
***European Works Council and
Global Works Council ENEL***

Report by Antonio Losetti

Why did the EWC ENEL

- Italian Laws, after EU electricity market liberalization, decreed that ENEL had to sell off part of its capacity as well as electricity distribution systems in metropolitan areas.
- ENEL decided to invest in Europe to enlarge its business.
- As Multinational Company most of decisions about workers are made by Directions outside of the Countries where they work.
- Italian Unions, with other involved EU Unions, to avoid misunderstandings and conflicts among workers in different Countries, considered worthwhile to integrate, at EU level, Company's decisions with interlocution levels and workers interests.
- They decide to affect EU directive n.45/1994 and to start negotiations to constitute EWC

L' EWC ENEL

- ENEL EWC agreement was signed in 2008 among ENEL and Unions from Italy, Romania, Slovakia and Bulgaria assisted by EPSU and EMEF.
- Main problems: number of members, EWC role and tasks (before the EU specifications in 2011).
- 3 years duration, renewed in 2011 according to the new EU directive. Difficulties in defining information, consultation and negotiation tasks.
- EWC composition: 20 workers representatives, elected by Unions: 11 Italians, 4 Spaniards, 3 Slovaks e 2 Romanians (Bulgaria is no more in ENEL EWC because ENEL sold off Bulgarian assets).
- Institutional meetings per year : 2 EWC Inner Committee; 2 EWC, 1 Training meeting (plus extra meetings).

The role of ENEL EWC

- Analyzed Company economical and financial situation and its multinational investment plans.
- Followed changes in ENEL Group (ONE Company).
- Analyzed ENEL Group employment outlooks.
- Received info about spinning off, selling off and reorganisation.
- Analyzed data on Health and Safety, Training and Environmental Development policies.

Good involvement in information, consultation to be developed.

Which suggestions from this experience

- Need to develop a better information and consultation systems:
 - Prior and not posterior information.
 - Make easier communications between EWC and workers (i.e. Company's intranet)
- Better involvement of management, starting from HR responsible, in EWC meetings and training activities.
- Need to improve exchanges and connections among EWC and National and EU Unions.

