



Sustainability Report 2021

Consolidated Non-Financial Statement prepared in accordance
with Italian Legislative Decree 254/16 _year 2021

enel



WE SUPPORT
UN GLOBAL COMPACT
Global Compact
LEAD
2021 PARTICIPANT

OPEN POWER FOR A BRIGHTER FUTURE.
WE EMPOWER SUSTAINABLE PROGRESS.



wbcsd

GRI | COMMUNITY MEMBER
2021

VALUE
REPORTING
FOUNDATION

ESMT
BERLIN

TN
FD

Taskforce on Nature-related
Financial Disclosures



Sustainability Report 2021

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1. Letter to stakeholders



Enel is Open Power

POSITIONING
Open Power

VISION
Open Power
to tackle some
of the world's
biggest challenges.

PURPOSE
**OPEN POWER
FOR A
BRIGHTER
FUTURE.**

WE EMPOWER
SUSTAINABLE
PROGRESS.



MISSION

- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

PRINCIPLES OF CONDUCT

- Make decisions in daily activities and take responsibility for them.
- Share information, being willing to collaborate and open to the contribution of others.
- Follow through with commitments, pursuing activities with determination and passion.
- Change priorities rapidly if the situation evolves.
- Get results by aiming for excellence.
- Adopt and promote safe behavior and move proactively to improve conditions for health, safety and well-being.
- Work for the integration of all, recognizing and leveraging individual diversity (culture, gender, age, disabilities, personality, etc.).
- Work focusing on satisfying customers and/or co-workers, acting effectively and rapidly.
- Propose new solution and do not give up when faced with obstacles or failure.
- Recognize merit in co-workers and give feedback that can improve their contribution.

VALUES

- Trust
- Proactivity
- Responsibility
- Innovation

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Enel's Sustainability Report sets out the commitments and results achieved in ESG (Environmental, Social and Governance) issues, in light also of its stakeholders' expectations

It starts with a message to stakeholders from the CEO and the Chairman, followed by the **Our Sustainable Progress** section, which outlines the Company as a whole, its business model and main performance indicators, the ESG context in which it operates, its priorities for action ("materiality analysis") and main objectives of the 2022-2024 Sustainability Plan, its governance and organization of sustainability, the role of sustainable finance, its positioning in ESG ratings and indices, as well as information on European taxonomy.

The **Our performance** section is divided by topic and outlines the results and objectives of the Sustainability Plan, the pillars of the sustainable strategy, the so-called growth accelerators, and foundations for sustainability. Each topic is introduced by the "sustainability dashboard", which summarizes the key commitments, as well as their state of progress and contribution to the United Nations Sustainable Development Goals (SDGs).

The final **appendix** sets out: (i) the criteria used in drafting the report; (ii) the main quantitative indicators relating to sustainability performance ("Sustainability Statement"); (iii) the Content Indexes which provide simplified keys to interpretation in relation to GRI, SASB, TCFD, WEF and human rights; (iv) the Disclosure of the proportion of activities considered environmentally sustainable.

Guide to navigating the document

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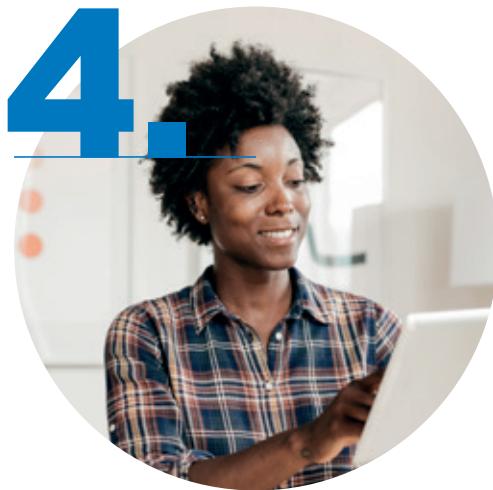
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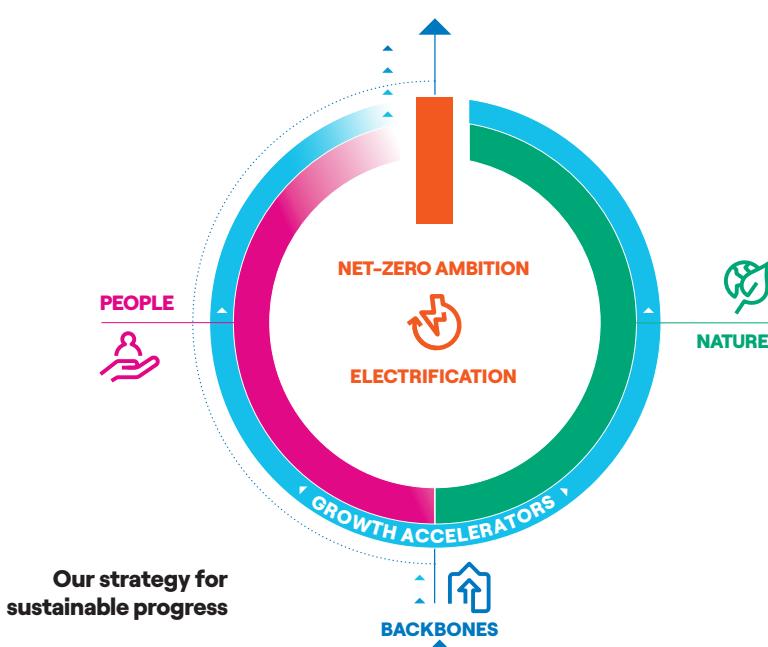
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A world in transition: we empower sustainable progress



Michele Crisostomo

Chairman



Francesco Starace

Chief Executive Officer
and General Manager

Dear Stakeholders,

We are experiencing a profound process of technological and social transformation, whose effects cascade down and propagate in space and time, across generations and borders. A process that has changed and is changing not only countries' economies and production structure, but also the whole society and the forms in which it expresses itself. The year 2021 witnessed the continuation of the Covid-19 pandemic, although mitigated by the progress of vaccination campaigns. The year also saw a sharp increase in raw material and energy prices. The scenario was complicated even further by the arrival of the dreadful events of the recent conflict in Ukraine, which we are monitoring carefully. The 26th UN Climate Change Conference (COP26) in Glasgow succeeded in further engaging the international community in the action taken to contain global warming and its corollaries.

The world faces a major challenge that requires an immediate and concrete commitment.

Electricity is the most efficient, safe and competitive form of energy, and, thanks to **renewable sources** and **storage**, is the key to totally decarbonize our planet, in line with the Paris Agreement goals. The energy system is becoming less dependent on fossil fuels and their volatility and is therefore contributing to building a **more sustainable future**.

At Enel, 94% of the investments planned for the three-year period 2022-2024 are in line with the United Nations Sustainable Development Goals and over 85% are aligned with the European taxonomy.

We have brought forward the "**Net-Zero**" **commitment** both for direct and indirect emissions by 10 years, from 2050 to 2040. We will do so by gradually phasing out coal-fired generation by 2027 and stopping the generation and sales of gas by 2040. For the second year in a row, 2021 set a record in terms of **energy produced from renewable sources**, 51% of the total generation⁽¹⁾. **Specific CO₂ emissions** decreased by 45% compared to the 2017 value, confirming the journey towards the

SBTi-certified target of 82 gCO_{2eq}/kWh by 2030. As part of the journey towards electrification, the **grid** plays a crucial role because it enables the integration into the system of distributed renewable plants. On a smaller scale, generation and flexible resources (such as photovoltaic panels on roofs and household batteries) can also be integrated. Moreover, the grid enables us to reach people who still do not have full access to energy.

A commitment that leaves **no one behind**, that takes into account the needs of all our stakeholders, with particular reference to the **most vulnerable**. The aim is also to promote **sustainable use of resources**, to thwart loss of biodiversity.

We wish to promote a **transition** that is **transparent** and **orderly**, avoiding the creation of inequalities, based on **active listening**, **openness** and **creative solutions**; a transition that is capable of unleashing talents and passions, of leveraging uniqueness, of strengthening the bond with communities, of engaging customers and suppliers. **People** are the true competitive factor, and we share, in the spirit of cohesion, internally and externally, the values that guide our daily commitment: trust, responsibility, innovation, proactivity.

We have made our **business model sustainable** throughout the entire value chain and we have ensured that sustainability covers varying geographical, economic and social contexts.

We are working tirelessly, in line with recent international developments, on **new metrics** and **new measurement concepts** to represent the creation of value and the quality of relations with different stakeholders, in a more and more complete and transparent way. We continue to integrate sustainability objectives into our **financial instruments** and management **remuneration plan**, and our leadership has once again been acknowledged on a global level in the main **ratings, rankings and sustainability indices**.

We continue to look ahead into the future, and we work together with our stakeholders to ensure that society makes sustainable progress.

(1) The figures include managed generation. Generation from the consolidated perimeter is 109 TWh produced from renewable energy and 114 TWh produced at thermoelectric plants, a total of 223 TWh.

2. Our sustainable progress

We are a leading energy group with a **sustainable business model** that creates **long-term value for all stakeholders**

We set the priorities that underpin our strategy, commitment and reporting through a **single and double materiality analysis** process and the continuous and direct involvement of all our stakeholders

Our strategy makes sustainability and innovation the focus, contributing to the achievement of all **17 of the UN's 2030 Agenda Sustainable Development Goals**

Sustainable finance plays a crucial role in supporting the growth of the Group and **we are committed to reporting on the implementation of the EU taxonomy regulation**



Our sustainable progress

2021 saw a continuously evolving scenario characterized by a focus on **fighting climate change and its social impacts**, the continuing **Covid-19 pandemic** and a **sharp increase in the prices of raw materials and energy**. The outlook for the world economy nevertheless improved during 2021, thanks to the progress achieved in vaccinations and support measures from various countries, although the pandemic continues to weigh on the world economy and there is uncertainty about it being definitively overcome. The world scenario was then deeply shaken in February 2022 by the Russian military intervention in Ukraine. A dramatic conflict

due to the consequences on the civilian population, which redefines the world's geopolitical, economic and energy balances in a way that is as yet unpredictable, with significant repercussions in particular on the energy security of the countries of the European Union.

At Enel, we carefully monitor the international context, promptly assessing its developments and interacting openly and constructively with all our stakeholders, in order to create value together, even in a constantly changing context, questioning traditional business models to support a just transition that leaves no one behind.

Who we are and the main results for 2021

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We are a leading group in the energy sector, with a presence in over **40 countries on five continents**, vertically integrated along the entire value chain.

Trends, risks and opportunities are the context in which the organization operates. The purpose, mission, vision and values concern the entire organization and define the aim of the Company in clear and concise terms. The governance principles are intended to create a solid guidance and supervision structure.

Our strategy combines **economic, financial, environmental and social sustainability** and contributes to achieving the United Nations **Sustainable Development Goal (SDGs)**, taking into consideration the needs and expectations of **all our stakeholders**.

Stakeholder involvement that leverages the Open Power approach, explained both in our Code of Ethics and in the Human Rights Policy, and which translates into the numerous concrete initiatives reported in this Sustainability Report.

In particular, every year we carry out a **materiality analysis**, which allows us to identify the priorities of our stakeholders and their relationship with those of the company and with the SDGs. A constant dialogue with individual stakeholders and with the organizations that represent them.

With customers: we analyse their needs to ensure reliable responses and establish lasting relationships, committing ourselves to offering sustainable solutions and services that are convenient, innovative, flexible and attentive to the most vulnerable to ensure equal access to energy (see "The decade of electrification and customer centricity" chapter).

With people in the Company: we are committed to having a close relationship with them, particularly by paying greater attention to caring activities and active listening, while promoting internally a culture of inclusion, enhancement of diversity, innovation and business entrepreneurship to face the challenges posed by a constantly changing context (see the "Enel people" chapter).

With communities: we work together to draw up specific action plans and projects intended to promote access to energy, fighting energy poverty, supporting quality education and socio-economic development, starting from a proactive analysis of their needs through a shared value creation model (see the "Local and global communities" chapter).

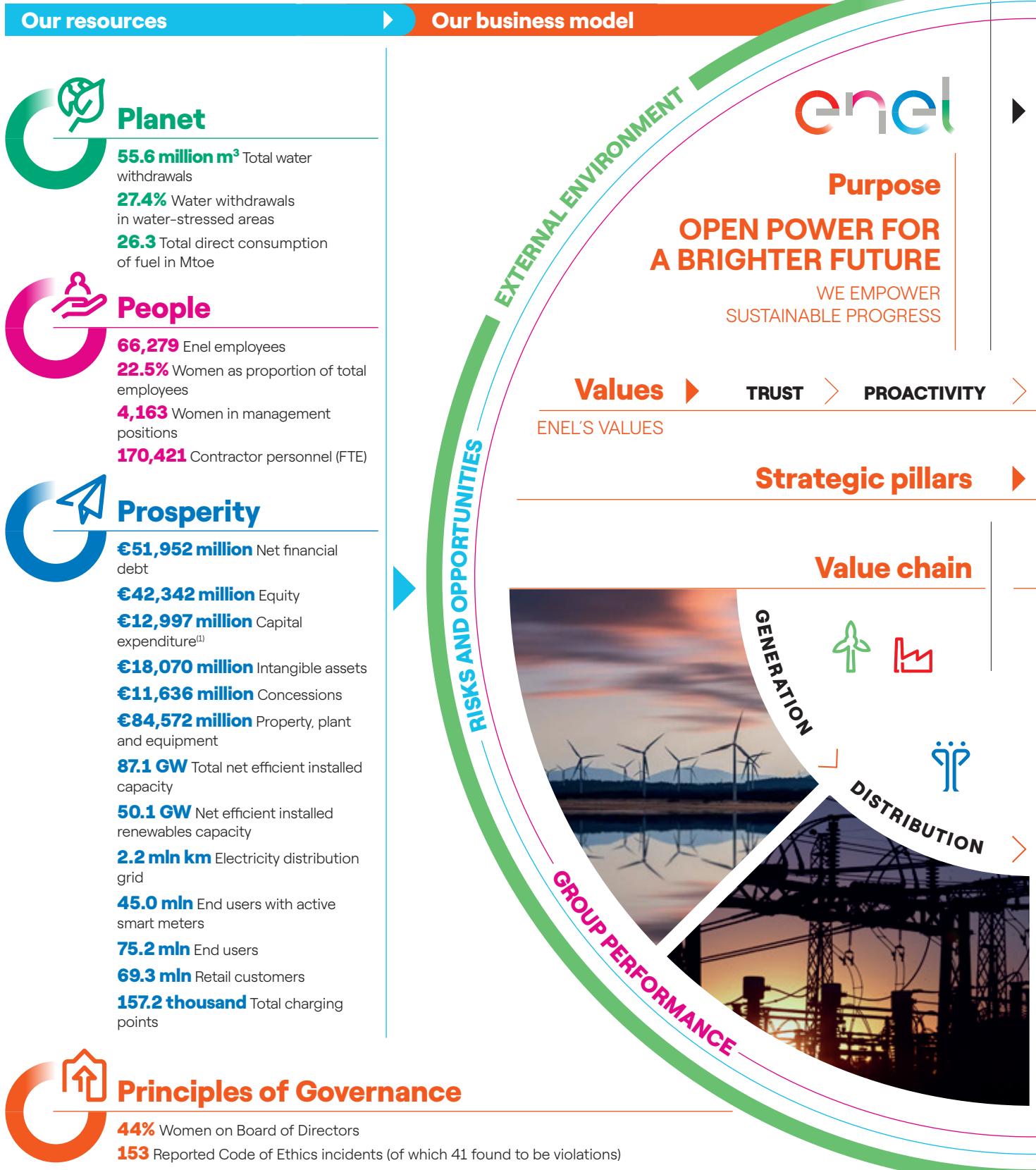
With suppliers: we face the challenges of transition and support their path of change and growth, sharing ideas and innovations (see the "Suppliers" chapter).

With the financial community: we maintain a constant and open relationship, based on principles of integrity and transparency, in compliance with the rules and best practices, in order to increase the level of understanding of the activities carried out by the Group (see the "Sound governance" chapter).

Through **openinnovability.com**, a crowdsourcing platform, the different areas of the Group can interact with start-ups, industrial partners, small and medium-sized enterprises ("SMEs"), research centers, universities and entrepreneurs, to deal jointly with the challenges of the future and guarantee sustainable progress for all.

The growth engine is our **business model**, which leverages the various input resources, divided into three macro categories (people, planet and prosperity) and, through the various company activities and exploiting synergies, converts them into outputs to create value in the short, medium and long term for the various stakeholders. We operate all along the value chain through Business Lines with a specific focus (Enel Green Power and Thermal Generation, Global Infrastructure and Networks, Enel X Global Retail, Global Energy & Commodity Management and Global E-Mobility), assisted by Global Service Functions (Procurement, Digital Solutions and Global Customer Operations) and Staff Functions (Administration, Finance and Control, Innovation and Sustainability, People and Organization, Communication, Legal and Corporate Affairs, Audit) with every country combining the business models with specific local requirements.

Value creation and the business model



(1) The data does not include 111 million euros with reference to the scope classified as "held for sale" in 2021.



GOVERNANCE

IS OPEN POWER

Vision

Open Power to tackle some of the world's biggest challenges.

Mission

- Open access to electricity for more people.
- Open the world of energy to new technology.
- Open up to new uses of energy.
- Open up to new ways of managing energy for people.
- Open up to new partnerships.

RESPONSIBILITY

INNOVATION

GROUP STRATEGY AND RISK MANAGEMENT

1.

Allocate capital to support the supply of decarbonized electricity

2.

Enable the electrification of customer energy demand

3.

Leverage the creation of value throughout the value chain

4.

Move forward achievement of sustainable Net-Zero objectives to 2040



CUSTOMERS



TRADING



OUTLOOK

Value created for Enel and our stakeholders

Outcomes



Planet

227 gCO_{2eq}/kWh Direct greenhouse gas emissions - Scope 1

125 million tCO_{2eq} Scopes 1, 2, 3⁽²⁾

26.3 million m³ Total water consumption

33.8% Water consumption in water-stressed areas

9,092 Hectares of habitat recovered

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Prosperity

€88,006 million Revenue

€19,210 million Ordinary EBITDA

68.7% Ordinary EBITDA of business activities aligned with European taxonomy as % of Group total

€4,127 million Total tax borne

€5,054 million Purchase of treasury shares and dividends distributed

3.5% Cost of debt

0.38 (€/sh) Fixed Dividend per share (DPS)

510.3 TWh Electricity transported

309.4 TWh Electricity sold

5.18 GW Additional efficient installed renewables capacity

48.9% Renewables generation as % of Group total

52.1 thousand Public and private charging points installed in 2021

243.3 min. SAIDI

892 patent applications filed, of which 749 granted

41 partnership agreements for innovation

Table of impacts

16 17

(2) Only location-based Scope 2 was considered for Scope 2.

(3) Cumulative data from 2015.

2021 was the year in which we strongly accelerated towards the decarbonization of our business model based on customer focus, with investments of around 13 billion euros, 85% of which is related to eligible activity aligned to the European taxonomy.

The financial results confirm how we carried on growing by continuing to generate value. Specifically, ordinary **EBITDA** in 2021 is 19.2 billion euros, with an increase of 6.7% compared to 2020. The **ordinary net profit**, on which the dividend is calculated, reached 5.6 billion euros, up 8% compared to the previous year. The **dividend** for 2021 amounts to 38 euro cents per share, up 6.1% on 2020. The **net debt** is 52.0 billion euros, lower than the forecasts previously issued to the market. The **ratio of sustainable funding sources to the Group's total gross debt was approximately 55% at the end of 2021**. 46.6% of Enel's capital was held by investors who were signatories of the United Nations Principles for Responsible Investment (UN PRI). Finally, also in 2021, Enel confirmed its position as the **first European utility by market capitalization and the second in the world⁽¹⁾**.

We are the largest **private operator in the renewable energy sector** worldwide with 53.4 GW of managed capacity⁽²⁾. For the second year running, to confirm our constant attention to the **planet**, we have achieved a record in terms of energy generated from renewable sources with approximately 118 TWh, equivalent to 51% of the total generation in the perimeter we manage⁽³⁾. With regard to the consolidated perimeter, specific CO₂ emissions amounted to 227 gCO_{2eq}/kWh⁽⁴⁾, 45% down on the 2017 value, confirming the path towards the SBTi (Science Based Target initiative)-certified target of 82 gCO_{2eq}/kWh by 2030. By reducing our consumption of materials and energy and paying increasing attention to the circularity of resources, we are reducing our overall footprint in environmental terms. The fuel and materials consumption of our power plants over their entire life cycle fell by 62% compared to 2015 and in the last year more than 9,000 hectares of habitat were recovered.

We are the largest private electricity distribution company in the world, with **more than 75 million end users** connected to our networks, including 45 million with active smart meters. The SAIDI, (System Average Interruption Duration Index) indicator is constantly improving, and in 2021 we connected approximately 390,000 beneficiaries in rural

areas. We also manage the largest customer base of any private company, with more than **69 million customers**. In order to increasingly promote usage electrification, the spread of new services and products continued, including recharging points for electric mobility, of which there are now over 300,000⁽⁵⁾, including more than 52,000 for public and private charging installed in 2021.

The fundamental lever for achieving these important results is of course the 66,279 **people who work at the Company**, who benefit from many development and training programs focused on upskilling and reskilling, in order to better manage and support the transition to a decarbonized economy (further information regarding Enel for the Just Transition is available in "The path to Net-Zero" chapter). Women in the company represent 22.5% of the total, a considerable increase on the 21.5% recorded in the previous year. Thanks to the specific attention paid to the issue of diversity, which aims to enhance resources even before they enter the Company and throughout all people management processes, the percentage of women managers rose to 23.6% in 2021 (vs 21.6% in 2020). As a confirmation of Enel's constant commitment to safety, in 2021, the combined Total Recordable Injury Frequency Rate for Enel and contractor companies fell by 11.7% compared to 2020. 99% of our **suppliers** have been assessed based on their commitment to health and safety, environment and human rights, and 59% of contracts are covered by Carbon Footprint certification. In the last year, a training course has also been launched in Italy to support suppliers in managing the energy transition. As regards projects with **local communities**, the activity focused on providing access to energy (SDG 7.1), quality education (SDG 4) and socio-economic development (SDG 8) has continued, reaching approximately 20 million beneficiaries since 2015. To accelerate sustainable progress, we work on innovation and promote **open collaboration** with start-ups, SMEs, large companies, academia, internal and external experts, and investors. In 2021, 10 innovation hubs were in place; since 2015 we have activated 465 collaborations with start-ups, and since 2017 we have launched over 170 challenges on the openinnovability.com website.

Our leadership in sustainability is therefore recognized worldwide, partly thanks to our presence in various prestigious ratings, indices, and sustainability rankings.

(1) Data as at December 31, 2021. Source: Bloomberg.

(2) 50.1 GW of consolidated capacity.

(3) In the consolidated perimeter: 109 TWh produced from renewable energy and 114 TWh produced at thermoelectric and nuclear plants, a total of 223 TWh.

(4) Specific emissions taking into account the managed perimeter are equal to 217 gCO_{2eq}/kWh.

(5) Public and private. Includes interoperability points. There are 157 thousand charging points installed.

Our governance of sustainability

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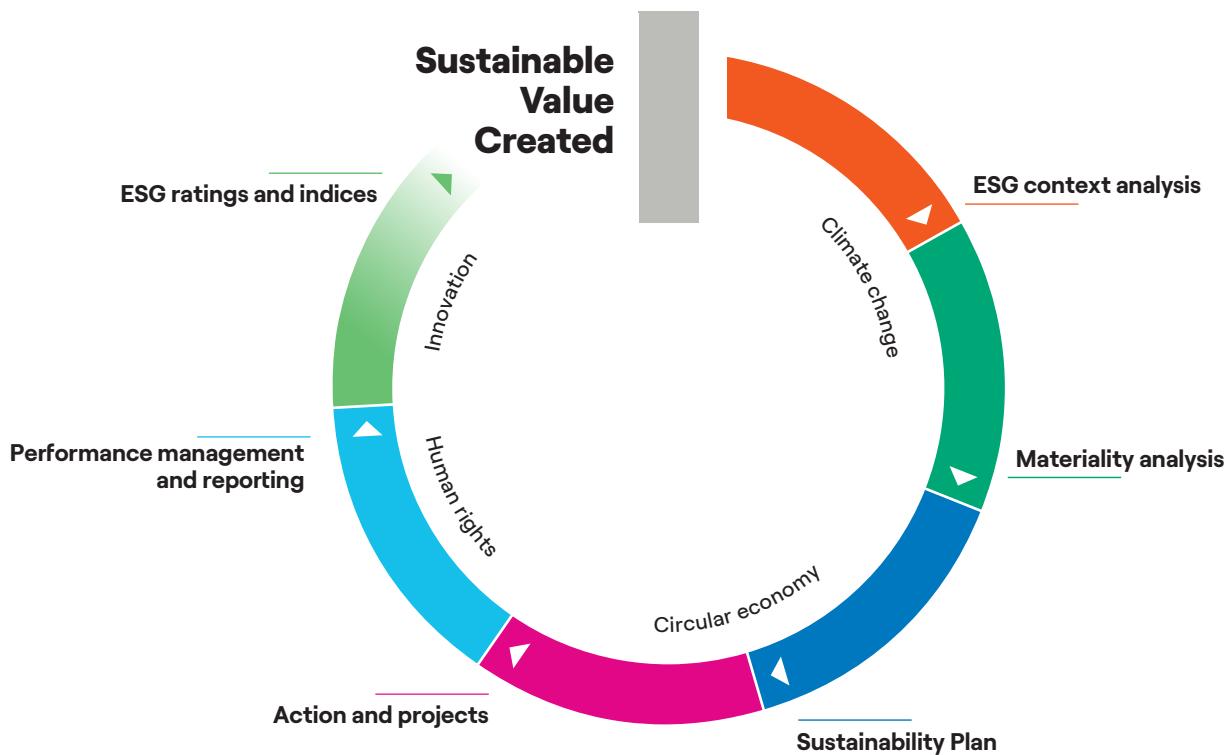
Our governance structure is inspired by international best practices and permeates the various business, decision-making and operational processes along the entire

value chain, in order to create long-term sustainable value for the Company and for all our stakeholders.

Integrating ESG factors in the Company's operation

The integration of environmental, social and governance factors is guaranteed by structured processes throughout the Group which include: analysis of the sustainability context, identification of priorities for the Company and stakeholders, sustainability planning, implementation of

specific actions in support of sustainability objectives, reporting and management of ESG ratings and sustainability indices. Every stage of the process relies on respect for human rights as a fundamental element for pursuing sustainable success.



A key element of the approach described is the **adoption of the ESG** (Environmental, Social and Governance) **indicators** throughout the entire value chain, not only to report the results achieved, but above all to anticipate decisions and guide our actions. We are constantly committed to managing and measuring our performance on all relevant aspects, considering economic, business and ESG issues in reporting on activities and defining the objectives underlying the strategy. This model is fully in line with the requirements of the United Nations' Global Compact, of which Enel has been an active member since 2004, which stress the importance of ever-increasing integration of sustainability throughout all corporate strategies. Since 2020, Enel has been part of the **Global Sustainability**

Standards Board, the independent body that has the exclusive responsibility for developing and issuing the Global Reporting Initiative (GRI) Standards. Furthermore, Enel has been a member of several **European Financial Reporting Advisory Group** (EFRAG) task forces on sustainability issues, and in 2021 it participated in the "Project Task Force on European Sustainability Reporting Standards". The task force responds to an official request for technical advice from the European Commission for the development of future reporting standards for sustainability reporting, as part of the review of the European directive on sustainability reporting (Corporate Sustainability Reporting Directive - CSRD).

The Enel organizational and corporate governance model for sustainability

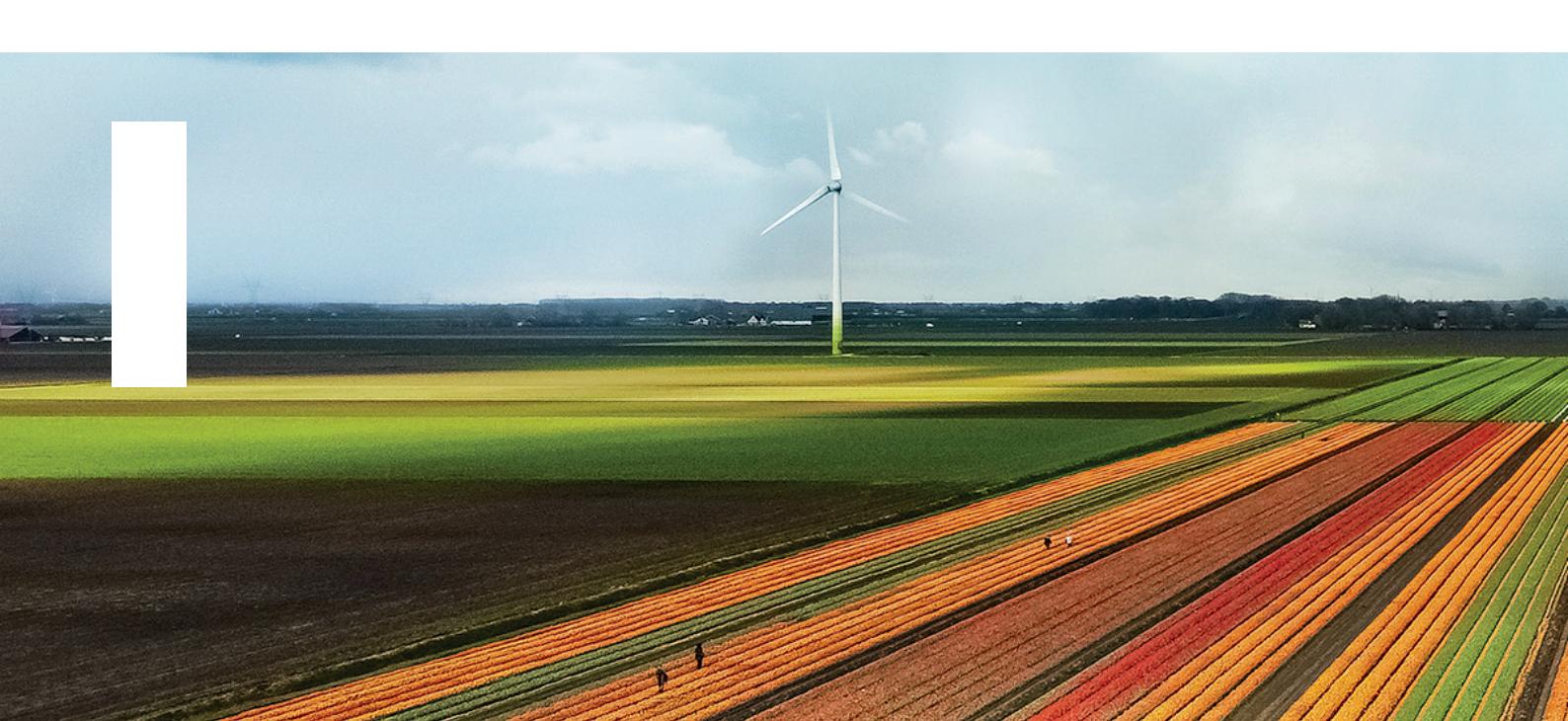
The organizational and corporate governance model ensures that sustainability issues are appropriately taken into consideration in all relevant corporate decision-making processes, by defining specific tasks and responsibilities for the main corporate governance bodies.

The **Board of Directors** plays a central role in corporate governance as the body vested with powers related to the strategic, organizational and control policies of the Company and Group. In this context, the Board of Directors takes into account the need to pursue sustainable success particularly when: (i) establishing the strategies of the Company and the Group; (ii) determining the remuneration

policy for the Chief Executive Officer/General Manager and Key Management Personnel; as well as (iii) the Company's Internal Control and Risk Management System (SCIGR).

The Board of Directors has also established internal board committees with the power to investigate, propose and advise, in order to ensure an adequate internal division of its functions, as well as a related parties committee. The following committees have been established in particular:

- **Corporate Governance and Sustainability Committee**, which among other things assists the Board of Directors on sustainability issues, including issues relating to climate change and the dynamics of the Company's inter-



action with all stakeholders;

- **Control and Risks Committee**, which is tasked, among other things, with supporting the assessments and decisions of the Board of Directors relating to the SCIGR and to the approval of periodic financial and non-financial reports;
- **Nomination and Compensation Committee**, which is tasked, among other things, with supporting the Board of Directors in its assessments and decisions relating to the size and optimal composition of the Board itself and its Committees, as well as the remuneration of Directors and Key management personnel;
- **Related Parties Committee**, which performs the tasks required by the relevant Consob regulations and by the specific Enel procedure governing transactions with related parties.

Furthermore, in line with the power structure currently in force within the Company:

- the **Chairman** of the Board of Directors acts as a link between the executive and non-executive directors and is responsible for ensuring the effective operation of the board;
- the **Chief Executive Officer** is the main person responsible for the management of the Company and is the director in charge of establishing and maintaining the SCIGR;
- the **Innovability® Function** (Innovation and Sustainability), which reports directly to the Chief Executive Officer, manages all activities relating to sustainability and innovation. The Holding units responsible for Enel SpA's operations, particularly the sustainability, circular economy, and community relations processes, play a guidance and coordination role for the Sustainability and Innovation

units located in the various countries and Business Lines. In particular, the Holding's Sustainability Planning and Performance Management and Human Rights unit, responsible for the management of sustainability planning, monitoring and reporting processes, including compliance with the European taxonomy, as well as the management of ESG ratings, sustainability indices and the Human Rights Policy, also reports to the Group Chief Financial Officer (CFO), in order to ensure the ever-greater integration of these issues into corporate strategies and corporate reporting;

- the **Global Business Lines, Countries, Global Service Functions** and **Holding Functions** integrate ESG factors into their decision-making and operating processes, to create long-term sustainable value, thanks to the presence of dedicated Sustainability structures in all countries, Business Lines and Global Service Functions. At the local level, the expectations of the various stakeholders are identified, and specific sustainability plans defined, in line with the Group strategy.

With specific reference to **governance for the management of climate change**, please refer to the "Net-Zero ambition" chapter of this document.

Furthermore, the Group CEO chairs the **Cyber Security Committee**, which consists of the Chief Information Security Officer (CISO), the Cyber Security Risk Managers and the Group's front line and which aims to approve the IT security strategy and periodically check the progress of its implementation.

Further information on the activities carried out by the corporate bodies and the related information and training activities can be found in the corporate governance report available on the www.enel.com website.



Enel's presence in the main energy and sustainability associations

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United Nations Global Compact (UN Global Compact)

Enel has been a "Participant" member of the UN Global Compact since 2004 and, in 2021, it was reconfirmed as a LEAD company, thanks to its commitment to organization and adherence to its ten founding principles relating to human rights, labor standards, environmental protection and the fight against corruption. In 2021, in the context of Sustainable Finance, Enel was involved in the "CFO Taskforce for the SDGs", which it co-chairs, and the "Climate Ambition" and "Peace, Justice & Strong Institution" platforms, also confirming its advanced level in the annual Communication on Progress (CoP) reporting.

The Group is also a member of the Expert Network, while Enel's CEO completed his second term as member of the organization's Board in May 2021.

Sustainable Energy for All (SEforALL)

Since 2011, Enel has been a partner of Sustainable Energy for All, an international organization that collaborates with the United Nations and global leaders in the public and private sector for the advancement of SDG 7. Since 2020, the Group CEO has been Chairman of the Administrative Board of the organization, a position he will hold until 2023. During 2021, Enel was involved in preparations for the High-Level Dialogue on Energy (HLDE), the first global energy summit, held on the occasion of the 76th General Assembly of the United Nations, which was co-chaired by SEforALL. During the HLDE, the Company presented the Enel Energy Compact, with renewed commitments to speed up actions to achieve SDG 7 and reduce emissions to zero, and the Multistakeholder Energy Compact on electrification for Sardinia, developed in collaboration with Roma Tre University. On that occasion, the CEO of Enel was among the speakers at the opening session of the Summit with the UN Secretary General, António Guterres. Also in 2021, Enel supported the BeBold Campaign created with

the aim of strengthening the global movement for SDG 7, and participated in the SEforALL Youth Summit.

CSR Europe

Since 2005 Enel has been a member of CSR Europe and from 2016 to 2020 it held the vice-chairmanship of the Board, of which it is currently a member. In 2021, Enel promoted the "Inclusion Think Tank" project, a multi-stakeholder group that involved companies, NGOs and institutions, and which led to the launch of the "Companies and the Inclusive Society" Blueprint on the main challenges for the future of work. The Group also participated in the "Up-skill4Future" initiative, focused on upskilling and reskilling workers in Italy and Spain, and joined the Biodiversity & Industry platform. Enel was also among the protagonists of the European SDG Summit, during which the CEO and the Chairman of Enel spoke and were involved in organizing four roundtables on: Taxonomy, Sustainable Tax, Decarbonization of the supply chain and Biodiversity.

World Business Council for Sustainable Development (WBCSD)

Since 2016, Enel has been a member of the World Business Council for Sustainable Development and is represented both on the Board, of which the CEO is a member, and at Liaison Delegate level. In 2021, the Group maintained its commitment to numerous programs and projects, including SOS 1.5 and Energy Solutions, in which it is also a member of the Steering Committee, and in the context of these two programs, it contributed to developing the "SDG Roadmap for Electric Utilities" report, a guide to maximizing the electricity sector's contribution to the SDGs. Enel was also actively involved in the following projects: "Transforming Urban Mobility", "Mobility Decarbonization", "Cities Business Collaboration", "Climate Policy" e "Business & Human Rights".



Global Reporting Initiative (GRI)

As a member since 2006, since 2016 the Enel Group has been part of the Global Reporting Initiative Community. In 2021, Enel maintained its commitment to the Global Sustainability Standards Board and to the Corporate Leadership Group on Digital Reporting. Enel was also involved in the "Business Leadership Forum on the SDGs" confirming its commitment to achieving the SDGs and at the same time demonstrating commitment, responsibility and transparency through corporate reporting.

Value Reporting Foundation

Since its creation, Enel has been involved in the International Integrated Reporting Council (IIRC) and in 2021, as a member of the <IR> Business Network, it again took part in several working groups, including the Special Interest Group Integrated Thinking: A Virtuous Loop. Following the merger between the IIRC and SASB into the Value Reporting Foundation, Enel also maintained its commitment to the new organization.

Sustainable Business Roundtable (SBRT)

In 2016, Enel signed up to the Sustainable Business Round-table and in 2021 it took part in two annual meetings focused on "Sustainable Finance & Investment" and the "Just Energy Transition".

Global Investors for Sustainable Development (GISD) Alliance

In 2021, Enel continued its commitment to the Global Investors for Sustainable Development Alliance, an integral part of the UN Strategy for Financing the 2030 Agenda for Sustainable Development, of which the Group CEO is a member. Enel actively contributed to the Alliance debates on mobilizing investments to support sustainable development. In particular, for the definition of specific sector metrics relating to the SDGs and their integration into existing reporting frameworks.

Taskforce on Climate-Related Financial Disclosures (TCFD)

Enel has supported the Taskforce since the publication of the first recommendations in June 2017, promoting transparent and reliable information on the climate. In 2020, Enel was also a member of the TCFD Advisory Group which puts together recommendations on scenario analyses.

Taskforce on Nature-related Financial Disclosures (TNFD) Forum

In 2021, Enel became a member of the TNFD Forum, a multidisciplinary advisory group supporting the new Taskforce on Nature-related Financial Disclosure (TNFD), which, by 2023, aims to provide a global framework for companies and financial institutions for the assessment and reporting of risks and opportunities related to the impact of their operations on nature and biodiversity.

Science Based Target initiative (SBTi)

Enel has certified its Scope 1 emission reduction target by 2030 through SBTi as in line with the 1.5 °C target. The Group undertakes to define its short, medium and long term targets in line with the criteria and recommendations of SBTi and related standards.

Science Based Target Network (SBTN) for Nature

Since 2021, Enel is an SBTN Corporate Engagement Program participant, pledging alignment with SBTN's goals and vision and contributing advice and end-user insights to the development of SBTN methods and tools. SBTN – a unique collaboration of leading global non profits and mission driven organizations – is equipping companies with the guidance to set science-based targets for nature including freshwater, ocean, land and biodiversity.

What is material for us?

Sustainability context

| 102-15 |

As part of the broader materiality analysis process, we have identified and analyzed the main current and future ESG megatrends, to identify their risks, limit their impacts and take full advantage of their opportunities.

The digital revolution, definition of new governance models, climate and demographic change, resources preservation are the main megatrends that are currently influencing and will continue to influence the economic, social and environmental dimensions of sustainable development.

These identified **megatrends** were brought to the attention of a group of national and international stakeholders that are strategic for Enel, through a specific questionnaire. The analysis confirmed that the main ESG megatrends are **climate change, the digital revolution and resources preservation**, and highlighted **increasing inequalities** as a further priority area to be taken into consideration.

These phenomena often influence each other and act in combination with each other, reinforcing their individual impact. The technological revolution and digitalization have in several cases accentuated income inequality and the consequent increase in inequalities. Climate change is contributing to displacement from rural to urban areas, and therefore to demographic changes in countries. Resources preservation entails the need to use and adopt technologies with a lower environmental impact.

The Covid-19 pandemic has made this scenario more complex, accentuating the existing inequalities between and within Countries, with a greater impact on the most fragile social groups that are less able to protect themselves.

Addressing these challenges required **global coordination and joint efforts, underlining the vital importance of multilateral consensus and collaboration**.



Main types of risk

| 102-11 | 102-15 | 102-29 | 102-30 | 103-2 | 103-3 | 201-2 |

Due to the nature of its business and its geographical distribution, the Enel Group is exposed to various types of ESG risk, identified within the reference framework relating to the risk categories adopted by Enel, which provides

for six categories: **strategic, financial, operational, governance & culture, digital technology, and compliance**.

The main ESG risks identified are listed below:



The identified risks are in line with the context described by the ESG megatrends analysis and consistent with what is reported by the World Economic Forum (Global Risks Report 2022), according to which the risk of climate and extreme events and the loss of biodiversity are considered as the 3 most significant risks for the next decade, followed by the social risks associated with the loss of social cohesion, the depletion of livelihoods and the risk of infectious diseases.

For further details and a description of the actions intended to mitigate their effects and ensure their correct management, please refer to "The path to Net-zero" chapter of this document, and for the risks associated with climate change to the "Sound governance" chapter of this document. Furthermore, a more detailed analysis of the additional strategic and financial risks is contained in the Annual Report for 2021, which is available to the public at the registered office and on the Company's website (www.enel.com).

