smart energy ecosystem: it communicates with associated sensors / actuators and via home internet connection sends data to the cloud, on smartphone with App. It allows monitoring / management of photovoltaic systems, storage and energy flows.
Prosur Comm	mers - Digital unity	"My Solar Family" , the digital community of Evolvere. Through its APP and its website it responds to the support needs of owners of small photovoltaic systems (more than 100,000 subscribers/prosumers).

11 Source: ENEA

² For details of the installed capacity of owned and managed plants and the related electricity produced, please refer to the Evolvere Impact Report on pages 21 and 22: https://www.evolvere.com/ application/files/8516/5761/7726/Evolvere_Relazione_di_impatto_2021.pdf



High efficiency products and services for heating and cooling with advantageous conditions. Plenitude has in its portfolio products and services for heating and air conditioning (heat pumps, water heaters and heat pump air conditioners) with high energy efficiency that allow customers to benefit from the tax advantages provided by law (65% or 50% of the cost) and access a loan for the remaining parts (35% or 50%) at advantageous conditions negotiated with the main consumer credit companies for a duration of up to 60 months. The products sold by Plenitude are all highly energy efficient. For example, the condensing boilers allow a consumption saving of 30%¹³ and are supplied with IoT technology for management via APP to optimize awareness in use, efficiency and comfort. Plenitude's offers include a turn-key service, to support the customer from a personalized quote to installation and disposal of the old appliance.

Support to the most vulnerable customers. The company takes action to support financially vulnerable customers, with specific focus on young people.

FOCUS

Youth Card. Plenitude became part of the first 50 partner companies of the National Youth Card. National Youth Card is an initiative of the Presidency of Council of Ministers - Department for Youth Policies and the Universal Civil Service for Italian and European boys and girls living in Italy between 18 and 35 years old. It is a virtual card that allows to access reductions and discounts for goods and services. In particular Plenitude offers to its members: 1) electricity and/or gas supply at advantageous rates which also includes electricity produced from renewable sources covered by guarantee of origins included in the price and gas with CO2 offset; 2) a 15% discount on charges made through the Be Charge app on the Be Charge network.

Among the measures adopted towards its customers to support the possible impacts deriving from the energy transition process (for example a possible higher cost of CO₂ emissions introduced with the European ETS system), Plenitude ensures particular attention to customers in difficulty to allow payment of invoices with customized installment forms according to the specific needs of the individual, supplementary to the provisions of the sector regulations.

Advocacy for the just transition. Plenitude promotes the protection of socially and economically vulnerable Customers also in the relations with Competent Authorities.

EXAMPLES OF INITIATIVES RELATED TO REGULATORY AFFAIRS COMMITMENT

Social tariff and overcoming tariff protection	Proposal activity to the competent authorities regarding the protection of socially and economically vulnerable customers. The institutional orientation of protecting customers who are vulnerable, including through tariffs, can usefully be accompanied by the overcoming of tariff protection for the remaining customers. In our opinion, the assignment of the sales service to customers who have not emerged from the greater electrical protection can take place with a price increase tender procedure. The revenue from the allocation procedure should be used to finance a fund for interventions in favor of vulnerable customers and to contribute to the instruments against energy poverty. Civil customers, even non-vulnerable ones, would have, at the end of the tender, the guarantee of the continuity of economic conditions aligned with those of protection without effects on prices and services guaranteed to end customers.
Energy efficiency policies in favor of those who are vulnerable	Proposal to encourage the dissemination of efficient technologies and good practices also towards vulnerable subjects, using existing incentive systems, including Energy Efficiency Certificates (White Certificates). To this end, the simplification and standardization of this system and the extension of the incentive mechanism to all the savings achieved and not just to the additional ones (i.e. exceeding normal market technologies) is desirable.
Renewable Energy Communities (RECs)	Plenitude hopes an expansion of the participation in the energy community of all companies, without dimensional limits and regardless of the activity carried out; the overcoming of the constraints of availability / ownership of the plants in the hands of the RECs; the upda- ting and evolution of incentive mechanisms, to make them consistent with the changed reference context.