Enel today

An international energy operator

Presence in

40 Countries

Installed capacity

97,800 MW

Annual production

296 TWh

EBITDA

16.7 Bln €

Customers

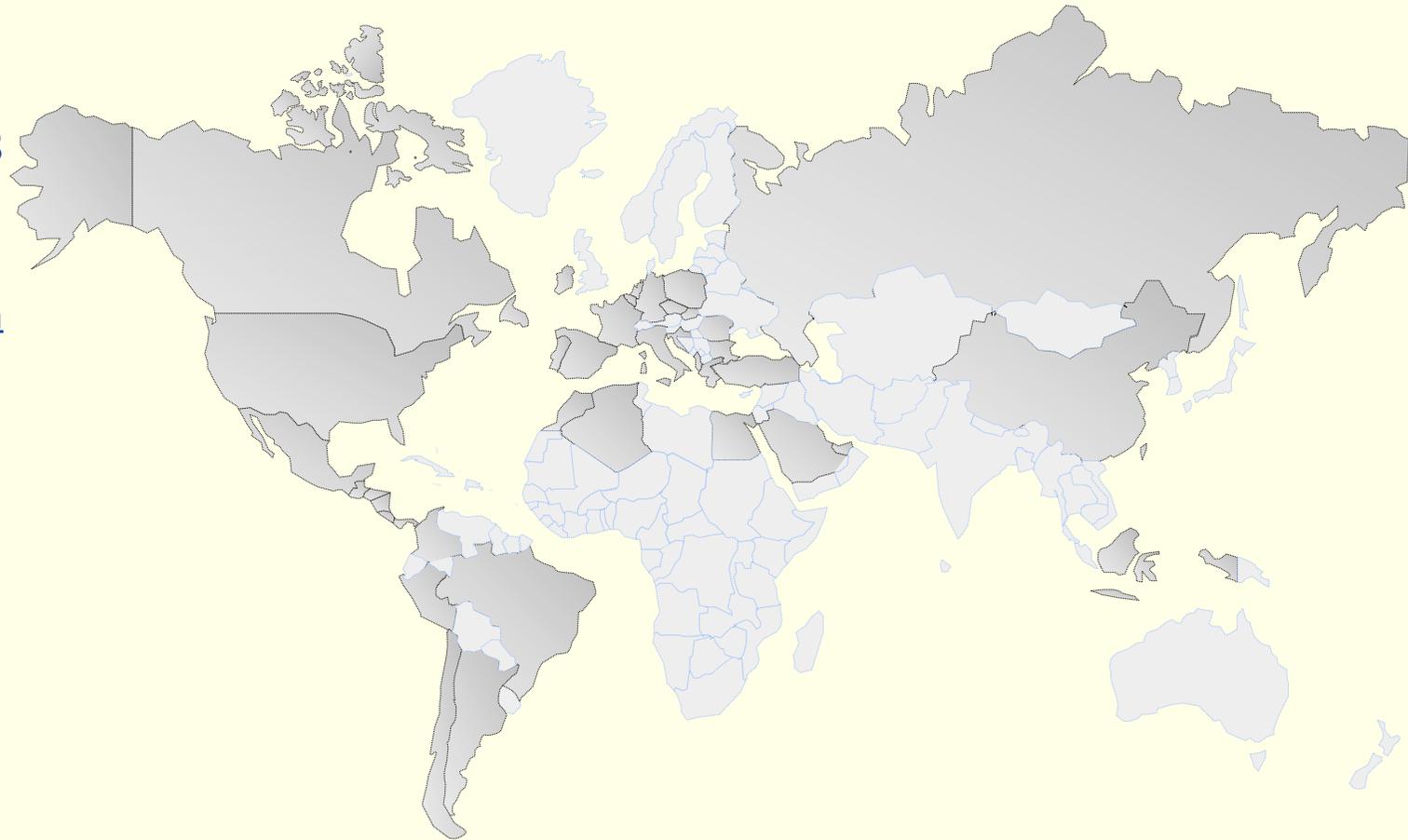
61 million

Employees

71,394

Capex 2013-17

27 Bln €



Enel: a world dimension

Focus on major areas of presence

NORTH-CENTRAL AMERICA

- North America, Costa Rica, Panama, El Salvador, Mexico and Guatemala: renewable presence

BRAZIL

- Presence in generation and distribution
- 6.0 mln customers

COLOMBIA

- First private operator in generation (22,5%)
- Second operator in distribution (21,8%)
- 2.8 mln customers

PERU

- First operator in generation (25%)
- Second operator in distribution (31%)
- 1.2 mln customers

ARGENTINA

- First private operator in generation (12%)
- Second operator in distribution (17%)
- 2.4 mln customers

CHILE⁽¹⁾

- First operator in generation (33%)
- First operator in distribution (22%)
- 1.7 mln customers

RUSSIA

- First vertically integrated foreign operator (upstream, generation, sales)

FRANCE

- Notable presence in wind generation

SLOVAKIA

- First operator in generation (78%)

ROMANIA

- Notable presence in wind generation
- Second operator in distribution (35,7%)
- 2.7 mln customers