The materiality analysis process and the results for 2021

| 102-46 | 103-1 |

The materiality analysis identifies aspects of the sustainable business model that are most relevant to the Company and its stakeholders, highlighting the interconnections with the 17 Sustainable Development Goals of the 2030 Agenda.

Continuous monitoring of stakeholder expectations ("dynamic materiality⁽⁶⁾") allows the evolution of material issues to be tracked over time, identifying ESG objectives aimed at creating long-term sustainable value and defining the contents to be included in Corporate Reporting documents.

Within this dynamic framework, the materiality process is conducted according to:

- a "**single materiality**" view, which allows you to identify and evaluate the priority issues for the Company (Y axis) and its main stakeholders (X axis), leading to the representation of the Group's materiality matrix (see the "Priorities' Matrix (single materiality)" paragraph in this chapter);
- a "**double materiality**" view, i.e. the union of two perspectives of equal importance:
 - potential and actual impacts suffered by the Company (**financial materiality**). The material issues are those that generate risks or opportunities for the Company, influencing its future cash flows and therefore the enterprise value in the short, medium or long term;
 - potential and actual impacts generated by the Company (**impact materiality**). The material issues are those for which the Company generates significant actual or potential impacts on society and the surrounding environment in the short, medium or long term (see the "Assessment of impacts generated and suffered" paragraph in this chapter).

The Holding's Sustainability Planning and Performance Management and Human Rights unit, as part of the InnoVability® Function, is responsible for analyzing materiality at Group level and plays a guidance and coordination role, providing guidelines and methodological support for the country, company and site level analysis conducted by local managers, with the involvement of stakeholders and



the main key figures at company level.

The materiality analysis is subject to specific examination by the Corporate Governance and Sustainability Committee, set up within the Board of Directors, when examining the guidelines of the Sustainability Plan. Furthermore, the Corporate Governance and Sustainability Committee and the Control and Risks Committee issue prior opinions on the Sustainability Report, which includes the materiality analysis, and submit them to the Board of Directors' meeting called to approve the Report.

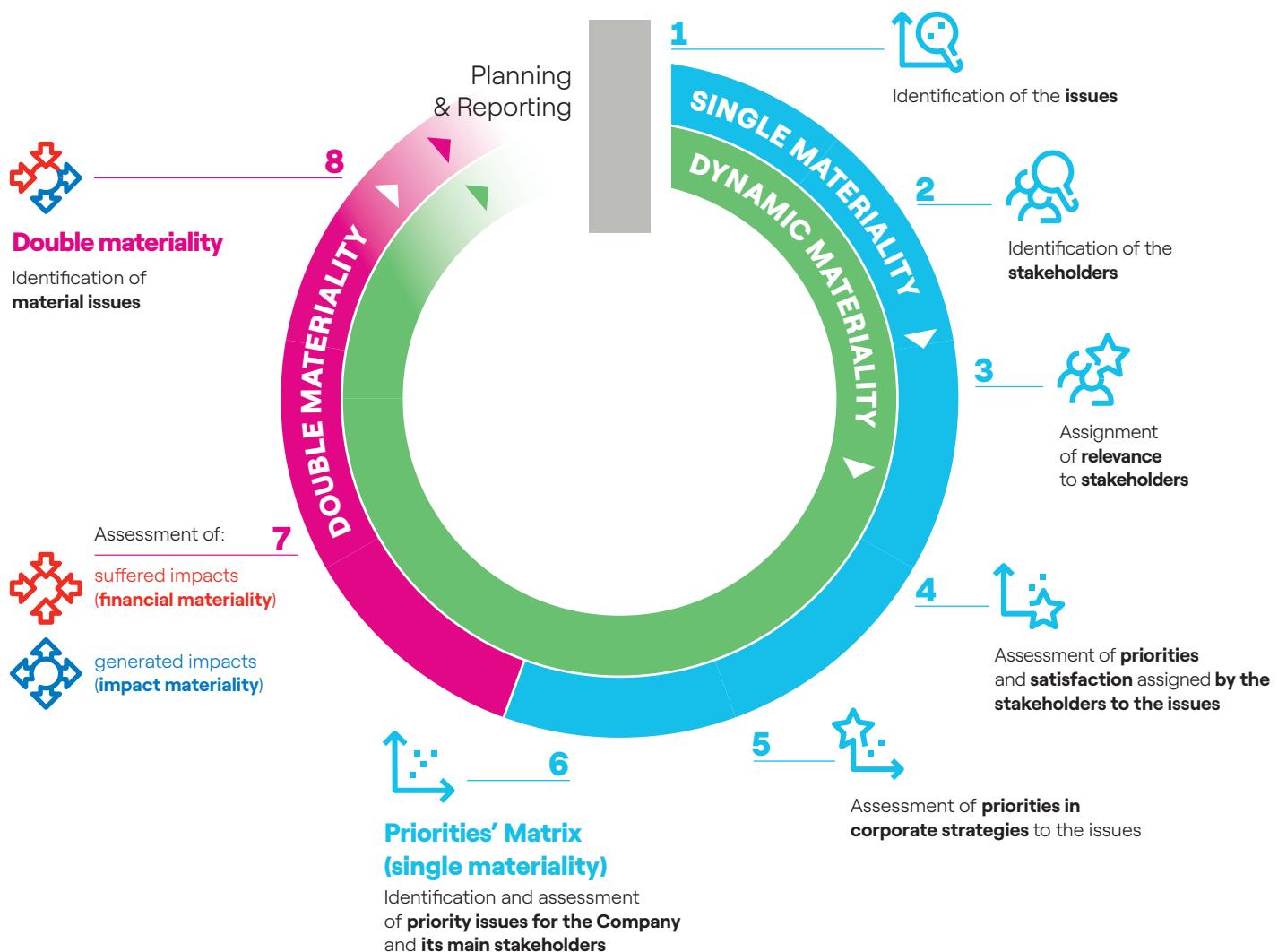
The materiality analysis has been developed in accordance with the guidelines of the most recent publications issued by international standards, including the GRI, EFRAG, and the AccountAbility AA1000 Stakeholder Engagement Standard (AA1000SES), regarding the principles of inclusiveness, materiality, responsiveness and impact⁽⁷⁾. The Value Reporting Foundation - SASB and Compass SDG, which supports companies in adapting their strategies to

(6) The concept of dynamic materiality, announced in 2020 by the World Economic Forum in the document entitled "Embracing the new age of materiality" – represents materiality as a dynamic process according to which what may be financially immaterial today can become material tomorrow.
(7) As part of the AccountAbility AA1000AP (2018) standard, according to the AA1000SES standard, the principle of:

- inclusiveness means that people should have a say in the decisions that affect them;
- materiality means that decision makers should identify and be clear about the main sustainability issues;
- responsiveness means that organizations must act transparently with regard to the relevant sustainability areas and their impact;
- impact means that organizations must monitor, measure and take responsibility for their actions that affect wider ecosystems.

the United Nations SDGs, were also considered as a reference for the analysis.
In particular, eight main stages are envisaged, summarized

in the diagram below and described in the following paragraphs of this chapter.



The collection, aggregation and processing of data and information are managed through a dedicated computer system ("E-mia: Engagement – materiality & impact analysis"), which also allows the best practices of engagement to be shared within the Group and stakeholders to be monitored in line with the corporate organizational model. The results, which are updated annually, are presented at both Group and individual company, Business Line/Corporate Function and site (intended as potential or actual operating site) level, as well as for the different categories of stakeholders.

Every two years, an analysis is carried out aimed at potentially reviewing the issues and categories of stakeholders, in order to take into account any significant changes in the internal and external context of the Company.

In 2021, the scope of the materiality analysis included 21 countries, covering all continents where the Group is present. In particular, over the past year, 3 new countries (India, Panama and Costa Rica) were added along with sites in Iberia, India and Chile, with an ever-greater integration of the results deriving from the application of the Creating Shared Value (CSV) tools on the Group's assets.

1. Identification of the issues

| 102-46 | 102-47 | 103-1 |

The issues subject to the 2021 analysis are classified into three categories: business and governance issues, social issues and environmental issues, divided into three levels to cover all the different cases (see the Methodological note "List of 1st and 2nd Level issues" in the annex).

The identification of the issues took into consideration company policies and principles of conduct, stakeholder engagement initiatives, the issues of greatest interest to

sustainability rating agencies, sector benchmarking studies, the strategic direction of the Company, as well as the indications of experts both internal and external to the organization.

In accordance with the methodology, in 2021 the issues were reviewed and updated to take into consideration the reference context; in particular, the reviews carried out on the first level are shown below.

2020 Materiality analysis	2021 Materiality analysis	Objective of the update
"Ecosystems and platforms"	"Products and services for electrification and digitalization"	Emphasize the presence of new technologies within electrification services
"Innovation and digital transformation"	"Innovation, circular economy and digital transformation"	Highlight the key role of the circular economy in the business model
"Energy distribution"	"Infrastructure and Networks"	Attribute appropriate visibility to the topic of network management
"Environmental management"	"Conservation of ecosystems and environmental management"	Highlight the importance of ecosystem conservation and biodiversity
"Engaging local communities"	"Engaging local and global communities"	Highlight the importance of ecosystem conservation and biodiversity

2. Identification of the stakeholders

| 102-40 | 102-42 |

The stakeholders involved in the 2021 materiality analysis process are grouped into categories, classified on three levels, in line with the structure of the issues analyzed.

The first level stakeholder categories are the following:

- Businesses and trade associations
- Customers
- Financial community
- Institutions
- Civil society and local and global communities
- Media
- Employees
- Suppliers and contractors

(see the table in the "Assessment of priorities and satisfaction assigned by the stakeholders to the issues" paragraph, which shows the first level stakeholder categories with their respective degree of relevance)

The various units responsible for stakeholder relations, which are involved in the analysis process every year, are tasked with identifying and updating the list of relevant stakeholder categories every two years, in order to define a complete list of current and potential stakeholders and to always be aligned with the sustainability context in which Enel operates.

In accordance with the methodology, in 2021 the list of stakeholders was updated to take into account the changes in the reference context. The revision carried out at the first level is shown below.

2020 Materiality analysis	2021 Materiality analysis	▶ Objective of the update
Civil society and local communities	Civil society and local and global communities	Include the global view in which the communities of the local context operate



3. Assignment of relevance to stakeholders

| 102-42 | 102-43 |

The process provides for the continuous and direct involvement of the stakeholders, both external and internal to the Company, by the different company units, whose methods of involvement (interviews, questionnaires, etc.) and frequency (daily, monthly, weekly, etc.) are defined based on their individual relevance, as required by the ref-

erence standards.

In 2021, activities at Group level saw the involvement of the Top Management of all the Business Lines, who assessed, through a specific questionnaire, **the relevance** of the categories based on the following parameters.

Dependence	Importance of the relationship for the stakeholder, indicating groups or individuals who directly or indirectly depend on the activities, products or services and associated services, or on which the organization depends in order to operate
Influence	Importance of the relationship for the Company, indicating groups or individuals that may have an impact on the organization or on a stakeholder for strategic or operational decision-making
Tension	Temporal dimension of the relationship, indicating groups or individuals who require the immediate attention of the organization on broader financial, economic, social or environmental issues

(see the table in the "Assessment of priorities and satisfaction assigned by the stakeholders to the issues" paragraph, which shows the stakeholder categories with their respective degree of significance)

In particular, the analysis carried out at Group level, shows that the relevance of the "Customers" stakeholder has grown over the last year, particularly given the awareness of their key role in managing the "electrification decade".

However, the importance of the "Employees" stakeholder remains constant, particularly given the persistence of the Covid-19 pandemic.



4. Assessment of priorities and satisfaction assigned by the stakeholders to the issues

| 102-40 | 102-43 | 102-46 | 102-47 | 103-1 |

Once the issues and stakeholder categories have been identified, weighted according to their respective relevance, the materiality analysis process proceeds with an **assessment of the priorities assigned to the issues by stakeholders**, i.e. the relative relevance of each issue for the stakeholders (horizontal axis of the materiality and expectations matrix) (see the "2021 Priorities' Matrix" and "Expectations Matrix 2021" graphs).

In 2021, the priorities attributed to the issues were identified thanks to the implementation of approximately **480 engagement initiatives** with stakeholders relevant to the Group. Only 2% of the assessments were carried out indirectly, through interviews with the business units responsible for the relationship with the reference stakeholder

("self-assessment"), demonstrating the ever-greater objectivity of the analyses carried out. The engagement initiatives are part of the various listening initiatives carried out during the year by the various units of the Group, including customer satisfaction surveys, the "Open Listening - Future Way of Working" survey, intended to gather the perceptions and expectations of Enel people regarding the future post-Covid working model, questionnaires from sustainability rating agencies, customer complaints, relations with analysts and investors, representative and trade associations, institutional relations at national and local level, as well as with trade unions, media monitoring and opinion polls. In some cases, where necessary, *ad hoc* materiality analysis initiatives were implemented, including an online questionnaire for suppliers or focus groups aimed at specific categories of stakeholders.

The following table shows, for each first-level stakeholder category identified, the respective degree of relevance,

the channels of involvement used, the material topics and the Company's response methods.

		PARAMETERS:		
		Dependence importance of the relationship for the stakeholder	Influence importance of the relationship for the Company	Tension temporal dimension of the relationship
Relevance				
Businesses and trade associations		Channels and type of communication and engagement ⁽¹⁾	Average frequency of engagement per channel/type	Main high/very high priority issues for stakeholders Our response to stakeholders in the CHAPTERS/paragraphs of the Report
		 Direct contact	daily	<ul style="list-style-type: none"> • Occupational health and safety • Decarbonization of the energy mix • Infrastructure and Networks <ul style="list-style-type: none"> • ESG BACKBONES - Occupational health and safety • THE PATH TO NET-ZERO • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
		 Forums	monthly	
		 Working groups	monthly	
		 Dedicated meetings	weekly	
Customers				
		 Agents	daily	<ul style="list-style-type: none"> • Health and safety • Customer engagement • Decarbonization of the energy mix <ul style="list-style-type: none"> • ESG BACKBONES - Occupational health and safety • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY • THE PATH TO NET-ZERO
		 Mobile app	continuous	
		 Web channel	continuous	
		 Forums	monthly	
		 Working groups	monthly	
		 Official stores and sales offices	daily	
		 Social media	continuous	
		 Survey	twice a year	
Financial community				
		 Web channel	continuous	<ul style="list-style-type: none"> • Decarbonization of the energy mix <ul style="list-style-type: none"> • THE PATH TO NET-ZERO
		 Direct contact	daily	<ul style="list-style-type: none"> • Infrastructure and Networks <ul style="list-style-type: none"> • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
		 Investor Day	once a year	
		 Roadshow	4 times a year	<ul style="list-style-type: none"> • Occupational health and safety <ul style="list-style-type: none"> • ESG BACKBONES - Occupational health and safety

(1) Due to the Covid-19 emergency, communication and involvement that normally take place face-to-face (such as "direct contact" or "dedicated contact") took place remotely (meetings via Teams, Skype, etc.).

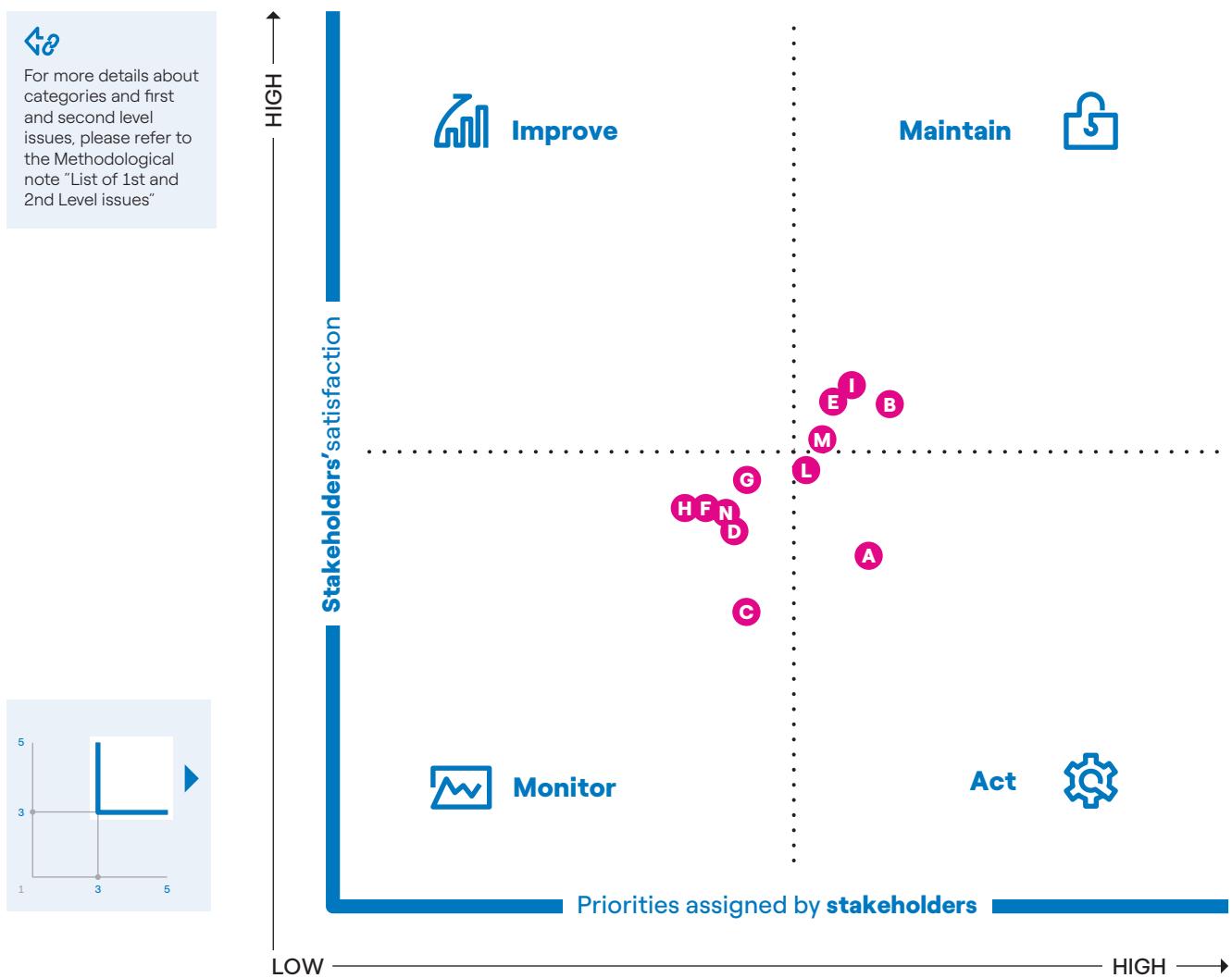
	Channels and type of communication and engagement⁽¹⁾	Average frequency of engagement per channel/type	Main high/very high priority issues for stakeholders	Our response to stakeholders in the CHAPTERS/paragraphs of the Report
Institutions	 Reporting channel  Web channel  Press releases  Direct contact  Social media	continuous continuous weekly daily continuous	<ul style="list-style-type: none"> • Infrastructure and Networks • Decarbonization of the energy mix • Occupational health and safety 	<ul style="list-style-type: none"> • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY • THE PATH TO NET-ZERO • ESG BACKBONES – Occupational health and safety
Civil society and local and global communities	 Reporting channel  Web channel  Press releases  Direct contact  Social media	continuous continuous weekly daily continuous	<ul style="list-style-type: none"> • Infrastructure and Networks • Occupational health and safety • Sustainable supply chain 	<ul style="list-style-type: none"> • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY • ESG BACKBONES – Occupational health and safety • PROGRESS STARTS WITH PEOPLE – Suppliers
Media	 Press releases  Direct contact  Dedicated meetings  Roadshow  Social media	weekly daily weekly 4 times a year continuous	<ul style="list-style-type: none"> • Decarbonization of the energy mix • Economic and financial value creation • Sound governance and fair corporate conduct 	<ul style="list-style-type: none"> • THE PATH TO NET-ZERO • ESG BACKBONES – Sound governance
Employees	 Reporting channel  Forums  Working groups  Fact-finding interviews  Intranet  Newsletter  Company magazine  Survey	continuous monthly monthly weekly continuous every 2 weeks every 2-3 months twice a year	<ul style="list-style-type: none"> • Conservation of ecosystems and environmental management • Decarbonization of the energy mix • Customer engagement 	<ul style="list-style-type: none"> • TOWARDS A “NATURE-BASED” MODEL • THE PATH TO NET-ZERO • THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
Suppliers and contractors	 Web channel  Direct contact  Forums  Working groups  Dedicated meetings	continuous daily monthly monthly weekly	<ul style="list-style-type: none"> • Sound governance and fair corporate conduct • Occupational health and safety • Conservation of ecosystems and environmental management 	<ul style="list-style-type: none"> • ESG BACKBONES – Sound governance • ESG BACKBONES – Occupational health and safety • TOWARDS A “NATURE-BASED” MODEL

Since 2016, Enel has combined the assessment of priorities by stakeholders with an **analysis of their satisfaction** with the identified issues (vertical axis of the expectations matrix), in order to identify more precisely the issues on which the Company needs to focus.

The 2021 results, as represented in the "**Expectations Matrix**",

show a substantial alignment between the priority assigned by the stakeholders and their level of satisfaction ("Maintain" quadrant). It is worth noting, however, that there has been an increase in satisfaction regarding the "Customer engagement" issue compared to 2020, in line with the actions taken by the Company.

2021 Expectations Matrix



Business and governance issues

- A** Infrastructure and Networks
- B** Decarbonization of the energy mix
- C** Customer engagement
- D** Products and services for electrification and digitalization
- E** Sound governance and fair corporate conduct
- F** Economic and financial value creation
- N** Innovation, circular economy and digital transformation

Social issues

- G** Engaging the local and global communities
- H** Employees management, development & motivation
- I** Occupational health and safety
- L** Sustainable supply chain

Environmental issues

- B** Decarbonization of the energy mix
- M** Ecosystems preservation and environmental management



5. Assessment of priorities in corporate strategies to the issues

| 102-15 | 102-43 |

For the purposes of drawing up the 2021 materiality matrix, Enel evaluates the priority of the issues in its strategies (vertical axis of the Priorities' Matrix), taking into account the guidelines set by the Strategic Plan, the objectives of the Departments/Business Lines and the commitments

made by the Group through its own policies and conduct criteria. This analysis involves the Company's various departments and top management (Chief Executive Officer and Chairman) through *ad hoc* interviews and specific questionnaires.



6. Priorities' Matrix (single materiality)

| 102-46 | 102-47 |

The dimensions investigated in the previous paragraphs, i.e. the priority of issues for stakeholders and in corporate strategies, contribute to the developing the matrix of priorities ("single materiality").

The priorities' matrix, which gives a comprehensive view of all the Company's stakeholders, provides a complete sustainability disclosure, as well as an integrated representation of the Company's contribution to sustainable development. Furthermore, applying the so-called "primary user" filter to the overall materiality analysis, corresponding to the "financial community"⁽⁸⁾, highlights the issues that have a greater direct impact on the value of the company.

The result of the analysis therefore supports the identification and definition of the objectives to be included in the Strategic Plan and the Sustainability Plan, to the achievement of which the various Departments and Business Lines of the Group contribute, and of the issues covered by the

Sustainability Report and other Corporate Reporting documents.

The process allows the priorities for the Group as a whole and for each country, down to the individual Business Line/Corporate Function and individual assets (understood as a potential or effective operating site), to be identified.

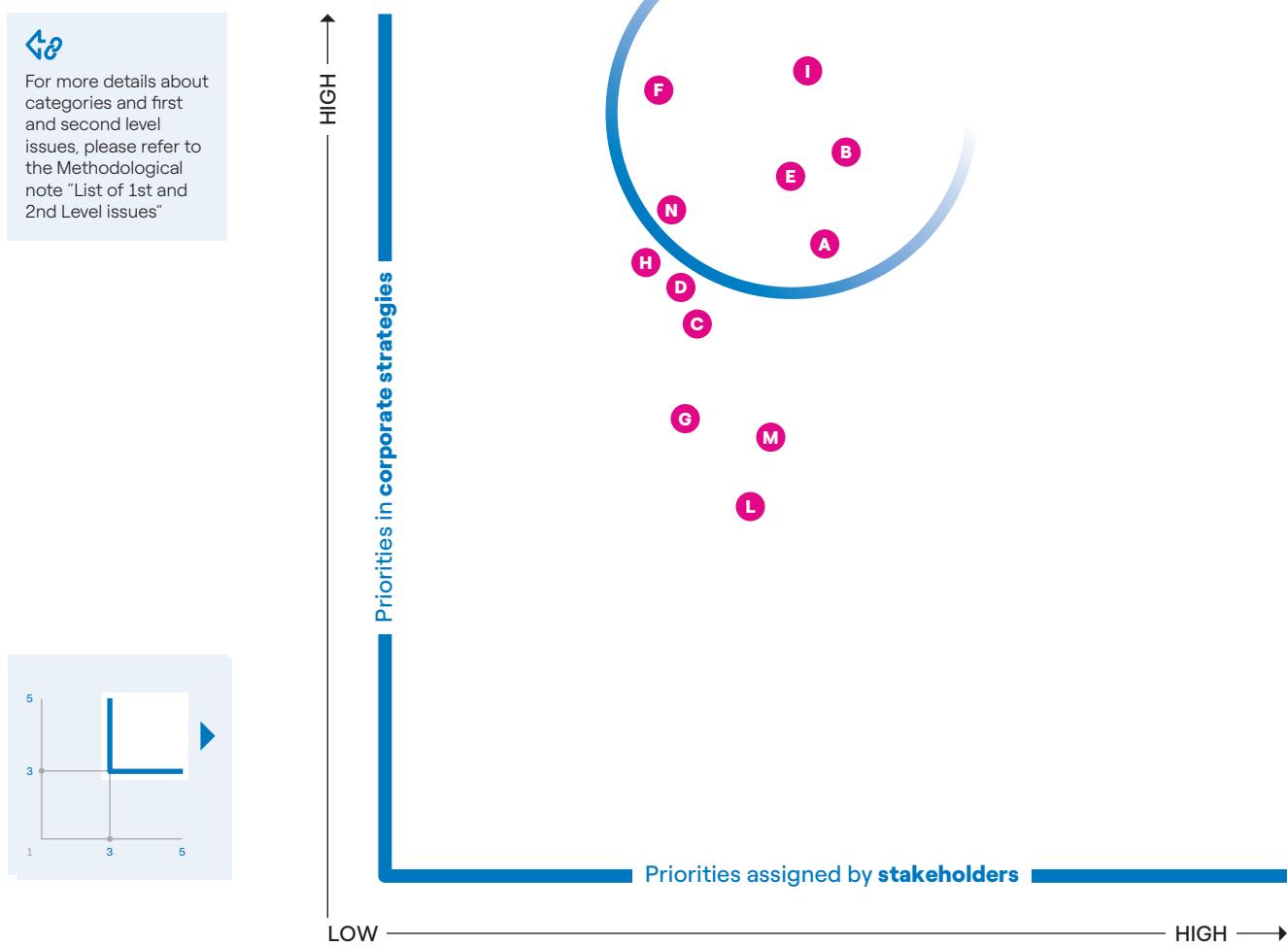
In 2021, the analysis covered **21 countries, 67 companies and 31 sites** and considered **479 engagement initiatives involving stakeholders** relevant to the Group.

Shown below are:

- the 2021 priorities' matrix of the Enel Group, which considers the contributions of the main companies involved in the process, weighted according to their relevance in relation to the type of business in which they operate;
- the main 2021 priorities of some of the main companies participating in the materiality analysis process.

(8) It includes: financial institutions and related governance bodies; investors and shareholders; rating agencies and analysts in the fields of finance and sustainability.

2021 Priorities' Matrix



Business and governance issues

- A** Infrastructure and Networks
- B** Decarbonization of the energy mix
- C** Customer engagement
- D** Products and services for electrification and digitalization
- E** Sound governance and fair corporate conduct
- F** Economic and financial value creation
- N** Innovation, circular economy and digital transformation

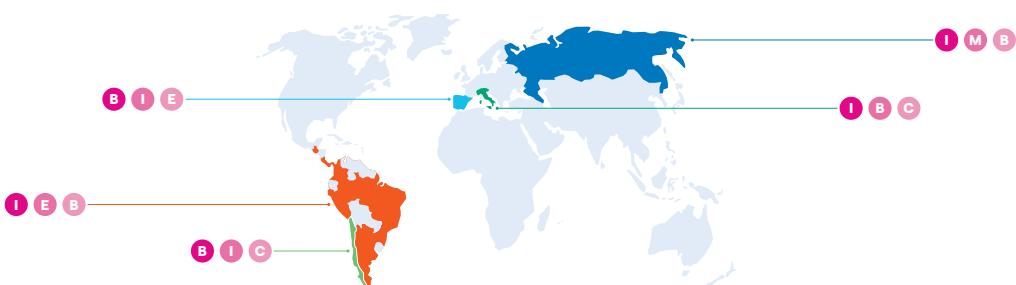
Social issues

- G** Engaging the local and global communities
- H** Employees management, development & motivation
- I** Occupational health and safety
- L** Sustainable supply chain

Environmental issues

- B** Decarbonization of the energy mix
- M** Ecosystems preservation and environmental management

2021 Top priorities for the Countries⁽¹⁾



(1) The 2021 materiality analysis covered 21 Countries. This graphic shows data for only some of the main companies that participated in the process. Regarding Enel Américas, Uruguay did not participate in the materiality analysis process in 2021.

The material issues and the related management methods concern the following areas.

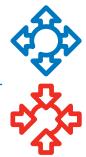
- **Occupational health and safety** – Enel considers the health, safety, mental and physical integrity of people to be among the Group's main priorities. Optimal management of this issue helps to generate trust and boost the commitment of people in relation to the work they perform, also helping to improve performance and raise productivity and efficiency. As a confirmation of Enel's constant commitment to safety in 2021, the Total Recordable Injury Frequency Rate (TRI FR) for Enel and contractor companies combined was down by 11.7% compared to 2020.
- **Decarbonization of the energy mix** – Abating climate change is one of the main challenges for companies. In the utilities sector in particular, this has led to the development of regulations and public policies aimed at promoting a global zero emissions economy, in which electrification of the energy demand plays a key role. Institutional investors are devoting ever-greater attention to the management and results of companies in relation to climate change. In this context, Enel has set specific objectives for the reduction of greenhouse gas (GHG) emissions, focusing on the growth of renewable capacity and the gradual closure of coal plants (see the paragraph on the "Sustainability Plan 2022-2024" and the "The path to Net zero" chapter of this document).
- **Infrastructure and Networks** – Enel works constantly to develop and improve the efficiency of the distribution network, carrying out maintenance and modernization work on existing infrastructure in all countries. This network management and development activity allows it to reduce the number and duration of service interruptions, guaranteeing its customers an adequate and constantly reliable service. Considering the key role of intelligent infrastructure in the energy transition, the Group has included achieving 48.4 million end users with active smart meters by 2024 and approximately 81 million by 2030 as one of the objectives of its 2022-2024 Sustainability Plan.
- **Sound governance and fair corporate conduct** – Enel has established a system of rules, models and control mechanisms inspired by the highest standards of transparency and fairness in the management of the business, both internally and externally. This model generates trust in its stakeholders, which is also reflected in the financial results achieved and in the excellent position in the main ESG ratings and sustainability indices confirmed for 2021.
- **Economic and financial value creation** – Creating economic value is a fundamental objective to guarantee sustainable long-term economic growth. The Group's financial performance is among the material topics for both stakeholders and the Company. In 2021, Enel achieved an ordinary EBITDA of 19.2 billion euros and



a fixed dividend per share ("DPS") of 0.38 euros, up by 6.1% compared with 2020.

- **Innovation, circular economy and digital transformation** – Digitalization and the dissemination of new technologies are accelerating the transformation of many sectors. This offers new opportunities based on the development of energy solutions that promote sustainability and the circular economy, and allow diversification of the range of products and services offered by the Group to its customers, both by influencing traditional business and by encouraging the creation of new models. Innovation of products, services or processes is a strategic priority that guarantees the Company's long-term success against the background of an increasingly competitive and demanding market. In this respect, the Group has included in its Sustainability Plan 2022-2024 clear and precise objectives intended to create an innovative ecosystem that can offer and develop cutting-edge technological solutions for business and all the main stakeholders. In particular, the Group is pursuing the goal of adopting 137 innovative business solutions through collaboration with start-ups, technology communities and strategic partners, in order to promote solutions that fulfil the internal and external needs of the Company.

7.



Assessment of impacts generated and suffered

| 102-15 | 102-46 | 102-47 | 103-1 |

In the materiality analysis process, Enel combines "single materiality" with "double materiality", where the impacts suffered (financial materiality) and the impacts generated (impact materiality) each represent a materiality perspective of equal importance.

In order to provide a holistic view of the impacts, risks and opportunities related to the company's activities and guarantee that they are all covered, the analysis was conducted taking into consideration the most recent publications by the main international standards, including GRI, EFRAG and Value Reporting Foundation - SASB, and attributing specific materiality levels to each ESG dimension and issue according to a high, medium, low scale.

With regard to financial materiality:

Enel conducted an analysis intended to identify the impacts suffered by the Company, considering the financial relevance of ESG issues according to the SASB Standard for the Electric Utilities sector and the ESG issues included in the Group's financial reporting, evaluating the priority attributed to ESG issues by the financial community, as well as analyzing the risk suffered associated with company activities. The significant aspects giving rise to the risks and opportunities that contribute negatively or positively to the creation/maintenance of enterprise value, in the short, medium and long term, were thus analyzed.



With regard to impact materiality:

In 2021, Enel strengthened the methodology for analyzing the impacts generated by the Company to bring it into line with the main international standards (GRI, EFRAG). Following the "Impact Evaluation" pilot project launched in 2019 and its completion in 2020, with the involvement of all the Countries participating in the process, this year the Group conducted the analysis on impact materiality, identifying the impacts generated by the Company on the economy, on the environment and on people, considering any violations of human rights among the negative impacts, and the contribution to sustainable development among the positive impacts. The project, extended to all 21 Countries that carry out the materiality analysis, was implemented by each local Sustainability unit, which, considering the internal company context, including organizational activities, the main stakeholders, as well as the best practices dictated by the due diligence process, assessed the (current and potential) positive and negative impacts generated by the Company. The main impacts identified, both negative and positive, were considered respectively according to their degree of severity or magnitude and probability, in the case of potential impacts. Additionally, each positive

impact was analyzed according to its direct and indirect contribution to the SDGs, in line with the commitment made by the Group, and with respect to the management instruments put in place to monitor the objectives set.

Once the main impacts were identified according to the financial and impact materiality criteria, the relative level of double materiality was attributed to each issue as a holistic combination of the two views.

The table on pages 38-39 shows the results of the double relevance analysis, representing for each ESG issue:

- the main negative and positive impacts generated directly and indirectly by the Company on the external context;
- the relative impact materiality;
- the reference SDGs for the impacts that create added value to the community and/or the environment;
- the relative level of financial materiality;
- the resulting level of double materiality;
- the strategies and performances adopted by the Company, in line with the due diligence process aimed at mitigating and preventing negative impacts.

8. Double materiality

| [102-15](#) | [102-46](#) | [102-47](#) | [103-1](#) |

Based on the double materiality, once the significant impacts for each ESG issue were identified, Enel then ordered the material issues according to the value attributed in terms of double materiality.

According to this criterion, **the most material issues** are therefore:

- Decarbonization of the energy mix;
- Products and services for electrification and digitalization;

- Conservation of ecosystems and environmental management;
- Occupational health and safety;
- Sound governance and fair corporate conduct.

This result shows a substantial alignment between the priority issues defined according to the "single materiality" approach and those identified as material from the point of view of double materiality.

Materiality analysis:

Table of impacts



		Value chain							
		Impact materiality		Financial materiality		Double materiality			
Material issues		Main impact generated (potential/actual)	Type of impact	Impact materiality level (Severity/Magnitude)	Main reference SDG for positive impacts	Financial materiality level (impact suffered)	Double materiality level	Strategy and performance (Ref. CHAPTERS/paragraphs of Report)	
 PLANET	I Level Issues	Reduction of emissions through improvement of the national energy mix by increasing the installed renewable capacity	+		 			THE PATH TO NET ZERO	
	Decarbonization of the energy mix	Failure to reduce emissions due to the ongoing process of shutting down thermoelectric power plants	-						
	Conservation of ecosystems and environmental management	Promotion of energy efficiency to reduce energy consumption	+		 			TOWARDS A "NATURE-BASED" MODEL	
	Occupational health and safety	Increased noise pollution which contributes to loss of biodiversity in the surrounding area	-						
	Occupational health and safety	Increased attention to health and safety issues within the company thanks to preventive actions	+					ESG BACKBONES - Occupational health and safety	
	Engaging local and global communities	Increase in the rate of accidents due to a failure to disseminate a health and safety culture in the community in which the Company operates	-						
 PEOPLE	Engaging local and global communities	Social and economic development of the communities in which the Company operates by actively listening to them	+					PROGRESS STARTS WITH PEOPLE - Local and global communities	
	People management, development and motivation	Insufficient attention paid to preventing social conflicts within local communities	-						
	People management, development and motivation	Guarantee of stable and decent work for our people	+					PROGRESS STARTS WITH PEOPLE - Enel people	
	Sustainable supply chain	Reduction of job opportunities offered due to inadequate institutional support	-						
	Sustainable supply chain	Promotion of Circular Economy principles among small and medium-sized suppliers	+					PROGRESS STARTS WITH PEOPLE - Suppliers	
	Sustainable supply chain	Increase in environmental impacts due to a failure to adopt environmental management policies by the suppliers with whom the Company operates	-						

Type of impact:  Positive  Negative

Materiality level:  Low  Medium  High

Value chain							
Material issues		Impact materiality		Financial materiality		Double materiality	
I Level Issues	Main impact generated (potential/actual)	Type of impact	Impact materiality level (Severity/Magnitude)	Main reference SDG for positive impacts	Financial materiality level (impact suffered)	Double materiality level	Strategy and performance (Ref. CHAPTERS/paragraphs of Report)
PROSPERITY	Products and services for electrification and digitalization	+ Electrification of cities through electric mobility	Low	7, 11			THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
		- Increase in environmental impacts due to a failure to implement innovative digital services in customer service	Medium		Medium	Medium	
	Infrastructure and Networks	+ Guarantee of access to electricity in rural areas thanks to service quality improvements	Low	7, 9			THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
		- Reduction of national network reliability due to delayed maintenance	Medium		Medium	Medium	THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
	Economic and financial value creation	+ Increase in investments intended to promote the energy transition	Low	8			All chapters of the Report
		- Reduction of investments in maintenance activities on existing assets	Medium		Medium	Medium	
	Innovation, circular economy and digital transformation	+ Social and economic development in the territories in which the company operates by supporting local start-ups intended to promote the circular economy	Low	8, 12			GROWTH ACCELERATORS
		- Reduction of raw materials used in the value chain due to their non-reuse	Medium		Medium	Medium	
	Customer engagement	+ Increase in the quality of innovative and sustainable services provided to customers	Low	11			THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
		- Lack of clear, transparent and inclusive communication on business information	Medium		Medium	Medium	THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY
PRINCIPLES OF GOVERNANCE	Sound governance and fair corporate conduct	+ Guarantee of transparent communication of information relating to the Company's work	Medium	16			ESG BACKBONES - Sound governance
		- Lack of socio-economic development of the communities in which the Company operates due to the sub-optimal management of disputes and potential corruption events	Medium		Medium	Medium	

Type of impact:  Positive  Negative

Materiality level:  Low  Medium  High

Our strategy for sustainable progress

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The strategy developed in recent years has enabled the Group to set out a **vision of the future and progress centered on sustainability**, as a key and essential element to face the global challenges of the transition to a decarbonized economy.

Stakeholders **listening** increasingly means we can intercept their needs and priorities in advance, knowing that our actions will result in impacts on the ecosystem we are part of, and that, to achieve long-term sustainability, we must consider the environment, the climate, the economy and society as inseparable parts of the same whole. Proactive, able to intercept news and look beyond, but always with concrete awareness and effective action plans.

Our strategy is articulated around the core concept of contributing to building a fairer and more inclusive society throughout the entire value chain, protecting the environment in which we live and creating opportunities for the future for the Company and for our stakeholders, without leaving anyone behind.

A sustainable strategy and an integrated business model that enable us to contribute to achieving all **17 United Nations Sustainable Development Goals**. In particular, 4 of the 17 goals guide our creation of value: **SDG 13**, "Climate Action"; **SDG 7**, "Affordable and Clean Energy"; **SDG 9**, "Industry, Innovation and Infrastructure"; **SDG 11**, "Sustainable Cities and Communities".

Taking into account the results of the materiality analysis and in synergy with the Strategic Plan, we are therefore setting out our **Sustainability Plan**, divided into specific objectives in the short, medium and long term, to make our journey towards sustainable progress more transparent and verifiable. Every year, these objectives are updated and new targets are set to ensure continuous alignment with the business strategies and the results achieved, in order to increasingly integrate sustainability along the entire value chain, taking into account the potential impacts on the economy, on the environment and on people.