Spreading the culture of sustainable energy usage. It is an objective that Plenitude has included in its Bylaws as one of its common benefit purposes. To this end, in 2021, Plenitude has organized several communication activities and has produced

special contents dedicated to the efficient energy usage. These initiatives are mostly addressed to Customers and its people.

EXAMPLES: A DEDICATED SECTION ON ITS WEBSITE THROUGH WHICH EACH MONTH IT PUBLISHES ALL THE NEWS RE-LATED TO THE ENERGY WORLD¹⁴.

Collaboration with K Magazine: dedicated articles¹⁵, the podcast "Match" where young people belonging to Generation Z enter into contact and dialogue with professionals from different fields, making them explain the relationship between their fields of expertise (such as tourism, food, etc.) and sustainability.

Collaboration with AGI, Agenzia Giornalistica Italiana (Italian Journalistic Agency): Vitamina E¹⁶, an initiative that sheds light on the most important energy efficiency projects carried out by Plenitude. Short articles, videos and podcasts dedicated to the topic have been published on the AGI website and they have been read by 50,000 users, reaching 1 million impressions¹⁷.

Collaboration with II Sole 24 ore Redazione Radiocor. The purpose of the initiative is to facilitate the readers' understanding of topics linked to energy efficiency and, more specifically, to Superbonus, regulated by the 2020 Decreto Rilancio (i.e., Relaunch Decree), through the publication of a weekly article for ten weeks, which can be read on the web page of II Sole 24 ore¹⁸. The initiative has been a success, generating more than 3 million impressions.

Plenitude has also launched on Facebook, Instagram, and YouTube channels, a "sitcom-style" format dedicated to energy saving entitled "Smart Conversation" based on hypothetical conversations between household appliances and their users. Conversations show non-responsible energy behavior and suggest positive solutions to make their homes more efficient thanks to Plenitude's offers: from photovoltaic, to thermal insulation, to LED bulbs up to smart home solutions.

Plenitude together with Be Power, has created, in collaboration with RCS, the "Silent Itineraries" project. Together with the magazine DOVE and the online newspaper OPEN, Plenitude has created a series of contents that show itineraries that can be driven onboard a 100% electric vehicle, thanks to the widespread presence of Be Charge recharging stations¹⁹ throughout the territory.

The spread of the culture of energy usage also takes place through various sponsorships.

Sponsorship Project "Bella Family" (Confconsumatori) - The project, scheduled for the school year 2022-2023, stems from the need to make the new generations responsible for the importance of adopting "smart" behaviors in the family, namely oriented towards the digitalization of services and greater sustainability of consumption choices, in order to obtain not only savings in economic and time terms, but also a lower impact on the environment. Plenitude took part in the first edition of the "Sustainability Village", a real village that from 3 to 6 May 2022 hosted conferences, debates, theatral performances, as well as an area set up with booths where it was possible to exhibit and present to the public good practices and initiatives in terms of sustainability. The Village was the final moment of the national project "Sustainable for us too", financed by the Ministry of Labor and Social Policies and coordinated by Adiconsum with the aim of promoting a culture of sustainability in all areas. Plenitude was present with two booths: one for the activities of the BeCharge (E-mobility) company, the other for the company Evolvere (Distributed generation).

- 14 Initiative available at the following link: Energie intelligenti, Novità e Notizie sull'energia | Eni Plenitude
- Articles available at the following link: https://kmagazine.it/it/Eni-progetto-futuro/ 15
- 16 Initiative available at the following link: Vitamina E | Agenzia Giornalistica Italia | AGI
- 17
- 18
- An impression is the visualization of a web page by an Internet user. Initiative available at the following link: <u>Focus superbonus II Sole 24 ORE</u> Initiative available at the following link: <u>Olio, ceramiche e teatro: viaggio ecosostenibile in Umbria, cuore verde d'Italia Open</u>

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