GREECE

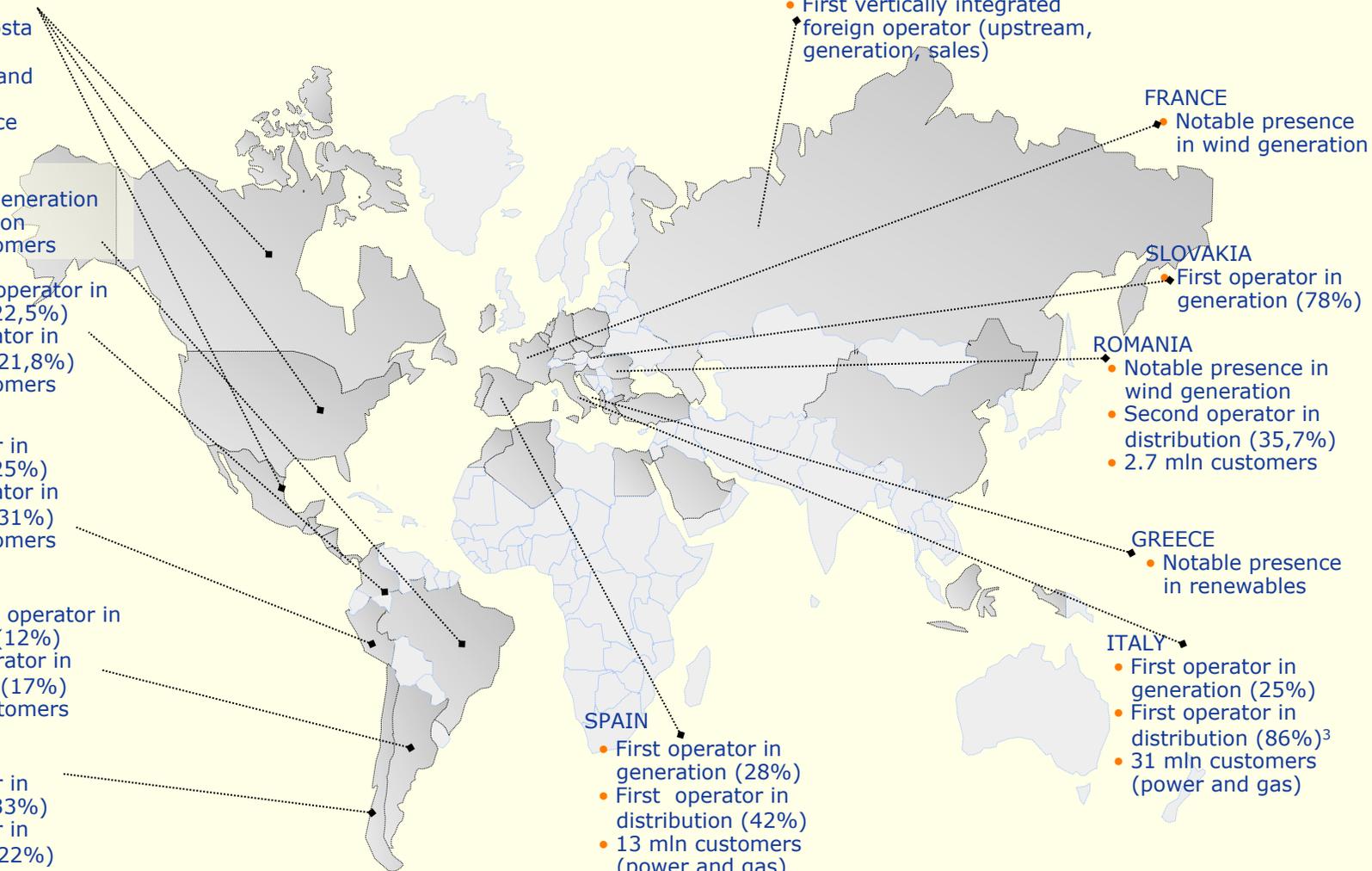
- Notable presence in renewables

ITALY

- First operator in generation (25%)
- First operator in distribution (86%)³
- 31 mln customers (power and gas)