The 2022-2024 Sustainability Plan is divided into 6 macro-areas, closely linked to each other and representing the strategic lines of action:

1

Net-Zero Ambition:

To bring forward the Net-Zero objectives to 2040

2

Electrification:

To enable the electrification of customer energy demand, offering a reliable and sustainable service

3

People:

To create long-term value with and for all our stakeholders, helping them to grow and meet challenges

4

Nature:

To promote the protection of natural capital and biodiversity

5

Growth accelerators:

To accelerate sustainable progress through innovation, digitalization and the circular economy

6

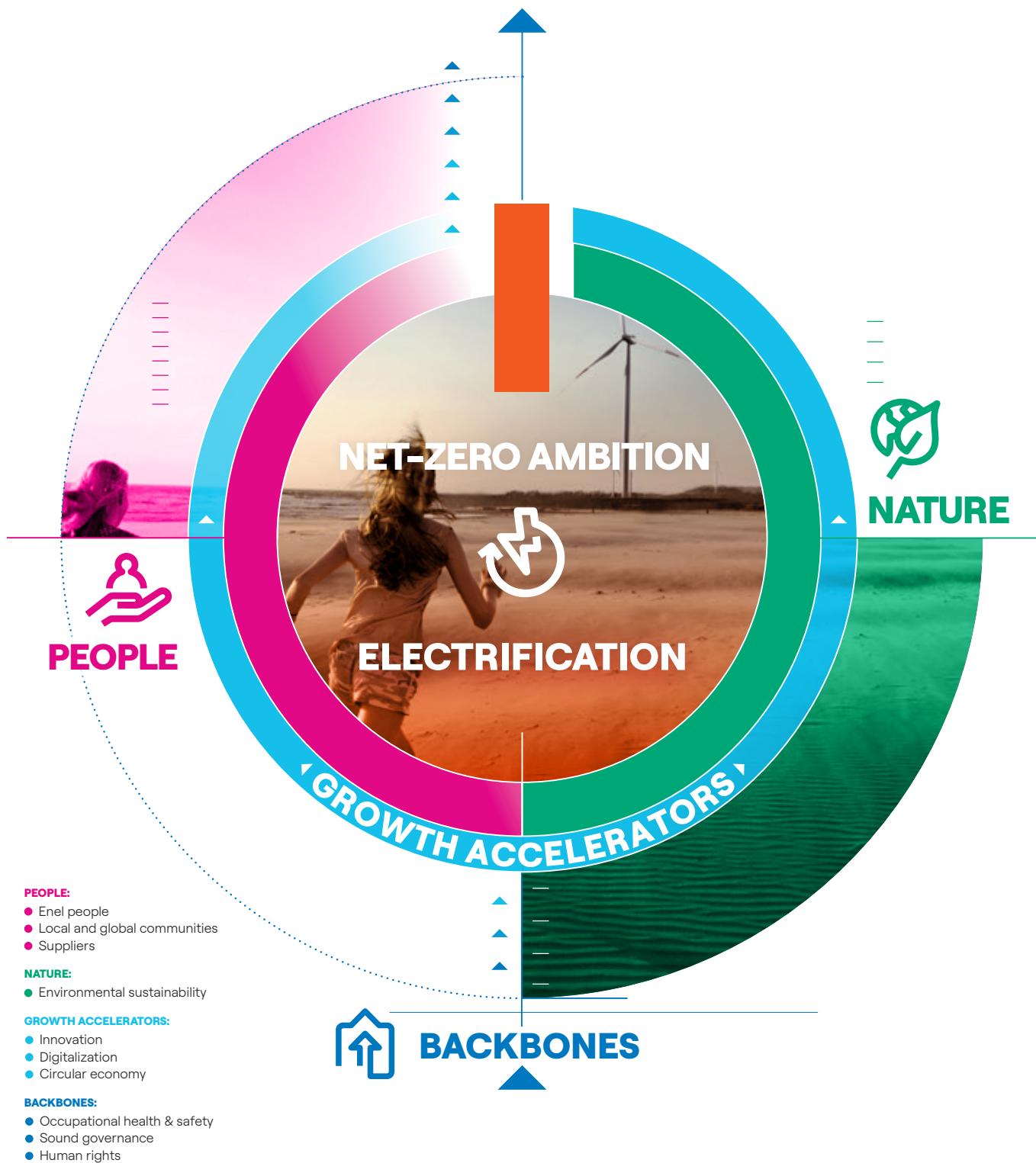
Backbones:

To support sound governance, respect and promotion of human rights, continuous improvement in health and safety objectives

Sustainable development along the entire value chain



Sustainable Value Creation in the long term





Net-Zero Ambition

We have made a commitment to **bring forward our Net-Zero trajectory by 10 years, from 2050 to 2040**, for both direct and indirect emissions. We are committed to achieving a value of zero emissions, with no use of any carbon removal technology or nature-based solutions, in relation to the generation of energy and the sales of electricity and natural gas to end customers. An ambitious goal that is based on the implementation of certain fundamental strategic stages:

- i) to accelerate the process of decarbonization of generation activities, gradually replacing the thermoelectric portfolio with new renewable capacity, as well as making use of the hybridization of renewables with storage solutions. The plan to 2030 provides for the development of about 100 GW of additional renewable capacity and the gradual reduction of thermal capacity to less than 20% of the total;
- ii) to sell electricity produced 100% from renewable sources by 2040 and to exit the gas sales business by the same year.

We have confirmed our 2030 targets for an 80% reduction in Scope 1 emissions compared to 2017, in line with the 1.5 °C scenario, as certified by SBTi, and those relating to indirect emissions related to the sales of electricity and natural gas to end customers.

Electrification

We have increased and extended our commitment to the **electrification of uses**, where people and their everyday decisions play an active role in change. Supported by a unified platform capable of managing the world's largest customer base of any private operator, our strategic actions will result in the creation of value for customers by 2030, through a reduction in energy expenditure and their carbon footprint. A commitment that translates into a significant and tangible improvement in quality of life for all.

The main lines of action will concern:

- **the strengthening of networks and infrastructure**, due to be called on to support greater electricity flows and to offer a higher quality, more efficient and reliable service;
- **customer support** in the process of transforming their energy habits in everyday life, based on the provision of new services and products.

The main goals in this regard include the strengthening of the commitment to reduce the average frequency and duration of interruptions of electricity supply (SAIFI and SAIDI), knowing that **service reliability** is one of the levers to incentivize electrification. It is also the major factor on which many aspects of our customers' quality of life depend, both in everyday life and in terms of specific issues related to health, safety and development. We are committed to further **extending access to electricity** in rural and suburban areas in the countries in which we operate, to communities with no electricity supply, aiming at reaching 6.9 million beneficiaries by 2030. With regard to new technologies to support more responsible and decarbonized consumption, our main goals by 2024 include reaching 476 MW of **storage** and 13 GW of **demand response**, a digital platform service open to commercial and industrial customers that increases network flexibility and stability and improves efficiency in the use of infrastructure and energy resources by optimizing their consumption. We also intend to continue supporting the dissemination of the **electric vehicles**, and we expect to reach a total of 1.1 million public and private charging points, as well as to serve over 12,000 electric buses.

We want to provide **our customers** with innovative and inclusive services, increasing the digital content available and committing to respecting confidentiality and the right to privacy through proper use of the data and information we receive. We pay particular attention to **vulnerable customers**, including people with disabilities, the target audience for products developed according to the "design for all" technique. This approach takes into account everybody's needs, to broaden their user base and satisfaction; it also includes specific programs and initiatives such as the promotion of "slow shopping", with dedicated areas and times for those who find shopping stressful or challenging, where the staff are trained to welcome them appropriately.



People

The sustainable quality of the relationships we establish with stakeholders lies at the center of our commitment, whether they are our colleagues, suppliers, members of the communities in which we operate or our customers. Meeting their needs also translates into attention to those who are most exposed to the transition towards a decarbonized economy, by supporting them on their journey, leveraging and enhancing their capabilities (further information on Enel for the Just Transition is available in "The path to Net-Zero" chapter). Specifically, in the most heavily involved contexts, we promote the **retraining and enhancing the professional skills** of Company's people, via specific resettlement programs supported by **upskilling and reskilling** activities. We are committed to dedicating 40% of the total training to these programs by 2024, and to also support our suppliers on this new journey to repurpose their resources and skills. We are also promoting projects and activities at a local level with the **communities involved in the transition process**, for example if specific plants are closed, supporting the most vulnerable groups and the ecosystem as a whole. For the **people who work for the Company**, we are also committed to building an inclusive working environment on a daily basis, one that can enhance diversity and uniqueness, and foster individual development, including by extending the training offer. Our Succession Plans state that by 2024, 45% of managers should be women, an essential target to achieve the objectives of increasing the representation of women in senior positions in the Company. Compared to the previous year, we have therefore increased the goals for the percentages of female managers and middle managers by 2024, to 26.8% and 33.4% respectively.

Responsible relations with the communities in which we operate and promoting economic and social development constitute a pillar of our strategy. As such, we have confirmed our commitment for the period 2015-2030 to developing specific projects to:

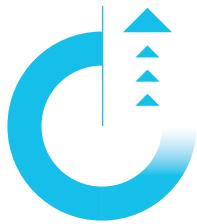
- ensure inclusive, equitable and quality education (SDG 4), to benefit up to 5 million people;
- provide access to affordable, reliable, sustainable and modern energy (SDG 7), due to affect 20 million people;
- promote sustained, lasting, inclusive and sustainable economic growth (SDG 8) with 8 million beneficiaries.

Within the **supply chain**, we have increased our suppliers' level of engagement in the focus on sustainability, with gradual conversion of sustainability factors in the context of tenders from reward factors to mandatory requirements, with the aim of achieving 35% coverage of the latter by 2024.



Nature

Environmental sustainability translates into an everyday commitment to the conservation and preservation of nature and biodiversity, by reducing and mitigating the potential negative effects on the planet that may result from various Group activities, to protect present and future generations. In this context, we are committed to achieving No Net Loss in terms of biodiversity in the expected development of new infrastructure by 2030, by embarking on the adoption of selected projects in areas of major importance for **biodiversity**, beginning in 2025. We have also set specific goals related to reducing emissions and consumption.



Growth accelerators

Growth accelerators, innovation, circular economy and digitalization embrace and leverage all the themes in Enel's sustainability strategy, speeding up the journey towards sustainable progress. A culture of widespread **Innovability®** (innovation and sustainability) means that the whole Company aims to renew itself continually, thereby ensuring its survival in the long term. We are constantly committed to finding innovative solutions to safeguard the environment, that create conditions of equality and inclusion for those who otherwise would have fewer possibilities, including from a work-related perspective. We have set specific objectives related to the development of Proof of Concept and the adoption of innovative solutions within the business, evaluated in the perspective of the potential that can be generated, with the aim of continuously improving what we and others have done in the past.

Adopting a fully sustainable business model requires a complete rethink, including in terms of **circularity**, with the aim of reducing the consumption of materials throughout the value chain and developing business models and new solutions such as sharing platforms. For example, suffice to look at the increasing attention to raw materials, the basis for the production of solar panels and batteries, a major focus for us in considering the topic of their scarcity compared to demand. At the same time, we must monitor all the issues related to the supply of these materials and to the safety that must always be guaranteed every step of the way.

Finally, the energy transition cannot disregard elements such as **digitalization** and **cyber security**, for which the Group is committed to disseminating the most advanced solutions and to strengthening verification actions in order to prevent possible cyber attacks (Ethical Hacking, Vulnerability Assessment and Cyber Exercise involving industrial plants and sites).



Backbones

At the heart of our strategy to contribute to sustainable progress lies our commitment to respect for **human rights** throughout the value chain in which we operate, also guaranteed by our human rights due diligence management process⁽⁹⁾. We measure our success by ensuring that the people who work with us do so under fair and favorable conditions, and that **their health, safety and well-being** are the keystone of value creation. As a framework for the entire sustainability strategy is **sound governance**, supporting the interests of all relevant stakeholders, who can trust us, knowing that the principles of transparency, fairness and integrity guide our actions.

A summary table of the main targets is provided below, indicating the macro-areas of the Sustainability Plan, as well as whether they are included in the short- and long-term remuneration plan for Top Management and/or in sustainability-linked financial instruments.

(9) More details are available in the "Human Rights" section.

Sustainability Plan macroarea	Activity	Target	Strategy and performance (Ref. CHAPTERS/paragraphs of the Report)	Variable compensation	Sustainability-linked financial instruments
Net-Zero Ambition	Reduction of specific emissions Scope 1	-80% in 2030 compared to 2017	THE PATH TO NET-ZERO	X	X
Net-Zero Ambition Electrification	SDG-aligned investments on total (%)	94% in 2024	THE PATH TO NET-ZERO		
Net-Zero Ambition Electrification	EU Taxonomy-aligned investments on total (%)	>85% in 2024	THE PATH TO NET-ZERO		
Net-Zero Ambition	Greater use of sustainable financing sources (sustainable finance instruments/total financial instruments)	65% by 2024	THE PATH TO NET-ZERO		
Electrification	SAIDI (System Average Interruption Duration Index)	216 min by 2024	THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY	X	
Electrification	Commercial claims (no./10k customers)	297 in 2022	THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY	X	
People - Enel people	Women in Top manager succession plans	45% by 2024	PROGRESS STARTS WITH PEOPLE - Enel people	X	
People - Local and global communities	Access to affordable, reliable, sustainable and modern energy	20 mil beneficiaries in the period 2015-2030	PROGRESS STARTS WITH PEOPLE - Local and global communities		
People - Suppliers	Ratio of tenders including mandatory Sustainability Requirements	35% by 2024	PROGRESS STARTS WITH PEOPLE - Suppliers		
Nature - Environmental sustainability	Biodiversity conservation	No Net Loss by 2030	TOWARDS A "NATURE-BASED" MODEL		
Growth accelerators - Innovation	Innovation	Scale-up of 137 solutions in the business in the period 2022-2024	GROWTH ACCELERATORS - Innovability®		
Growth accelerators - Circular economy	Circularity improvement ⁽¹⁰⁾	92% by 2030	GROWTH ACCELERATORS - Circular economy		
Growth accelerators - Digitalization	Information security verification activities (Ethical Hacking, Vulnerability Assessment, etc.)	800 activities in 2024	GROWTH ACCELERATORS - Digitalization		
Backbones - Occupational health and safety	Injuries with absence from work frequency rate ⁽¹¹⁾	0.61 in 2024	ESG BACKBONES - Occupational health and safety	X ⁽¹²⁾	

In the 2021 Sustainability Report, an overview of all the objectives in the 2022-2024 Sustainability Plan is provided at the beginning of each chapter, in the dashboards. For example, the dashboard header represents the link between the topics of materiality, the issues in the Sustainability Plan and the United Nations Sustainable Development Goals, to which the

objectives related to the specific issue contribute directly. Each dashboard then presents the objectives in detail, with an indication of the target relating to the 2021-2023 Plan, the 2021 result, the consequent progress, and finally the targets in the new 2022-2024 Plan, which may be redefined or added to from the previous Plan.

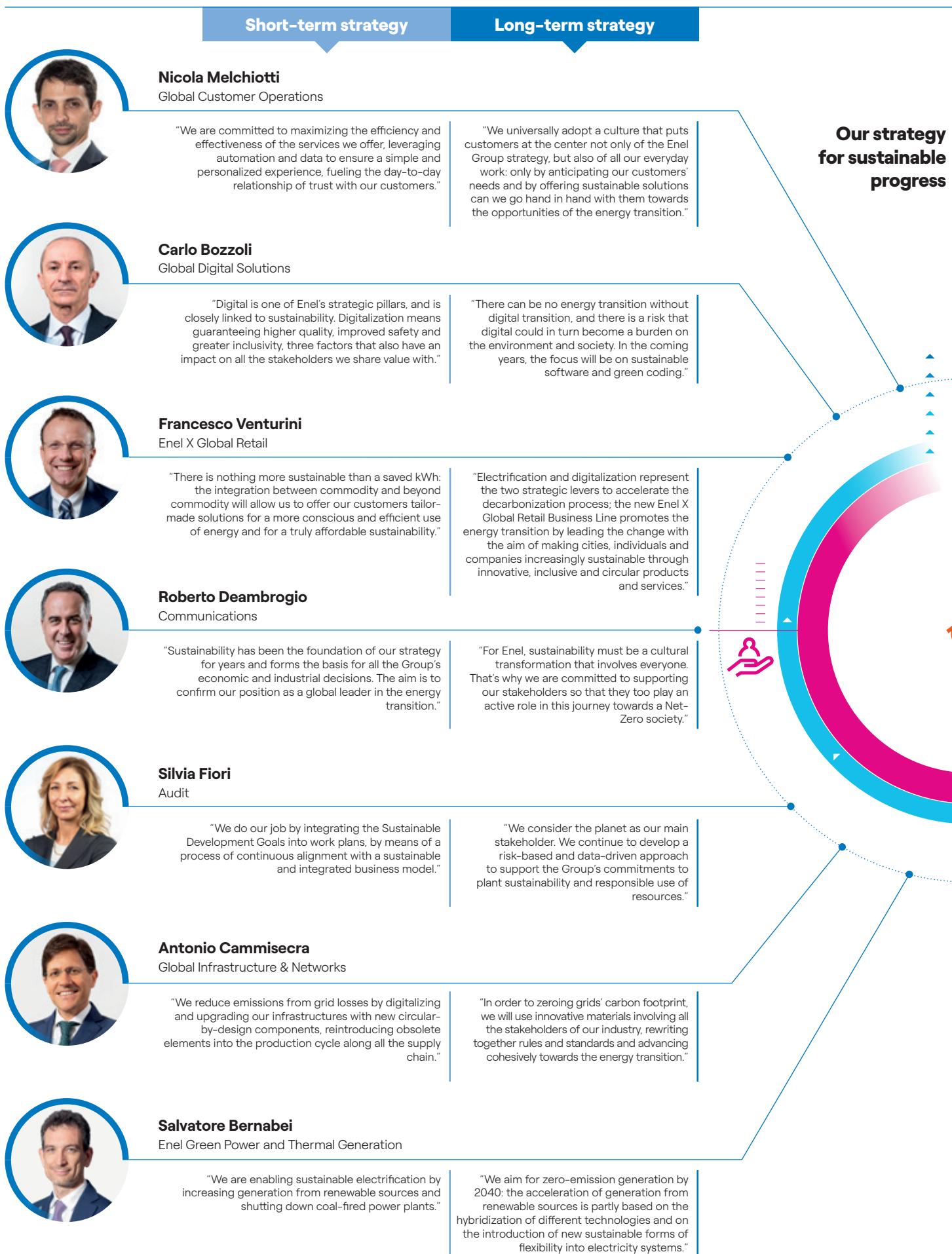
Net-Zero Ambition

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Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
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- (10) The circularity improvement index measures lower material and fuel consumption of the Group's plants throughout their life cycle compared to 2015.
 (11) This index is calculated by establishing the ratio between the number of injuries (all injuries, also those with 3 days of absence or less) and hours worked/1,000,000.
 (12) In line with GRI, the target reported here takes into account calculation methods that are slightly different from what has been included in Chief Executive Officer's short-term variable compensation, reported in the Report on Remuneration Policy.





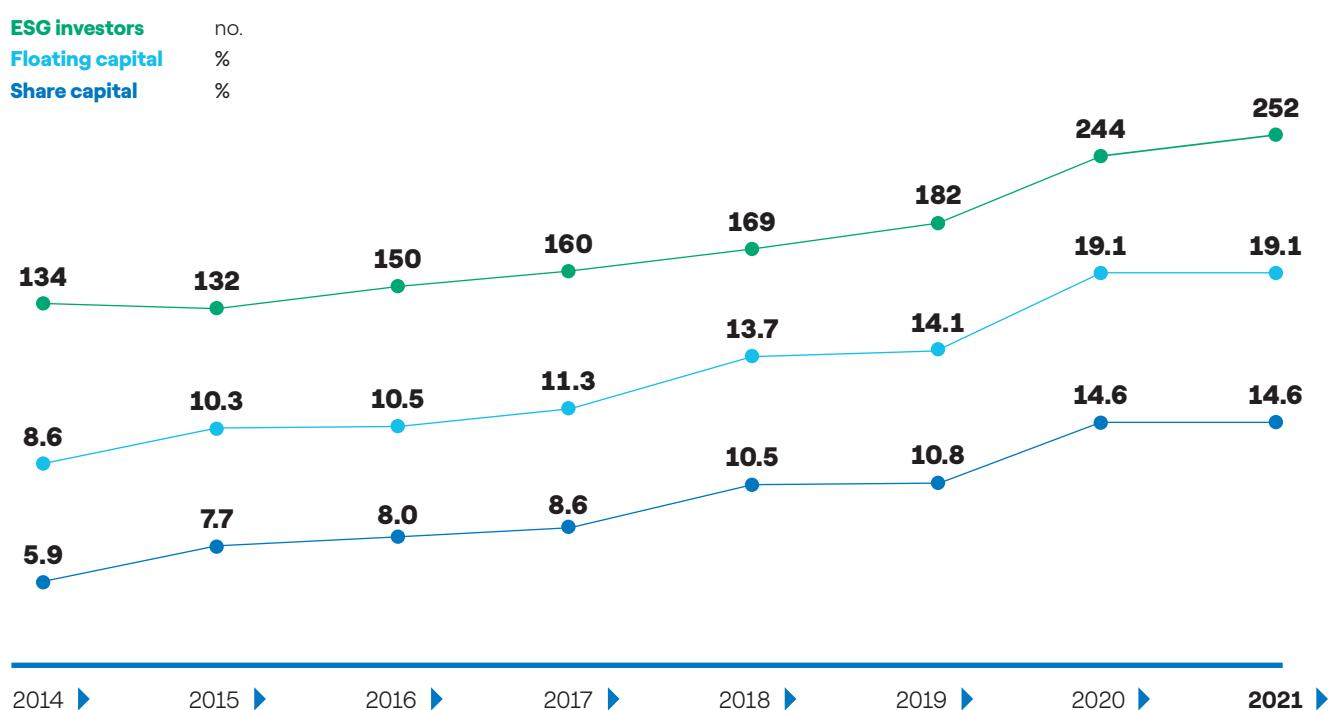
Our commitment to continuous improvement

Sustainable investments

In 2021, investments with environmental, social and governance criteria continued to grow around the world. A large number of investors already integrate ESG issues into their investment portfolios in order to minimize financial risk and ensure higher returns. At the same time, the change in Enel's business model towards sustainable practices has contributed to creating value by driving the energy transition. Since 2014, ESG investment funds (active and passive) have more than doubled their share of Enel's share capital, reaching 14.6% at the end of 2021, essentially unchanged compared to December, 31 2020. Their share of total insti-

tutional investors is increasing, reaching 24.6% at the end of 2021, compared to 23.4% last year. In absolute terms, 252 (vs 244 at the end of 2020) investors with investment funds consider not only the Group's financial performance but also the environmental, social and governance practices that Enel is integrating into its business strategy and all activities along the entire value chain. Furthermore, again at the end of 2021, 46.6% of Enel's capital was held by investors who were signatories of the United Nations Principles for Responsible Investment (UN PRI).

Developments in ESG investors



Sustainability-linked finance according to Enel

At Enel, sustainable finance plays a crucial role in supporting the growth of the Group, accounting for more than half of the gross debt at the end of 2021 and contributing to a gradual reduction in the cost of debt, through the recognition of the value of sustainability.

Sustainable finance means synergy between private and public finance. Private finance conveys private capital towards sustainable investments, i.e. for the benefit of companies whose strategic action is intended to achieve certain sustainability objectives, reflecting the economic and financial value of sustainability in a lower cost of debt. Public finance, on the other hand, stimulates the creation of sustainable investments, through grants and loans at subsidized interest rates.

In 2021, Enel was the first company in the world to set up a **"Sustainability-Linked Financing Framework"**, an all-encompassing document that extends the sustainability-linked approach to all financial debt instruments. Indica-

tors, targets and principles have been defined that govern the development of sustainable finance throughout the Group with ambition and transparency, linking the financial strategy to the sustainability objectives. The "Sustainability-Linked Financing Framework" was updated in January 2022, following the presentation of the new Strategic Plan and includes, in particular, the ambitious goal of eliminating direct greenhouse gas emissions (Scope 1), brought forward from 2050 to 2040.

The Group's financial instruments and financial transactions may therefore have an interest rate or other financial or structural terms linked to the achievement of objectives regarding the reduction of direct greenhouse gas emissions (SDG 13 "Climate action") and in terms of growth in installed capacity powered from renewable sources (SDG 7 "Affordable and clean energy"). Below are the targets of the financial instruments issued by the Group.

	Actual values				Target		
	2021	2021	2022	2023	2024	2030	2040
Amount of direct greenhouse gas emissions (Scope 1) gCO _{2eq} /kWh	227			148	140	82	0
Percentage of installed renewable capacity ⁽¹⁾	57.5%	55%	60%	65%	66%	80%	100%

(1) The KPI calculation excludes 3.9 MW of purchased capacity, deriving from power plants acquired by the Group, according to the terms of the contractual documentation for the individual instruments.

Having achieved 57.5% of renewable installed capacity as of 2021, Enel has reached the target set in all those financial instruments in which the interest rate, or other financial or structural terms of the transaction, are linked to the achievement of a renewable installed capacity of 55% or more. Particularly noteworthy is the achievement of the targets set by the first sustainability-linked bonds issued by Enel Finance International NV (EFI) in 2019 on the US and European market.

2021 was an extremely positive year for the Group and its sustainable finance strategy, with structured transactions amounting to more than **30 billion euros equivalent**. Enel has signed agreements with several financial counterparties for both derivatives and sustainable guarantees, both of which are linked to the Group's ability to achieve its sustainability objectives in subsequent years. In March 2021, Enel signed a **Sustainability-Linked Revolving Credit Facility** for 10 billion euros, the world's biggest sustainable

credit facility in the world at the time of signing, linked to SDG 13. In May 2021, Enel Finance America LLC structured a 5 billion dollar **commercial paper** program, also with reference to the same sustainable goal. Between June and September 2021, **sustainability-linked bonds** in euros and dollars were issued by the subsidiary EFI for a total amount equivalent to approximately 10 billion euros. These issues are linked to the achievement of Enel's sustainability goal relating to the reduction of direct greenhouse gas emissions (Scope 1), in line with the Group's Sustainability-Linked Financing Framework. At the same time, EFI carried out repurchase operations of conventional bond loans in circulation, not linked to the pursuit of the SDGs, for a total amount of approximately 8 billion euros, through voluntary takeover bids and by exercising specific repurchase options.

This bond repurchase program, together with the new sustainability-linked bond issues, made it possible to achieve a **ratio between sustainable funding sources and the**

Group's total gross debt of approximately 55% at the end of 2021, also allowing for a simultaneous reduction in the cost of the Group's debt and providing an important tool to protect against potential rises in interest rates due to the less expansive monetary policies of the Central Banks in response to increasing inflation.

In the field of **public finance**, the Group supports the economic recovery plan and aims to become a strategic partner for the adoption of the Green Deal and the Recovery Plan at both European and national level. The objective is to drive a sustainable, rapid and effective recovery, through a wide pipeline of construction projects focused on decarbonization, electricity grids and electrification, allowing the green and digital transition of the European economy to be accelerated, with a significant impact in terms of GDP, employment and reduction of CO₂ emissions and in full alignment with the European taxonomy. To this end, the Group has identified potential investments of approximately 5.4 billion euros for the period 2022-2027, with a direct impact on the Group and in line with the national Recovery Plans in Italy, Spain and Romania. These initiatives are focused on green hydrogen, renewables and storage, revitalization of the photovoltaic manufacturing industry, smart grids, network resilience and charging infrastructure for electric mobility. The estimated additional impact of these investments on GDP is around 13.2 billion euros,

creating over 18,000 new jobs. The Group has also devised further project with an indirect impact in terms of benefits, and intended to promote partnerships with both public and private entities, with a view to achieving the decarbonization and electrification of consumption through the spread of electric bus fleets, the transition towards green ports and the promotion of energy efficiency in public buildings.

Furthermore, in the context of subsidized loans from international and national financial institutions, the Group is leading an innovation process intended to accelerate the mobilization of capital to support sustainable growth, through the use of **sustainability-linked financial instruments**.

More specifically, in 2021 the Group signed subsidized loans for a total of 1.3 billion euros, which, as in the case of private financing, provide for the inclusion of sustainability-linked mechanisms linked to SDG 13. Among the main transactions, the sustainability-linked loan of 600 million euros in total between e-distribuzione, a Group company, and the European Investment Bank (EIB), the EIB's first sustainability-linked loan agreement, deserves special mention.

In the coming years, Enel will continue to make use of sustainable finance tools, with the aim of achieving a sustainable debt share of the Group's total debt of approximately 65% by 2024 and over 70% by 2030.

Participation in international round tables to promote sustainable finance

The focus on sustainable finance is growing and Enel's commitment to key global stakeholders is being strengthened through its co-chairmanship of the UN's Global Compact "CFO Taskforce for the SDGs" and its involvement in the UN's GISD Alliance. An important initial result was the launch of the "Principles on Integrated SDG Investments and Finance", a set of principles to support companies in the transition towards sustainable development. In this context, companies are encouraged to set their own indicators and targets to monitor performance on the most relevant SDGs for their business. CFOs involved in the task force have pledged to invest more than 500 billion dollars

over the next five years and to work jointly within their organizations to promote greater integration of the SDGs into corporate finance. They have also pledged to link 50% of all corporate loans to sustainability performance.

Equally significant are the results of the work done by the GISD Alliance, including: the definition of Sustainable Development Investing (SDI); the launch of the Call to Action for COVID-19 Bond Issuance; the creation of the SDG Investor Platform digital portal for identifying investment opportunities.

Also see the paragraph "Enel's presence in the main energy and sustainability associations" in this chapter.

The European Taxonomy Regulation

Enel welcomes the development of the EU Taxonomy Regulation, as it provides a standardized classification system based on objective parameters to identify environmentally sustainable economic activities. The EU Taxonomy Regulation acts as an important enabler to promote sustainable investments and accelerate the decarbonization of the European economy, while at the same time creating security and transparency for investors and supporting companies in planning the Net-Zero transition.

We are fully committed to reporting on the implementation of Article 8 of the EU Taxonomy Regulation and the delegated act that further specifies the content, methodology and presentation of information to be disclosed by both financial and non-financial undertakings. Despite the fact that the EU Taxonomy Regulation requires companies to declare compliance with the taxonomy itself as of January 2022, Enel has taken a leading role by deciding to provide evidence of its adoption thereof in previous publications – the Sustainability Report 2020 and the Consolidated Annual Report 2020, as well as during Capital Markets Day 2020 and 2021.

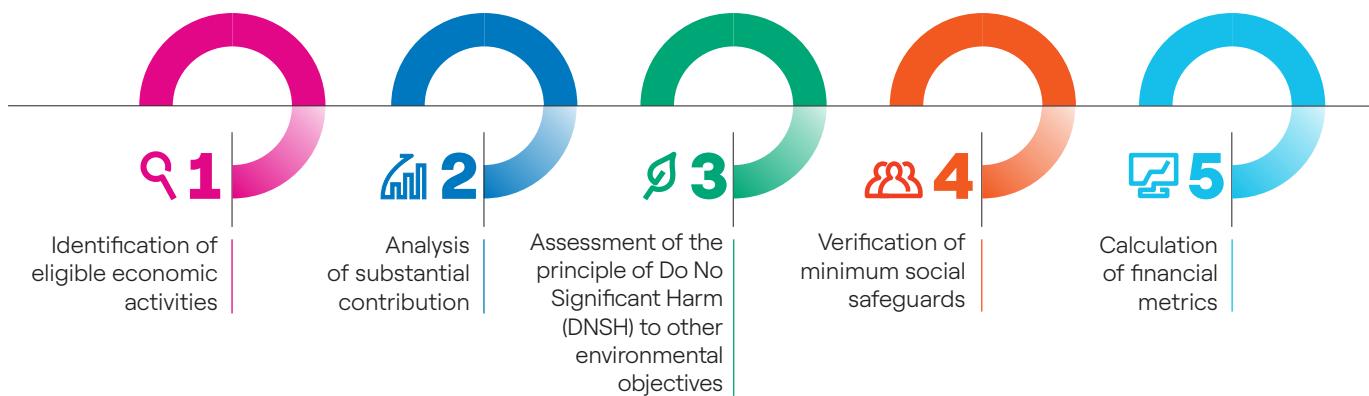
We also welcome the different thresholds defined in the EU Taxonomy Regulation on the basis of climate and environmental sciences, such as the specific emission limit of 100 gCO_{2eq}/kWh (taking the whole life cycle into consideration) to measure the substantial contribution to achieving the climate change mitigation targets established for most energy generation technologies, in that it stems from a solid process based on a robust scientific foundation. However, there are some activities that, although not covered under the EU Taxonomy Regulation, are critical to promoting the well-being of European citizens, especially in the short and medium term, while contributing to the

sustainable development of Europe in the long term. As regards the energy industry, there are some important sustainability-related issues that the European Commission did not consider when developing the technical screening criteria, as they were outside the main scope of the EU Taxonomy Regulation. These included energy security, grid reliability and the energy transition, all of which are critical to Europe's well-being but which are appropriately addressed by other policies, funds and regulations at EU and Member State level.

The EU Taxonomy Regulation is still in a developmental stage, and a number of important Delegated Acts are still being finalized at the time of publication of this Sustainability Report. These include Acts that will detail the criteria for the remaining four objectives (sustainable use and protection of water and marine resources; transition to a circular economy, also with reference to the reduction and recycling of waste; pollution prevention and control; protection of biodiversity and the health of ecosystems) as well as those that will identify economic activities that do not have a significant or harmful impact on environmental sustainability and those that do. **Completion of the entire regulatory process should ensure that all globally recognized economic activities are taken into account, thereby reducing current uncertainties regarding implementation of the process itself.**

By means of a process overseen by the CEO and Top Management, involving the relevant Functions at corporate and Country level, as well as all Business Lines, we initiated a five-step process to analyze the applicability of the EU Taxonomy Regulation throughout the entire value chain and in all countries where we operate.

Our implementation process

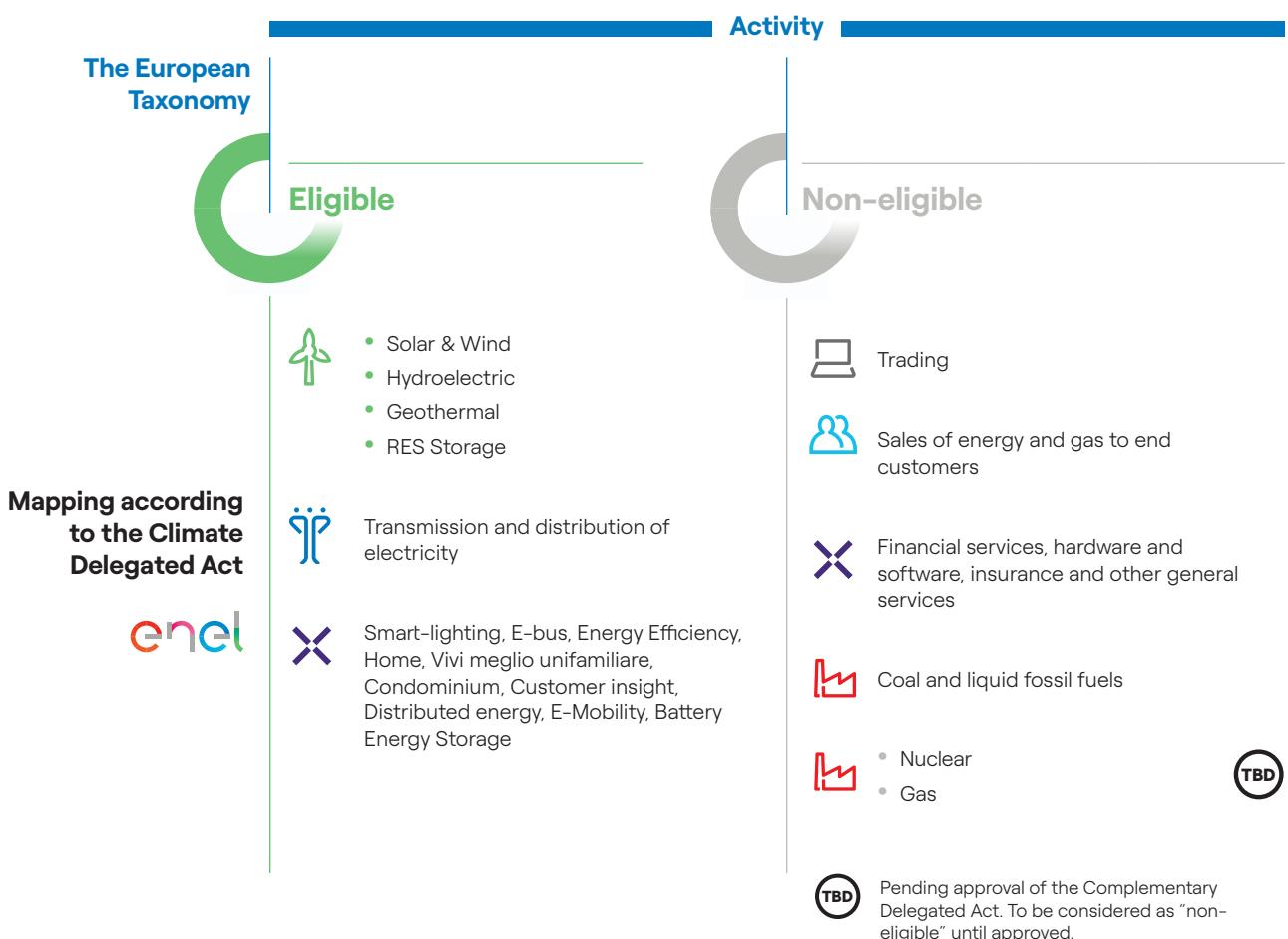


A detailed description of the 5 phases is given in the chapter "Disclosure of the proportion of activities considered environmentally sustainable (Article 8, EU Regulation 2020/852)", in the appendix to the Sustainability Report considered as an independent document.

Pursuant to Article 8 of the EU Taxonomy Regulation, in 2021 we updated our analysis regarding the level of taxonomy eligibility of our economic activities due to their substantial contribution to achieving climate change mitigation targets, in compliance with the principle of Do No Significant Harm (DNSH) and the need to ensure minimum social safeguards, the results of which are given in the table below.

Taxonomy eligibility of Enel activities

2021 mapping of Enel's business according to the European taxonomy (Article 8 of EU Reg. 2020/852)



The shares⁽¹³⁾ of taxonomy eligible and non-eligible activities with respect to turnover, capital expenditure (Capex) and operating expenditure (Opex) are as follows:

- **turnover:** 33.5% eligible, 66.5% non-eligible;
- capital expenditure (**Capex**): 85% eligible, 15% non-eligible;
- operating expenditure (**Opex**): 66% eligible, 34% non-eligible.

The financial information was gathered from the digital accounting system used by the Enel Group or from the management systems in use by the Company's Business Lines. However, some proxies were also made to provide a more complete representation.

With reference to the detail of the activities considered environmentally sustainable, a specific and independent document has also been prepared, on a voluntary basis, which is published separately from this consolidated non-financial statement.

(13) The shares are expressed in terms of shares of turnover, capital expenditure (Capex) and operating expenses (Opex) as required by Article 8 (2) (a) (b) of EU Regulation 2020/852.

ESG ratings and indices

ESG analysts and rating agencies continuously monitor Enel's sustainability performance, by different methods, in relation to environmental, social and governance issues. ESG ratings are a strategic tool to support investors in assessing sustainable business models and identifying risks and opportunities linked to the sustainability in their investment portfolio, aiding the development of active and passive sustainable investment strategies.

Enel is constantly committed to managing and reporting all ESG aspects, considering the assessments of the rating agencies as an important opportunity to improve its performance in terms of sustainability and devising specific action plans with the involvement of the various company units and Business Lines.

In 2021, Enel maintained its positioning, reaching leadership positions in most cases.

Key milestones 2021:



Main ESG Indices & Rankings



Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA



REFINITIV[®]
TOP 100 COMPANY 2021
Diversity and Inclusion Index



Main ESG ratings

	Rating	Ranking	Sector average	Scale (low high)
MSCI	AAA	Top 10 / 147 utilities	BBB	CCC AAA
Sustainalytics ESG Risk Rating	23.5 (Medium risk)	83 / 629 electric utilities	34.9	100 0
S&P ESG Scores	88	5 / 103 electric utilities	38	0 100
CDP	A (climate) A- (water)	-	B B	D- A
Refinitiv ESG Rating	91	1 / 248 electric utilities	-	0 100
FTSE Russell ESG Rating	4.7	2 / 41 electric utilities	2.6	0 5
Vigeo Eiris ESG Rating	74	2 / +4,000 all sectors	51	0 100
ISS ESG Score	B	-	C	D- A+
ReRisk Rating	39	-	47	100 0

An opportunity to grow: our advisory panel

From this year we have involved a group of external experts (advisory panel) to strengthen our sustainability reporting. The panel helps to assess and improve the quality and credibility of our Sustainability Report and to increase our level of ambition. In particular, for the 2021 Sustainability Report, three sustainability and reporting experts were involved, with particular reference to issues related to the environment, human rights and the capital market: Alexander Bassen, Farooq Ullah, Pietro Bertazzi.

The group of experts provided input on our process of determining the structure of the document and the contents relating to the chapter "Our sustainable progress", which gives an overall view of the management of sustainability in the Enel Group. Panel members are unpaid.

"The quantification of ESG information enables the integration in investment decisions."

Alexander Bassen is a full professor of capital markets and management at the University of Hamburg. Alex is a member of the German Council for Sustainable Development - the advisory body of the German Federal Government, the German Advisory Council on Global Change of the German Federal Government. He is also a member of the EFRAG Project Task Force EU Sustainability Reporting Standard (PTF ESRS) and the G7 Impact Task Force. He is an Honorary Associate Researcher at the University of Oxford (Smith School of Enterprise and



Alexander Bassen

Professor of Capital Markets and Management

the Environment) and a Visiting Professor at Hong Kong Baptist University and the University of Reading. He is also a member of several advisory committees for sustainable finance.

"Enel has produced an impressive Sustainability Report which demonstrates both meaningful results and ambitious leadership. This report represents a best practice standard amongst corporate sustainability reporting."

Farooq Ullah is a strategist on The B Team's campaign on climate, nature and equality. He helps both companies and governments demonstrate their leadership in sustainability. He has over 18 years of experience in sustainable development and public policy at international, national and local level, as well as three years



Farooq Ullah

Strategist, B Team

of experience in the private sector, both in industry and as a consultant.

"This sustainability report demonstrates Enel's commitment to sustainability and transparency, as well as its leadership in capturing and adapting to the constantly changing ESG ecosystem: it brings into reality the latest developments and anticipates regulatory and standard setting evolution. I am convinced the conceptual efforts and thorough study of the application of frameworks, concepts, principles and metrics will be useful for companies as well as standards setters and regulators."

Pietro Bertazzi has contributed to the creation of policy & regulation policies on responsible business, focusing on the role of the private sector in human rights, climate change and sustainable development. Currently, he leads the institutional affairs of the CDP, promoting the ambition and acceleration of action by governments and companies on climate and the



Pietro Bertazzi

Global Director, Policy Engagement and External Affairs, CDP

environment. Prior to the CDP, Pietro worked at GRI, promoting corporate sustainability and transparency in national policies in various jurisdictions globally. He is a proud architect of the role of the private sector in the 2030 Agenda for Sustainable Development (SDGs), he co-authored the SDG Compass and shaped and led the Business Reporting on SDGs Action Platform of the UN Global Compact and the GRI.

3. Our performance

The path to Net-Zero

We brought forward the “Net-Zero” commitment to 2040

The decade of electrification and customer centricity

We want to enable the electrification of customer energy demand, offering a reliable and sustainable service

Progress starts with people

We create long-term value with and for all our stakeholders, helping them to grow and meet challenges

Towards a “nature-based” model

We promote the protection of natural capital and biodiversity

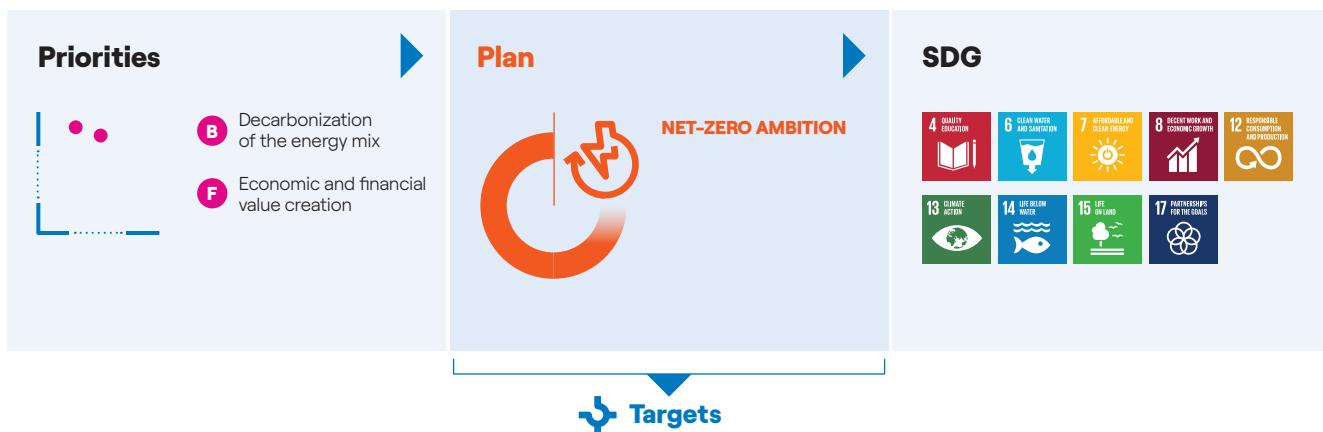
Growth accelerators

We support sustainable progress through innovation, digitalization and the circular economy

ESG backbones

Our commitment is based on sound governance, respect and promotion of human rights, continuous improvement in health and safety objectives





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Reduction of specific emissions Scope 1	-80% in 2030 compared to 2017 (82 gCO _{2eq} /kWh) ⁽¹⁾	-45% compared to 2017 (227 gCO _{2eq} /kWh)	On track	-80% in 2030 compared to 2017 (82 gCO _{2eq} /kWh) ⁽¹⁾	E	13
Reduction of Scope 1 and 3 electricity retail emissions	+ (improvement)	-45% compared to 2017 (201 gCO _{2eq} /kWh)	On track	Approximately -80% in 2030 compared to 2017 (≤ 73 gCO _{2eq} /kWh) ⁽²⁾	E	13
Reduction of Scope 3 gas retail emissions	+ (improvement)	-12% compared to 2017 (22.3 MtCO ₂)	On track	-55% in 2030 compared to 2017 (11.4 MtCO ₂) ⁽³⁾	E	13
Development of additional ⁽⁴⁾ renewable capacity and reduction of thermal ⁽⁵⁾ capacity	Approximately +96 GW of additional renewable capacity ⁽⁴⁾ in 2021-2030 <20% of conventional capacity ⁽⁵⁾ over total capacity	5.1 GW of built renewable capacity ⁽⁴⁾ -2.0 GW of thermal capacity ⁽⁵⁾	On track	Approximately 100 GW of additional renewable capacity in 2022-2030 ⁽⁶⁾ <20% of conventional capacity over total capacity ⁽⁵⁾ in 2030	I E	7 13
Energy production from renewable sources ⁽⁷⁾ (% over total)	+ (improvement)	51%	On track	Approximately 80% by 2030 ⁽⁸⁾	I E	7 13
MBA-PhD training about resilience and energy transition in the countries where the Group operates	600 people involved in the period 2021-2023	267 people involved	On track	600 people involved in the period 2022-2024	E S G	13 17

- (1) The 2030 Scope 1 emissions reduction target was certified by Science Based Targets initiative (SBTi) in 2020, in line with 1.5°C. 2024 reduction target is -66% compared to 2017 (140 gCO_{2eq}/kWh).
- (2) 2024 reduction target is -65% compared to 2017 (≤ 130 gCO_{2eq}/kWh).
- (3) 2024 reduction target is -16% compared to 2017 (21.3 MtCO₂).
- (4) Includes managed capacity. The value of built renewable capacity in 2021 includes 0.2 GW of BESS.
- (5) Includes nuclear.
- (6) Includes 9 GW of BESS. The 2022-2024 target is 23 GW (that includes 2 GW of BESS).
- (7) Includes production from managed capacity.
- (8) 2024 target is 67%.

	Goals	Status
I Industrial	+ (New)	Off track
E Environmental	⟳ (Redefined)	On track
S Social	⟳ (Outdated)	Achieved
G Governance		
T Technological		

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Sustainable construction site 	Promoting the adoption of the sustainable construction model (no. sustainable construction sites/ total construction sites) 100% renewable construction sites⁽⁹⁾ by 2023 100% hydroelectric, geothermal and thermal construction sites by 2023	 100% renewable construction sites⁽⁹⁾ 100% hydroelectric, geothermal and thermal construction sites		Promoting the adoption of the sustainable construction model (no. sustainable construction sites/ total construction sites) 100% renewable constructions sites by 2022⁽⁹⁾ 100% hydroelectric, geothermal and thermal construction sites by 2022	 I 4 6 E 7 8 S 12 13 T 14 15	
	Improving the adoption of the sustainable construction site model (average adoption rate per site) 100% by 2023	 100% renewable construction sites⁽⁹⁾ 100% hydroelectric, geothermal and thermal construction sites		Monitoring the efficacy of sustainable practices implementation (no. implemented practices/no. practices defined in CSV Plan) Renewable construction sites ⁽⁹⁾ : 95% by 2023 Hydroelectric, geothermal and thermal construction sites: 80% by 2023	 I 4 6 E 7 8 S 12 13 T 14 15	
Sustainable plant 	Promoting the adoption of the sustainable plant model (sustainable plants/ total eligible plants) 100% by 2023	100%		Promoting the adoption of the sustainable plant model (sustainable plants/total eligible plants) 100% by 2024	 I 4 6 E 7 8 S 12 13 T 14 15	
	Improving the adoption of the sustainable plant model 66.3% in 2021 (rate of adoption of planned practices)	 89.7%		Improving the adoption of the sustainable plant model 9% by 2022 ⁽¹⁰⁾ (implemented practices in the current year/ implemented practices in the previous year)	 I 4 6 E 7 8 S 12 13 T 14 15	

Find out more

The models of **sustainable Design, Construction and Plant** are conceived to integrate sustainability in the business along the Value Chain (phases of Business Development, Engineering & Construction, Operation & Maintenance, Repurposing) and are based on the principles of Creation of Shared Value (CSV) to create synergies between the needs of the business and those of the territory, building long-term relationships. They are ever-changing pillars centered on best practices and procedures that aim to mitigate the impact of our plants on the territory, to increase and encourage collaboration with communities and generate efficiency promoting and applying the principles of CSV, circular economy and innovation, based on a deep knowledge of the context in which we operate. The use of local manpower for construction activities and actions taken to maximize recycling of waste produced and to reduce water consumption are examples of application of the models.

In particular, the pillar of sustainable Design and Construction site is applied in the construction phase of a plant until its completion, while the sustainable Plant pillar is applied to the Operation & Maintenance (O&M) phase, e.g. operations and production activities of the plant.

(9) Excluding hydroelectric and geothermal.

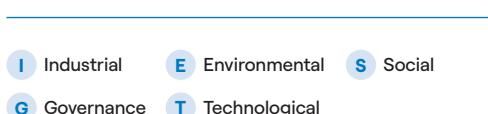
(10) The formula of the implementation rate was modified to evaluate the increase in the practices adopted compared to the previous year. The previous formula measured the practices adopted or already adopted as it was the first year of implementation of the catalogue. The practices deployed indicate how much the model is spreading the adoption of best practices within the plants.

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Promoting energy transition through conversion projects with the aim of finding new solutions and ways of using them to develop energy conversion, the circular economy, while also promoting innovation ⁽¹¹⁾	48 sites involved in repurposing projects ⁽¹¹⁾ , including: <ul style="list-style-type: none">• Porto Tolle: construction of an open-air tourist village by a third party; start of demolition by the counterparty• Augusta: construction of an innovative research and study centre in areas no longer used of the plant, dedicated to sustainable reclamation, solutions for mitigating the environmental impact of plants and infrastructures, and other areas relating to the energy sector and plant species• Livorno: construction of a logistic-customs area in the site areas• Teruel: internal redevelopment Coal2RES conversion (combination of solar, wind and BESS)	<ul style="list-style-type: none">• Porto Tolle: demolition launched• Augusta: constructions work in progress• Bari: demolition launched		48 sites involved in repurposing projects ⁽¹²⁾ , including: <ul style="list-style-type: none">• Porto Tolle: construction of an open-air tourist village by a third party; start of demolition by the counterparty• Augusta: construction of an innovative research and study centre in areas no longer used of the plant, dedicated to sustainable reclamation, solutions for mitigating the environmental impact of plants and infrastructures, and other areas relating to the energy sector and plant species• Livorno: construction of a logistic-customs area in the site areas• Bari: construction of urban park with multifunctional areas (co-living, co-working, co-learning and green areas); start of demolition by the counterparty• As Pontes, Litoral: "call for projects" for collecting repurposing ideas with the objective of industrializing the areas to mitigate the impact of the closures• Teruel: Coal2RES internal redevelopment with the objective of industrializing the areas to mitigate the impact of the closure		     
Greater use of sustainable financing sources (sustainable finance instruments/total financial instruments)	48% by 2023	55%		65% by 2024 ⁽¹³⁾		   

(11) Third-party project initiatives could be developed where in-house redevelopment is not feasible.

(12) Includes sites already decommissioned, to be decommissioned, in operation and with hybridization currently ongoing with other technologies.

(13) The 2030 target is >70%.



The path to Net-Zero



| 102-15 | 103-2 | 103-3 | 201-2 |

As one of the first signatories of the “**Business Ambition for 1.5 °C**” campaign promoted by the United Nations and other institutions, we have committed to developing a business model in line with the objectives of the Paris Agreement (COP 21) to limit the average global temperature increase to 1.5 °C.

In 2021, we announced **the bringing forward of our Net-Zero target from 2050 to 2040**, for both direct (Scope 1) and indirect (Scope 2 and 3) emissions. Specifically, with regard to power generation and the sale of electricity and natural gas to end customers, we have committed to achieving zero emissions, without resorting to CO₂ removal measures or nature-based solutions such as reforestation. We have also confirmed our target to **reduce our direct GHG emissions per kWh_{eq} by 80% by 2030**, compared to the 2017 base year, in line with the goal of limiting global warming to 1.5 °C, as verified by SBTi. This commitment requires the Group's direct emissions to be 82 gCO_{2eq}/kWh by 2030. In addition, we have disclosed two new reduction targets, one **integrated for emissions related to the generation and sale of electricity**, with **an 80% reduction** by 2030 compared to 2017 levels, and the other for **emissions related to gas sales**, with **a 55% reduction** by 2030 compared to 2017 levels.

The objective of achieving total decarbonization by 2040 requires a strong acceleration on renewables and energy efficiency, as well as a complete rethinking of investment planning and the economic model, including in terms of circularity. In this regard, we are acting on the main lever of direct emissions and at the same time broadly rethinking our business model to work on all other dimensions. We have increased the degree of **reporting accuracy**, as well as **transparency** regarding the various categories of indirect emissions. Although these are voluntarily tracked

in relation to their significance, we have increasingly mapped emissions from fuel extraction and transport, grid losses, self-consumption and relations with suppliers. A particular focus is placed on the **climate change adaptation** policies in order to increase the resilience of the assets along the entire value chain, thereby limiting potentially negative impacts and guaranteeing a safe and sustainable energy service in all the countries in which the Group operates.

In order to guarantee increased **transparency** in its communications and relationships with its stakeholders, we periodically report on our related activities around climate change in line with the international standards of the **GRI (Global Reporting Initiative) and the Sustainability Accounting Standards Board (SASB)** and are publicly committed to adopting the recommendations of the **Task force on Climate-related Financial Disclosures (TCFD)** of the Financial Stability Board, which in June 2017 published specific recommendations for the voluntary reporting of the financial impact of climate risks. We have also integrated the **“Guidelines on reporting climate-related information”** published by the European Commission in June 2019. Furthermore, we have taken into account guidance from the “Enhancement and Standardization of Climate-Related Disclosures” of the **SEC** (Securities and Exchange Commission), the first draft standards issued on the **EFRAG** website, and the **ISSB’s** recently published exposure draft. The TCFD Advisory Council also worked on scenarios in 2020 and since then we have been involved in a number of initiatives around **scenario analysis**, sharing our expertise to support the widespread and transparent adoption of these practices across a growing number of companies.

227 gCO_{2eq}/kWh
Specific CO₂ emissions (Scope 1)

80%
reduction of direct CO₂ emissions per kWh_{eq} (Scope 1) by 2030, compared with 2017 (SBTi-certified target)

53.6%
renewable net maximum capacity

87%
EBITDA for low-carbon products, services and technologies

201 gCO_{2eq}/kWh
Scope 1 + Scope 3 emissions for electricity sales

22.3 MtCO₂
Scope 3 emissions for sales of gas

125.0 MtCO₂
Overall Group carbon footprint

11.7 MtCO₂
Carbon footprint associated with the supply chain

Engaging stakeholders in combating climate change

Enel promotes the engagement of its main external and internal stakeholders in order to increase their awareness and develop a constructive dialog that can provide a valuable contribution toward the creation of solutions that mitigate climate change and create value for the Group. The most relevant actions carried out in 2021 include:

- **materiality analysis:** climate change, in terms of priority for stakeholders and Company performance in the various countries in which it operates, was one of the topics discussed during identification of the main stakeholder priorities in sustainability planning;
- **Enel Focus On:** over the last year, twenty virtual meetings, known as #AsktheProfessor, were uploaded online, aimed at involving lecturers and experts so as to initiate an open dialog with Group management on the main challenges of the energy transition. A variety of climate-related topics was covered, such as renewable energy, the sustainable future, the customer as energy generator, utilities for a sustainable planet, incorporating sustainability into business, energy transition goals, and the most effective policies to reduce greenhouse gas emissions;
- **social media:** Enel has continued using social media to raise public awareness about topics related to climate change, including decarbonization, renewable energies, electrification, electric mobility and responsible energy consumption;
- **Twenergy:** a digital ecosystem launched by Endesa, the Group's subsidiary in Spain, with the purpose of raising awareness and informing on issues related to energy

efficiency, electrification, sustainable development, the circular economy and equitable transition, opening the debate to professionals and specialists from different sectors to build a platform for information and training which is as diverse as possible. In 2021, there were about 820 thousand visits to the platform, while in the main social networks the total impressions were about 500 thousand. Within Twenergy, the "Sustainable Spirits" project was also created, an initiative to give visibility to all people who are aware of sustainability and respect the environment;

- **raising the awareness of local communities:** with the Creating Shared Value (CSV) model, Enel is involving local communities, making them aware of issues related to climate change and explaining how renewables are an extremely effective solution, with benefits not only for the environment but also for the creation of new jobs and for social-economic development;
- **raising the awareness of our people:** Enel involves all the people that work for the Company in awareness activities in order to increase their engagement in climate change aspects and promote a culture of innovation and business entrepreneurship on a global level to overcome the energy challenges. Enel Digital Days 2021, which are annual company events, promoted discussions and exchanges about topics such as electrification, decarbonization, digitalization and urbanisation. The main priorities of the Strategic Plan for the next three years were presented, in line with what was communicated to the financial community during the Capital Markets Day.

Enel's advocacy activities for the climate

Within the framework of its commitment to climate change, the Enel Group is firmly committed to promoting and defining:

- **ambitious climate and decarbonization targets** consistent with the objectives set by the Paris Agreement, for example by being among the first signatories in 2019 of the Business Ambition for 1.5 °C campaign promoted by a global coalition of UN agencies, including the UN Global Compact, and business leaders, which reached over 1,000 signatures in 2021;
- **effective and efficient implementation mechanisms** capable of exploiting market dynamics and, in this sense,

fully supporting the presence of a carbon price;

- **ongoing negotiations on climate issues within multi-stakeholder initiatives**, actively contributing to groups and coalitions such as the UN Global Compact's Action Platform on Climate Ambition and the World Bank's Carbon Pricing Leadership Coalition;
- **private sector leadership on decarbonization** through its continued participation in initiatives such as the CEO Alliance, WEF CEO Climate Leaders Alliance, IETA (International Emissions Trading Association), WBCSD (World Business Council on Sustainable Development), and regional and national trade associations.

Enel is committed to ensuring that its direct advocacy activities are conducted in line with the objectives of the Paris Agreement. In particular, Enel's advocacy policy aims to promote the Group's decarbonization strategy and pursuit of climate goals, involving institutional stakeholders, trade associations, non-governmental organizations and academia, in order to promote the Group's vision on climate and low-carbon policies. Stakeholder engagement contributes to the evolution of the regulatory framework towards ambitious climate goals and promotes an economy in which carbon pricing drives long-term investments. To do this, Enel interacts directly with policy makers, contributes to the positioning of trade associations, and interacts with a broader set of stakeholders to build consensus and support for specific policy proposals. As a strong supporter of carbon pricing, Enel supports its integration into the decision-making process in all countries where it operates. In doing so, Enel emphasizes the importance of well-functioning carbon taxation and trading mechanisms that can provide short- and medium-term predictability to support market efficiency, as well as strong long-term price signals to support investment and innovation.

During 2021, the Group represented its interests at the European level and promoted its position vis-à-vis the European Institutions (Commission, Parliament, Council) with the aim of influencing proposals and decisions that could have affected the EU's Climate and Energy Framework, and also the Group's activities. When carrying out its advocacy in Europe, Enel is committed to behaving in a transparent and responsible manner. We are listed on the European Transparency Register⁽¹⁾, the specific activities of which are linked to the main EU legislative and policy proposals (including European Green Deal, Fit for 55, Climate Law, ETS reform, Air Quality Directives, Sustainable Finance, State Aid and Competition, Hydrogen, Taxonomy). The dedicated website contains a public list of meetings Enel has held with Commissioners, Members of their Cabinet and EC Directors General between December 2014 and January 2022. Specifically, for 2021, topics discussed included: European Green Deal, Energy Taxation Directive (ETD), Carbon Border Adjustment Mechanism (CBAM) and RES & ETS. In addition, Enel's positions and responses to EU consultations are made public, together with a list of the main professional associations and think-tanks in which Enel is active.

The worldwide coordination of Enel's global public policy



positioning on climate is ensured by the European Affairs unit. This unit is responsible for developing global scenarios and position papers on climate policies. Its objective is to guide Enel's national and local advocacy activities, thanks to a continuous dialog with institutions and the widest possible range of stakeholders active in the climate debate. In this sense, Enel is also committed to working to ensure continuous and full alignment with the objectives of the Paris Agreement of any association of which it is a member.

Nationally, Enel's pursues its advocacy efforts through specific activities and broader stakeholder engagement on decarbonization and energy transition issues. The approach is similar to that adopted at global level. Advocacy objectives include promoting greater climate ambition, carbon pricing, accelerating the penetration of renewable technologies, developing and upgrading infrastructure through smart grid technologies to support the energy transition, and electrification as a means for decarbonizing energy end-uses. In addition, through "Energy Transition Roadmap", engagement platforms Enel engages with a wide range of stakeholders on the actions needed at national level to pursue the Paris Agreement goals. These platforms take decarbonization by 2050 as a starting point in line with the Paris Agreement, then proceed to identify the technology mix needed to achieve this long-term goal in 2050, as well as the medium-term goal of 2030, and to develop specific policy recommendations aimed at achieving this transformation. All of these activities are supported by ongoing engagement with a wide range of stakeholders.

(1) <https://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=6256831207-27>.

By registering, Enel signed the Transparency Register Code of Conduct, and also declared that it is bound by its own Code of Ethics.

Enel's positioning on key climate policies and frameworks

Several regulatory and legislative events that occurred in 2021, not only climate-specific regulations but also energy and environmental regulations that have a strong impact on the climate itself, are relevant to Enel's business and advocacy actions. In light of the increased streamlining of the climate challenge within broader policy and regulation at the global, national, regional and local levels, the number of dossiers on which Enel focuses its advocacy increases annually. Enel's positioning on the main dossiers is outlined below.

- **In all the countries where it operates, the Enel Group strongly promotes greater climate ambition in line with the Paris Agreement.** Believing in the urgency in combatting climate change, and having adopted, as a company, SBTi objectives aligned with the Paris Agreement, Enel supports public the framework of a just transition. Enel's advocacy in this area is implemented through *ad hoc* engagement on specific legislative proposals (e.g. the European Climate Law), but also through broader stakeholder engagement at national level through our Energy Transition Roadmap platform (see above). Through such platforms, Enel promotes NDCs (Nationally Determined Contributions) that fully reflect the highest possible climate ambition and are fully in line with the requirements of the Paris Agreement.
- **In the context of the debate on international cooperation regarding the Paris Agreement, Enel supports a rapid finalization of the implementing provisions of Article 6 on climate change cooperation.** This position is in line with the fact that Enel supports the adoption of carbon pricing mechanisms worldwide. The implementation of these mechanisms based on Cap and Trade systems should be preferred in industrialized economies and industrial sectors where operators can effectively manage and internalize the price signals recorded on the market in their decision-making processes. Conversely, carbon-pricing mechanisms should tend to take the form of carbon taxes in countries with weaker institutions and in sectors characterized by distributed emission sources, and where non-economic barriers are significant. The Enel Group strongly supports carbon pricing as a means to decarbonize economic systems efficiently and effectively around the world. Enel's positions on the adoption of carbon pricing have been conveyed directly and through participation in the activities of IETA, CPLC, Eurelectric and WBCSD. In 2021, specific activities were dedicated aimed at analyzing

and promoting carbon pricing, at global, regional (EU and Latin America) and national (EU member states, Chile, Colombia and Peru) levels.

- **Within the EU, the European Green Deal represents a unique opportunity to accelerate the EU's path to a fully decarbonized and sustainable economy, especially when aligned with the mobilization of significant resources to ensure a rapid recovery from the ongoing crises.** Achieving the EU's climate and environmental goals requires a new industrial strategy to reach climate neutrality, and an action plan for the circular economy, pursuing the decarbonization of each sector. The energy sector must aim to be fully decarbonized and ensure the decarbonization of other sectors of the economy through direct and indirect electrification. The study "Sustainable paths for EU increased climate and energy ambition", sponsored Fondazione Enel and other partners, highlights the fact that end-use electrification is necessary for full decarbonization.
- **Enel supports the EU Climate Law, which places environmental and other challenges at the heart of the EU's vision and strategy for inclusive and sustainable growth.** The long-term goal of carbon neutrality in 2050 and the intermediate 2030 target of at least a 55% reduction in greenhouse gases, compared to 1990 levels, was set as a guide for all other EU policies. The law also establishes a guiding vision and governance to ensure that all EU policies, actions, and strategies are aligned with the climate goal, including education, financing, R&D, innovation, tax policies, labor and social policies. In doing so, the law establishes a principle that all policies should be designed and evaluated based on a careful assessment of their full impact. This assessment includes the full range of different benefits in terms of air quality, circular economy and energy efficiency. In addition, the EU Climate Law includes a pathway to establish an intermediate climate target at 2040, taking into account the principles of "just transition", recognition of the need to strengthen the EU's carbon resources through a more ambitious LULUCF (Land Use, Land-Use Change, and Forestry) regulation, for which the Commission submitted a proposal in July 2021, a commitment to negative emissions after 2050, and the establishment of the European Scientific Advisory Board on Climate Change, which will provide independent scientific advice.

- **Enel supports the EU's proposed ETS reform, which must be strengthened to pursue the EU's higher climate ambition and supported by a Carbon Border Adjustment Mechanism.** The linear reduction factor should be increased to achieve the additional emission reductions required of EU ETS sectors and to provide a clear price signal to the market. The market stability reserve should be revised to increase price stability and balance the market surplus. The introduction of the road transport and buildings sectors into the ETS should be approached with caution, as it could compromise the reliability of the carbon price signal in the short to medium term and have significant negative impacts in terms of a just transition. Finally, Enel supports the adoption of the Carbon Border Adjustment Mechanism to provide greater climate ambition while reducing the risks of carbon leakage. Implementation of the mechanism should go hand in hand with intensified discussions on increasing climate ambition with the EU's key global trading partners.

- **Enel supports a revision of the Effort Sharing regulation that fully exploits the decarbonization potential of energy end-uses in the EU's increased climate ambition.** The review must aim to update the Effort Sharing Regulation (ESR) targets of individual member states in an upwards direction, in line with the higher ambition of 2030. The ambition must also be aligned with 2050 climate neutrality, to avoid lock-in of emitting technologies and infrastructure. However, the impact on prices and energy bills must be carefully managed. The multiple environmental benefits associated with a higher ambition allow for a deviation from cost-efficiency criteria, as the decarbonization of transport and buildings brings environmental benefits that are not accounted for in GHG costs.

- **Enel welcomes the publication of the hydrogen and gas market decarbonization package by the European Commission.** The package also includes the proposed regulation on reducing methane emissions throughout the energy value chain and introduces new requirements for measuring, reporting and verifying emissions, as well as emission abatement measures. In addition, the regulation also proposes rules to increase transparency on methane emissions associated with fossil fuel imports.

- **Enel supports the European Commission's proposal on an upward revision of the EU's 2030 energy efficiency target of at least 36% for final energy consumption and 39% for primary energy consumption to achieve the ambition of reducing greenhouse gas emissions by 2030.** Significant energy efficiency improvements are needed to achieve the Net-Zero emissions target by

2050. As such, the proposed revision of the Directive, as part of the "Delivering on the European Green Deal" package, raises the level of ambition of the EU's energy efficiency target and makes it binding.

- **Enel welcomes the Commission's initiative to review the Renewable Energy Directive.** It believes that the main contributions to efficient decarbonization of the energy sector, as well as buildings, heating and cooling, transportation and industry, will come from further end-use electrification (direct electrification and indirect electrification for sectors that are difficult to abate emissions by means of renewable hydrogen). In this regard, low carbon fuels should be excluded from the scope of this Directive. Enel believes that the EU regulatory framework should provide long-term predictability for investors, as well as simplified and standardized authorization procedures. Finally, Enel supports a technology-neutral approach that at the same time creates the necessary conditions for the penetration of fully sustainable technologies.

- **As part of the European Commission's hydrogen strategy, the Enel Group actively promotes renewable hydrogen** (e.g. generated by electrolysis powered by 100% renewable energy). Enel believes that this is the only truly sustainable generation pathway for hydrogen, powered by renewable sources with zero greenhouse gas emissions. Hydrogen is best used as a complement to electrification, not as a competitor. It has an efficient role in decarbonizing those parts of the economy that cannot be electrified easily or economically, for example, hard-to-abate sectors, such as heavy industry, aviation and shipping.

- **As part of its smart and sustainable mobility strategy, the Enel Group is actively promoting e-mobility** as a key factor in reducing road transport emissions and contributing to the achievement of EU energy efficiency targets. Since 2011, the EU has been involved in the process of updating its transport policy framework to reduce emissions in the sector, particularly road transport. Mobility is a critical aspect of social inclusion and an important factor in human well-being, especially for disadvantaged groups. Recognized as an essential service in the European pillar of social rights, transport meets a fundamental need in enabling citizens to integrate into society and the labor market. By far the most serious challenge facing the transport sector is to reduce its emissions significantly and become more sustainable. The European Green Deal calls for a 90% reduction in GHG emissions from transport so that the EU can become a climate neutral economy by 2050, including working towards a zero pollution ambition. In addition, in 2021 the European Commission unveiled

the “EU Urban Mobility Framework”, complementing the proposed revised guidelines for the Trans-European Network. The new EU Urban Mobility Framework outlines a common list of measures and initiatives for which EU cities can address the challenge of making their mobility more sustainable.

- **Enel fully supports the European building renovation strategy and actively participates in discussions on the proposed review of the Energy Performance of Buildings Directive.** The building sector is one of the most lagging industries as regards decarbonization due to criticalities in the value chain, building efficiency and choice of energy source. Enel believes it can contribute substantially to the decarbonization of the building sector by installing efficient electrical technologies such as heat pumps, improving building efficiency through digitalization, making buildings dynamic elements of the energy system through storage, remodeling of demand, and electric vehicle charging.
- **Enel has involved various stakeholders in the European Commission’s New Circular Economy Action Plan, stressing the importance of ensuring the circularity of the main supply chains,** particularly in relation to electric vehicles, batteries and renewable energy technologies. Furthermore, Enel’s advocacy has highlighted the need to develop appropriate circular economy metrics and to focus on the high potential of urban environments through the implementation of a clear vision of circular smart cities.
- **Within the framework of the Zero Pollution dossier and other environmental dossiers, the Enel Group is actively promoting the maximization of synergies between decarbonization and other environmental policies.** In this context, synergies of climate and air quality policies are perhaps the most critical, and electricity technologies can play a key role in combating climate change, improving local air quality and increasing the circularity of the EU’s economic system. Soil management is vital for a circular economy that aims to develop sustainable models capable of encouraging the coexistence of different activities and creating synergies and mutual benefits, such as agri-voltaics. The new soil strategy published in November is a step in the right direction. However, its scope should also be extended to the redevelopment of brownfield sites and the reuse of brownfields to avoid further land acquisition and soil pollution.

In addition to the position outlined above on specific issues, the Enel Group is actively contributing to the debate on how best to address the challenge of climate change. Specifically:

- **Enel played an active role in the different preparatory events of COP 26 in Glasgow,** dealing with several issues related to climate change, such as climate ambition, the Net-Zero challenge, carbon pricing schemes and international carbon markets, but also the mobilization of sustainable finance for combating climate change. Enel is fully committed to contributing to the efficient acceleration of the energy transition and to bringing the world economies onto the Net-Zero path, as mentioned in the latest IPCC Report.
- **Enel has actively contributed to GSEP (Global Sustainable Energy Partnership) climate change activities.** In 2021, GSEP launched its annual report, focused on beneficial electrification, at the 2021 Virtual GSEP Global Summit, with Enel X Global Retail CEO Francesco Venturini Co-Chairing. GSEP also hosted a virtual dialog on electrification at Climate Week in New York, with Enel on the panel. Other GSEP activities carried out in 2021 include Enel’s participation in the Young Ambassadors for Global Electrification program, global advocacy on sustainable electrification, the launch of new research on tracking the deployment and pace of electrification globally, webinars and capacity building activities.
- **Enel supported IETA (International Emission Trading Association) in its 2021 action plan focused on analyzing how emission trading can facilitate increased ambition in both the private and public sectors.** IETA promotes maximum transparency of accounting rules under Articles 5 and 6 of the Paris Agreement, the international aviation carbon offset and reduction system, and the rules developed under voluntary markets. IETA contributed substantially to the success of the COP 26 negotiations on collaborative approaches. At the regional level, the association collaborated on the European Commission’s proposal to strengthen the EU ETS and increase climate ambition. It also supports the emergence of carbon pricing schemes in the Americas and Asia. It does so based on the firm belief that emission trading can enhance the ambition of climate policies while ensuring a high level of environmental integrity.
- **In 2021, Enel launched the new Energy Transition Roadmap platforms for Italy and Romania, bringing the number of active platforms in the Group to more**

than 10. In early 2021, the Energy Transition Roadmaps (ETRs) for Peru and Morocco, both launched in 2020, were completed. The ETRs take an open approach, sharing technical knowledge and policy views with national and international stakeholders. The ETRs aim to exploit fully three of the main levers available to decar-

bonize national economies: zero-emission electricity, digitalization and smart grids and end-use electrification. They do this by developing a robust, transparent and stable political and regulatory framework, which in turn is able to catalyze effectively private sector action under the Paris Agreement.

The Energy Compact on Enel's sustainable strategy

In 2021 Enel took part in the **High-Level Dialog on Energy (HLDE) of the United Nations**, which led to the launch of a global roadmap to set specific targets in accelerating the transition and promoting energy access by 2030, and the announcement of the Energy Compacts, a set of voluntary commitments aimed at accelerating the achievement of SDG 7 – Ensure access to affordable, reliable, sustainable and modern energy for all – and zeroing out net emissions.

In fact, Enel was among the first companies in the world to present its Energy Compact, with the following ambitious global commitments: accelerating coal phase-out from 2030 to 2027; tripling renewable capacity to 145 GW by 2030, from around 49 GW in



2020; increasing battery energy storage to 20 TWh and demand response to 20 GW by 2030; reducing GHG Scope 1 emissions to 82 g/kWh in 2030, in line with the 1.5 °C scenario (verified by SBTi); installation of more than 4 million electric vehicle charging points and operation of 10 thousand electric buses by 2030; target of reaching 5.6 million beneficiaries with new connections in rural and suburban areas in the period 2020-2030 (target later increased to 6.9 million in the same period). The commitments in the Energy Compact were subsequently updated in the Strategic Plan and the Sustainability Plan 2022-2024, for which the dashboards at the beginning of the chapters in this document should be consulted.



Enel's commitment to combat climate change through associations and organizations

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The Group plays an active role in various industry and multistakeholder associations and organizations with the aim of promoting issues concerning energy transition and the commitment to fight climate change at national and global level. **Enel is committed to ensuring that the various industry associations, business networks and think tanks of which it is a member operate in full compliance with the objectives of the Paris Agreement and the de-carbonization roadmap established by the Group.** Enel therefore systematically verifies the **consistency of the associations' positions with the climate policies shared at the Group level.** This verification process is carried out in two stages: (i) **before joining the association**, through an in-depth analysis of the body's by-laws, in line with the Climate Policy issued in September 2021; (ii) **after joining the association**, by actively contributing to its work and/or taking positions of responsibility within it or promoting the Enel Group's position within working groups. Finally, **a review of the level of alignment of the associations with Enel's strategy is conducted annually.** Where an association is found not to be in line with the objectives of the Paris Agreement and Enel's climate risk mitigation strategy, the Company assesses whether the misalignment could compromise the effectiveness of Enel's advocacy and participation, and may eventually decide to withdraw from the association. By way of example, in recent years we have withdrawn our participation from some associations whose views on climate policies and how to achieve the energy transition were persistently different from Enel's in terms of fighting climate change and pursuing the goals set forth in the Paris Agreement. On the other hand, it may happen that in some associations, despite the existence of a misalignment, Enel decides to continue to be a member with the aim of influencing and aligning association decisions with its own vision of achieving the targets set by the Paris Agreement.

During 2020, an initial selection of the main industrial associations and organizations was carried out to identify alignment with Enel's climate position. **During 2021, the list of all associations most committed to climate policy advocacy and with which Enel collaborates worldwide was published** (Sustainability I Enel Group) and the list of associations on which an in-depth assessment was carried out was significantly expanded. The assessment is based on targeted evaluations on the science of climate change, climate policies at global and national level, disclosures on the topic, and technologies proposed.

With specific regard to the European framework, **in 2021 Enel continued to participate in several energy-relevant**

associations and think tanks such as Eurelectric, Solar Power Europe, Wind Europe, European Association for Storage of Energy (EASE), Batteries European Partnership Association (BEPA), SmartEn and Bruegel, maintaining a consistently proactive role in promoting messages; in addition, in 2021 Enel joined the European Raw Material Alliance. In 2021 the Group also continued to participate in some sustainability policy-oriented initiatives, such as CEO Alliance, EU Battery Alliance, Electro-mobility Platform, Renewable Hydrogen Coalition, European Clean Hydrogen Alliance and CEO Action Group for the European Green Deal of the World Economic Forum. In particular, the main updates in 2021 inherent in Enel's participation in the associations were:

- **appointment of the Enel CEO to the role of Chairman and Europe Manager in the role of Deputy of the "Energy & Resource Efficiency Task Force" in "B20 Italy-2021";**
- **appointment of the Manager of Business Development Europe to the Board of Wind Europe** and participation in 8 out of 15 working groups and task forces;
- **confirmation of the Group's appointment to the Board and Advocacy Committee of SolarPower Europe** and participation in 12 out of 14 workstreams;
- **appointment of the Manager of Infrastructure and Networks Italy as Chairman of the EU DSO Entity and of the Board;**
- **appointment of the Enel Group as Co-Chair of American Electric Power of GSEP;**
- **appointment of the Manager of Europe of Enel as representative of the Italian association Elettricità Futura in the Board of Directors of Eurelectric;** participation in numerous working groups and confirmation of the Chair of the Electrification and Sustainability Committee.

Enel contributes to the associations' activities on decarbonization policies through active participation in working groups and by collaborating on studies and policy papers. In 2021, in view of the publication of the European Commission's "Fit for 55" package, Enel, in addition to conveying the main messages through the associations, signed the open letter addressed to European leaders promoted by CLG Europe, calling for an effective and coherent legislative package capable of ensuring EU leadership on climate and the Net-Zero transition. In addition, Enel has participated in advocacy activities in support of the 100 gCO₂/kWh threshold-published in the Delegated Acts of the European Taxonomy—which allows an activity to be defined as environmentally sustainable if its CO₂ emissions are below this threshold. Enel not only supports compliance with this threshold, but also asks to specify how this threshold should

be reduced over time until it reaches zero by 2050.

Finally, through the We Mean Business Coalition, about 800 companies, including Enel, have made an appeal to the

leaders of the G20 countries, urging them to act to limit the global temperature increase to 1.5 °C.

The table below summarizes the results of the review conducted during 2021.

Industrial association	Description	Main positions on climate change			Main actions developed in 2021
		Level of alignment with the Paris Agreement	Main actions	Enel's main roles within the association	
Eurelectric	The Electrical Industry Union-Eurelectric is the association representing the interests of the electrical industry on a pan-European level, in addition to its affiliates and associates on several other continents. The association has over 34 full members, representing over 3,500 companies in Europe.	High	Eurelectric contributes to the development and competitiveness of the electricity industry, provides effective representation of the industry in public affairs and promotes the role of a low-carbon electricity mix.	Enel is well represented in the association, with more than 40 delegates from Group companies in Italy, Spain and Romania holding key positions within the association (at decision-making level, Committees, such as the Electrification and Sustainability Committee or the Sustainability Working Group).	<p>In 2021 Enel helped provide input and feedback for the following Eurelectric studies:</p> <ul style="list-style-type: none"> • “Connecting the dots”: investments in distribution networks to ensure the energy transition; • “EVision”: connect and accelerate e-mobility in Europe; • “Electric Decade”: policy actions and recommendations; • “Powering the energy transition with efficient network tariffs”; • “Power Barometer”; • “Power2People”. <p>Enel helped support the development of Eurelectric's positions and advocacy actions on the Fit for 55 package.</p> <p>In 2021, Enel continued to serve as Chair of the Electrification and Sustainability Committee, Eurelectric's key committee for discussing and deciding on electrification, energy efficiency policies, and sustainability, including decarbonizing the economy beyond the power sector, one of the core themes of the association's vision.</p>
WindEurope	WindEurope is the voice of companies and organizations operating in the wind industry. It actively promotes wind energy in Europe and worldwide, has over 450 members and is active in over 40 countries.	High	Through effective communication and engagement in policy-making processes, WindEurope facilitates national and international policies and initiatives that strengthen the development of European and global wind energy markets.	Enel is part of the Board and is active in 8 working groups and task forces.	Enel has played an active role in providing input and supporting WindEurope's advocacy efforts in relation to the FF55 package. Enel actively participated in several events, for example the CEO retreat in Bruges in October, and End-of-Life Strategies (EoLIS) in Brussels in November.
SolarPower Europe	SolarPower Europe represents organizations active along the entire PV value chain, with the aim of defining the regulatory environment and improving business opportunities for solar photovoltaics in Europe.	High	Among the objectives of the association is the successful positioning of solar PV based energy solutions in the European context through dedicated studies and energy market analysis.	Enel has continued to hold the Chair of SolarPower Europe. Enel is present in several workstreams in the association, besides chairing of the Renewable Hydrogen Workstream and Co-Chair of the Industrial Strategy Workstream.	Enel has played an active role in providing recommendations and supporting SolarPower Europe's advocacy efforts in relation to the FF55 package. Enel has participated actively in several events and contributed to several publications, i.e. relevant the Global Market Outlook for Solar Power (July and December) and the EU Solar Jobs Report (November).
The European Association for Storage of Energy (EASE)	EASE is the leading association representing organizations active in the entire storage value chain.	High	EASE promotes the role of storage in a decarbonized energy system.	Enel continued to serve as Chair of the association. Enel serves on the Technology and Value Assessment Committee (TVAC), the Strategy Committee (STC), and the Communications Committee (COMC), as well as on several task forces and working groups.	Enel provided recommendations on the association's positioning with respect to the Fit for 55 package in relation to the storage value chain. Consultations included input on the Batteries Regulation Proposal and the TEN-E Regulation Revision.