SPAIN

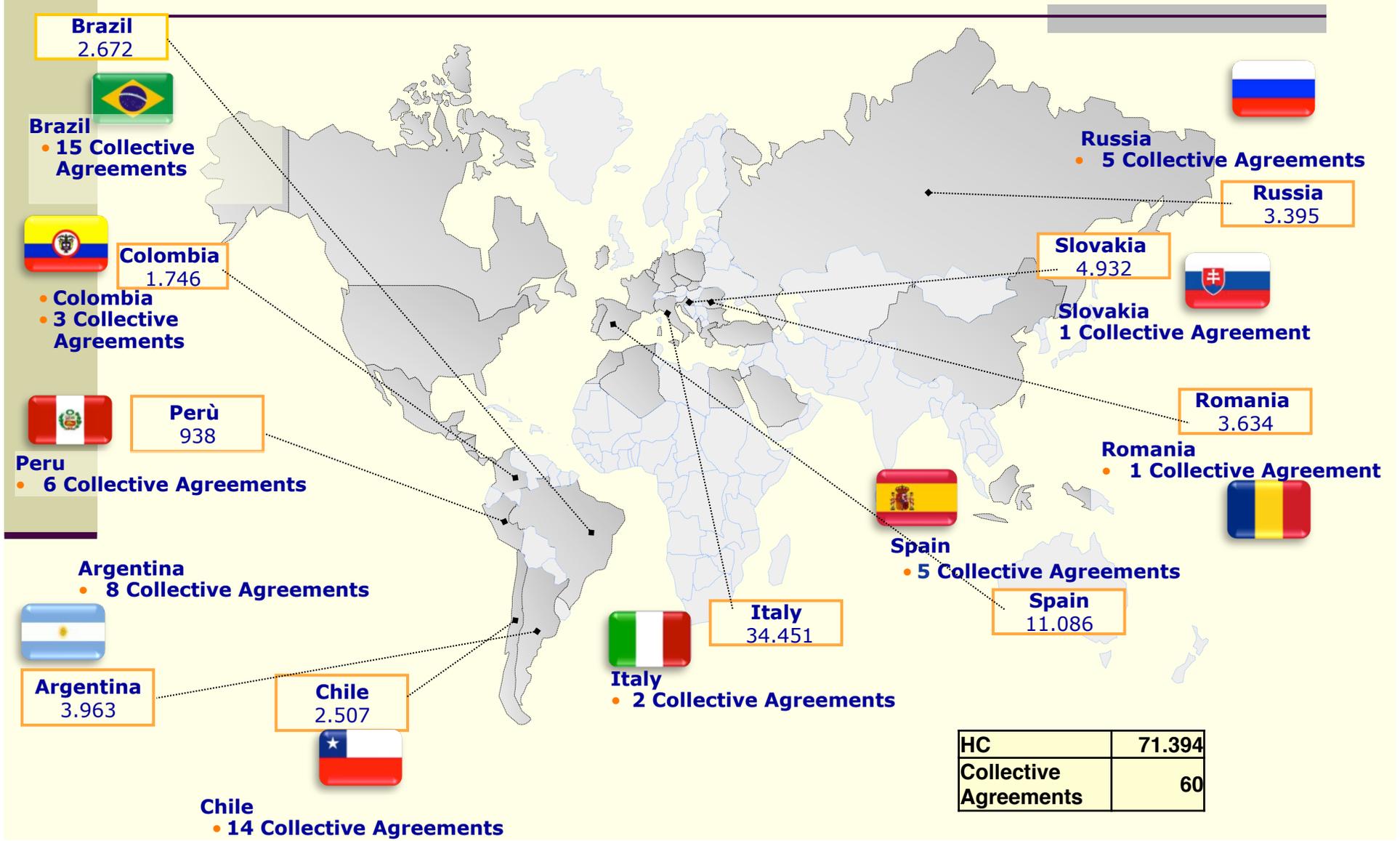
- First operator in generation (28%)
- First operator in distribution (42%)
- 13 mln customers (power and gas)



ENEL IN THE WORLD

- Effective presence in 40 countries worldwide
- Substantial presence in 12 countries worldwide
- More than 71,394 employees and different models of worker representation
- 61 million of customers
- 1,33 million of shareholders

Enel Group Countries – Collective agreements



ENEL IN THE WORLD

60 Collective agreements

In a situation with such a large presence of industrial and different social cultures something that could transform these differences in value was needed. We needed something that would change the way we do industrial relations tied to the experiences of each individual state.

Therefore the idea of enterprises, unions and EWC to create a World Agreement that arrived to the GWC.

Towards Global Framework Agreement

- In this sense, guidelines to develop and to modernize Social Dialogue (appraising the Italian industrial relations system) were defined.
- A system based on participation to achieve:
 - Workers' rights and expectations;
 - Company's objectives (because companies are central for work).

Enel Global Framework Agreement (GFA)

focal points

- **Signed on June 14th, 2013** between **Enel** and the **Global Trade Unions Federations** IndustriAll and Public Services International and the **Italian Trade Unions Federations**



Based on principles of **human and labour rights**



Strongly oriented towards a **global system** of Industrial Relations

Provides the constitution of a **Global Works Council** and of **3 Multilateral Committees**



GFA

(Global Framework Agreement)

GFA was signed on June 14th 2013 among Company, Italian Unions, IndustriALL and PSI.

In the negotiation were involved all Countries in EWC, Russia and Latin America.

The agreement intends to realize 3 main goals :

- ❑ To develop a common action on multinationals and ONU Business and Human Rights principles, in line with human rights, working condition, environment international safeguard instruments, ILO convention, OCSEguidelines.
- ❑ To define guidelines to harmonize Company's objectives and Workers' expectations;
- ❑ To prevent and to manage disagreements and conflicts, in accordance with workers and Company interests and service quality.

GFA agreement establishes GWC (Global Works Council) that can constitute Multilateral Committees on relevant topics.