Industrial association	Description	Main positions on climate change			
		Level of alignment with the Paris Agreement	Main actions	Enel's main roles within the association	Main actions developed in 2021
SmartEn	SmartEn is the association of market participants promoting decentralized and decarbonized power generation in support of flexible renewable demand.	High	SmartEn promotes the energy transition through smart cooperation between consumption, distribution, transmission and generation, acting as an equal partner in an integrated energy system.	Enel participates in the association with one representative on the Committee, and 6 other experts at the working group and task force levels.	Enel provided recommendations on the association's positioning with respect to the Fit for 55 package, as well as contributing to the association's strategy to enhance demand-side flexibility (DSF) policies. Enel also sponsored the "Smart Energy Summit 2021 Demand-Side Flexibility Annual Event" and took part in the initiative with high-level representation.
RES4Africa	RES4Africa brings together a network of international leaders from across the clean energy value chain and supports the creation of an enabling environment for renewable energy investments and strategic partnerships. RES4Africa serves as a bridge between members and partners in emerging markets to exchange perspectives and expertise.	High	The renewAfrica initiative was officially launched at European level in 2019. It is a European initiative supported by multiple stakeholders to accelerate the transition to sustainable energy in Africa. It promotes the creation of a European program capable of catalyzing investment in renewable energy for the future sustainable development of the continent. RES4Africa is a member of the Africa-Europe Foundation, a platform launched in 2021 by Friends of Europe and the Mo Ibrahim Foundation to facilitate multi-stakeholder dialog, catalyze collaboration and unlock new opportunities that can transform dialog into action.	Enel Green Power is one of the funding partners and holds the Chair of the association.	Enel is well represented within the four task forces created. In particular, representatives from Enel's Brussels office are on the Advocacy task force supporting the organization of meetings with key representatives of European institutions. In 2021 Enel continued to support the work of the task forces to further promote the renewAfrica initiative to the EU institutions. Enel supported renewAfrica's outreach activities in selected African countries, being an active participant in the last event held in Kenya in December with the participation of high-level stakeholders from the local energy sector.
Sustainable Energy for all (SEforALL)	SEforALL is an international non-profit organization working in partnership with the United Nations, the private sector, civil society, financial institutions and governments in support of the Sustainable Development Goal on Energy (SDG 7).	High	SEforALL pursues the advancement of SDG 7 and supports the achievement of its three targets by 2030, in line with the Paris Agreement: ensuring universal access to affordable, reliable and modern energy services; substantially increasing the share of renewable energy in the global energy mix; and doubling the global rate of energy efficiency improvements.	In 2020, the Enel CEO was appointed Chairman of the organization's Administrative Board, a position he will hold until 2023.	In 2021, Enel took part in the preparatory processes for the High-Level dialog on Energy, the first global energy summit of which SEforALL held the co-chairmanship, as a member of the Technical Working Group on Energy Transition, while the CEO spoke during the summit's opening session. On this occasion, Enel also announced its renewed commitments to SDG 7, formalized with the Enel Energy Compact and the multistakeholder Energy Compact on the electrification of Sardinia. Enel further supported SEforALL's BeBold campaign, which aims to drive ambitious actions to ensure affordable, clean energy for all.
World Business Council for Sustainable Development (WBCSD)	The WBCSD is a global organization led by the CEOs of more than 200 international companies working together to accelerate the transition to a Net-Zero, nature positive and more equitable future.	High	The WBCSD works to support leading sustainability companies to drive integrated actions to address global challenges through the sharing of best practices and the development of tools and guides that can stimulate and advance members on their own pathway to sustainability.	Enel holds the role of Council Member with the CEO and Liaison Delegate. The Group is also a member of the Steering Committee of the "Energy Solutions" project, which aims to identify cutting-edge, low-carbon energy solutions for the decarbonization of the energy system.	In 2021, Enel was a member of the "SOS 1.5" and "Energy Solutions" projects, contributing to the "SDG Roadmap for Electric Utilities" report, where two case studies were included: "Enel's ambition to responsibly phase out coal" and "Circular cities-cities of tomorrow". The Group also followed the "Mobility Decarbonization" and "Climate Policy" projects.

Industrial association	Description	Main positions on climate change			Enel's main roles within the association	Main actions developed in 2021
		Level of alignment with the Paris Agreement	Main actions			
United Nations Global Compact (UNGC)	The United Nations Global Compact is the largest global corporate sustainability initiative, created with the goal of promoting a sustainable economic model through the development and adoption of sustainable practices and policies.	High	UNGC works to create a sustainable and inclusive global economy by supporting companies to do business responsibly, aligning strategies with the ten principles on human rights, labor, environment and anti-corruption, as well as taking action to promote the goals of the 2030 Agenda.	Enel's CEO was a member of the Board until May 2021. Enel is also a member of the organization's Expert Network.		In 2021 Enel took part in the Action Platform "Climate Ambition", contributing to the report "Taking the Temperature". Assessing and scaling-up climate ambition in the G7 business sector", which examines the climate ambition of businesses in the major stock indices of G7 countries, based on target information disclosed by companies. Finally, the CEO took part in the "CEO Study on Sustainability", developed by UNGC together with Accenture, entitled "Climate Leadership in the eleventh hour".
Advanced Energy Economy	Advanced Energy Economy (AEE) is a national association of businesses that are making the energy America uses safe, clean and affordable. AEE works to accelerate transitions to 100% clean energy and electrified transportation in the United States.	High	AEE educates, engages and advocates in more than 12 states, in wholesale electricity markets and at Federal level, for executive actions, laws and regulations that expand the size and value of markets for advanced energy products and services.	The CEO of Enel X North America serves on the AEE Board of Directors. Enel's Institutional and Regulatory Affairs Department works actively in AEE's electricity markets and in State and Federal legislative efforts, respectively.		<ul style="list-style-type: none"> Advocacy on behalf of Federal legislation to accelerate the deployment of clean energy technologies, including electric vehicle infrastructure, renewable generation, and related supply chain and manufacturing construction. Advocacy in favor of developing an expanded electricity market in the western United States to facilitate clean energy deployment. Advocacy in favor of participation of networked energy resources in wholesale electricity markets.
American Clean Power Association	American Clean Power (ACP) is the voice of companies across the wind, solar, storage, and transmission industries that are powering America's future and providing cost-effective solutions to the climate crisis, while creating jobs, spurring massive investment in the U.S. economy, and driving high-tech innovation across the nation.	High	ACP focuses on US Federal legislative and administrative advocacy, while also supporting advocacy at State level. It supports policies that will transform the US power grid into a low-cost, reliable, renewable energy system, including support for renewable energy demand, sensible reforms, permitting, transmission system construction, predictable international trade rules, and workforce development.	The CEO of Enel Green Power North America serves on the ACP Board of Directors. Enel North America's Manager of Public Policy & Institutional Affairs is Chair of ACP's Policy Advocacy Steering Committee. Enel Regulatory Affairs, Institutional Affairs, HSEQ, Legal, Business Development Siting and Permitting, and Communications staff participate in ACP's committee-level work on policy design, international trade, health and safety, electricity markets and other topics. Institutional Affairs also does joint advocacy before Congress and the Administration.		<ul style="list-style-type: none"> Advocacy for Federal legislation to accelerate the deployment of wind, solar, energy storage, transmission and green hydrogen technologies. Advocacy in favor of developing an expanded electricity market in the western United States to facilitate clean energy deployment.
Confindustria	Confindustria is the main association representing employers in manufacturing and service companies in Italy. More than 150 thousand small, medium and large companies are members. Confindustria's mission is to encourage the affirmation of enterprises as the engine of economic, social and civil growth of the country.	Medium	Development of workshops, seminars and summary documents including observations and/or proposals suggested by the association regarding energy and environmental issues in local, national and European contexts.	In addition to holding important local and national association roles, Enel takes part in various round tables and technical working groups, seeking to promote activities in line with climate targets.		<ul style="list-style-type: none"> Positioning on the European Commission's "Fit for 55" package. Analysis of and support for compliance with national ETS regulations. Contribution to the development of the Energy Scenario 2030 and to the evolution of the National Integrated Energy and Climate Plan.

Industrial association	Description	Main positions on climate change			
		Level of alignment with the Paris Agreement	Main actions	Enel's main roles within the association	Main actions developed in 2021
Edison Electric Institute	The Edison Electric Institute (EEI) is the association that represents all investor-owned US electric utilities.	Medium	EEI focuses on US Federal legislative and administrative advocacy, while also supporting advocacy at regional and State level. It works to encourage policies that support investor-owned private utilities, with a focus on decarbonization.	Enel North America participates in EEI through the organization's international program for non-US utilities. Institutional Affairs leverages the trade association's resources in Federal electricity market design, trade policy, transportation electrification and climate discussions.	Advocacy for Federal legislation to accelerate the deployment of wind, solar, geothermal, hydroelectric, nuclear, energy storage, transmission, carbon capture and storage, green hydrogen and transportation electrification technologies.
Clean Energy Council	The Clean Energy Council (CEC) is the spearhead of the clean energy industry in Australia. It represents hundreds of leading companies operating in the solar, wind, energy efficiency, hydro, bioenergy, energy storage, geothermal and marine sectors, along with over 5,800 solar installers as members.	High	Its mission is to work with local, State and Federal governments to solve technical, policy and financial problems in the challenges faced by the clean energy sector.	Enel is a key member with a presence in important working groups such as the Grid Directorate and Connection Reform Initiative, among others.	<p>During 2021, Enel supported the CEC in several consultation responses on post-2025 energy market design reforms and new regulatory frameworks affecting essential services, asset connection, storage integration and renewable energy zones.</p> <p>Moreover, Enel collaborated on the Connection Reform Initiative to co-design 11 proposals to improve the renewable framework and connection process.</p> <p>Finally, Enel contributed to the "Best Practices Guide for Engaging with Australian First Nations Peoples on Renewable Energy Projects" and the "Australian Guide to Agrisolar for Large-Scale Solar".</p>
Solar Energy Industry Association	The Solar Energy Industries Association (SEIA) is the national trade association for the solar and solar + storage industries. SEIA advocates policies that will enable solar to reach 30% of US electricity generation by 2030, create jobs in every community, and establish fair market rules that promote competition and the growth of reliable, low-cost solar power.	High	SEIA focuses on US Federal legislative and administrative advocacy. It works to defend the interests of the solar energy industry.	Enel Green Power North America takes part in SEIA's Trade Council. Enel Regulatory Affairs, Institutional Affairs, HSEQ, Legal, and Business Development Siting and Permitting staff participate in SEIA's committee-level work on policy design, leveraging the trade association's resources in federal electricity market design, project siting, trade policies, and climate discussions. Institutional Affairs also does joint advocacy before Congress and the Administration.	Advocacy for Federal legislation to accelerate the opening to wind, solar, energy storage, transmission and green hydrogen technologies.

Industrial association	Description	Main positions on climate change			
		Level of alignment with the Paris Agreement	Main actions		Enel's main roles within the association
			Main actions	Enel's main roles within the association	
International Emissions Trading Association	The International Emissions Trading Association (IETA) is a not-for-profit corporate organization with more than 100 members across companies, geographies and disciplines serving GHG emission trading markets worldwide.	High	IETA's mission is to enable companies to engage in climate action and establish effective market-based trading systems for greenhouse gas (GHG) emissions. In pursuit of its mission, it aims to: a) promote an integrated view of carbon markets and prices; b) participate in the design and implementation of national and international rules and guidelines; and c) provide up-to-date and credible information on emission trading.	Enel holds a position on the Board of IETA, contributing to help focus attention on ensuring a truly sustainable adoption of Emission Trading systems worldwide. Enel is also active in working groups and task forces.	During 2021, IETA's activities focused on exploring how emission trading can facilitate increased ambition in both the private and public sectors. IETA contributed substantially to the success of the COP 26 negotiations on collaborative approaches. It has been an active participant in the efforts of the Task Force on Scaling Voluntary Carbon Markets (TSVCM). At the regional level, the IETA has contributed to the European Commission's proposal to strengthen the EU ETS and to increase climate ambition. It also supports the emergence of carbon pricing schemes in the Americas and Asia. It does so based on the firm belief that emission trading can enhance ambition while ensuring a high level of environmental integrity.
Canadian Renewable Energy Association	Canada's leading renewable energy trade association. This organization supports wind, solar, energy storage and all renewable technologies.	Medium	It engages with Federal and Provincial policies to support renewable energy development.	It supports carbon tax, electrification, works towards Canada's 2050 Net-Zero goal, encourages and improves border entry processes, monitors and aids supply chain and tariff priorities.	It advocates support for the implementation of the federal enhanced climate action plan "A Healthy Environment and a Healthy Economy". It further advocates support for Alberta's energy storage policies and Saskatchewan's renewable energy supply plans.
Confederación Española de Organizaciones Empresariales (CEOE)	CEOE is the national business association representing and defending Spanish companies and entrepreneurs. CEOE voluntarily integrates 2 million companies and freelancers from all business sectors. In Europe, it is an active part of BusinessEurope, which brings together European business associations.	Medium	It represents and defends Spanish companies and entrepreneurs in economic, social and taxation matters etc. before the government, state agencies, trade unions, political parties and international institutions. It carries out analyses of laws and government proposals, and makes proposals on behalf of their members.	Endesa is a member of the commission for industry, international relations, health and consumer affairs, and the finance economy.	In 2021 Enel participated on various commissions where topical issues at the European and Spanish level were analyzed.
Zero Emission Transport Association	The Zero Emission Transport Association (ZETA) is a coalition of companies in the energy industry advocating full adoption of electric vehicles (EVs) by 2030.	High	ZETA focuses on US Federal legislative and administrative advocacy. It works to defend the interests of the industry for the electrification of transport.	Through the US Federal Public Policy & Institutional Affairs function, Enel North America serves on the ZETA Board of Directors. Institutional Affairs and the Enel X e-Mobility team leverage the trade association's resources in the areas of Federal trade policy, electrification of transport and discussions on the climate. Institutional Affairs also does joint advocacy before Congress and the Administration.	Advocacy for federal legislation to accelerate the uptake of electric vehicles.

Industrial association	Description	Main positions on climate change			Main actions developed in 2021
		Level of alignment with the Paris Agreement	Main actions	Enel's main roles within the association	
Kyoto Club	Coordination of the environmental, industrial, and business representation association that offers analysis, seminars and studies on the topic of climate change.	High	Development of documents, position papers, workshops, training courses, campaigns and projects aimed at professionals, operators in the sector, public administrators and students concerning the latest issues in the energy-environment sector, from renewables to e-mobility and the circular economy.	Enel is a member of the Kyoto Club and participates in round tables on renewable development, energy efficiency, environmental education and resilience to climate change.	Joint working tables on renewables development, advocacy activities and policy proposals on the energy transition.
Foundation for Sustainable Development	The Foundation for Sustainable Development is an authoritative point of reference for the main sectors and players in the green economy. It supports companies and organizations that share a common pathway to sustainability.	High	Energy and climate, green strategies, waste and circular economy, green city, sustainable mobility. Organizer of the "States General of the Green Economy".	Enel is a founding member of the Foundation and regularly participates in the "States General of the Green Economy", the main initiative on the topic of green solutions.	Enel has supported and contributed with its representatives to the "States General of the Green Economy", and has promoted several occasions for discussion on issues of common interest related to the energy transition.
Elettricità Futura	Elettricità Futura is the main association of Italian electricity companies. It defends their interests and creates value by supporting the sector in the energy transition process.	High	Elettricità Futura represents Associates and their issues on institutional tables in Italy and Europe. It promotes networking among companies through meetings and initiatives on specific topics, including working groups and technical tables on energy and energy transition issues.	Enel is a shareholder in Elettricità Futura and actively participates in working groups and technical tables.	<ul style="list-style-type: none"> • Positioning on the European Commission's "Fit for 55" package. • Analysis of and support for compliance with national ETS regulations. • Participation in positioning of the association with regard to PPA for RES power plants. • Participation in joint positioning with Confagricoltura regarding the development of photovoltaics in agricultural areas. • #GreenDealNow campaign to promote the diffusion of RES.

The Enel governance model to face climate change

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Competences of corporate bodies in relation to climate change

The corporate governance system of Enel SpA (Enel or the "Company") complies with the principles contained in the **Italian Corporate Governance Code⁽²⁾** (the "Corporate Governance Code"), January 2020 edition, to which the Company adheres, and with international best practices. The corporate governance system adopted by Enel and the Group of companies it heads is essentially oriented towards the goal of sustainable success, given that it is aimed at creating value for shareholders over the long term, aware of the environmental and social importance of the Group's operating activities and the consequent need to proceed with adequate consideration of all the interests involved.

The Board of Directors of Enel SpA:

- Pursuant to the Articles of Association, the Board of Directors of Enel SpA is endowed with broad powers for the **ordinary and extraordinary administration** of the Company and has the authority to carry out any action deemed appropriate for the implementation and achievement of the corporate purpose.
- It plays a **central role in corporate governance** as the body vested with powers related to the strategic, organizational and control policies of the Company and the Group, the sustainable success of which it pursues. In this context, the Board examines and approves the company's strategy, including the annual budget and the Business Plan (which incorporate the main objectives and actions planned, including with regard to sustainability issues, to drive the energy transition and tackle climate change), taking into consideration the analysis of issues relevant to the generation of long-term value and thus promoting a sustainable business model.
- It plays a **guidance role and provides an assessment of**

the adequacy of the Internal Control and Risk Management System (so-called "ICRMS"). In this regard, in particular, the Board defines the nature and level of risk compatible with the strategic objectives of the Company and the Group, including in its assessments any elements that may be relevant in the perspective of the Company's sustainable success. The ICRMS consists of the set of rules, procedures and organizational structures aimed at enabling the identification, measurement, management and monitoring of the main corporate risks, including risks related to climate change.

- The Board **defines the remuneration policy** for Directors, Auditors and Key management personnel, based on the pursuit of the Company's sustainable success and taking decarbonization and energy transition considerations into account, and submitting this policy to the Shareholders' Meeting for approval.
- During 2021, the Board addressed **climate-related issues**, reflected in the strategies and related implementation methods in **8 of the 16 meetings held**, in particular during: (i) the review and approval of the Business Plan of the Company and the Group; (ii) the update to the Code of Ethics and the Human Rights Policy; (iii) the definition of Enel's remuneration policy for 2021; (iv) the review of the contents of the 2020 Sustainability Report, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254/2016 for the same year. In addition, it discussed climate-related issues as part of the in-depth studies dedicated to legislative proposals and investor dialog activities.

In accordance with the provisions of the Italian Civil Code, the Board of Directors has delegated part of its management responsibilities to the Chief Executive Officer and, based on the recommendations of the Italian Corporate Governance Code, and provided for under the relevant Consob regulations, has appointed the following Board Committees, which provide recommendations and advice.

(2) Available on the Borsa Italiana website ([at https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf](https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf)).

The Corporate Governance and Sustainability Committee:

- Assists the Board of Directors in assessment and decision-making activities concerning the Company's and Group's corporate governance and sustainability, including climate change issues and the dynamics of the Company's interaction with all the stakeholders.
- With regard to climate change issues, it examines, inter alia, (i) the climate objectives set out in the Sustainability Plan; (ii) the methods for implementing the sustainability policy; (iii) the general approach and structure of the contents of the Non-financial Statement and the Sustainability Report (possibly as a single document), as well as the completeness and transparency of the information contained therein, including on climate change, and their consistency with the principles laid down by the reporting standard used, issuing a prior opinion on this matter to the Board of Directors called upon to approve these documents.
- During 2021, the Board dealt with climate-related issues, reflected in the strategies and related implementation methods in 4 of the 5 meetings held, in particular during the review of: (i) the Sustainability Report 2020, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254/2016 for the same year; (ii) the materiality analysis and the guidelines of the Sustainability Plan 2022-2024; (iii) the proposed update of the Human Rights Policy; (iv) updates on the main activities carried out in 2021 by the Enel Group in the field of sustainability, on the status of implementation of the Sustainability Plan 2021-2023 and regarding Enel's inclusion in the main sustainability indices.

The Control and Risk Committee:

- The Committee has the task of supporting the Board of Directors' assessments and decisions relating to the ICRMS, also as concerns climate risks and those relating to the approval of periodic annual and interim financial and non-financial reports.
- It assesses the suitability of annual and interim financial and non-financial information to represent correctly the business model, the strategies of the Company and the Group it heads, the impact of the Company's activities and achievements, coordinating with the Corporate Governance and Sustainability Committee as regards periodic non-financial information.
- It examines the relevant issues for the purposes of the ICRMS dealt with in the Non-financial Statement and the Sustainability Report (possibly as a single document) and containing the Company's climate disclosure, issuing a prior opinion on the matter to the Board of Directors, which is called upon to approve these documents.

tors, which is called upon to approve these documents.

- During 2021, the Board dealt with climate-related issues, reflected in the strategies and related implementation methods in 5 of the 17 meetings held, in particular during the review of: (i) the relevant issues for the purposes of the ICRMS dealt with in the Sustainability Report 2020, coinciding with the Consolidated Non-Financial Statement pursuant to Legislative Decree No. 254/2016 for the same year; (ii) the in-depth analyses of the risks related to macroeconomic and environmental dynamics and climate risks; (iii) the proposed update to the Human Rights Policy; (iv) the analysis of the degree of compatibility of the main risks related to the strategic objectives of the Business Plan.

The Nomination and Compensation Committee:

- Supports the Board of Directors in the assessments and decisions relating to the compensation of the directors and key management personnel. In this regard, compensation policy for 2021 specifies that a sizeable portion of the variable compensation, both short and long term, of the Chief Executive Officer/General Manager and Key management personnel is connected, inter alia, to performance objectives concerning sustainability and climate.

The Chairman of the Board of Directors:

- In exercising the function of stimulating and coordinating the activities of the Board of Directors, plays a proactive role in the process of approving and monitoring corporate and sustainability strategies, which are strongly oriented toward combating climate change through decarbonization and the electrification of consumption.
- During 2021, the Chairman also chaired the Corporate Governance and Sustainability Committee.

The Chief Executive Officer:

- In exercising these rights, the CEO has defined a sustainable business model by identifying a strategy targeted toward guiding the energy transition toward a low-carbon model; furthermore, within the scope of the powers assigned, the CEO manages the business activities connected to Enel's commitment to combating climate change.
- He/she reports to the Board of Directors on the activities carried out when exercising proxies, including the

business activities aimed at maintaining Enel's commitment to tackling climate change.

- **He/she represents Enel in various initiatives dealing with sustainability**, holding relevant positions in institutions of international importance such as the Sustainable Energy for All (SEforALL), or the Global Investors for Sustainable Development (GISD) Alliance launched by the United Nations in 2019.
- As the person primarily responsible for the management

of the Company, **he/she is the person most empowered to deal with institutional investors**, providing them with any appropriate clarifications on matters falling within the management powers entrusted to him/her, in line with the Policy for the management of engagement with institutional investors and with the generality of Enel's shareholders and bondholders.

- **He/she holds the role of Director in charge of setting up and maintaining the ICRMS.**

The Enel organizational model for management of climate-related issues

Enel has a management team that assigns the responsibilities related to climate topics to the specific Functions that contribute toward guiding Enel's leadership in energy transition. Each area is responsible for managing the risks and opportunities related to climate change for their own area of competence.

The Holding Functions are responsible for consolidating the scenario analysis and the management of the strategic and financial planning process aimed at promoting the decarbonization of the energy mix and the electrification of energy demand, as key actions in combating climate change.

The Global Business Lines are responsible for the development of activities related to promoting renewable generation, the optimization of heat capacity, the digitalization of the electricity grid and the development of business solutions that enable energy transition and combating climate change.

The Global Service Functions are responsible for adopting sustainable criteria, including climate change, in supply

chain management and developing digital solutions that develop the development of technologies enabling energy transition and combating climate change.

On a local level, **the Regions and Countries** have the task of promoting decarbonization and guiding the energy transition toward a low-carbon business model, within their areas of responsibility. Furthermore, the Europe and Euro-Mediterranean Affairs Function is responsible for defining the Group's position on climate change, low-carbon policies and the regulation of the international carbon market on a European level.

Additionally, **the Group Investments Committee**, chaired by the Chief Executive Officer, grants approval for the expenses for investments related to business development. This committee also has the task of guaranteeing that all investments are fully in line with the Group's commitment to promoting a low-carbon business model and reaching decarbonization by 2050.

Incentives system concerning climate change

The compensation policy for 2021 provides that a significant portion of the short- and long-term variable compensation of the Chief Executive Officer/General Manager and Key management personnel will be tied to performance objectives concerning sustainability, including some specific to climate change. Specifically, with regard to:

- **the long-term variable remuneration** of the Chief Executive Officer/General Manager and executives with strategic responsibilities, for which, since 2018, a quantitative climate objective has been included, i.e. the reduction of CO₂ emissions per kWh_{eq} of the Enel Group

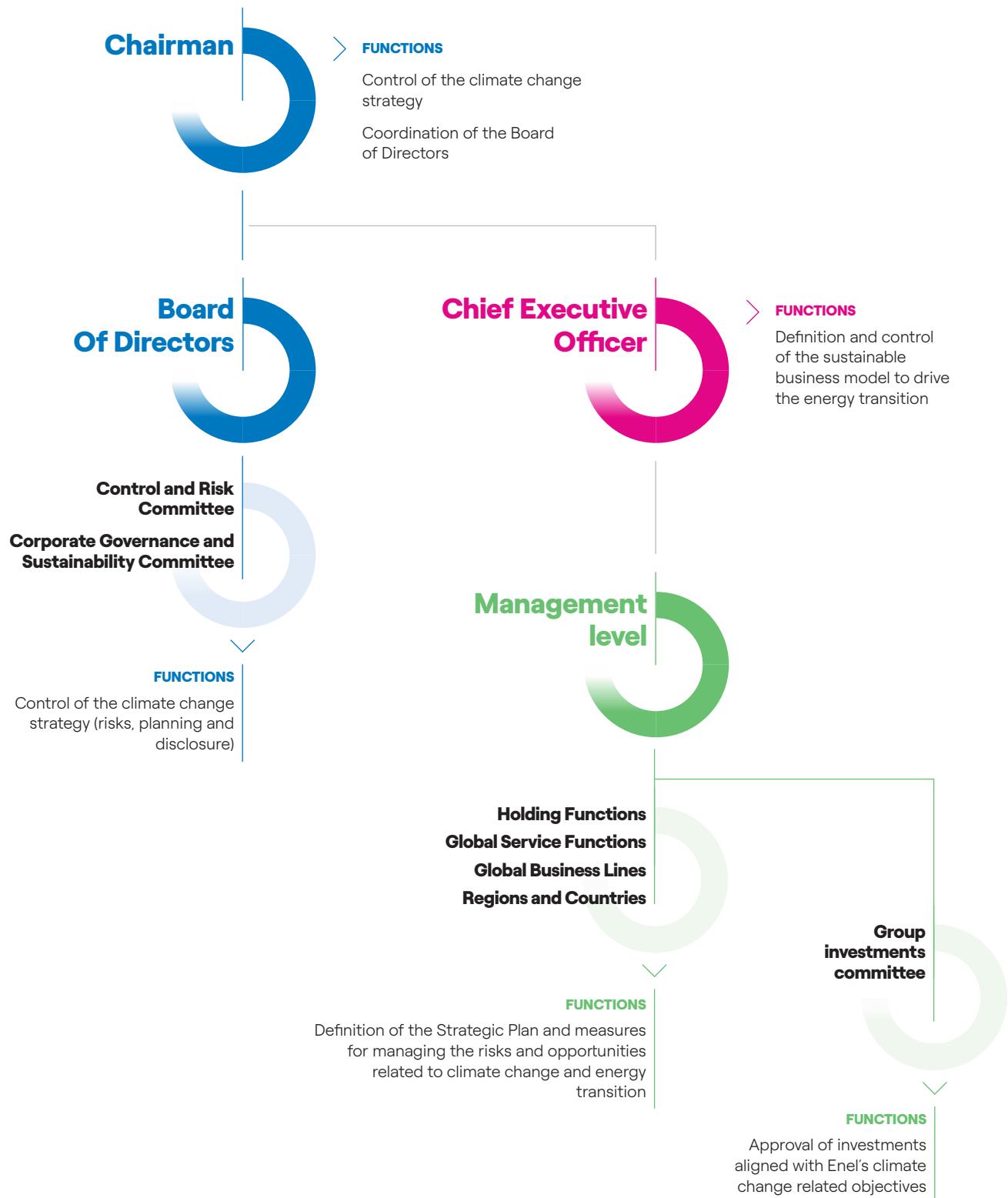
over the next three years, with the weight of 10% of the total long-term variable remuneration. In addition, a quantitative climate target related to the percentage of consolidated net renewable installed capacity to total consolidated net installed capacity has been included since 2020, which was also confirmed in 2021 with the 10% weight of long-term variable compensation;

- **variable short-term remuneration** (MBO), the targets can include those relating to the specific company function of each manager. For example, they may include objectives related to the introduction of innovative products and services into the business for man-

agers within Holding Functions, the development of renewable energy for managers within the Enel Green Power and Thermal Generation Global Business Line or

related to energy transition solutions within the Enel X Global Retail Business Line.

The Enel governance model to tackle climate change



Enel's impact on climate change

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Electric energy is essential to guarantee the sustainable progress of modern societies and represents a key factor in reaching the goals of the United Nations 2030 Agenda, in particular SDG 7, to guarantee everyone accessible, reliable, sustainable and modern energy, and SDG 13, regarding climate action.

The generation of electricity has always played a key role in climate change, as the use of fossil fuels is a considerable source of greenhouse gas emissions. Technological development, in particular in the area of renewable energies, has however completely transformed this scenario by making electricity one of the main solutions for reducing the carbon footprint world-wide. Enel is aware of these impacts and implements specific actions to minimise them, promoting the decarbonization of the energy system and the electrification of the energy demand. As a result this reduces the greenhouse gas emissions along the entire value chain.

Enel's generation from fossil fuels (mainly gas and coal) traditionally represents the main source of greenhouse gas emissions. In particular, in 2021 the direct emissions (Scope 1) related to generation from fossil fuels were about 51.2 mil t_{eq} CO₂, whereas indirect emissions (Scope 3) related to the extraction and transport of fuels were 11.2 mil t_{eq} of CO₂ (also considering those related to the transport of raw materials). Enel is reducing this impact by accelerating the decommissioning of coal-fired plants, with a reduction of capacity in 2021 of around 2 GW compared to 2020. In parallel, the Group is increasing the development of renewable capacity that, together with the contribution of nuclear generation, has avoided 72.8 mil t_{eq} of CO₂ emissions. Furthermore, Enel is actively committed to the development of electricity storage systems that support the integration of renew-

able capacity, with a total installed capacity of 217 MW in 2021. The decarbonization of the energy mix also has a positive impact on the reduction of indirect greenhouse gas emissions (Scope 2) associated with the acquisition of electricity to cover the requirements of business activities.

The management of the electricity grid involves the generation of indirect greenhouse gas emissions (Scope 2) associated with technical energy losses on the grid of 3.0 mil t_{eq} of CO₂ in 2021 (according to the "location based" calculation methodology). Enel is actively investing in the digitalization and automation of the electricity grid to reduce these losses and increase reliability, while promoting the diffusion of renewables in the energy system.

In the framework of the end customer, the use of the products sold by Enel's customers generates GHG emissions that are accounted for as indirect (Scope 3). In particular, **the emissions connected to the use of electricity sold to customers equalled approximately 24.0 mil t_{eq} of CO₂, whereas those related to gas sold equalled 22.2 mil t_{eq} of CO₂.** Enel regularly monitors these emissions and adopts measures aimed at minimising them. Furthermore, Enel offers its customers technical solutions to reduce carbon emissions related to their energy consumption in a wide range of sectors, including transport, property management as well as industrial processes and services. For example, through Enel X Global Retail the Group is promoting the spread of charging infrastructures for electric vehicles (0.3 million charging points installed by 2021⁽³⁾), the development of energy efficiency solutions, distributed generation, advisory services, smart public lighting and circular cities.

(3) Public and private charging points installed. Includes interoperability points, net of which there are 157 thousand charging points installed at the end of 2021.

Enel's impact on climate change

Positive impacts		CO ₂ free generation ⁽¹⁾		Digitalization of the grid		Electrification of the energy demand and promotion of energy efficiency	
		Value chain	Generation	Networks	Retail		
Positive impacts	72.8 million t _{eq} of avoided CO ₂	• Avoided CO ₂ emissions from electricity generation • Contribution to CO ₂ emission reduction in other sectors ⁽²⁾ through a zero-emission energy mix	45.0 million end users with active smart meters	• By providing data in quasi real time, smart meters permit an efficient management of the energy supply and demand, promoting informed and sustainable consumption	319 thousand charging points for electric mobility	• Contribution to CO ₂ emission reduction in other sectors through the electrification of consumption, including transport by promoting e-mobility	
		217 MW	• Increase in storage capacity ⁽³⁾	2.77 number of service interruptions per client (SAIFI) ⁽⁴⁾	• A reliable and resilient grid helps reduce the CO ₂ emissions associated with grid losses	2.8 million smart public lighting points	• Energy efficiency solutions for reducing consumption (residential, city and industry)
Negative impacts	51.2 million t _{eq} CO ₂	• Direct greenhouse gas emissions for electricity generation (Scope 1) ⁽⁵⁾	3.0 million t _{eq} CO ₂	• Indirect greenhouse gas emissions associated with technical losses from the grid (Scope 2) ⁽⁶⁾	24.0 million t CO ₂	• CO ₂ emissions associated with the use of electricity sold on the retail market (Scope 3)	
	11.2 million t _{eq} CO ₂	• Indirect greenhouse gas emissions deriving from the extraction and transport of fuels, raw materials and waste (Scope 3)			22.2 million t _{eq} CO ₂	• CO ₂ emissions associated with the use of natural gas sold on the retail market (Scope 3)	
Thermal production		Technical losses from the grid		Sale of retail electricity and gas			

(1) Includes the generation of renewable and nuclear energy.

(2) The GHG Protocol requires considering the consumption of electricity when calculating the Company's carbon footprint as indirect emissions (Scope 2).

(3) Includes the contribution of the Enel Green Power and Thermal Generation Business Line.

(4) SAIFI, System Average Interruption Frequency Index.

(5) Other Scope 1 emissions have been disclosed in the section "Enel's performance in combating climate change". See "Enel's carbon footprint" for further details.

(6) Other Scope 2 emissions have been disclosed in the section "Enel's performance in combating climate change". See "Enel's carbon footprint" for further details.

Climate scenarios

The Group develops short, medium and long-term scenarios for the energy industry and for macroeconomic and financial conditions in order to support its strategic and industrial planning, capital allocation, strategic positioning, and assessment of risk and resilience of the strategy.

Analysis and benchmarking of external energy transition scenarios was also carried out which, together with the analysis of relevant reports on macroeconomic, commodity and climate trends, fed internal modeling for definition of the assumptions of long-term scenarios.

Global energy scenarios are typically classified by scenario families based on the level of climate ambition:

- **Business as usual/Stated policies:** energy scenarios based on business as usual/current policies. They provide a fairly conservative benchmark for the future, representing the evolution of the energy system in the absence of additional climate and energy policies. These scenarios do not achieve the goals of the Paris Agreement.
- **Paris Aligned:** energy scenarios aligned with the Paris Agreement, i.e., that include a goal of limiting global average temperature increase to "well below 2 °C" compared to pre-industrial levels. To achieve this goal, scenarios in this category consider new and more ambitious policies for end-use electrification and the development of renewables.
- **Paris Ambitious:** global energy scenarios that chart a path toward Net-Zero GHG emissions by 2050, consistent with the Paris Agreement's most ambitious goal of stabilizing the average increase in global temperatures within 1.5 °C. All scenarios in this group agree that the main drivers of the energy transition to Net-Zero by 2050 are the process of end-use electrification and the increase in electricity generation from renewables in both the medium and long term. They differ, however, on the additional solutions needed in the long term to close the gap to the Net-Zero emissions target, assigning different levels of importance to the contributions of various technologies and changes in consumer behavior.

The issues of industrial and economic transition towards solutions that can reduce CO₂ concentrations in the atmosphere are the characteristic elements of the "**energy transition scenario**", while the issues related to future trends of climate variables (in terms of acute and chronic phenomena) define the so-called "**physical scenario**", **which takes acute phenomena** (heat waves, floods, hurricanes, etc.) into account. This includes their potential impact on industrial assets, as well as chronic phenomena related to structural changes in the climate, such as the trend of temperature increase, sea level rises, etc., which



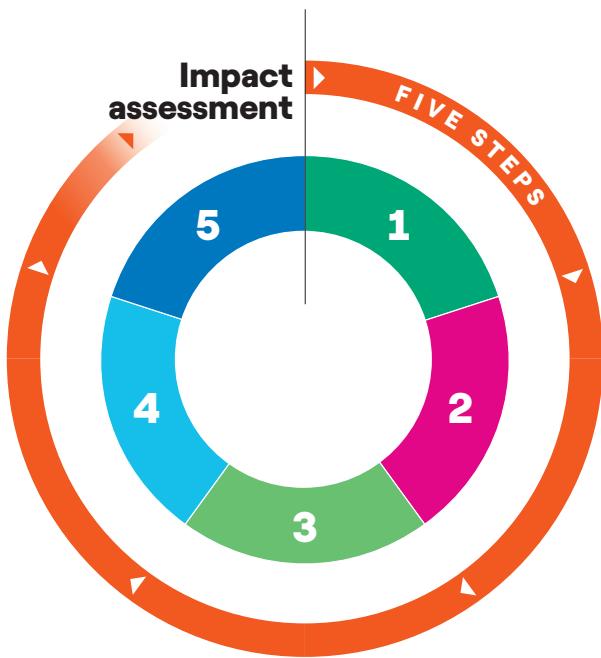
may result, for example, in a steady change in plant output and a change in electricity consumption profiles in the residential and commercial sectors.

The scenarios are construed with an overall framework in mind to ensure consistency between transition assumptions and climate projections.

The adoption of these scenarios and their integration into corporate processes takes account of the guidelines of the TCFD and enables the assessment of the risks and opportunities connected with climate change. For this reason, the Group has created a channel of constant dialog and collaboration with experts on climate change, for example the Department of Geosciences of the International Centre for Theoretical Physics (ICTP) in Trieste. Furthermore, it is structured for managing high-resolution post downscaling climatic scenarios and has started projects for developing the skills needed to translate the complexity of climate models into information that is useful for understanding the effects, at a local level, on business and support strategic decisions.

The acquisition and processing of substantial amounts of information and data required for the definition of scenarios, as well as the identification of the methodologies and metrics needed for interpreting complex very high-resolution phenomena and, in the case of climate scenarios, requires a continuous dialog with both external as well as internal references. For this purpose, the Group operates with a platform approach, equipping itself with tools that guarantee solid and accessible information. The process that translates the scenario phenomena into information

that is useful for industrial and strategic decisions can be summarized in five steps:



- G1** **Identification of trends and factors** relevant to the business (e.g., electrification of consumption, heat waves, etc.)
- G2** Development of **link** functions connecting climate/transition scenarios and operating variables
- G3** Identification of **risks** and **opportunities**
- G4** **Calculation of impacts** on business (e.g., change in performance, losses, Capex)
- G5** **Strategic actions:** definition and implementation (e.g., capital allocation, resilience plans)

The transition scenario

The transition scenario describes how the generation and consumption of energy evolves in various sectors in an economic, social, policy and regulatory context consistent with different trends in greenhouse gas (GHG) emissions and, therefore, correlated with the RCP climate scenarios. The scenarios used by the Group on a global level are the result of a benchmark analysis of external scenarios and currently known policy objectives. For the main countries where the Group is present, it processes coherent transition scenarios, using energy system models; if internal models are not available, risks and opportunities are evaluated by analyzing scenarios produced by third parties, as described previously.

The main assumptions considered when defining the transition scenarios concern:

- **the local policies and regulatory measures to fight climate change**, such as measures for reducing carbon dioxide emissions and fuel consumption, to increase energy efficiency and the decarbonization of the electricity sector;
- **the global macroeconomic and energy context** (for example, in terms of gross domestic product, population and commodity prices), considering international

benchmarks such as the International Energy Agency (IEA), Bloomberg New Energy Finance (BNEF), International Institute for Applied Systems Analysis (IIASA)⁽⁴⁾, and others;

- **the evolution of technologies for generation**, conversion and energy consumption, in terms of both technical operating parameters and costs.

In 2021, Enel revised its medium- to long-term energy transition scenario framework, defining three alternative scenario narratives.

- **Paris scenario** – envisions the achievement of the Paris Agreement targets, thus a significantly higher level of climate ambition than business as usual. The increased ambition is supported by greater electrification of consumption and increasing development of renewables.
- **Slow Transition scenario** – a scenario characterized by a slower energy transition, which means the Paris Agreement targets will not be met. This scenario involves a smaller increase in renewables and a less sustained electrification process than the Paris scenario, especially in the short term (delayed implementation of the transition).
- **Best Place scenario** – is constructed to evaluate as-

(4) As regards IIASA, for example, consideration was given to the fundamentals driving the commodity demand underlying the "Shared Socioeconomic Pathways (SSPs)", in which different scenarios are projected that describe socioeconomic and policy evolution in line with the climate scenarios. The information deriving from the "SSPs" is used, together with internal models, to support the long-term forecasts, such as, for example, those for commodity prices and electric demand.

sumptions for improvement over the Paris scenario. The objectives of the Paris Agreement are also achieved in this scenario, but a wider range of technological options is considered, i.e. a greater penetration of green hydrogen generated through renewable electricity, used more widely in hard-to-abate sectors, and facilitating the process of decarbonization towards Net-Zero emissions.

Enel has chosen the Paris scenario as a benchmark for long-term planning, which envisages the achievement of the objectives of the Paris Agreement, unlike last year, when the reference scenario was current policies. This is with the conviction that, globally speaking, governments, businesses, organizations and citizens will effectively participate in the collective effort to mitigate greenhouse gas emissions. The increase in the Net-Zero commitments of States during 2021, which currently cover 88% of global emissions⁽⁵⁾, and the outcome of COP 26, support the choice of choosing a scenario that achieves the Paris objectives as a long-term benchmark for Enel. With respect to the possibility of assuming the achievement of the most challenging objective of the Paris Agreement as a benchmark scenario for long-term planning, i.e. to stabilize the

average global temperature within +1.5 °C, there remains the uncertainty that some countries could maintain inertial trajectories, delaying the process of decarbonization towards Net-Zero emissions by 2050.

Having said this with respect to the external context, the Enel Group operates a business model in line with the maximum ambition of Paris Agreement objectives, namely, one that is consistent with a global average temperature increase of 1.5 °C by 2100. Enel has set a long-term goal to achieve zero direct emissions (Scope 1), with fully renewable electricity generation, and zero emissions related to retail sales of power (Scope 3).

Assumptions concerning commodity price trends as inputs to the Paris scenario are consistent with external scenarios that achieve Paris Agreement targets. In particular, a sustained growth in the price of CO₂, caused by the gradual reduction of permit supply in the face of increasing demand, and a stabilization of coal prices, due to decreasing demand, are considered in 2030. With regard to gas, it is believed that price tensions will ease in the coming years in light of a realignment between supply and demand at a global level. Finally, oil prices are expected to stabilize gradually, for which we estimate peak demand around 2030.



(1) Source: IEA – Sustainable Development Scenario and Net Zero Scenario, BNEF, IHS Green Case Scenario, Enerdata Green Scenario. N.B. the scenarios used as benchmarks were published at different times during the year and may not be updated to include the latest market dynamics.

(2) Actual.

(5) At December 28, 2021.

The physical climate scenario

Among the climatic projections developed by the "Intergovernmental Panel on Climate Change" (IPCC) on a global scale, **the Group has chosen three, characterized by a**

specific emissions level connected to the "Representative Concentration Pathway" (RCP).

Scenario	Average temperature increase in comparison to pre-industrial levels (1850-1900)
RCP 2.6	+1.5 °C by 2100 (the IPCC projects approximately +1.8 °C on average with a 78% probability of remaining below +2 °C) ⁽⁶⁾ . The Group uses this scenario for the assessment of physical phenomena and for the analyses that consider an energy transition coherent with ambitious objects in terms of mitigation. In analyses that consider both physical and transition variables, the Group associates the SSP1-RCP 2.6 scenario with the Paris and Best Place scenarios.
RCP 4.5	+2.7 °C by 2100 . Enel has identified this scenario as the one that is best suited for representing the current global climatic and political context and is coherent with the overall estimates of temperature increase that current policies consider and as announced on a global level ⁽⁷⁾ . In analyses that consider both physical and transition variables, the Group associates the SSP2-RCP 4.5 scenario with the Slow Transition scenario.
RCP 8.5	+4.4 °C by 2100 . Compatible with a worst case scenario where no particular measures are taken to combat climate change ("Business as usual").