GWC is composed by 12 members : 5 Italians, 2 Spaniards, 2 Latin America, 1 Russiano, 1 Slovak, 1 Rumanian, as well as EU and World Unions (taht signed it) representatives and EWC coordinator.

Company nominates CMC (Coordinating Management, Committee), the interface of GWC.

FROM THE EWC TO THE GWC

- The agreement wants to extend worldwide the experience done within the EWC, based on good social dialogue.
- A table was created for sharing experiences, ideas and discussion to ensure that everyone can benefit.
- One of the objectives on which rests the agreement is the fact that representatives of the workers and the company, both central and local, have to meet and speak with each other.
- Another goal is that everyone understands that there is a global agreement and a world body, of which they are part of, which establishes important rules and incorporates important protocols that safeguard the basic rights of the person and the worker and all are committed to monitor and enforce them.
- We, however, did not stop to international conventions.
- We aimed to the development and the extension of the best business and social practices.
- We have therefore identified the areas of confrontation in which studying and developing recommendations with minimal rules of application for good practices to be transferred to the entire Group.
- In order to do this, the Multilateral Committees (Joint Multilateral Commissions) have been established.

Enel Global Works Council and Multilateral Committees

The 3 **Multilateral Committees** at global level were set up on July 2013

Each **Committee** is composed by 10 trade union members and 10 company members, belonging to the areas related to the 3 projects and coming from different Countries of the Group.



Objective 2013



to elaborate and define a joint document in terms of

Recommendation at Global level, on the main issues of competency.

The documents have been **presented** to and **approved by Global Works Council** in its first meeting on October 22nd 2013

The Multilateral Committees

At the present moment, there are three.

- Safety and Health Multilateral Commission.
- Education Multilateral Commission.
- Diversity and Equal Opportunity Multilateral Commission.

Task: develop and define a joint document in terms of recommendations at the Global Level, on major issues of competence.

Multilateral Committee

The Mandate

- The Mandate was shared between the Corporate (CMC) and the GWC by specific regulations for each Commission.
- The Regulation provides that the Commission shall consist of 10 members appointed by the company and 10 representing workers. 6 places are reserved for the total number of countries.
- In 2013, the speaker will be appointed by the Company

Multilateral Committee

WORKING METHODS

- Date, place and agenda of work must be shared among the components of the Commission and communicated by email by the Speaker of the Commission.
- The documents must be sent to all members of the Commission at least 15 days before the meeting.
- At the end of each meeting a special Minutes summarizing the content of the discussion will be prepared.
- The meeting is valid if there are at least three business components and at least three union components.
- It was decided, among all, that the meetings can be held by video conference from different locations and English is the language.

Multilateral Committee

SPECIFIC GOALS

- Building and strengthening a culture the ENEL Group (workers, contractors, suppliers and customers)...

... Through discussion and production of recommendations to be submitted to the Management in order to make them part of the ENEL global politics ...

... through Social Dialogue to analyze the best practices.

Application of results

It was realized that whatever was defined globally was not supported by a general legislation that extends its applicability to the entire group.

Indeed, most of the time the national legislation we met was below the level of the recommendations identified.

Therefore, the problem of how to extend and enforce them within the group.

It was decided to follow a path that would strengthen the decisions to the point of making them guidelines for the enterprise.

Therefore the work done has been approved by the GWC and the Company Board (CMC).

The Approval means a shared application and a further processing of the recommendations into Company policies.

With this objective constraint of respecting the decisions taken, we outdid the Legislative doubt.

It's obvious that this way of acting chooses a model of action that trusts collective autonomy, in other words the ability of unions and company of internally defining rules and procedures.

Control of the application

It's been defined a path of "control application". In fact, each committee will develop its monitoring on the implementation of the various policies to allow the GWC and the Company to undertake a continuous examination.

The development of this type of agreement shows how it is possible, even in the new global international system, for workers, to responsibly participate through their trade unions, to the decision making processes that affect them, in a possible global balance of social and political checks and balances, that also have economic implications.