The climate scenarios are global in nature. Accordingly, in order to determine the effects in the areas of relevance for the Group, as previously described, a collaborative initiative has been started with the Department of Geosciences of the International Centre for Theoretical Physics (ICTP) in Trieste. As part of this collaboration, the ICTP provides projections for the main climate variables with a grid resolution that varies from approximately 12 km² to approximately 100 km² and a forecast horizon of 2020-2050. The main variables are temperature, rainfall and snowfall and solar radiation. With respect to previous analysis carried, the current studies are based on the use of multiple regional climate models: the one developed by ITP combined with five other simulations, selected as representative of the ensemble of climate models currently available in the literature. This technique is usually adopted in the scientific community to obtain a more robust, bias-free analysis mediated by the various assumptions that could characterize the single model.

In this phase of the study, **the future projections were analyzed for Italy, Spain and all countries of interest to the Group in Latin America, obtaining, also due to the use of the ensemble of models, a more definite representation of the physical scenario**. In addition, and in a similar manner, the Group is also analyzing climate projection data for North America.

The analyses performed on the physical scenarios considered both chronic phenomena and acute phenomena. Some of these phenomena require an additional level of complexity, as they do not only depend on climatic trends but also on the specific characteristics of the territory, and

require an additional modelling activity for their high-resolution representation. For this reason, in addition to the climate scenarios provided by ICTP, the Group also uses Natural Hazard maps, which make it possible to obtain, with a high spatial resolution, the return times of a series of events, such as storms, hurricanes and floods. The use of these maps, as described in the section "Risks and strategic opportunities related to climate change", is widely consolidated in the Group, which already uses this data based on a historical perspective to optimize the insurance strategies. Furthermore, work is under way in order to be able to use this information also when processed in compliance with the projections of the climate scenarios.

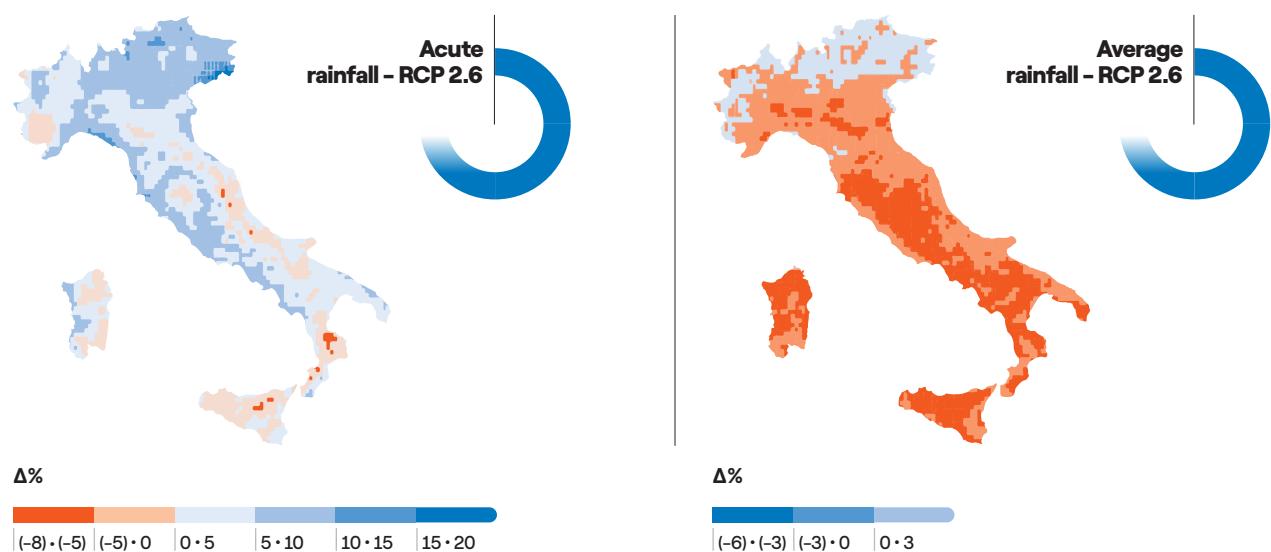
Italy

Acute phenomena: for Italy, the acute rainfall phenomenon was analyzed first, studying the variation of daily rainfall above the 95th percentile, calculated as average annual millimeters in the periods of reference. As shown in the figure below on the left, comparison of the period 2030-2050 with the historical period 1990-2020, in the RCP 2.6 scenario, suggests heavy rainfall will increase primarily in the north-east and along the Tyrrhenian coast significantly. Interestingly, again in RCP 2.6, this general increase in extreme rainfall is accompanied by a slight decrease in the annual sum of daily precipitation excluding acute rainfall (figure on the right). The same dichotomy between intense and average rainfall can also be observed in the other scenarios (RCP 4.5 and 8.5).

(6) IPCC Fifth Assessment Report, Working Group 1, "Long-term Climate Change: Projections, Commitments and Irreversibility".

(7) Climate Action Tracker Thermometer, global warming estimates for 2100 considering the current "Policies & Action" and "2030 Targets Only" (updated as of November 2021).

Acute rainfall and average rainfall (i.e., total rainfall net of acute rainfall): difference between RCP 2.6 (2030–2050) and historical values (2000–2020)

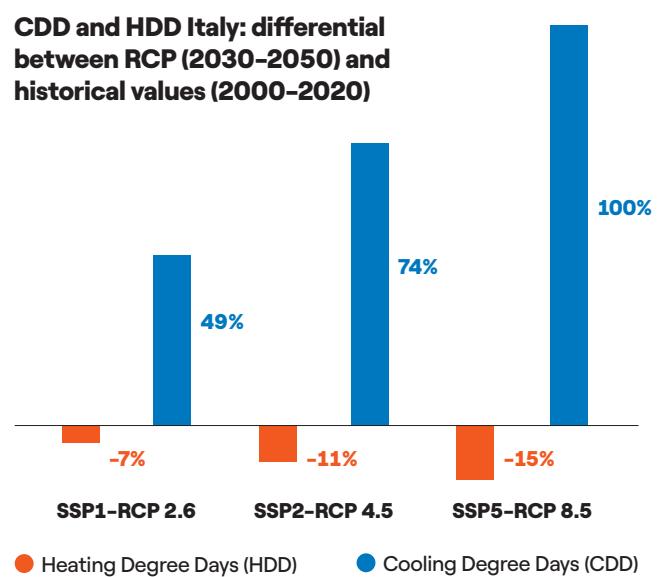


As already shown in the analyses previously published by the Group, heat waves and fire risk will also undergo important variations, both of which increase in the various climate scenarios considered. In particular, fire risk is described through the Fire Weather Index (FWI), a widely used indicator at international level that takes into account temperature, humidity, rain and wind in order to estimate a fire risk index. The data provided by the FWI can be useful in characterizing fire risk trends to support the business in managing it properly. The studies conducted, which examine the change in projections to 2030–2050 compared to 1990–2010, show that in all scenarios there is an increase in the number of high-risk days (index value > 45) in the summer season. This change mainly affects the islands and the southern regions of the country, where the increase in extreme risk days ranges from about +6 to +8 days compared to the historical period.

Chronic phenomena: chronic changes in temperature can be analyzed to obtain information on the potential effects on cooling and heating demand in local energy systems. Similar to what was done in 2020, Heating Degree Days (HDD) were used to measure heating requirements. This is the sum, extended to all days of the year with $T_{\text{average}} \leq 15^{\circ}\text{C}$, of the differences between the indoor temperature (T_{indoor} assumed as 18°C) and the average temperature, and the Cooling Degree Days (CDD), which is the sum, extended to all days of the year with $T_{\text{average}} \geq 24^{\circ}\text{C}$, of the differences between the T_{average} and T_{indoor} (assumed as 21°C), respectively for heating and cooling requirements. The analysis for Italy was refined both by increasing the number of models considered from 3 to 6, and by increasing the resolution of the data from about $50\text{ km} \times 50\text{ km}$ to about $12\text{ km} \times 12\text{ km}$. Average country data were averaged over

the nation, weighting each geographic node by population through the use of Shared Socioeconomic Pathways (SSPs) associated with each RCP scenario. A reduction in heating demand is predicted over the 2030–2050 period from 7 to 15% compared to the 2000–2020 period in the different scenarios, while CDDs are consistently higher than over the historical period, with an increasing trend from the RCP 2.6 (+~50%) to the RCP 8.5 (+~100%) scenario.

CDD and HDD Italy: differential between RCP (2030–2050) and historical values (2000–2020)

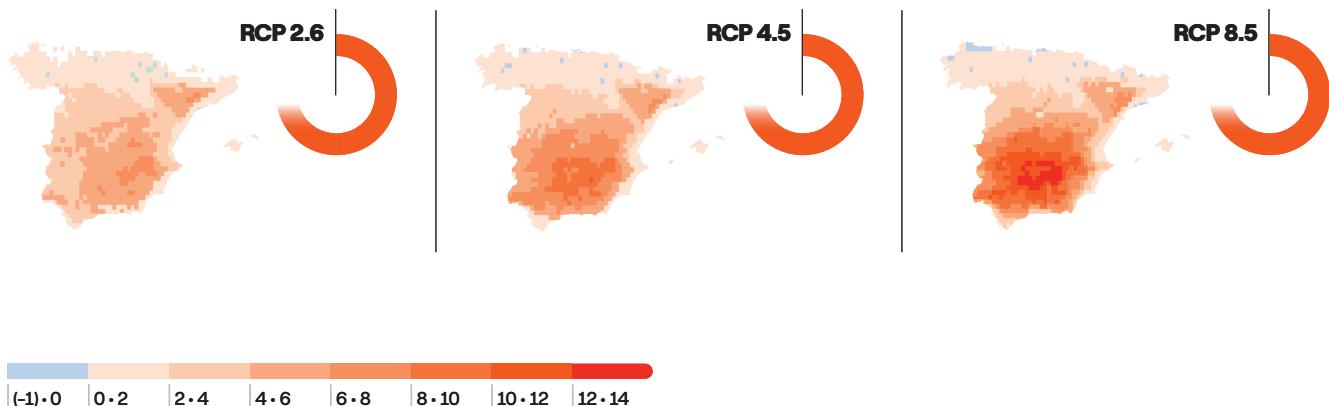


With regard to rainfall, variations in the basins of interest for the Group's hydroelectric generation were analyzed. From a preliminary analysis, no significant changes should emerge, with a general trend of slight decrease in Southern Italy and slight increase in Northern Italy in the RCP 2.6 and RCP 4.5 scenarios.

Spain

Acute phenomena: as far as fire risk is concerned, the number of days at extreme risk (i.e. with Fire Weather Index > 45) is higher in the RCP 8.5 scenario than in the RCP 2.6 scenario, and always increasing compared to the historical average. In particular, the area of Spain that will see the greatest increase in the average number of days per year in the summer season characterized by high fire risk is the centre-south, in all future scenarios.

Increase in average number of days of high fire risk per year in summer under the various RCP scenarios compared with historical values (2000–2020)



Heat waves, as already highlighted in the analyses published previously by the Group, will be more geographically widespread and more frequent in the period 2030–2050, especially in the southern part of the country.

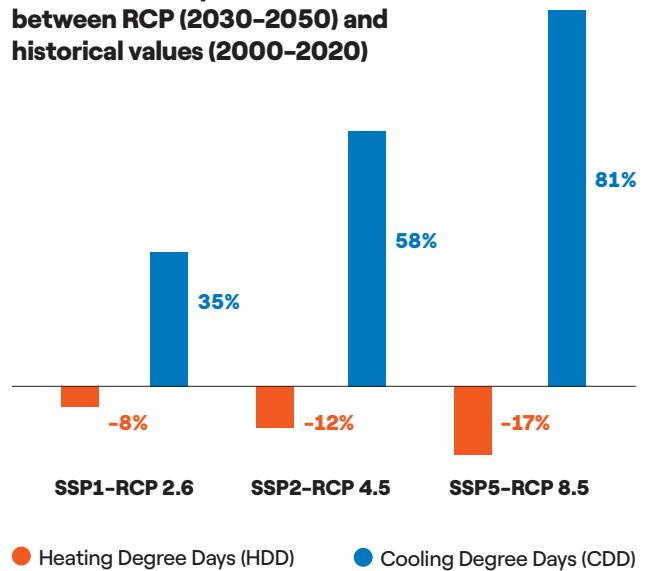
Finally, extreme precipitation will undergo variations in

Chronic phenomena: analysis of potential cooling and heating demand has been refined and updated in a similar way to that for Italy. In terms of Heating Degree Days (HDD) and Cooling Degree Days (CDD), compared to the period 1990–2020, HDDs are estimated to decrease in all scenarios in the period 2030–2050, from -8% in RCP 2.6 to -17% in RCP 8.5. The data also confirm an increase in CDDs (+35%) in the RCP 2.6 scenario and a change of +58% and +81% in the RCP 4.5 and RCP 8.5 scenarios, respectively.

With regard to rainfall, variations in the basins of interest for the Group's hydroelectric generation were analyzed. Comparing the period 2030–2050 with the period 1990–2009, data from a preliminary analysis do not show appreciable variations, with a general trend of slight decrease in southern Spain in all scenarios.

frequency in most of Spain. Taking into consideration the annual average millimeters related to rainy days with intensity greater than the ninety-fifth percentile, a preliminary analysis shows a reduction in some areas in the south of the country already in the RCP 2.6 scenario.

CDD and HDD Spain: differential between RCP (2030–2050) and historical values (2000–2020)



Latin America

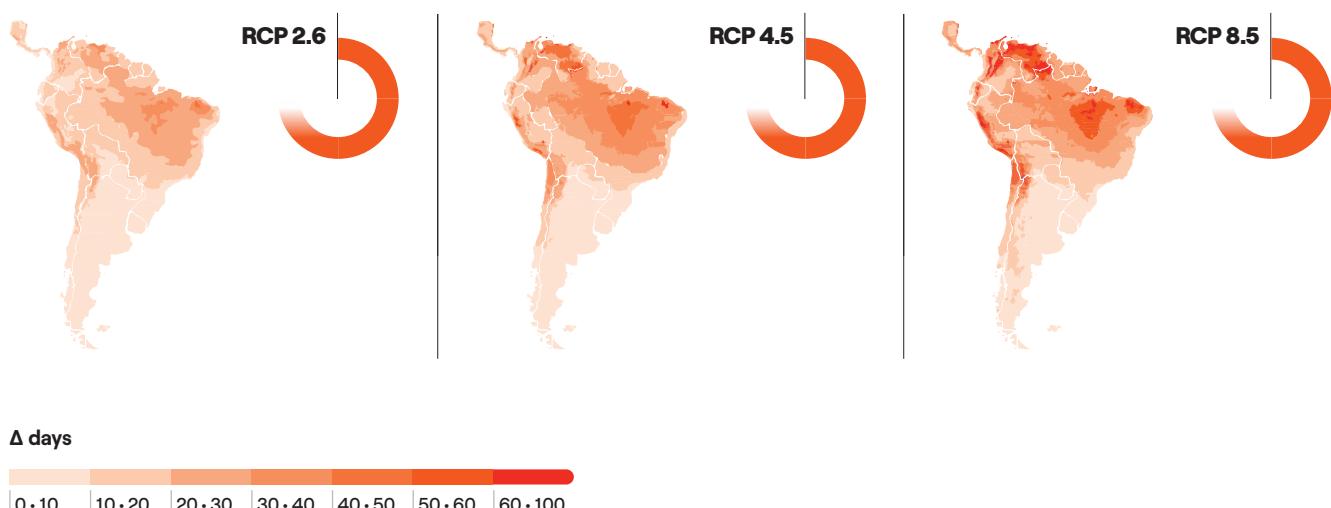
Acute phenomena: in exceptionally large countries such as Brazil, acute phenomena can show significantly different trends in the various areas. In order to have an overview of the entire continent and identify the areas of greatest interest for further study, some acute phenomena have been analyzed using standard metrics. Analyses were conducted by processing data from an ensemble of 6 climate models with a spatial resolution of 25 km x 25 km.

In order to study the phenomenon of extreme temperatures, the "Warm Spell Duration Index" (WSDI) was used, which considers heat waves characterized by at least 6 consecutive days with a maximum daily temperature

above the 90th percentile. Comparing the period 2030-2050 with the period 1990-2020, the data show a significant increase in days characterized by heat waves already in the RCP 2.6 scenario, especially in some areas of Brazil, Colombia, Peru and northern Chile. This increase in extreme temperatures will be even more pronounced in the other scenarios, especially RCP 8.5.

For extreme precipitation, daily rainfall above the 95th percentile was considered, similar to what was done for Italy and Spain. Future changes for this phenomenon are less homogeneous. In the RCP 2.6 scenario, in some areas, such as northern Brazil and northern Argentina, reductions are projected, while in other areas, such as western Colombia and some areas of Brazil and Peru, increases in extreme rainfall are expected.

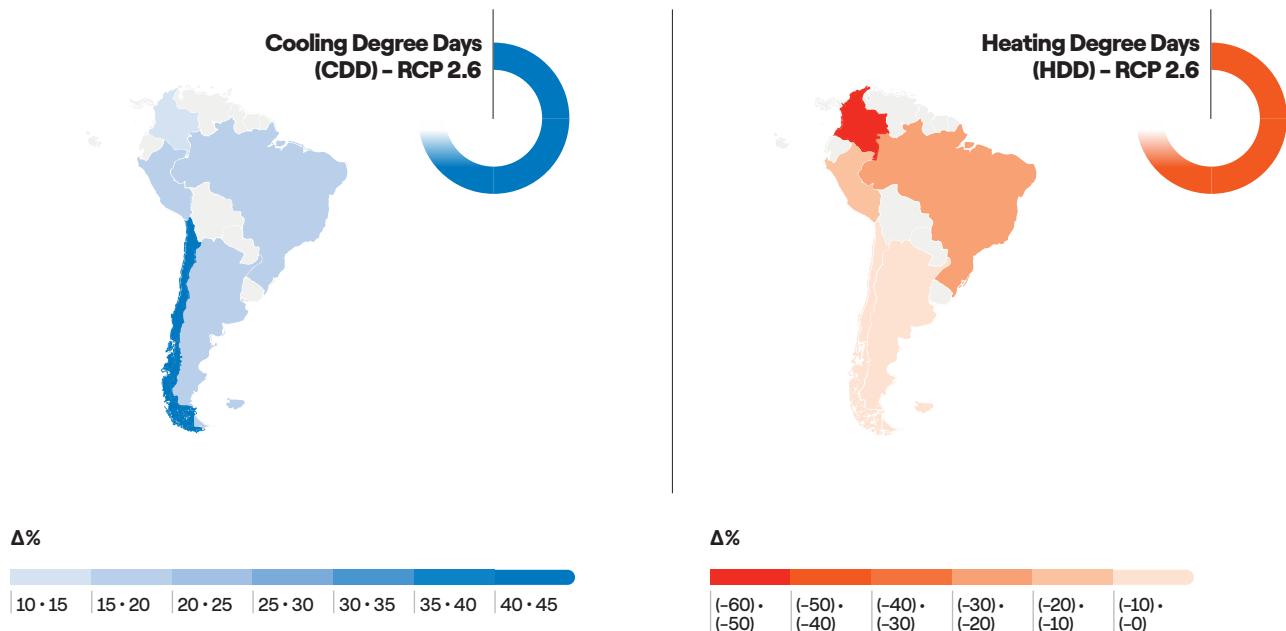
Warm Spell Duration Index (heat stress): difference between RCP (2030-2050) and historical values (2000-2020)



Chronic phenomena: for the main countries where Enel is present, a study was carried out on potential changes in heating and cooling demand related to chronic changes in temperature. Again, changes in Heating Degree Days (HDD) and Cooling Degree Days (CDD) over the period 2030-2050, compared to the period 1990-2020, were calculated from data from 6 models, with a resolution of 25 km x 25 km. Average country data were averaged over the nation, weighting each geographic node by population through the use of Shared Socioeconomic Pathways (SSPs) associated with each RCP scenario. In each country studied, CDDs increase progressively in all scenarios: in the

RCP 2.6 scenario they increase by 42% in Chile, while the increase is between 14% and 19% in the other countries examined. In the RCP 4.5 scenario, this increase becomes 108% for Chile and slightly more than 25% for Argentina, Brazil and Peru, while it stands at 20% for Colombia. The increase in CDDs with respect to the historical period is even more marked in the RCP 8.5 scenario. With regard to HDDs, in the RCP 2.6 scenario considerable reductions are estimated in Colombia (-51%), Brazil (-21%) and Peru (-15%). This trend intensifies in the RCP 4.5 scenario: ~-61% in Colombia, ~-28% in Brazil, and ~-20% in Peru.

CDDs and HDDs in the countries of interest to the Group: difference between RCP 2.6 and historical values (2000–2020)



With regard to rainfall, variations in the basins of interest for the Group's hydroelectric generation were analyzed. Initial analyses comparing 2030–2050 projections in the three scenarios to the historical period 1990–2009 show a predominant trend of chronic rainfall reductions. The most significant average decreases are projected in Chile and Colombia, with values just below 10%. A closer look at the

average data in Chile shows that in the basins considered, the expected rainfall in the period 2030–2050 is in line with that already experienced in the last decade (2010–2019). These data highlight how climate change is already being experienced in these basins compared to the historical period taken as a benchmark.



The strategy to tackle climate change

| 102-15 | 103-2 | 103-3 | 201-2 |

The sustainable strategy developed in recent years and the integrated business model have allowed the Group to create value for all stakeholders, benefiting from the opportunities that emerge from the energy transition and from climate action. In this context, capital employment is centered on decarbonization through the development of assets for generation from renewable sources, on enabling infrastructure linked to the development of networks, and on the adoption of platform models, fully exploiting technological and digital evolution which will favor consumption electrification and the development of new services for end customers. The aim is to accelerate the decarbonization and electrification processes to allow the global warming containment goals to be achieved in accordance with the Paris Agreement.

In the last decade, thanks to cost reductions renewables have become the dominant trend in power generation, allowing decarbonization to proceed at a faster pace. It has been a decade of profound changes in the power generation mix, destined to continue at an ever increasing speed. The next decade will be crucial to achieving the goals set in 2015 by the Paris Agreement. At the same time, this period will also be characterized by increasing support for electrification, through which customers gradually convert their

energy consumption to the electricity carrier, with ensuing improvements in spending, efficiency, emissions and price stability.

In order to benefit fully from all the opportunities emerging from the market in which it operates, the Group has identified two different business models, Ownership and Stewardship, on which it can rely to achieve the defined ambitions. The most appropriate and effective business model is identified according to the countries and regions of interest and the context of operations:

- the **Ownership business model**, in which the Group makes direct investments in renewables, networks and customers. This model is used when operating in countries where it can already leverage the entire value chain, from generation to integration with end customers. These countries are defined as "Tier 1", and include Italy, Spain and Romania in Europe and the USA, Brazil, Chile, Colombia and Peru in the Americas;
- the **Stewardship business model**, in which the Group invests capital in existing or newly established joint ventures or by acquiring minority shareholdings, in order to maximize the value of the know-how developed in the various businesses where it is present. This is done through the activation of specific contractual services



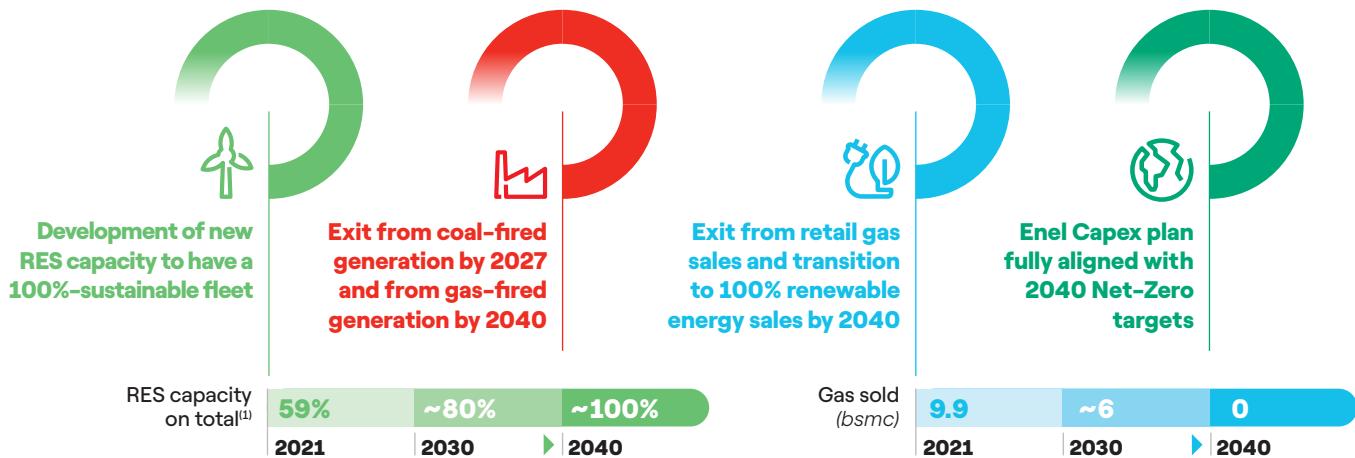
towards the partners or also through the subsequent valuation of these shares of the assets on the market. This model focuses mainly, but not exclusively, on "non Tier 1" countries, where the Group's presence is not integrated, and attempts are made to build partnerships with third parties to explore new countries and regions or to enhance the Group's operating experience in alternative contexts.

The strategy defined and the Group's positioning make it possible to affirm the commitment to anticipate the "Net-Zero" path by 10 years, from 2050 to 2040, for both direct and indirect emissions. Enel is committed to achieving a value of zero emissions, with no use of any car-

bon removal technology or nature-based solutions, in relation to the generation of energy and the sales of electricity and natural gas to end customers.

A pathway based on the implementation of certain fundamental strategic stages:

- **accelerate the process of decarbonization of generation activities, gradually replacing the thermoelectric portfolio with new renewable capacity, as well as making use of the hybridization of renewables with storage solutions;**
- **by 2040, generate 100% of the electricity sold by the Group from renewable sources and by the same year to exit the gas retail business.**



(1) Including 3.3 GW of managed renewable capacity.

2030 vision

Enel plans to **put together 210 billion euros between 2021 and 2030**. Of this amount, the Group plans to invest around 170 billion euros directly (up 6% on the previous Plan) through the Ownership (160 billion euros, primarily in Tier 1 countries) and Stewardship (10 billion euros) business models, with a further 40 billion euros catalyzed by the latter through third parties.

The **approximately 160 billion euros through the Ownership business model**, primarily in Tier 1 countries, will be dedicated:

- **to Renewables, almost half (around 70 billion euros)**, for which an increase of around 84 GW of capacity is expected, compared to 2020, of which 9 GW of storage, bringing the installed renewable capacity at consolidated level to 129 GW by 2030 and thus reaching 80% of the total installed capacity. This should be achieved by leveraging a growing pipeline of approximately 370 GW and more than doubling the one presented last year, together with three global platforms for Business Devel-

opment, Engineering and Construction and Operation and Maintenance activities. These investments will make it possible to reach 80% of electricity generation from renewable sources in 2030;

- **a further investment of around 70 billion euros in the Infrastructure and Networks business**, up by 10 billion euros compared to the previous Plan and concentrated in Europe, with the aim of strengthening the Group's position as a global operator in terms of size, quality, efficiency and resilience. This investment is expected to lead to a RAB ("Regulatory Asset Base") of 65 billion euros in 2030, along with the complete digitalization of the entire network customer base through smart meters. The development of the Group's activities in this area will benefit from the adoption of "Grid Blue Sky", a digital platform for managing grid portfolio assets as part of a unified global model that places the customer at the center of the value chain.

This capital allocation is expected to accelerate achieve-

ment of the Group's electrification and decarbonization goals. **By 2030, the Enel Group expects to achieve a total managed renewable capacity of around 154 GW**, tripling its portfolio at 2020, as well as to **increase the network customer base by 12 million and promote the electrification of energy consumption**, increasing the volumes of

electricity sold by almost 30% while focusing on the development of "beyond commodity" services, such as the enhancement of the charging network for electric mobility or those related to behind-the-meter storage and electric buses, in collaboration with a number of partners.

2022-2024 Strategic Plan

During 2022-2024, Enel plans to **invest directly approximately 45 billion euros**, of which 43 billion euros through the Ownership business model, mainly in the growth of grids and renewables, and approximately 2 billion euros under the Stewardship model, through capital injections acquisitions of minority interests, while at the same time putting together 8 billion euros from third parties.

Of the Group's total investments planned under the Ownership and Stewardship models for 2022-2024, it is expected that:

- **approximately 19 billion euros will be destined for Renewables**, particularly in countries where the Group benefits from an integrated business with end customers. The Group's total renewable capacity is expected to increase to 77 GW from the 53 GW installed at the end of 2021. As a result, zero-emission generation is estimated to reach 77% in 2024 and CO₂ emissions per kWh are expected to fall by more than 35% over the same period compared to 2021, positioning the Group towards achieving its "Net-Zero" targets on schedule;
- **around 18 billion euros** will be destined for the **Infrastructure and Networks** business, up 12% on the previous Plan, as a result of increased investments in Europe, which are also expected to leverage the opportunities created by the National Recovery and Resilience Plans launched in the EU. As a result of these investments, which aim to improve network quality and resilience levels even further, the Group's RAB is estimated to reach 49 billion euros, up nearly 14% from 2021.

At Group level, ordinary EBITDA is expected to grow by 11% from 19.2 billion euros in 2021 to a figure of between 21.0 billion euros and 21.6 billion euros in 2024.

The following factors are expected to contribute to the growth of the Group's ordinary EBITDA:

- growth in Renewables is the main driver for the peri-

od, with an expected contribution of approximately 2.0 billion euros, out of a total contribution from the generation business of 2.9 billion euros. The evolution of the generation portfolio is expected to result in a 45% growth in Enel Green Power's EBITDA⁽⁸⁾ over the Plan period, specifically from 6.0 billion euros in 2021 to 8.7 billion euros in 2024;

- EBITDA for the Customers business is expected to grow by approximately 40% over the Plan period, reaching 4.9 billion euros in 2024 from 3.4 billion euros in 2021. This growth is driven by the Group's initiatives for an integrated strategy at commercial and generation capacity level, the contribution of electricity volumes in the free market and incremental needs for additional services;
- EBITDA in the Infrastructure and Networks business is expected to increase by 16% from 7.7 billion euros in 2021 to 8.7 billion euros in 2024. The main growth drivers are the increase in RAB, driven by higher investments, efficiency programs, tariff increases due to indexing to inflation, especially in Latin America, and the increase in distributed energy volumes.

The investments connected to the decarbonization of the generation mix, together with those connected to digitalization and increasing the efficiency of the distribution grid, as well as the offer of new services for promoting the electrification of consumption (such as electric mobility services or demand response), will contribute toward combating climate change (SDG 13). Enel expects in fact that approximately 94% of the consolidated investments during 2022-24 will directly contribute toward this goal. Furthermore, it is estimated that these investments will be aligned with the criteria of EU Taxonomy, with a percentage in excess of 85%, considering the substantial contribution toward the mitigation of climate change.

(8) Including conventional generation business activities.

Main risks and opportunities connected with climate change

| 102-15 | 103-2 | 103-3 | 201-2 |

The process of defining the Group's strategy is accompanied by a careful analysis of the risks and opportunities connected to it, also including the aspects related to climate change. Every year, before the Board of Directors examines the Strategic Plan, the Control and Risk Committee is presented with a quantitative analysis of the risks and opportunities related to the Group's strategic positioning, which includes aspects related to the climate, such as regulatory factors and weather and climate phenomena.

In order to identify the main types of risk and opportunity and their impact on the business associated with them in a structured manner consistent with the TCFD, we have adopted a **framework** that explicitly represents the main relationships between scenario variables and types of risk and opportunity, specifying the strategic and operational approaches to managing them, comprising mitigation and adaptation measures. Two main macro-categories of risks/opportunities are identified:

- those connected with developments in physical variables;

- those connected to the evolution of the transition scenarios.

The framework described is achieved in a perspective of overall consistent, which makes it possible to analyze and evaluate the impact of the physical and transition phenomena according to solid, alternative scenarios that were created using a quantitative and model-based approach in combination with continuous dialog both with internal stakeholders and with authoritative external references.

The framework also highlights the relationships that link the physical and transition scenarios with the potential impact on the Group's business. These effects can be assessed over three time horizons: the short-medium term (1-3 years), in which sensitivity analyses based on the Strategic Plan presented to investors in 2021 can be performed; medium-term (until 2029), in which it is possible to assess the effects of the energy transition; and long-term (2030-2050), in which chronic structural changes in the climate should begin to emerge.

Framework of main risks and opportunities

Scenario phenomena	Time horizon	Risk & opportunity category	Description	Impact	Management approach
Acute physical	Starting with short term (1-3 years)	Extreme events	Risk: especially extreme weather/climate events.	Extreme events can damage assets and interrupt operations.	The Group adopts best practices to manage the restoration of service as quickly as possible. We also work to implement investments in resilience (e.g., the Italian case). With regard to risk assessment in insurance, the Group has a loss prevention program for property risk that also assesses the main exposures to natural events, supported by preventive maintenance activities and internal risk management policies. Looking forward, the assessments will also include the potential impacts of long-term trends in the most significant climate variables.
Chronic physical	Starting with long term (2030-2050)	Market	Risk/opportunity: increase or decrease in electricity demand; increase or decrease in output.	Electricity demand is also affected by temperature, whose fluctuation can impact our business. Renewables generation can also be impacted by structural changes in resource availability.	The Group's geographical and technological diversification means that the impact of changes (positive and negative) in a single variable is mitigated at the global level. In order to ensure that operations always take account of weather and climate phenomena, the Group adopts a range of practices such as, for example, weather forecasting, real-time monitoring of plants and long-term climate scenarios to identify any chronic changes in renewable source availability.

Scenario phenomena	Time horizon	Risk & opportunity category	Description	Impact	Management approach
Transition	Starting with short term (1-3 years)	Policy & Regulation	Risk/opportunity: policies on CO ₂ prices and emissions, energy transition incentives, greater scope for investment in renewables and resilience.	Policies concerning the energy transition and resilience can impact the volume of and returns on investments.	The Group is minimizing its exposure to risks through the progressive decarbonization of its generation fleet. The Group's strategic actions, which are focused on investment in renewables, grids and customers, enable us to mitigate potential threats and exploit the opportunities connected with the energy transition. The Group is also actively contributing to the formation of public policies through its advocacy efforts. These activities are conducted within platforms for dialogue with stakeholders called "Energy Transition Roadmaps" that explore national decarbonization scenarios in the various countries in which Enel operates in environmental, economic and social terms.
Transition	Starting with medium term (2025-2029)	Market	Risk/opportunity: changes in the prices of commodities and energy, evolution of energy mix, changes in retail consumption, changes in competitive environment.	Considering two alternative transition scenarios, the Group assesses the impact of rising trends in the proportion of renewable sources in the energy mix and the electrification of final energy consumption.	The Group is maximizing opportunities by adopting a strategy founded on the energy transition, the electrification of energy consumption and rapid growth in renewables output.
Transition	Starting with medium term (2025-2029)	Product & Services	Opportunity: increase in margins and greater scope for investment as a consequence of the transition in terms of greater penetration of electrical transport and new technologies for the electrification and energy efficiency of final consumption.	Considering two alternative transition scenarios, the Group assesses the impact of different trends in the electrification of energy consumption.	The Group is maximizing opportunities thanks to its strong positioning in new businesses and "beyond commodity" services.
	Starting with medium term (2025-2029)	Technology	With the current trend in the penetration of electrification efficiency technologies, the Group considers two alternative transition scenarios to assess opportunities to scale up current businesses.		The Group is maximizing opportunities thanks to its strong positioning in global networks.

In order to facilitate the proper identification and management of risks and opportunities related to climate change, a **Group policy** was published in 2021 that describes common guidelines for assessing these risks and opportunities. The "Climate change risks and opportunities" policy defines a shared approach for the integration of climate change and energy transition issues into the Group's processes and activities, thus informing industrial and strategic choices to improve business resilience and long-term sustainable value creation, consistent with the adaptation and mitigation strategy. The main steps considered in the policy are as follows:

- **Prioritizing of phenomena and scenario analysis.** These activities include the identification of physical and transition phenomena relevant to the Group and the consequent development of scenarios to be considered and developed through analysis and processing of data from internal and external sources. Functions can be developed for the phenomena identified that link the scenar-

ios (e.g. data on the change in renewable resources) to business operations (e.g. the change in potential output);

- **Impact assessment.** Includes all analyses and activities necessary to quantify the effects at the operational, economic and financial levels, depending on the processes into which these are integrated (e.g. design of new constructions, evaluation of operational performances, etc.);

- **Operational and strategic actions.** Information from previous activities is integrated into processes, informing Group decisions and business activities. Examples of activities and processes that benefit are capital allocation, e.g. for evaluating investments on existing assets or new projects; defining resilience plans, risk management and financing activities and Engineering and Business Development activities.

The following will describe the main sources of risks and opportunities identified, operational best practices for managing weather and climate phenomena, and qualitative and quantitative impact assessments conducted to

date. All of the above activities are performed throughout the year through an ongoing effort to analyze, evaluate and manage the information processed. As TCFD states,

the process of disclosing risks and opportunities related to climate change will be gradual and incremental from year to year.

Identification, assessment and management of risks and opportunities related to physical phenomena

Chronic physical risks: the main impacts of chronic physical changes can produce similar effects on the following variables:

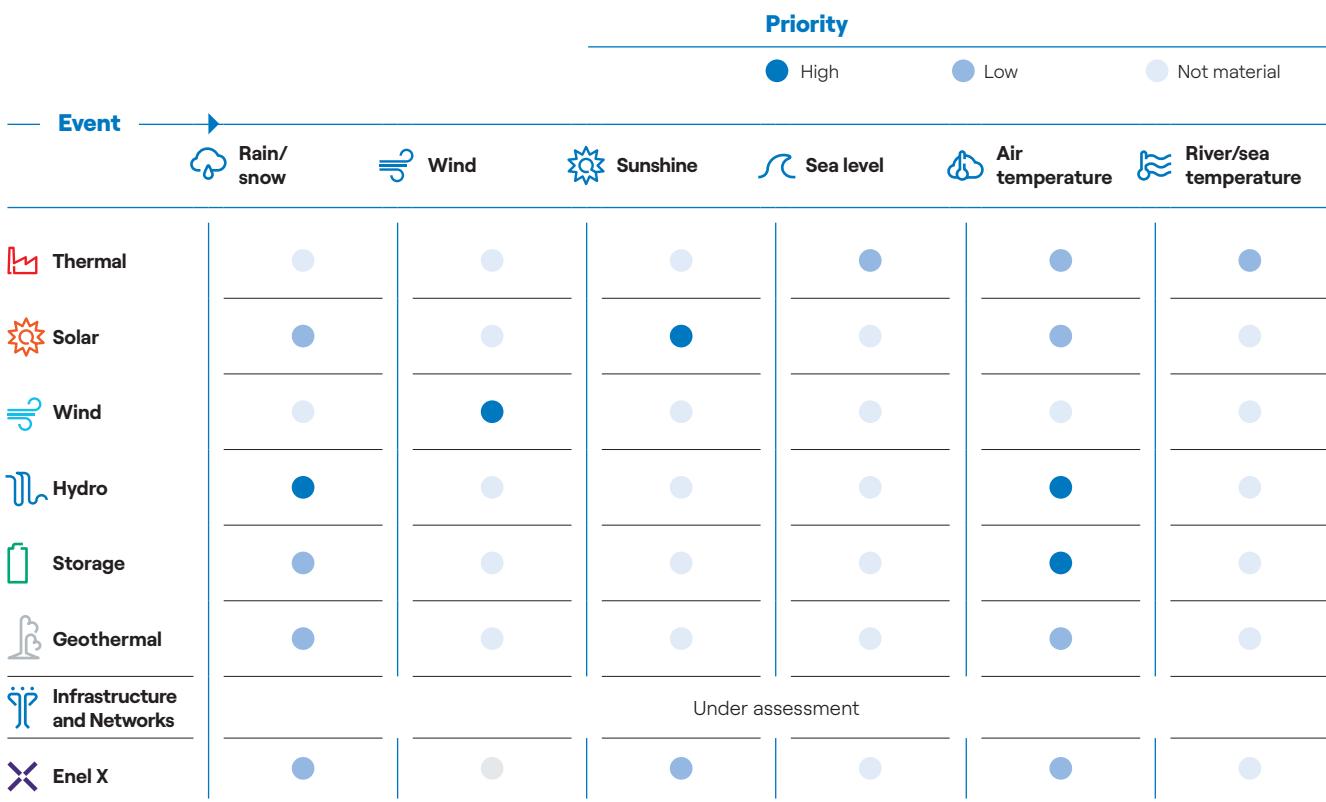
- **electricity demand:** variation in the average temperature level with a potential increase or reduction in electricity demand;
- **thermal generation:** variation in the level and average temperatures of the oceans and rivers, with effects on thermal generation;
- **hydroelectric generation:** variation in the average level of rainfall and snowfall and temperatures with a potential increase and/or reduction in hydroelectric generation;
- **solar generation:** variation in the average level of solar

radiation, temperature and rainfall with a potential increase or reduction in solar generation;

- **wind generation:** variation in the average wind level with a potential increase or reduction in wind generation.

The Group will work to estimate the relationships between changes in physical variables and the change in the potential output of individual plants in the different categories of generation technology.

As part of the assessment of the effects of long-term climate change, chronic events relevant to each technology were identified and analyses of their impacts on manufacturability were initiated.



The initial scenario analysis has shown that chronic structural changes in the recent trends of physical variables will begin to occur in a considerable manner starting from 2030. However, in order to obtain an indicative estimate of the potential impacts, and include the possibility of the early onset of chronic effects, it is possible to test sensitivity of the Industrial Plan to the factors potentially influenced by the physical scenario, regardless of any direct relationship with climate variables. Of course, such stress testing has an extremely low probability of occurrence based on historical events and geographical diversification. The vari-

ables examined were: electricity demand (+/- 1% per year), whose variations can potentially impact the generation and retail businesses. It was stress tested for all countries in which the Group operates; the output potential of renewables plants was also stressed (+/- 10% over a single year). Variations in this variable can potentially impact the generation business. It was stressed separately at the individual technology level around the globe. The data reported show the effect on a single year for a single generation technology and include both the volume and price effects.

Scenario phenomena	Risk & opportunity category	Description	Time horizon	Impact	GBL affected	Scope	Quantification - Type of impact		Quantification - range		
							Downside scenario current policies		Upside scenario current policies	▲	●
							▼	●	▲	●	
Chronic physical	Market	Risk/opportunity: increased or decreased power demand.	Short	<p>Electricity demand is also influenced by temperature, the fluctuations of which can have an impact on the business. Although structural changes should not occur in the short-medium term, to assess the sensitivity of the Group's performance to potential temperature changes, sensitivity analyses are conducted with respect to changes in electricity demand of +/- 1% of the Group total.</p> 	<p>Enel Green Power and Thermal Generation and Infrastructure and Networks</p> <p>Group</p>	EBITDA/year	+1%	▲	●		
							-1%	▼	●		
							+10%	▲	●		
							-10%	▼	●		
					<p>Enel Green Power and Thermal Generation</p> <p>Group Potential Hydro Output</p>	EBITDA/year	+10%	▲	●		
							-10%	▼	●		
							+10%	▲	●		
Chronic physical	Market	Risk/opportunity: increased or decreased renewables output	Short	<p>Renewables output is also influenced by the availability of resources whose fluctuations can have an impact on the business. Although structural changes should not occur in the short-medium term, to assess the sensitivity of the Group's performance to potential temperature changes, sensitivity analyses are conducted with respect to changes in potential output of +/- 10% per year by individual technology.</p> 	<p>Group Potential Wind Output</p> <p>Group Potential Solar Output</p>	EBITDA/year	+10%	▲	●		
							-10%	▼	●		
							+10%	▲	●		

Preliminary analysis of the impact of chronic climate change on renewable generation

Preliminary analyses were carried out to translate chronic climate change into impacts on manufacturability for the Group's main RES technologies: wind, solar and hydroelectric.

Two pilot sites were selected for each technology, based on country and region and availability of historical site data, for which a link function was calculated from the observed data to translate trends in climate variables into

information on generation. This function was then applied to climate projection data to estimate the difference in potential output in 2030–2050 compared to the historical period.

We report below the results obtained from these initial analyses on the pilot sites.

▼ Pilot sites	▼ Input parameters	▼ Results
 	Climate variables used to calculate link function: wind speed, air density Time step: monthly Time horizon: 2030–2050 vs. historical	Site 1: output in line with historical trend in RCP 2.6 scenario and down slightly in RCP 4.5 and RCP 8.5 scenarios Site 2: output stable in RCP 2.6 and RCP 4.5 scenarios and up slightly in RCP 8.5 scenario
 	Climate variables used to calculate link function: Global Horizontal Irradiance (GHI), temperature Time step: daily Time horizon: 2030–2050 vs. historical	No material changes for the business at either of the plants examined
 	Climate variables used to calculate link function: precipitation, temperature Time step: monthly Time horizon: 2030–2050 vs. historical	For both areas, average output is unchanged in RCP 2.6 scenario but declines slightly in RCP 8.5 scenario

Slight increase or slight decrease means a change that does not exceed +/- 5%.

Acute physical risks

With regard to acute physical phenomena (extreme events), their intensity and frequency can cause significant and unexpected physical damage to assets and generate negative externalities associated with the interruption of service.

Within the scope of scenarios regarding climate change, the acute physical component continues playing an extremely important role when defining the risks to which the Group is exposed, both due to the wide geographical diversification of its asset portfolio and due to the primary importance of the renewable natural resources for the

generation of electricity.

In the various cases, the acute physical phenomena such as wind storms, floods, heat waves, severe cold, etc., demonstrate a high level of intensity yet do not have a very high occurrence frequency in the short term, but, considering the medium and long-term climatic scenarios, this will increase considerably in the future.

Hence, for the reasons described above, the Group is currently managing the risk deriving from extreme events in the short term. At the same time, it is extending its methodology also to longer time periods (until 2050) according to the identified climate change scenarios (RCP 8.5, 4.5 and 2.6).

Methodology for evaluating the risk of extreme events

In order to quantify the risk deriving from extreme events, the Group refers to a consolidated methodology for analyzing the catastrophic risk used in the insurance sector and in IPCC reports⁽⁹⁾. Through its own insurance business units and the captive insurance company Enel Insurance NV, the Group is managing the various phases connected to risks deriving from natural catastrophes: from the assessment and quantification to the corresponding coverages to minimize the impacts. The methodology applies to all extreme events that can be analyzed, such as wind storms, heat waves, tropical cyclones, floods, etc. In all of these types of natural catastrophes, however, three independent factors can be identified that are summarized below.

- **The probability of the event ("Hazard")**, that is, its theoretical frequency over a specific period of time: the "return time". In other words, a catastrophic event that has a return time of 250 years, for example, implies that it can be associated with a probability of 0.4% that it will occur in a year. This information, which is necessary for assessing the frequency of the event, is then associated with its geographical distribution with respect to the various areas where portfolio assets are located. For this purpose, the Group uses "hazard maps" which associate, for the various types of natural catastrophes, each geographical points on the global map with the corresponding estimate of the frequency associated with the extreme event. This information, which is organized in geo-referenced databases, can be provided by global reinsurance companies, meteorological consultancy companies or academic institutions.
- The **vulnerability**, that, in percentage terms, indicates

how much value is lost and/or damaged upon occurrence of the catastrophic event. In more specific terms, therefore, it is possible to refer to the damage to the material assets the impact on the continuity of generation and/or distribution of electricity, and also the provision of the electric services offered to the end customer.

The Group creates and promotes specific vulnerability analyses, especially in the case of damage to its assets, related to every technology in its portfolio: solar, wind, hydroelectric power plants, transmission and distribution grids, primary and secondary substations, etc. These analyses are then, of course, focused on the extreme events that have greater impact on the various types of technology: as a result, this defines a matrix that associates the individual natural catastrophic events with the corresponding type of asset that is impacted in a considerable manner.

- **The exposure**, which is the set of economic values in the Group portfolio that can be considerably impacted by the occurrence of natural catastrophic events. Also in this case, the scopes of the analyses are specific to the various generation technologies, for the generation assets and for the services to the end customer.

The combination of the three factors described above (**hazard**, **vulnerability** and **exposure**) provide the fundamental element for assessing the risk deriving from extreme events. From this point of view, the Group differentiates the risk analysis with respect to the climate change scenarios, depending on the specific nature of the various associated time periods. The following table summarizes the scheme adopted for the evaluation of impacts deriving from acute physical phenomena.

Time horizon	Hazards	Vulnerability	Exposure
Short term (1-3 years)	Hazard maps based on historical data and meteorological models	Vulnerability, being related to the type of extreme event, to the specifics of the damage type and to the technical requirements of the technology under consideration. Vulnerability is essentially independent of time horizons	Group values in the short term
Long term (at 2050 and/or 2100)	Hazard maps and specific studies for different IPCC RCP climate scenarios		Long-term evolution of Group values

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Managing the Risks of Extreme Events and Disasters to Advance Climate Change Adaptation - A Special Report of Working Groups I-II of the Intergovernmental Panel on Climate Change (IPCC). Cambridge University Press, Cambridge, UK, and New York, NY, USA.

In the case of the vulnerability of assets within the portfolio, a table for the prioritization of the impacts of the main extreme events on the different technologies has been defined in collaboration with the Group's relevant Global Business Lines:

Event	Priority						
	Heat waves	Flooding/heavy rain	Heavy snow/icing	Hail	Windstorms	Wildfires	
Thermal	●	●	●	●	●	●	Under assessment
Solar	●	●	●	●	●	●	Under assessment
Wind	●	●	●	●	●	●	Under assessment
Hydro	●	●	●	●	●	●	●
Storage	●	●	●	●	●	●	Under assessment
Geothermal	●	●	●	●	●	●	Under assessment
Infrastructure and Networks	●	●	●	●	●	●	●
Enel X	●	●	●	●	●	●	Under assessment

"Heavy/wet snow" includes icing, which is relevant for Infrastructure and Networks.

Management of risks from short-term extreme events

Over the short term (1-3 years) the Group, in addition to what was illustrated above in terms of risk assessment and quantification, will implement actions targeted toward reducing the impacts on business due to extreme catastrophic events. It is possible to distinguish two main types of actions: defining an effective insurance coverage and the various activities related to preventing damage that could result from extreme events.

The main components of these actions are described below and, in the case of activities related to preventing and mitigating the damage, specific reference is made to the Group's Generation and Infrastructure and Networks Global Business Lines.

Impacts of acute physical events on the Group

The Enel Group has a well-diversified portfolio in terms of technologies, country and regional distribution and asset size. Consequently, the exposure of the portfolio to natural risks is also diversified. The Group implements various risk mitigation measures which, as will be described below, include both insurance coverage and other managerial and

operational actions aimed at further reducing the Company's risk profile.

Indeed, empirical evidence shows negligible repercussions of such risks, as demonstrated by data for the last 5 years. Considering the most relevant events, defined as those with a gross impact >10 million euros, the cumulative value of the gross impact amounts to ~270 million euros, which represents less than 0.14% of the Group's insured values as of 2022, or ~202 billion euros, most of which are recovered through insurance pay-outs.

Enel Group insurance

Every year, the Group defines global insurance programs for its business in the various countries where it operates. The two main programs, in terms of scope of coverage and volumes, are as follows:

- **the Property Program** for material damage that can be caused to the assets and the resulting interruption in business. Therefore, in addition to the cost for the new reconstruction of the asset (or its parts), also the economic losses due to their shutdown in terms of generation and/or distribution of electricity are also remunerated according to the limits and conditions defined in the policies;

- **the Liability Program**, which covers third party damage following the impacts that extreme events can have on the assets and on the Group's business.

Starting from an effective assessment of the risk, suitable limits and insurance conditions can be defined in the insurance policies and this also applies in the case of natural extreme events related to climate change. In fact, in this latter case, the impacts on business can be considerable but, as shown in cases that occurred in the past and in various areas around the world, the Group has shown absolute resilience thanks to the wide insurance coverage limits, which are also the result of a solid reinsurance structure, as regards the Group's captive company Enel Insurance NV.

Climate change adaptation activities in the Enel Group

The Group adopts solutions for adaptation to weather and climate events in order to manage effectively chronic and acute phenomena of interest for each activity and Business Line.

Adaptation solutions may concern both actions implemented in short-term and long-term decision making, such as the planning of investments in response to climate phenomena. Adaptation activities also include procedures, policies and best practices.

For new investments, action can also be taken early in the design and construction phase to reduce the impact of climate risks by through risk and vulnerability assessments at the design stage, and to take any chronic effects into account (e.g. the inclusion of climate scenarios in long-term renewable resource estimates).

Once the weather and climate phenomena of interest have been identified, activities carried out to maximize adaptive capacity can be classified as follows:

- prevention and management of adverse events: procedures to prepare in advance for extreme events (e.g. the acquisition of short-term weather forecast data and training) and procedures to restore normal activities in the shortest possible period of time (e.g. the establishment of operational and organizational procedures to be implemented in case of critical events);
- enhancement of asset resilience: activities and interventions aimed at increasing the resilience of assets, such as the quantitative assessment of potential acute and chronic risks to define better both requirements in the design phase and actions to be taken on existing assets.

The following table shows a high-level summary that represents the type of actions that Enel implements for proper management of adverse events and to increase resilience to weather phenomena and their evolution due to climate change. Several activities are described in greater detail below.

Business Lines	A. Prevention and management of adverse events	B. Enhancement of asset resilience
Enel Green Power and Thermal Generation 	Existing assets <ul style="list-style-type: none"> 1 - Incident and critical event management 2 - Site-specific emergency management plans and procedures 3 - Specific tools for predicting imminent extreme events 	Existing assets <ul style="list-style-type: none"> 1 - Guidelines for risk assessment and design of hydraulic technology 2 - "Lessons learned feedback" processes from O&M towards E&C and BD New constructions <p>In addition to what has been done for existing assets:</p> <ul style="list-style-type: none"> 1 - Climate Change Risk Assessment (CCRA) included in environmental impact documents (pilot)
Global Infrastructure and Networks 	Existing assets <ul style="list-style-type: none"> 1 - Strategies and guidelines on Risk Prevention, Readiness, Response, Recovery actions on distribution network 2 - Global Infrastructure and Networks guidelines for emergency and critical event management 3 - Risk prevention and preparedness measures in the event of fire on electrical installations (lines, transformers, etc.) 	Existing assets and new constructions <ul style="list-style-type: none"> 1 - Guidelines for defining network resilience enhancement plans (e.g. the e-distribuzione "Network Resilience Enhancement Plan")
Enel X 	Existing assets <ul style="list-style-type: none"> 1 - Enel X Critical Event Management 2 - e-Mobility: guidelines for maintenance and monitoring of assets (repair or replacement of charging infrastructure) 	Existing assets <ul style="list-style-type: none"> 1 - e-Mobility: Continuous Improvement program

Adaptation activities - generation

With regard to generation, over time the Group has carried out targeted actions on specific sites and established *ad hoc* management activities and processes.

Actions on specific sites in recent years include, for example:

- improving cooling water management systems for certain plants in order to counter the problems caused by the decline in water levels in rivers, such as the Po in Italy;
- installing fogging systems to improve the flow of inlet air and offset the reduction in power output caused by the increase in ambient temperature in CCGTs;
- installing drainage pumps, raising embankments, periodic cleaning of canals and interventions to consolidate land adjacent to plants to prevent landslides in order to mitigate flood risks;
- periodic site-specific reassessment for the hydroelectric plants for flood scenarios using numeric simulations. The processed scenarios are managed with mitigation actions and through interventions on the civil works, dams and intake systems.

The Group performs various control activities to manage the impact of weather events on electricity generation, such as:

- **weather forecasting** both to monitor renewable resource availability and detect extreme events, with warning systems to ensure the protection of people and assets;
- **hydrological simulations, territory surveys** (also using drones), **monitoring of possible vulnerabilities** using digital GIS systems (Geographic Information System) and satellite measurements;
- **advanced monitoring of more than 100 thousand parameters (with more than 160 million historical measurements) detected on dams and hydroelectric civil works;**
- **real-time remote monitoring power plants;**
- **safe rooms in areas exposed** to tornadoes and hurricanes;
- **adoption of specific guidelines for carrying out hydrological and hydraulic studies that are targeted, from the first development phases, toward assessing risks inside the plant and toward areas external** of the plant, with the application of the principle of hydraulic invariance during the design of the draining and mitigation works;
- **check of potential climatic trends for the main project parameters** in order to keep the dimensioning of the systems into account for relevant projects (for example, assessments of the temperature of a cold source to guarantee greater flexibility for cooling the new CCGT) and specific civil works (e.g. rainfall assessments for the design of drainage systems in solar plants);

- **estimate of extreme wind speed using updated databases** containing the registers and historical trajectories of hurricanes and tropical storms, with the resulting **selection of the wind turbine technology that is best suited** to the conditions that were found.

Adaptation activities - Infrastructure & Networks

In order to deal with extreme climatic events, in the Infrastructure & Networks Business Line, the Enel Group has adopted **an approach called "4R"** which, in a dedicated policy that aims to ensure an innovative strategy for the resilience of distribution networks, defines the measures to be adopted in the phase of preparation for an emergency on the network and to ensure swift restoration of services *ex post*, i.e. once the climatic events have caused damage to assets and/or disconnections. The 4R strategy is divided into four phases:

1. **Risk Prevention:** includes actions that make it possible to reduce the probability of losing grid elements due to an event and/or to minimize its effects, such as interventions able to increase the robustness of the infrastructure and maintenance operations;
2. **Readiness:** comprises all measures that aim to improve the timeliness with which potentially critical events are identified, ensuring coordination with the Civil Protection Department and local officials, as well as to prepare the necessary resources once a grid disconnection has occurred;
3. **Response:** represents the phase for assessing the operating capacity for facing an emergency when an extreme event occurs, which is directly correlated to the ability to mobilize operating resources in the field and the possibility to perform remote controlled operations to restore service via resilient backup connections;
4. **Recovery:** the final phase which has the goal of reconnecting the grid as soon as possible with ordinary operating conditions, in the cases in which an extreme weather event cause interruptions in service in spite of the previously adopted measures for increasing resilience.

Following this approach, the Business Line has prepared various policies **on specific actions** aimed at dealing with the various aspects and risks inherent in climate change, in particular:

- **Policy for preparation and recovery during emergencies:** a policy related to the last three steps of the 4R approach which indicates the guidelines and measures targeted toward improving the preparation strategies, mitigating the impact of total interruptions and, finally, restoring service to the largest number of customers possible as quickly as possible.

- **Guidelines on the Electricity Grid Resilience Plan:** a dedicated policy has the objective of identifying the extraordinary climatic events with the greatest impact on the grid, assessing specific KPIs of the "as-is" grid and improving them on the basis of proposed actions in order to finally assess their order of priority. This makes it possible to select the actions that, when implemented, minimize the impact on the grid of particularly critical extreme events in a certain area/region. The policy is therefore set in the first two phases of the 4R approach, suggesting measures regarding Risk Prevention and Readiness. In Italy, this policy translates into the Resilience Plan that e-distribuzione has prepared every year since 2017, and which represents an addendum to the Development Plan that includes *ad hoc* investments over a 3 year period that aim to reduce the impact of extreme events belonging to a certain critical cluster: heat waves, ice loads and wind storms (falling of tall trees). Around 520 million euros were invested in the period 2017-2020 and a further 345 million euros will also be used in the following three years, as explained in the addendum to the 2021-2023 Plan. In the face of these risks, investments have been planned such as the targeted replacement of bare conductors with insulated cable, in some cases the burying of cables, or solutions that provide re-powering routes that are not vulnerable to the above-mentioned phenomena. As in Italy, in other countries, too, both in Europe and in Latin America, similar topics are being analyzed so as to prepare a process for planning *ad hoc* investments;

- **Policy on prevention and preparation of fire risk on electrical installations:** a policy dedicated to fire risk defines an integrated approach to emergency management applied to forest fires, both in cases in which they are started by events exogenous to the networks and in cases, albeit very minor, in which they are caused by the networks themselves and, in any case, are potentially dangerous for Enel plants.

- **Adoption of systems for weather forecasting, grid monitoring** and assessing the impact of critical climate phenomena on the grid, preparation of operational plans and organization of special exercises.

During 2021, we further investigated **heat waves** in other countries where Enel is present, and these already provided the first results for the Italy perimeter in 2020. This critical event is characterized by the persistence for several days of high temperatures along with the absence of precipitation and, by hindering heat dissipation of un-

derground cable lines, it causes an abnormal increase in the risk of multiple failures on the networks, especially in urban areas and in the centers of summer tourism.

In Spain, in particular, despite the increase in the frequency and intensity of the climate phenomenon, especially where the presence of buried cables is relatively low, the analyses conducted to date have not found any significant historical correlation between heat waves and failures. Finally, beginning 2022, evaluations are planned to conduct similar analyses in other countries and regions.

Inclusion of climate change effects in the evaluation of new projects

Many activities related to the evaluation and implementation of new projects can benefit from climate analyses, both general and site-specific, which the Group is beginning to integrate with those already considered in the evaluation of new projects. For example:

- **Preliminary studies:** in this stage, climate data can offer preliminary screening, through the analysis of specific climate phenomena, such as those shown above in the analysis of physical scenarios, and summary indicators such as the Climate Risk Index, integrated into the Open Country Risk. These data provide a preliminary measure of the most relevant phenomena in the area, among those identified as being of interest for each technology.
- **Estimation of potential output:** climate scenarios will be progressively integrated to allow for an assessment of how climate change will modify the availability of the renewable resource at the specific site. In the preliminary analysis of the impact of chronic climate change on renewable power generation, the approach applied for the moment on a few pilot sites and then scaled to the entire generation portfolio is described.
- **Environmental impact analysis:** the Group has begun to integrate the Climate Change Risk Assessment into the set of documentation produced, which contains a representation of the main physical phenomena and their expected change in the area.
- **Resilient design:** as described above, among the climate change adaptation activities, those aimed at devising resilient assets by design take on great importance. The Group is working to consider progressively analyses based on climate data, for example the increase in frequency and intensity of acute events. These will complement existing analyses based on historical data already in use, in order to increase the resilience of future assets, including any adaptation actions that may be required over the life of the project.

Identification, assessment and management of risks and opportunities related to transition phenomena

As regards the risks and opportunities associated with transition variables, we consider the different reference scenarios in combination with the elements that make up the risk identification process (e.g. competitive context, long-term vision of the industry, materiality analysis, technological evolution etc.) to identify the drivers of potential risks and opportunities, with priority on events with greater relevancy. The key risks and opportunities identified are:

Policy and regulation

- **Emissions caps and carbon pricing:** the enactment of laws and regulations that introduce more stringent emissions limits for both non-market driven and market-based mechanisms, such as a carbon tax in non-ETS (Emissions Trading System) sectors or an expansion of the ETS into other sectors.
 - **Opportunities:** Command&Control regulations and market-based mechanisms strengthening CO₂ price signals to foster investment in carbon-free technologies.
 - **Risks:** lack of a coordinated approach among the various actors and policy-makers involved and limited effectiveness of the policy instruments deployed, with an impact on the speed of the trend toward electrification and decarbonization in the various sectors, compared with a decisive group strategy focused on the energy transition.
- **Incentives for the energy transition:** development incentives and opportunities with a view to the energy transition, consequently guiding the energy system toward the use of low-emission energy resources as the mainstream approach in the energy mixes of countries, greater electrification of energy consumption, energy efficiency, flexibility of the electrical system and upgrading of infrastructure, with a positive impact on the return on investment and new business opportunities.
 - **Opportunities:** additional volumes and greater margins due to additional investment in the electricity industry, in line with the electrification strategy, decarbonization and the upgrading/digitalization of enabling infrastructure.
 - **Risks:** obstacles to achieving energy transition targets due to regulatory systems that do not effectively support the energy transition, delays in permitting processes, no upgrading of the electricity grid, etc.

• **Resilience regulation:** improvement of standards or introduction of *ad hoc* mechanisms to regulate investments in resilience in the context of the evolution of climate change.

- **Opportunities:** benefits from investments that reduce service quality and continuity risks for the community.
- **Risks:** in the case of especially severe extreme events with a greater-than-expected impact, there is a risk of failure to recover within an adequate timeframe and consequently a risk to Enel's reputation.

• **Financial measures for the energy transition:** incentives for the energy transition through appropriate policy measures and financial instruments, which should be capable of supporting an investment framework and a long-term, credible and stable positioning of policy-makers. Introduction of rules and/or public and private financial instruments (e.g. funds, mechanisms, taxonomies, benchmarks) aimed at integrating sustainability into financial markets and public finance instruments.

- **Opportunities:** the creation of new markets and sustainable finance products consistent with the investment framework, activating greater public resources for decarbonization and access to financial resources in line with energy transition objectives and the related impact on costs and on finance charges; introduction of subsidised support tools (funds and calls) for the transition.

- **Risks:** actions and instruments not sufficient to provide incentives consistent with an overall positioning tailored to the energy transition, uncertainty or slowdown in the introduction of new instruments and rules due to the deterioration in the public finances or differences in application in the geographic areas in which the Group operates.

Market

- **Market dynamics:** the market dynamics such as those connected with the variability of commodity prices, the increase in electricity consumption due to the energy transition and the penetration of renewables, have an impact on business drivers, with effects on margins and on generation and sales volumes.
- **Opportunities:** positive effects associated with the growth in electricity demand and the greater room for renewables and all sources of flexibility.

- **Risks:** exposure of “merchant” technologies to the volatility of market prices.

Technology

- **Technology penetration to support the transition:** gradual penetration of new technologies such as storage, demand response and green hydrogen; digital lever for transforming operating models and “platform” business models.
- **Opportunities:** investments in the development of technology solutions, as well as positive impacts from increased electricity demand and increased room for renewables from green hydrogen generation.
- **Risks:** slowdowns and interruptions to the raw materials supply chain, including metals for batteries (such as lithium, nickel and cobalt) and semiconductors, could lead to delays in procurement and/or increased costs, such as to slow down the penetration of renewables, storage and electric vehicles.

Products and services

- **Electrification of residential consumption:** with the gradual electrification of end uses, the penetration of products with lower costs and a smaller impact in terms of residential emissions will expand (for example, the use of heat pumps for heating and cooling).
 - **Opportunities:** increase in electrical consumption in the context of reducing energy consumption, thanks to the improved efficiency of the electric carrier.
 - **Risks:** additional competition in this market segment.
- **Electric mobility:** use of more efficient and effective modes of transportation from the point of view of climate change, with a special focus on the development of electric mobility and charging infrastructure; electrification of large-scale industrial consumers.
 - **Opportunities:** positive effects of the increase in electricity demand and greater margins connected with the penetration of electric transportation and the relative beyond commodity services.
 - **Risks:** additional competition in this market segment.

Unlike chronic climate impacts, **developments in the transition scenario could have impacts in the short and medium-long term (by 2030) as well.**

To quantify the risks and opportunities deriving from the energy transition in the long term, two transition scenarios, described in the paragraph “Climate scenarios”. The effects of Slow Transition and Best Place scenarios have therefore been identified on the variables that can have the greatest impact on the business, in particular electric-

ity demand, influenced by the dynamics of electrification of consumption, and therefore of penetration of electrical technologies and the electricity generation mix.

Enel's reference scenario – the Paris scenario – entails a growing ambition in terms of decarbonization and energy efficiency, supported by greater electrification of final energy consumption and the development of renewable capacity. The dynamics related to the energy transition will bring increasing opportunities to the Group. In particular, in the retail electricity market, the progressive electrification of final consumption – especially for transport and the residential sector – will lead to a considerable increase in electrical consumption to the detriment of other, more high-emissions energy carriers. Similarly, the gradual increase in the proportion of renewable energy in the energy mix is expected to lead to a reduction in the wholesale price of electricity in the medium to long term. However, this impact is limited, given that the market design based on the system marginal price is unchanged in the medium term. Possible alternative market structures could induce different effects.

In reference to the economic impacts that may result from the change in the transition scenarios, the Group has performed some analyses regarding impacts in terms of EBITDA that the Slow Transition and Best Place scenarios would bring to the 2030 results compared to the baseline Paris scenario.

With reference to the electrification of consumption, the Slow Transition scenario encompasses lower penetration rates of the most efficient electric technologies, in particular electric cars and heat pumps, causing a decrease in electricity demand compared to the Paris scenario, which is estimated to cause limited impacts on the retail commodity business & beyond. At the same time, lower electricity demand results in less development space for renewable capacity, with impacts on the generation business.

With reference to the Best Place scenario, a more rapid reduction in the cost of green hydrogen generation technologies is assumed. This results in a higher penetration of this energy carrier, at the expense of blue and gray hydrogen, with a consequent additional effect on domestic electricity demand and renewable capacity installations compared to the Paris scenario.

For the different countries and regions, all scenarios, but to a greater extent the Paris and Best Place scenarios, will involve a considerable increase in the complexities that will have to be managed by the grids. A significant increase is expected in fact in distributed generation and in other resources, such as storage systems, greater penetration of electric mobility with the relative charging infrastructures, as well as the increasing rate of electrification of consumption and the introduction of new actors with new methods of consumption. This context will involve a decentralization of the extraction/feed-in points, an increase in electric de-

mand and the average requested power, a considerable variation in energy flows, which will require dynamic and flexible grid management. The Group therefore expects that in this scenario incremental investments will be necessary to guarantee the connections and suitable levels of quality and resilience, by promoting the adoption of inno-

vative operating models. These investments must be accompanied by coherent policy and regulation scenarios to guarantee suitable economic returns for the Infrastructure and Networks Business Line.

Risk & opportunity category	Time horizon	Scope of analysis	GBL affected	Geographic scope	Description of impact	Quantification - Type of impact	Quantification - range		
							< €100 mn	€100–300 mn	> €300 mn
Policy & Regulation	Short/ Medium	For any given Paris scenario, the Group has assessed the impact on performance of actions to modify the price of CO ₂ .	Enel Green Power and Thermal Generation  	Italy and Iberia	Considering the potential impact of regulatory measures to incentivize energy transition, the Group assesses the exposure to changes of +/- 10% in the price of CO ₂ using sensitivity analysis.	EBITDA/year	10% – Upside vs. Paris 	<hr/>	-10% – Downside vs. Paris 
Market	Medium	Considering two alternative transition scenarios, the Group assessed the impact of an increase in the penetration of renewables on the benchmark power price and on additional capacity at 2030.	Enel Green Power and Thermal Generation  	Global	Greater room for investment in new renewables capacity associated with a decrease in power prices due to increased penetration of renewables.	EDITDA 2030 Best Place vs. Paris 	<hr/>	<hr/>	EDITDA 2030 Slow Transition vs. Paris 
Market/ Products & Services	Medium	Considering two alternative transition scenarios, the Group assessed the impact of trends in efficiency, the adoption of electric devices and the penetration of EVs to estimate the potential effect on commodity consumption, including the impact on gas customers due to the increase in electrification and on the demand for beyond-commodity services.	Customer 	Global	Increase in margins due to impact of transition in terms of the electrification of energy consumption, mainly linked to forecast increases in green hydrogen.	EDITDA 2030 Best Place vs. Paris 	<hr/>	<hr/>	EDITDA 2030 Slow Transition vs. Paris 

Note: the estimated transition impacts take account of current coverage levels.

Enel's performance in combating climate change

| 103-2 | 103-3 | 305-1 | 305-2 | 305-3 | 305-4 |



The Net-Zero Project

In 2021, Enel internally launched the Net-Zero Project, with two main objectives: to improve further the **mapping of all its direct and indirect emissions**, increasing the degree of accuracy and transparency of reporting, and to **define the pathway for reducing its carbon footprint** until 2040, through the definition of intermediate targets for each source of emissions, **in line with the 1.5 °C pathway**.

As part of the Net-Zero Project, a specific working group has been activated on the **corporate fleet and buildings**, with the ultimate aim of achieving the highest possible degree of electrification and of supplying all the Group's offices and buildings with renewable electricity. Enel's fleet consists of more than 20,000 vehicles worldwide and the process will include a first phase of electrification of cars, and then involve other vehicles,



including heavy vans, excavators and cranes. To support the electrification of the fleet, Enel plans to develop a charging infrastructure composed of 20 thousand charging points, which will be added to the development plan of public charging infrastructure in the country. As regards buildings, Enel has about 1,500 buildings including offices, stores, warehouses and operations centers, which will be electrified mainly through the replacement of boilers and water heating with heat pumps. Efficiency improvement works are also planned to reduce electricity consumption. Finally, Enel plans to support the electrification plan of the fleet and buildings with the exclusive use of renewable energy, so as to ensure associated zero emissions.

Enel's carbon footprint

In 2021, Enel's carbon footprint was 125.0 MtCO_{2eq} (up 9% compared to 2020), mainly due to the increased generation of electricity from fossil fuels, divided as follows:

- **Scope 1:** 51.6 Mt CO_{2eq} (up 13% compared to 2020) representing 41% of total GHG emissions (99% of which are from power generation activity. In addition, ETS-related emissions are 63% of total Scope 1 emissions (compared to 53% in 2020).
- **Scope 2:** 4.3 Mt CO_{2eq} (up 6% compared to 2020) which represents 4% of total GHG emissions. Furthermore, 69% of the Scope 2 emissions are related to total technical grid losses in the grid;
- **Scope 3:** 69.1 Mt CO_{2eq} (up 7% compared to 2020) which represents 55% of total GHG emissions. This year, Enel has also calculated and introduced in the Scope 3 perimeter the values related to gas extraction and transport emissions for both its thermoelectric generation plants

and for the market and the share of emissions related to the supply chain, disclosing it in this Sustainability Report for the three-year period 2019-2021.

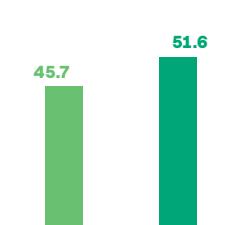
The GHG inventory statements were audited by DNV GL, one of the main certification bodies world-wide, with a reasonable level of certainty for Scope 1, Scope 2 and Scope 3 emissions, as limited to the sale of natural gas, and with a limited level of certainty for the other Scope 3 emissions included within the scope of application of the inventory. The audit was conducted according to Standard ISO 4064-3 for the compliance of greenhouse gas (GHG) inventories with the WBCSD/WRI Corporate Accounting and Reporting Standard (GHG Protocol).

For more details concerning Enel's carbon footprint, please refer to the 2021 GHG inventory (accessible via the following link: <https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/ghg-inventory-2021.pdf>).

Our carbon footprint

2020  2021 

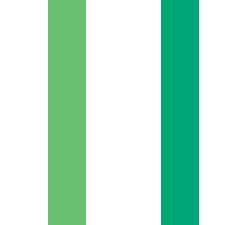
Total direct **emissions**
GHG Scope 1
(MtCO_{2eq})

45.7 

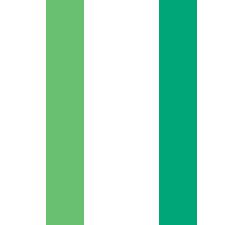
Total indirect **emissions**
GHG Scope 2
(MtCO_{2eq})

4.1 

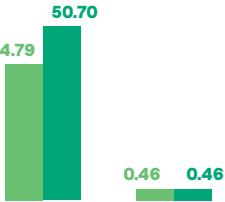
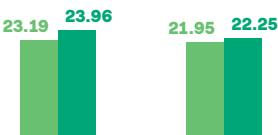
Total indirect **emissions**
GHG Scope 3
(MtCO_{2eq})

64.9 

Total **GHG** emissions
(MtCO_{2eq})

114.7 

125.0

Value chain	Electricity generation	Electricity distribution	End customer	Other
Global Business Line	 		 	
GHG Scope 1 direct emissions (MtCO_{2eq})	  1 Generation from thermal sources 2 Other (from energy generation) 	  3 Energy distribution activities 4 Other (from distribution activities) 	Included in source "5"	  5 Offices 6 Company fleet 
GHG Scope 2 indirect emissions (MtCO_{2eq}) (location based)	  7 Electricity purchased from the grid 8 Technical losses from the grid 9 Electricity purchased from the grid 		Included in source "10"	 10 Electricity purchased from the grid 
GHG Scope 3 indirect emissions (mil tCO_{2eq})	  11 Coal (upstream) 12 Gas (upstream) 	 13 Diesel & fuel oil (upstream) 	 14 Transportation of other raw materials and waste  15 Supply chain emissions  16 Sale of electricity  17 Sale of gas 	

Source	Description
1 Generation from thermal sources	Combustion of fossil fuels in generation activities (CCGT, Oil&Gas and coal thermal plants). This includes: <ul style="list-style-type: none">• CO₂ emissions (50.56 and 44.67 Mt in 2021 and 2020 respectively)• CH₄ losses in gas-fired thermal plants (0.002 and 0.003 MtCO_{2eq} in 2021 and 2020 respectively)• CH₄ (GWP=28) and N₂O emissions (GWP=265), expressed in CO_{2eq} (0.14 and 0.11 Mt CO_{2eq} in 2021 and 2020 respectively)
2 Other (from energy generation)	<ul style="list-style-type: none">• Combustion of fossil fuels in auxiliary motors as part of power generation activities (nuclear and renewable plants; 0.03 and 0.06 MtCO_{2eq} in 2021 and 2020 respectively)• NF₃ losses (GWP=16,100), expressed in CO_{2eq} (0.01 and 0.01 ktCO_{2eq} in 2021 and 2020 respectively) for solar panel production• SF₆ losses (GWP=23,500), expressed in CO_{2eq} (0.03 and 0.02 MtCO_{2eq} in 2021 and 2020 respectively) for power generation• Use of refrigerant gases in thermoelectric and hydroelectric plants (0.012 and 0.010 MtCO_{2eq} in 2021 and 2020 respectively)• Biogenic emissions from hydropower reservoirs (0.32 and 0.32 MtCO_{2eq} in 2021 and 2020 respectively)• Transportation of fuel (LNG and coal) on vessels under own operational control (0.06 and 0.05 MtCO_{2eq} in 2021 and 2020 respectively)
3 Energy distribution activities	SF ₆ losses (GWP=23,500), expressed in CO _{2eq} (0.11 and 0.13 MtCO _{2eq} in 2021 and 2020 respectively) for power distribution
4 Other (from distribution activities)	Combustion of fossil fuels in auxiliary motors as part of energy distribution activities (0.21 and 0.21 MtCO _{2eq} in 2021 and 2020 respectively)
5 Offices	Diesel and methane combustion for furnaces, heating and canteens in offices, including all properties of all Business Lines and Group offices (0.008 and 0.014 MtCO _{2eq} in 2021 and 2020 respectively)
6 Company fleet	Diesel and gasoline combustion in company fleet vehicles (0.07 and 0.08 MtCO _{2eq} in 2021 and 2020 respectively)
7 Electricity purchased from the grid	Consumption of electricity purchased from the grid for energy generation in power generation plants and for pumping in hydroelectric plants (1.2 and 1.1 MtCO _{2eq} in 2021 and 2020 respectively). The figures shown are calculated using the location-based approach, while the market-based approach gives a figure of 2.4 and 2.0 MtCO _{2eq} for 2021 and 2020 respectively
8 Technical losses from the grid	Energy dissipation due to distribution network losses under Enel's operational control (2.97 and 2.77 MtCO _{2eq} in 2021 and 2020 respectively). The figures shown are calculated using the location-based approach, while the market-based approach gives a figure of 4.8 and 4.7 MtCO _{2eq} for 2021 and 2020 respectively
9 Electricity purchased from the grid	Consumption of electricity purchased from the grid for distribution activities in substations (0.14 and 0.14 MtCO _{2eq} in 2021 and 2020 respectively). The figures shown are calculated using the location-based approach, while the market-based approach gives a figure of 0.2 and 0.2 MtCO _{2eq} for 2021 and 2020 respectively
10 Electricity purchased from the grid	Consumption of electricity purchased from the grid for civilian use (computers, lighting, heating) in offices and commercial offices (Market and Enel X) (0.003 and 0.004 MtCO _{2eq} in 2021 and 2020 respectively). The figures shown are calculated using the location-based approach, while the market-based approach gives a figure of 0.03 and 0.03 MtCO _{2eq} for 2021 and 2020 respectively
11 Coal (upstream)	GHG Protocol, category 3. Fuel and energy activities not included in Scope 1 and 2: fugitive emissions from coal mining used in thermoelectric and coal-fired power plants and transportation on vessels (1.24 and 1.11 MtCO _{2eq} in 2021 and 2020 respectively)
12 Gas (upstream)	GHG Protocol, category 3. Fuel and energy activities not included in Scope 1 and 2: fugitive emissions from the extraction and transport of gas used in thermoelectric plants and sold on the retail market (10.00 and 9.13 MtCO _{2eq} in 2021 and 2020 respectively)
13 Diesel & fuel oil (upstream)	GHG Protocol, category 3. Transportation and distribution of diesel and fuel oil (0.005 and 0.007 MtCO _{2eq} in 2021 and 2020 respectively)
14 Transportation of other raw materials and waste	GHG Protocol, category 4. Transportation and distribution upstream of energy generation: road transportation of fuels, raw materials and waste (0.004 and 0.004 MtCO _{2eq} in 2021 and 2020 respectively)
15 Supply chain emissions	GHG Protocol, category 1. Purchase of goods and services: supply chain emissions (11.69 and 9.53 MtCO _{2eq} in 2021 and 2020 respectively)
16 Sale of electricity	GHG Protocol, category 3. Fuel and energy activities not included in Scope 1 and 2: emissions for the generation of electricity sold to and used by end customers (retail market, 23.96 and 23.19 MtCO _{2eq} in 2021 and 2020 respectively)
17 Sale of gas	GHG Protocol, category 11. Use of goods sold: emissions from the use of gas sold to end customers (retail market, 22.25 and 21.95 MtCO _{2eq} in 2021 and 2020 respectively)

The roadmap and the targets to reduce greenhouse gas emissions

In 2021, Enel further accelerated its decarbonization roadmap, bringing forward its Net-Zero target by 10 years, from 2050 to 2040. New targets have been set for emissions from electricity and gas sales, and the target of reducing Scope 1 emissions by 2030 compared to 2017 has been confirmed. All of these targets meet the 1.5 °C pathway established by the SBTi for the electric utilities sector.



The Net-Zero Commitment



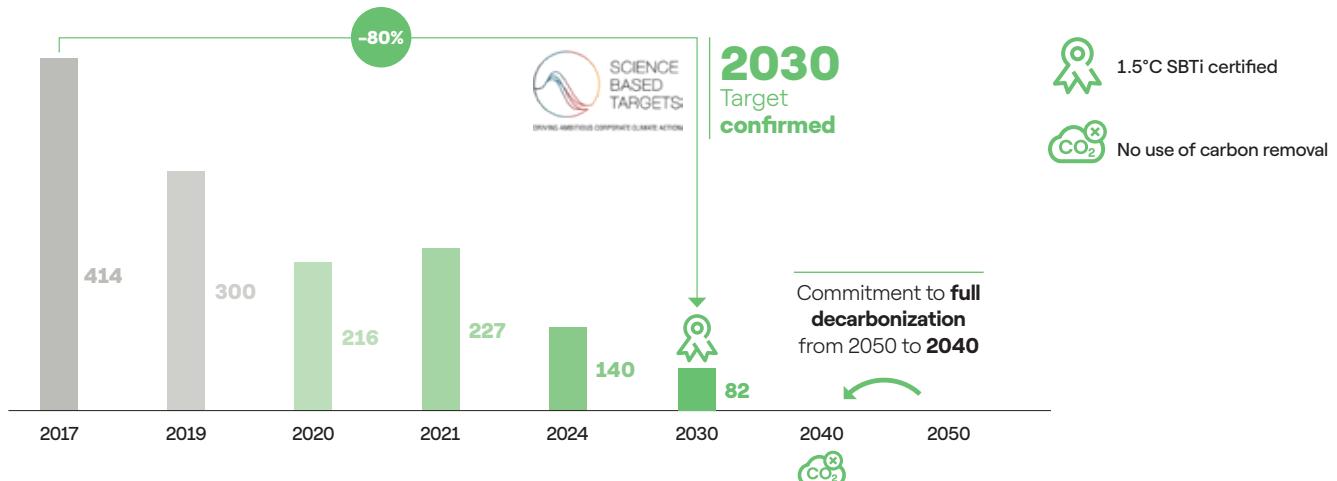
Enel is committed to fixing a long-term objective for reaching Net-Zero emissions along the value chain by 2040 (bringing forward the previous 2050 target), including both direct emissions (Scope 1) and indirect emissions (Scope 2 and 3), together with scientific goals in all pertinent areas and in line with the criteria and recommendations of the Science Based Targets initiative (SBTi).