Health & Safety Multilateral Committee

2013 activities

2013 Activities and Goals



- Definition of the project “**Growing Group’s health & safety culture by sharing H&S Standards**”
- Project development with monthly monitoring
- **Joint training project Enel EWC/ITC ILO in Turin** with the analysis of proposals about the Committee’s project
- Definition of a **joint recommendation**, in order to support **sharing and implementation** of H&S standards in each country where Enel operates

Health & Safety Multilateral Committee

Recommendation on Health & Safety Standards

H&S standards: a minimal common set of strict rules for prevention of health and safety risks, to be applied in **all the Countries** where Enel works, notwithstanding the compliance with National regulations. The standards are relevant to the following activities:

HEALTH & SAFETY STANDARDS

1. Works in "confined spaces"
2. Excavations
3. Work at heights;
4. Hoisting/lifting and transport using mechanical equipments
5. Manual handling of loads
6. Welding & cutting
7. Transport and use of chemical substances
8. Electrical works
9. Driving motor vehicles
10. Work with video display terminals

For each activity identified, the **following topics are defined in the standards:**

- Health and Safety Risks
- Pre-job check
- Operating methods and technical solutions
- PPE
- Health surveillance
- Training
- Key Rules for safe working



Multilateral Committee on Training

2013 activities

1st
Step

- Identification of a **Specific Professional Area**, significant at Group level and of a **specific job**

2nd
Step

- Analysis of the **Main Competencies associated** to the identified job

3rd
Step

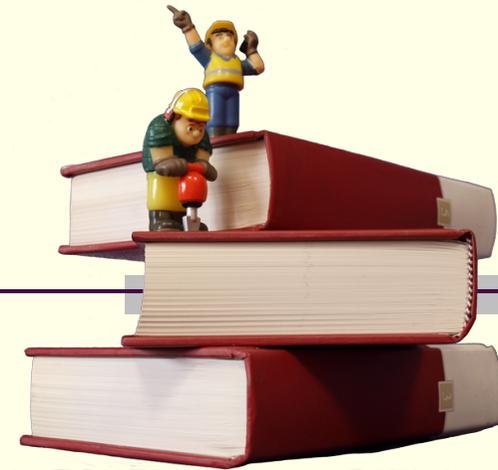
- Elaboration of the **job training path's main contents**, on the basis of the main components of competencies

Starting from **Maintenance in Generation**, creation of a **structured model of knowledge-sharing**, typical of each professional family and **applicable at Group level**



Multilateral Committee on Training

Recommendation on Training



Main focus: initial definition of a training path,

at Group the level, for developing specific skills required to employees

in the **Professional** **Area of Generation** and in the **Professional**

Family of Maintenance with particular reference to the Job of

Electrical, Mechanical, Instruments & Control, Civil

Technician



The Technician executes Maintenance activities on equipments in Power Plants

Multilateral Committee on Equal Opportunities

2013 activities

Goals for
2013

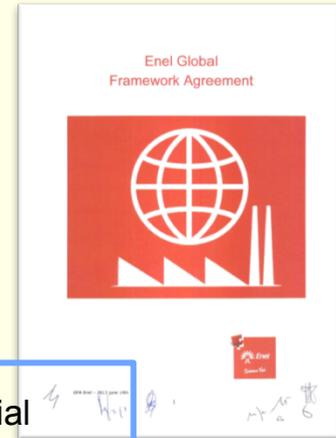


- ❑ Project development with **monthly monitoring** and **meetings**
- ❑ **Joint training project** Enel EWC/ITC ILO in Turin with the analysis of proposals about the Committee's project
- ❑ Definition of a **Joint recommendation**, in order to express a shared view on **equality and diversity** and **identify ways and tools to push for their implementation in the workplace**, at central and local level, in the different Group Countries, according to their needs.

Multilateral Committee on Equal Opportunities & Diversity 2013

Recommendation on Equal Opportunities & Diversity

Given the importance of the **universal principle of equality of opportunity** and its role in the company, Enel intends to roll out the best initiatives in this area across **all the Group companies**



- The **Recommendation** underlines the **commitment of Enel** about social dialogue and the **relevance of EO&D for the Group**, recalls origin, attributions and purpose of the Multilateral Committee
- All the **agreements, conventions, policies that inspire the document** are mentioned in it
- Moreover, the Recommendation considers some **best practices and initiatives already in place** within the Group, mainly in **Italy, Iberia and Latin America** (integration of various groups, employee satisfaction, respect and professional development, work life balance)

Multilateral Committee

DIFFICULTIES

- Different labor culture and relationship systems among different geographical areas.
- Difficulties even in information system with the alibi of confidentiality and privacy.
- ENEL Standard to be adapted in every Country to local laws.
- Difficult and inadequate divulgation of GWC activities among Workers.



Thanks for your attention

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