	GHG goal	Area	Climatic scenario	Main drivers and actions for reaching the goal
Short term (2024)	140 gCO _{2eq} /kWh in 2024	100% of Scope 1 GHG emissions ⁽¹⁾	thermometer icon 1.5 °C ⁽²⁾	<ul style="list-style-type: none">Gradually phase-out coal-fired capacity during 2022-2024 (percentage weight of coal-fired capacity on consolidated capacity from 7% in 2021 to approximately 4% in 2024)Invest 17.3 billion euros to accelerate the development of renewable energy by installing 17 GW of new renewable capacity during 2022-2024 to reach 67 GW of renewable capacity by 2024
	21.3 MtCO _{2eq} in 2024	100% of Scope 3 emissions from the sale of natural gas in the end-user market	thermometer icon 1.5 °C ⁽²⁾	<ul style="list-style-type: none">Promote the customer passage from gas to electricity (especially residential customers)Optimize the customer's gas portfolio (especially industrial customers)
	≤ 130 gCO _{2eq} /kWh in 2024	100% of Scope 1 and Scope 3 emissions from electricity generation and end-market electricity sales	thermometer icon 1.5 °C ⁽²⁾	<ul style="list-style-type: none">Increase the share of renewable energy sold to customers by increasing the Group's renewable generation

	GHG goal	Area	Climatic scenario	Main drivers and actions for reaching the goal
Medium-long term (2030)	82 gCO _{2eq} /kWh in 2030 (80% reduction compared to baseline year 2017)	100% of Scope 1 GHG emissions ⁽¹⁾	 1.5 °C, verified by SBTi	<ul style="list-style-type: none"> Exit from coal-fired generation Invest 65 billion euros to accelerate the development of renewable energy by installing 75 GW of renewable capacity during 2021-2030 to reach 120 GW of consolidated renewable capacity by 2030 (3 times the installed renewable capacity in baseline year 2017).
	11.4 MtCO _{2eq} to 2030 (55% reduction compared to baseline year 2017)	100% of Scope 3 emissions from the sale of natural gas in the end-user market	 1.5 °C	<ul style="list-style-type: none"> Update previous target, corresponding to a 46% reduction from previous 2030 goal Promote the customer's passage from gas to electricity (especially residential customers) Optimize the customer's gas portfolio (especially industrial customers)
	≤ 73 gCO _{2eq} /kWh in 2030 (80% reduction compared to baseline year 2017)	100% of Scope 1 and Scope 3 emissions from electricity generation and end-market electricity sales	 1.5 °C ⁽³⁾	<ul style="list-style-type: none"> Increase the share of renewable energy sold to customers by increasing the Group's renewable generation
Long term (2040) ⁽⁴⁾	0 gCO _{2eq} /kWh in 2040 0 gCO _{2eq} /kWh in 2040	100% of Scope 1 GHG emissions from power generation ⁽¹⁾⁽⁵⁾	 1.5 °C ⁽²⁾	<ul style="list-style-type: none"> Exit gradually from the thermal capacity and achieve a 100% renewable energy mix No use of carbon removal technologies
	0 MtCO _{2eq} by 2040	100% of Scope 3 emissions from the sale of natural gas in the end-user market	 1.5 °C ⁽³⁾	<ul style="list-style-type: none"> Exit from the business of gas sales to end customers, through the promotion of electrification of consumption No use of carbon removal technologies
	0 gCO _{2eq} /kWh by 2040	100% of Scope 1 and Scope 3 emissions from electricity generation and end-market electricity sales	 1.5 °C ⁽³⁾	<ul style="list-style-type: none"> Aim to achieve 100% renewable electricity sales to end customers by 2040 No use of carbon removal technologies
	Net-Zero emissions by 2040	All remaining emissions (Scope 1+2+3)	 1.5 °C ⁽³⁾	<ul style="list-style-type: none"> Possible use of carbon removal technologies

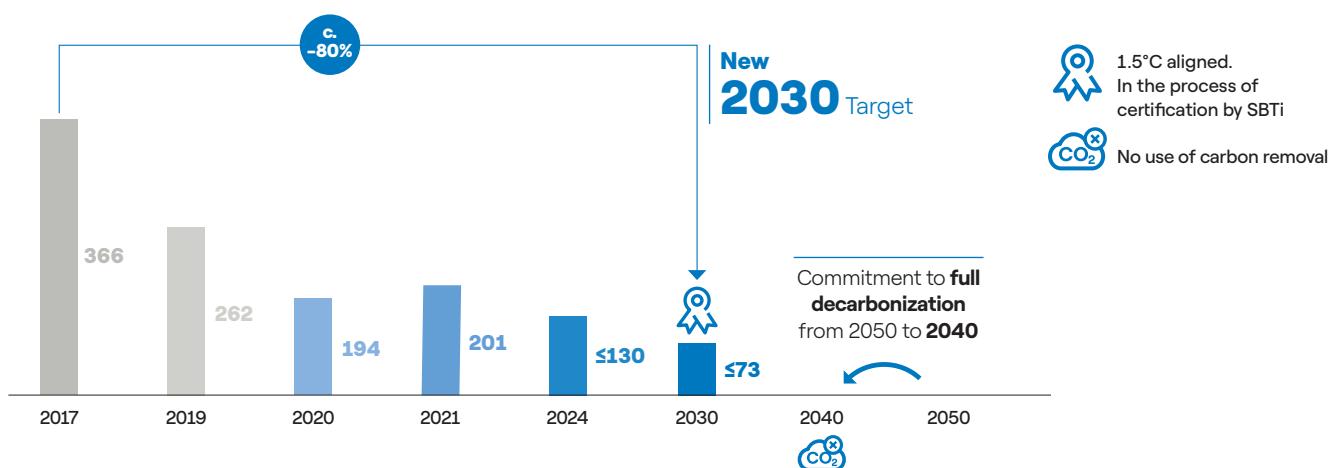
- (1) Even if Enel constantly monitors Scope 2 emissions and is actively committed to their reduction, the Company has not set a specific reduction target, as they represent less than 4% of total Scope 1 and Scope 2 emissions in 2017 (baseline year of the target certified by SBTi). Therefore, they are considered marginal and fall within the criteria of exclusion according to the SBTi methodology, which fixes a margin of 5% of total Scope 1 and Scope 2 emissions.
- (2) The target could not be officially validated by SBTi because "the targets must cover at least 5 years and maximum 15 years from the date in which the target is presented to SBTi for official validation". However, they satisfy the 1.5 °C pathway defined by SBTi for the electric services sector (Sector Decarbonization Approach, SDA).
- (3) It is expected to request SBTi validation of the target in June 2022 and, in any case, depending on the timing agreed by SBTi.
- (4) In compliance with the Group's Net-Zero commitment, which includes both direct and indirect emissions, timely targets will also be considered on the additional Scope 2 and Scope 3 emission components in line with the "Net-Zero Standard" published by SBTi in October 2021.
- (5) Direct emissions related to power generation account for 99% of total Scope 1 GHG emissions.

Scope 1 emissions⁽¹⁾ (gCO₂eq/kWh)

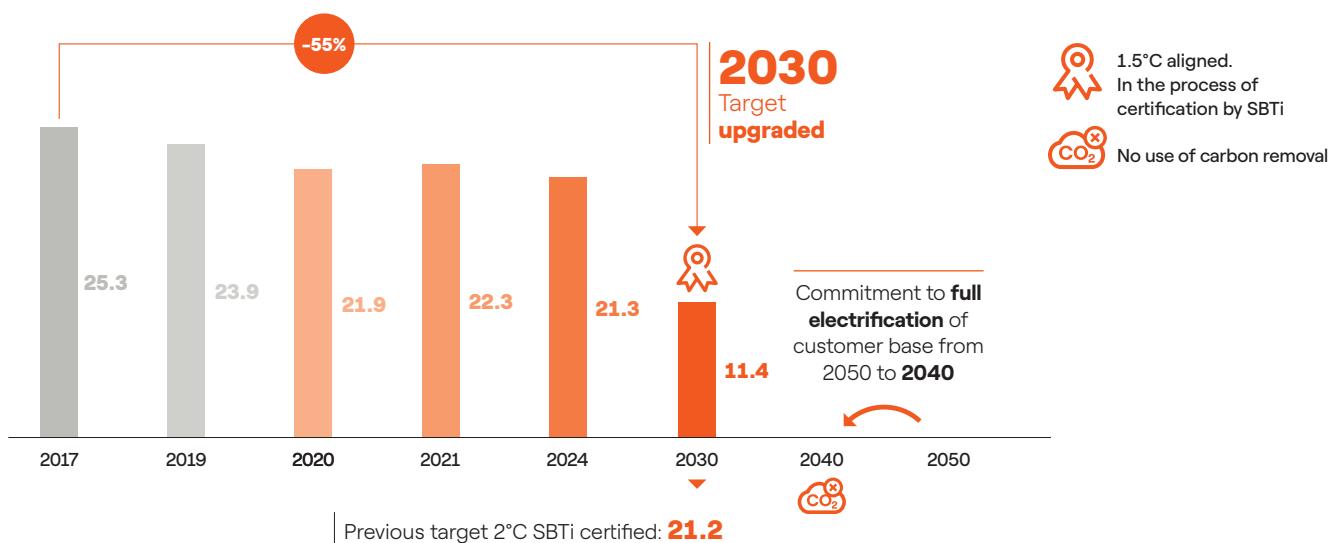


(1) Includes all direct emissions (GHG Scope 1), 99% of which are due solely to energy generation.

Scope 1 and 3 emissions from electricity generation and sales (gCO₂eq/kWh)



Scope 3 emissions from gas retail (MtCO₂)



Financial, operational and environmental metrics

The main metrics and financial goals regarding the risks and opportunities connected to climate change, as well as

the operational metrics along the entire value chain and the environmental ones, are reported below.

Financial metrics

Financial metric	UM	2021	2020	2021-2020	%
Ordinary EBITDA for low-carbon products, services and technologies ⁽¹⁾	bil euros	17.3	15.7	1.6	10.4
	% of tot EBITDA	90	87	3	-
Capex for low-carbon products, services and technologies ⁽¹⁾	bil euros	12.3	9.6	2.7	28.5
	% of tot Capex	94	94	-	-
Revenues from coal plants	bil euros	1.9	1.6	0.3	16.2
	% of tot Revenues	2.2	2.5	-0.3	-
Revenues from thermal generation	bil euros	13.5	7.5	6.0	79.6
	% of tot Revenues	15.3	11.4	3.9	-
Revenues from nuclear plants	bil euros	1.4	1.4	-	3.2
	% of tot Revenues	1.6	2.1	-0.5	-
Debt ratio with sustainability criteria ⁽²⁾	%	55	33	22	-
CO ₂ reference price	euros	53.2	24.7	28.5	115.4

(1) The "low-carbon products, services and technologies" category considers the Enel Green Power and Thermal Generation (excluding conventional generation), Infrastructure and Networks, Enel X and Market Business Lines (excluding the sale of gas).

(2) The value was calculated considering the impact of the financial instruments, which include sustainability criteria for the entire gross debt.

In 2021, Enel's ordinary EBITDA associated with low-carbon technologies, services and solutions was 17.3 billion euros, up 1.6% from 2020. The Capex dedicated to low-carbon emission technologies, services and solutions has increased as compared to 2019, reaching 12.3 billion euros 94% of total Capex.

The percentage incidence of revenues from coal plants is down, following the Company's strategic decisions that

have inspired a sustainable business model that pursues, among others, the objectives of fighting climate change and decarbonization. Specifically, in 2021, revenues related to coal-fired plants were 2.2% of total Group revenues, down from 2.5% in 2020.

Enel's strategy of promoting a sustainable financial model has contributed to reaching 55% of debt related to the sustainability objectives.

Operational metrics

| 302-1 | EU1 | EU2 | EU3 | EU11 | EU30 |

Segment of the electricity value chain	Operational metric	UM	2021	2020	2021-2020	%
  GENERATION	Net installed maximum capacity⁽¹⁾	GW	87.1	84.0	3.1	3.7
	- of which renewables	%	57.5	53.6	3.9	-
	- of which thermoelectric	%	38.7	42.4	-3.7	-
	- of which nuclear	%	3.8	4.0	-0.2	-
	Net generation⁽²⁾	TWh	222.6	207.1	15.5	7.5
	- of which renewables	%	48.9	50.9	-2.0	-
	- of which thermoelectric	%	39.6	36.6	3.0	-
	- of which nuclear	%	11.5	12.5	-1.0	-
	Additional indicators					
	Average thermoelectric park efficiency (%) ⁽³⁾	%	44.4	44.2	0.2	-
 DISTRIBUTION	Total direct fuel consumption	Mtep	26.3	23.9	2.4	10
	Digitalization					
	End users with active smart meters ⁽⁴⁾	no.	44,968,974	44,293,483	675,491	1.5
 RETAIL	Smart meters (coverage)	%	60	60	-	-
	Electrification, energy efficiency and digitalization					
	Charging points for electric mobility ⁽⁵⁾	,000	157	105	52	49.6
	Electric buses	,000	3	1	2	216.3
	Smart public lighting	mil	2.8	2.8	-	-
New services	New services					
	Demand response capacity	MW	7,713	6,038	1,675	27.7
	Storage capacity	MW	375	123	252	204.9

(1) Does not include managed capacity of 3.3 GW in 2021 and 3.6 GW in 2020.

(2) Does not include generation from managed capacity of 9.6 TWh in 2021 and 9.9 TWh in 2020.

(3) The values do not include consumption and generation for the cogeneration related to the Russian thermoelectric park. The average efficiency value is calculated based on the plants in the park and weighed based on generation values.

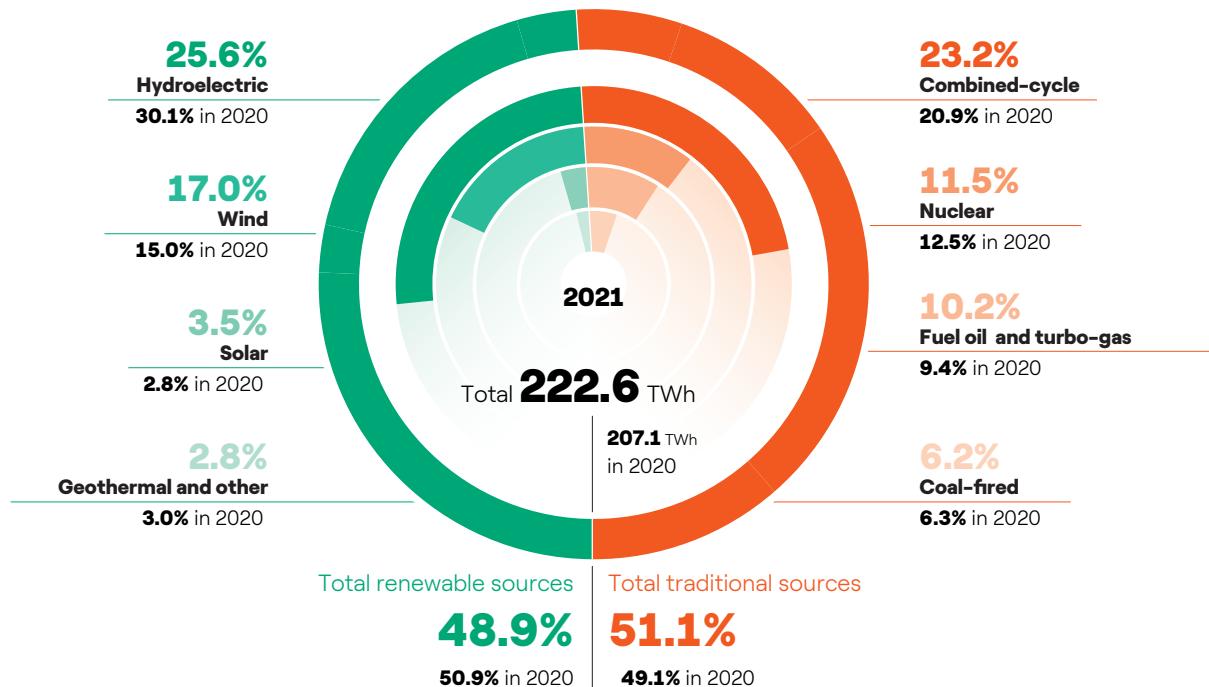
(4) Of which second-generation smart meters 23.5 million in 2021 and 18.2 million in 2020.

(5) The 2020 figures include a more specific determination thereof.

The **generation of electricity** in 2021 increased by 15.5 TWh (+7.5%) compared to the value recorded in 2020. Specifically, the increase was due to higher generation from thermoelectric sources (+12.4 TWh), primarily from natural gas (+8.4 TWh), and higher generation from renewable sources (+3.5 TWh).

The electricity generated by Enel in 2021 from zero-emission sources amounted to over 60% of total consolidated generation (in 2020 it was over 63%), while it was 62% when including generation from capacity managed according to the Stewardship model (9.6 TWh in 2021).

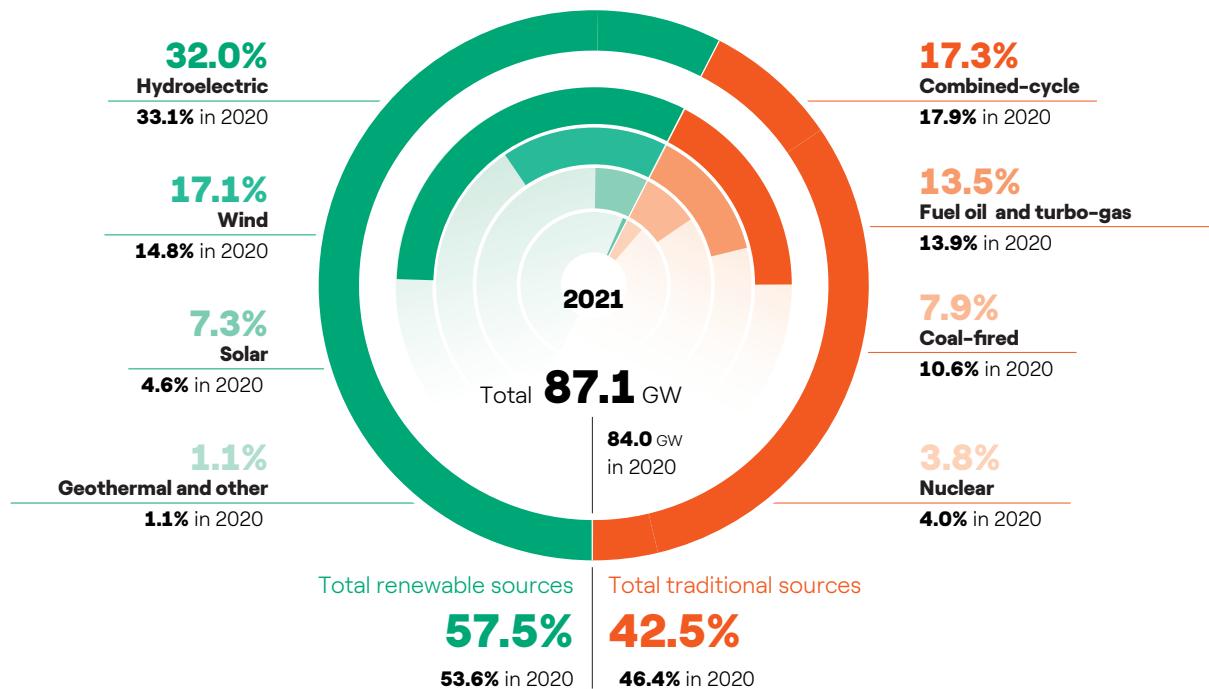
Net electricity generation by source (2021)



In order to contribute to the decarbonization of its energy mix, in 2021 Enel **increased its installed renewable capacity by 5.2 GW, while reducing its coal-fired capacity by 2.0 GW**. As a result, consolidated installed capacity from zero emissions sources was approximately 61% (58% consid-

ering only renewable sources) of Enel's total consolidated installed capacity in 2021, whereas it was greater than 63% (59% considering only renewable sources) when including capacity managed according to the Stewardship model (3.3 GW in 2021).

Net installed maximum capacity (2021)



In 2021, Enel maintained a key role in the development of new solutions to accelerate the energy transition process through the development of 252 MW of storage capacity, corresponding to a growth of about 205% compared to 2020, and increasing the current 7.7 GW of demand response by 27.7% compared to 2020.

The digitalization of the electricity grid, which has been identified as a key enabler able to positively influence climate change through levers such as the integration of more renewable energy or an increase in energy efficiency, continued being a priority for Enel also in 2021. In par-

ticular, in 2021 the total number of end users with active smart meters grew 1.5% as compared to the previous year, reaching 45 million in 2021.

Enel has also continued defining solutions for promoting the decarbonization of other sectors, such as transport. The Company is in fact committed to developing electrical mobility initiatives and promoting sustainable transport, reaching more than 157 thousand installed charging points at the end of 2021, an approximately 50% increase in comparison to 2020.

Environmental metrics

303-3

The following table presents the environmental metrics related to climate change, in addition to the greenhouse

gas emissions previously described in the dedicated paragraph of this chapter.

Environmental metric	UM	2021	2020	2021-2020	%
Specific water withdrawal for total generation ⁽¹⁾	l/kWh _{eq}	0.21	0.20	0.01	5
Withdrawal of water in water stressed areas ⁽¹⁾⁽²⁾	%	27	23	4	-
Generation with water withdrawal in water stressed areas ⁽²⁾	%	14	14	-	-

(1) Based on the classification provided by the WRI "Aquaduct Water Risk Atlas", the water stressed areas are those where the ratio between the total annual withdrawal of surface water or groundwater for different uses (civil, industrial, agricultural and livestock) and the total annual renewable water supply available ("base water stress", understood, therefore, as the level of competition between all users) is high (40-80%) or extremely high (>80%). By way of greater environmental protection, we have also considered as located in water stressed areas those plants falling in zones classified by the WRI as "arid".

(2) Values for 2020 data have been recalculated following an expansion of the scope of facilities in water stressed areas.



Targets

The table below shows the main operational objectives included in the 2022-2024 Strategic Plan and the 2030 vision, which reflect Enel's role in combating climate change

along the entire electricity value chain, in addition to the GHG emission reduction targets described in the previous section.

Segment of the electricity value chain	Description of the goal	UM	2024	2030
 GENERATION	Net installed maximum capacity⁽¹⁾	GW	102	~160
	- of which renewables	%	67	>80
	- of which thermoelectric	%	30	-
	- of which nuclear	%	3	-
	Net generation⁽²⁾	TWh	257	~340 ⁽³⁾
	- of which renewables	%	65	>85
	- of which thermoelectric	%	25	-
	- of which nuclear	%	10	-
	Digitalization			
	Smart meter	mil	48.4	~81
 DISTRIBUTION	Smart meters (coverage)	%	63	100
	Electrification, energy efficiency and digitalization			
	Charging points for electric mobility	mil	1.1	>5
	Electric buses	,000	12.6	100
	Smart public lighting	mil	3.6	-
 RETAIL	New services			
	Demand response capacity	GW	13	>20
	Storage capacity	MW	476	>600

(1) Does not include managed capacity of 76 GW in 2024. Includes BESS capacity.

(2) Does not include generation from managed capacity of 21.2 TWh in 2024.

(3) Does not include the effect of M&A transactions.

Furthermore, the following assumptions were defined:

- EBITDA incidence for low-carbon products, services and technologies of approximately 92% in 2024;
- Capex incidence for low-carbon products, services and technologies on the total, approximately 95% in 2022-2024;
- incidence of sustainable financial mechanisms of approximately 55% in 2024 and above 70% in 2030.

Finally, Enel is committed to improving its performance in other environmental aspects concerning climate change, fixing increasingly ambitious goals, such as the 65% reduction in water requirements for the electricity generation process by 2030. For further details on Enel's environmental performance, please refer to the chapter "Towards a nature-based model" in this document.

Enel's commitment to a just and inclusive transition and the action plan

The achievement of the goals set by the 2015 Paris Agreement has led governments around the world to intensify their efforts to fight climate change and adopt strategies to transform energy consumption and power generation patterns. The entire world is committed to an ambitious path of decarbonizing the economy, and all of the most recently published scenarios are unanimous in saying that achieving ambitious climate goals requires accelerating the electrification of energy consumption, along with massive use of energy generated from zero-emission sources. The change in customer consumption habits, in terms of greater awareness and efficiency in energy use and in terms of adopting technologies powered by electricity will be a key element along this path. In order to take full advantage of the opportunities offered by this transformation and find the balance between the right to a safe, clean, healthy and sustainable environment and respect for the rights of the stakeholders involved, forward-looking policies will be required that take into account the fact that the transition to a decarbonized economy can be an important accelerator of growth and technological advancement in the energy sector, with positive environmental, social and economic impacts. If, on the one hand, the transition entails a reduction of jobs in some generation sectors, on the other it will open up new opportunities for employment and retraining of people and local communities. This will only be possible by taking into account the needs and priorities of all stakeholders involved, so that the transition is just and inclusive and pays particular attention to the most exposed social groups, of which communities that have based their economy on coal mining are an example.

In this context, Enel fully supports the principles of a just transition, so that

In addition, Enel plays an active role in the

no one is left behind even in the short term, and recognizes the relevance for its business of the social impacts arising from its climate strategy, aimed at the progressive reduction of greenhouse gas emissions, in line with the Paris Agreement. Therefore, Enel's action in this sense is not only related to the energy transition but reflects a broader commitment, which is part of the Group's approach to respect human rights along the entire value chain, as also defined by the Human Rights Policy.

In 2019, Enel signed the UNSG Summit Pledge Letter in which the United Nations asked companies around the world to commit to a just transition and the creation of decent green jobs. The commitments in the letter define the conditions necessary for the transformation: the transition must be just, jobs must be sustainable and decent, greenhouse gas emissions must be zeroed out, poverty must be eliminated, and communities must thrive and be resilient. In fact, companies committed to the decarbonisation process will be the first to combine good growth in economic results with better social inclusion and will be the first to seize the opportunities offered by the new economic model aimed at a zero-emission world through the creation of new jobs and employee training. By signing this letter, the Group has committed in particular to:

- **promoting negotiations with workers and union representatives**, in compliance with workers' rights, encouraging social protection (including pensions and health-care) and salary guarantees, as established by the International Labour Organization (ILO);
- **collaborating with suppliers** who respect these standards, at the same time contributing toward the social-economic development of the local communities most exposed to the passage from fossil fuels to renewables.

Sectoral Social Dialog Committees, in which

it participates as a representative of the Italian employers' association (Elettricità Futura) and of which it held the chair in 2020, which will also hold for 2022. In this context, in November 2021, the European social partners-Eurelectric, IndustriALL and EPSU-officially signed a **joint statement on just energy transition**, which includes concrete demands, including adequate funding and better authorization procedures for coal phase-out programs and to meet the growing demand for electricity, as well as consistent social policies that ensure that no one is left behind, in line with the principles of the **ILO's Just Transition Guidelines**. Enel also maintains a high-profile social dialog through the

European Works Council, a worker representation body introduced by European Directive 94/45/EC and implemented in Enel most recently with the union agreement of July 13, 2016 for the purpose of transnational "information and consultation" of workers in European-sized companies and groups.

In this regard, a plenary meeting was held on March 15 and 16, 2022, attended by several representatives of Enel's management, sharing the Group's positioning on the issue and the various initiatives under way in the Company to ensure a just energy transition and a workforce increasingly prepared for change.

Stakeholder engagement

Enel promotes a **broad engagement of stakeholders, internal and external, with a fully Open Power approach**, in order to increase their awareness and develop a constructive dialog that can provide a valuable contribution to the fair transition. The most relevant actions carried out in 2021 include:

- **materiality analysis**: among the topics addressed during the identification of the main priorities for stakeholders in sustainability planning there are: climate change, engaging local communities, management, development and motivation of people and a sustainable supply chain, in terms of priorities for stakeholders and performance of the Company in the different countries where it operates;
- **social media**: Enel continued to raise awareness of climate change and just transition issues through social media;

- **raising the awareness of local communities**: with the Creating Shared Value (CSV) model, Enel is involving local communities, making them aware of issues related to climate change and explaining how renewables are an extremely effective solution, with benefits not only for the environment but also for the creation of new jobs and for social-economic development;
- **raising the awareness of our people**: Enel aims to achieve an ever-increasing engagement of the people who work in the Company through awareness campaigns on the topic. The Company's annual events, debates and discussions on topics related to a just transition were promoted during the Enel Digital Days 2021.



Enel's advocacy activities

The Group acts at different institutional levels to support a green, digital and just transition. Public policies can have positive impacts on workers, industries and end customers. There are four areas that Enel actively promotes, also through advocacy activities:

- **safeguard industrial competitiveness**, taking into account the possible risk of "carbon leakage", i.e. the risk of relocation outside national borders of generation activities, to countries that do not apply a price to emissions (so-called "carbon pricing mechanisms") or that apply a low price to emissions. The transition will create new jobs and industries while gradually eliminating others;
- **safeguard employment** by focusing on upskilling and reskilling. Social security measures should be in place for workers who cannot be reintegrated into the labor

market;

- **manage impacts on utility bills**: policies, laws and regulations should avoid inequitable redistribution of costs and safeguard customers, with particular attention to low-income customers;
- **empower customers**: customers should be aware of both the costs and opportunities associated with the energy transition and can be guided to identify and implement consumption policies that aim at energy efficiency and cost optimization through a process of progressive electrification.

For climate change advocacy activities, please refer to the section of the chapter "Enel's advocacy activities for the climate".

Participation in just and inclusive transition initiatives

In the last two years, Enel has been a promoter, together with CSR Europe, of multi-stakeholder initiatives and negotiation on a just and inclusive transition and the future of work, which has seen a wide engagement of key stakeholders such as: the European Commission, environmental organizations and labor institutions, European think tanks, private sector and youth associations.

During 2021, the Group also contributed to various debates of the European Round Table on Climate Change and Sustainable Transition on the need for a just transition and the

evolution and prospects of international climate change negotiations, and participated in the working group on just transition of the WBCSD's "Business Commission to Tackle Inequality" platform, which brings together business leaders and key stakeholders with the overall objective of building a new common narrative on the role of business in tackling inequality.

For further discussion, see the chapters "Our Strategy for Sustainable Progress", "Enel People," and "The Path to Net-Zero".

The strategy towards Net-Zero and the approach and action plan for a just transition

The strategy developed in recent years has enabled the Group to set out a **vision of the future and progress centered on sustainability**, as a key and essential element to face the global challenges of the transition to a decarbonized economy. **The Group's strategy is articulated around the core concept of contributing to building a fairer and more inclusive society throughout the entire value chain, protecting the environment in which we live and creating opportunities for the future for the Company and for stakeholders, without leaving anyone behind.**

Taking into account the results of the materiality analysis and in synergy with the Strategic Plan, our **Sustainability Plan** was set out, divided into specific objectives

in the short, medium and long term, to make our journey towards sustainable progress more transparent and verifiable (**see the Sustainability Plan 2022-2024**).

Just Transition plans are, therefore, developed consistently with the principles of the ILO's Just Transition Guidelines and with the Group's strategy aimed at the decarbonization of its power generation capacity, in line with the objectives of the Paris Agreement, involving, where necessary, the various stakeholders, such as employees, trade unions, local communities, suppliers, institutional stakeholders, trade associations, non-governmental organizations and investors.

The Group is also committed to managing the transition at an individual country level by activating solid periodic

negotiations with trade unions in order to put into practice the principles of a just transition with all the players most directly involved in the process, particularly in the conversion of sites and coal-fired power plants.

The Group follows the "think globally, act locally" approach, based on which the **Futur-e initiative has been developed, which promotes an inclusive transition in the areas surrounding the power plants that are undergoing this energy transition**. Futur-e is the first example in the world of requalification on a large scale of an industrial area that uses an approach based on the circular economy; a vast and unique program designed to find new uses for obsolete power plants. New, innovative and sustainable uses that reuse existing structures, infrastructures and connections, with the engagement of local stakeholders to create value for local communities through sustainable economic growth and the creation of jobs.

A strategy is being prepared for the in line regeneration of over 40 sites to be reconverted, in compliance with the following fundamental principles:

- **integrating site personnel** through a process of reassignment within the Group in order to avoid redundancies and any loss of know-how, also involving trade unions to make sure that the various expectations of employees are satisfied;
- **promote requalification projects** to write new stories of energy conversion, sustainable growth and development of innovative ideas that improve creative thought and promote business initiatives;
- **collaborate with local communities** through a multi-stakeholder approach for favoring the creation of shared value along the entire project, from the preliminary interviews with the stakeholders, up to the decision regarding which requalification projects to follow;
- **guarantee the protection of the environment**: soil remediation must be carried out according to the highest standards possible;
- **maximize the reuse of divested structures**, such as roads, infrastructures, connections to the high-voltage network, buildings, etc. in line with the principles of the circular economy;
- **contribute to the objectives of the Enel Group** collaborating with the other Business Lines for the completion of projects such as BESS (Battery Energy Storage System), electric mobility, digitalization or stability of the electricity grid.

The Futur-e initiative was launched in 2015 in Italy and subsequently extended to the Group's other countries, with the aim of giving new life to thermoelectric power plants that are no longer competitive on the market, totalling 13 GW. Since 2019, the project has evolved by combining the requalification of third parties in non-energy

areas with the development of opportunities to replace thermoelectric plants with new hybrid and/or renewable generation, in line with the Enel Group's objective.

In a perspective of circular economy and sustainability, the development of new generation capacity has therefore started with the reuse of existing plant spaces, infrastructures and connections, as well as investing in the areas hosting plants undergoing decommissioning, actively involving the local areas and stakeholders and creating value for local communities through sustainable economic growth and job creation.

Given the new energy-industry context, and Enel's decarbonization strategy – in line with the national, European and global strategies that orient energy development toward sustainable technologies – **the Group has expanded the requalification opportunities thanks to the possibility of replacing the thermal power generation plants mainly with new renewable or hybrid power plants, integrating new business projects with complementary sustainable investments** that satisfy the needs of the communities where the facilities are located. These projects are located, in particular:

- in **Italy**, with energy requalification in line with the transition objectives and the Integrated National Energy and Climate Plan (INECP). With a view to circular economy and sustainability, the development of new generation capacity is achieved through the reuse of plant spaces, infrastructure and connections already in place, as well as by investing in the areas hosting the decommissioned plants, actively involving the local areas and stakeholders and creating value for local communities through sustainable economic growth and job creation;
- on the **Iberian Peninsula** with the progressive transition of coal-fired plants located on the peninsula, for example, **Andorra in Teruel** and Compostilla in León (closed in June 2020), and Carboneras in Almería (closed in December 2021);
- in **Latin America**, for example, with the power plants of **Tarapacá and Bocamina in Chile**, where Enel is proceeding with the progressive closure of coal-fired generation (Tarapacá and Bocamina I already closed, and Bocamina II scheduled for closure in May 2022), with employees, contractors, suppliers and communities integrated into the transition process. In the case of employees, a plan has been agreed to transfer people from coal-fired plants to other areas of the Company. Specifically, for the Tarapacá power plant out of a total of 50 employees it has been possible to relocate 26 people internally in thermal generation, 9 people in renewable energy (of which 2 in wind, 2 in solar, 2 in geothermal, 1 in Engineering and Construction, 1 in Business Development and 1 in technical support), 2 people in sales, 1 person in Infrastructure and Networks

and, finally, 12 people have opted for a voluntary resignation by taking advantage of the economic, training and health insurance package offered by the Group. For the Bocamina I Plant, out of a total of 28 employees, 17 were relocated internally to various areas including Engineering and Construction, Renewable Energy, Health and Safety, Environment and Quality (HSEQ); 9 people took advantage of retirement plans and the remaining 2 people decided to leave the Company.

Regarding the Bocamina II Plant, in 2021 the negotiations with unions and workers continued in order to elaborate the options for people working at this plant, which will be presented during 2022, the date on which the Company has committed to providing an internal relocation plan for employees.

The Futur-e project for the coal-fired plant in Andorra, Teruel (Spain)

In line with the commitment made for a just and inclusive transition, **Enel is promoting the Futur-e initiative at the coal-fired power plant in Andorra, Teruel** (1,101 MW). The project represents an investment of more than 1,487 million euros and has the final objective of installing 1,725 MW of renewable energy, of which 1,585 MW from solar power, constructing the largest plant for this technology in Europe, and 140 MW from wind power. The project also includes a large-scale energy storage system of up to 160 MW.

The Futur-e project for Andorra includes:

- **creation of new jobs:** by the end of 2021, 449 jobs had been created, 153 of which local (34%), specifically in the municipalities of Alcañiz, Alcorisa, Alloza, Andorra, Calanda, Utrillas, Albalate del Arzobispo, Ariño and Mas de las Matas. Since the beginning, the Company has involved trade unions to guarantee that the expectations of personnel are satisfied; therefore together with the trade unions, a decision was reached that those who are interested can be transferred to other company functions, based on existing open positions and their professional category. These agreements also include economic incentives and requalification opportunities;
- **the hiring of new recruits from existing auxiliary companies** for employment in the closing and decommissioning of the plant, as a top priority. In the following phase, the renewable plants will create approximately 4,000 jobs during construction, and 138 positions for 25 years in operational and maintenance areas;
- **the development of training programs targeted toward local communities in the area**, with more than 900 beneficiaries, in order to promote new work



opportunities. Specifically, 4 health and safety courses already finalized for 200 beneficiaries and 18 technical courses for over 700 beneficiaries are to be conducted in 2022;

- **the planning of actions for promoting energy efficiency and sustainability of consumption** in the towns surrounding the plant.

The project for Andorra will also include **an investment of 294 million euros for the installation of a 60 MW electrolyzer that generates renewable hydrogen**. This project is included in the 23 initiatives presented to the Ministry of Ecological Transition for the development of this technology in Spain. A part of the renewable capacity that will be placed in operation in Teruel could therefore be dedicated to the generation of hydrogen, which would involve the creation of 144 jobs during the construction of the electrolyzer and 65 permanent positions for operation and maintenance.

For more information and updates on the project see:

Futur-e in Teruel-Endesa (endesa.com).

Respect for labor rights

(for further information see the chapter "Progress starts with people - Enel people")

As stated in the Group's Human Rights Policy, everyone who works with Enel **is entitled to conditions that respect health, safety, welfare and dignity, a cap on working hours, rest periods during the day and week, and paid vacations.** The remuneration of the Group's employees takes into consideration the principle of **fair pay** for work and **equal pay** between male and female labor for work of equal value, based on an objective assessment of the work to be performed. The minimum payment made to Group employees cannot be lower than the level established by the collective bargaining agreements and legislative and regulatory texts in force in the various countries, in line with the provisions of the ILO Conventions. The transition to a Net-Zero economy will bring about a shift in sectors and jobs, and thus in the skills and competencies of the workforce. In addition to the creation of new types of jobs, e.g. climate change experts, Big Data, digital transformation and artificial intelligence specialists, the transition to a Net-Zero economy will likely result in the gradual disappearance of some types of jobs (such as technical skills in the thermoelectric sector) and changes in the content of most others. It is therefore necessary to have company programs aimed both at developing existing professional skills to improve the performance of one's current role (upskilling) and at learning new ones (reskilling).

Enel believes that professional guidance and training are important for the development of people and their skills, particularly in situations affected by the energy transition, and is committed to implementing requalification programs for workers affected by the ongoing decarbonization process. Both for plants closed during 2021 and in previous years, and for those that will be progressively affected by the path towards decarbonization in the coming years, Enel's commitment with all its employees affected, without distinction of job title, level of responsibility or gender, is to support them, including with the initial engagement of the unions, in the development of new skills and/or retraining of technical competencies, through:

- redeployment and upskilling/reskilling processes of people working in coal-fired power generation plants;
- voluntary early retirement plans;
- upskilling/reskilling programs to acquire new skills and support generational mixing and knowledge sharing.

Upskilling/reskilling programs are developed based on the timeline of the plant closure plan and redeployment

plan and **are broken down into several phases:**

1. **identification of training needs and mapping of resources;**
2. **design of a training plan** to reduce the skills gap compared to the required job profile;
3. **execution of the training plan and monitoring of activities;**
4. **rotation in the new position.**

The programs are generically structured by a portion of "traditional technical training" (classroom and online) and a portion of "on-the-job training", more targeted to the specific nature of the role. In cases in which the persons concerned already possess advanced technical knowledge on topics that are part of the programs (educational qualifications, training plans after joining Enel and/or previous experience), the courses are not assigned, since no skill gap is detected.

In the last two years, the pandemic has put a strain on programs already started and to be started, although online training has not negatively impacted the achievement of goals.

2021



- Coal employees redeployed:

~90% within the Enel Green Power and Thermal Generation perimeter

~10% in other Enel business areas

2022-2024



The remaining **50%** will be offered early retirement plans

- Overall training dedicated to the total employees up to **40%** reskilling and upskilling

- Reinforcement of the "internal training" approach



In December 2020 in Italy, Enel signed an agreement with trade unions to implement an upskilling and reskilling training plan, involving more than 20 thousand people. Initiatives range from digital transformation of operational and commercial staff to retraining activities involving technical-professional and cultural skills.

Customer centricity

(*for further details see the chapter "The decade of electrification and customer centricity"*)

The next decade will be characterized by increasing interventions in favor of electrification, through which customers will gradually convert their energy consumption to electricity, with improvements in spending, efficiency, emissions and price stability: already by 2024 it is expected that in Tier 1 countries the electricity from renewable sources sold to Enel customers will grow as a result of: i) the increase in the percentage of generation from renewables on the total and ii) the increase in the share of elec-

tricity generated directly by the Group on total sales to end customers.

The aim of the Group is to be close to customers, improving and maintaining access to electricity in the most disadvantaged areas and among people on lower incomes.

Indeed, to facilitate equal access to energy, in all countries in which the Group operates forms of support are available for certain segments of the population to assist them in the payment of utility bills, as well as a wide range of products with high energy performance to ensure savings in terms of both consumption and emissions. In addition, with the aim of promoting social inclusion, in Colombia Enel has developed a financial product aimed at the most vulnerable categories of the population who do not have access to credit through traditional banking channels: hence the **Codensa Easy Credit credit card**, aimed at Enel customers in the city of Bogotá and the department of Cundinamarca. At the end of 2021, the beneficiaries of this option exceeded 75,000, over 50% of whom were women.

Engaging local communities

(for more detailed analysis see the chapter
"Progress starts with people - Local and global
communities")

Enel promotes the engagement of local communities in order to gather their needs related to the transition from thermal generation to generation from renewable sources, as well as to raise their awareness on issues related to climate change, explaining to them how the development of renewables provides benefits not only for the environment but also for the creation of new jobs and for the socio-economic development of the communities involved.

The Group contributes to the achievement of various types of intervention, ranging from the expansion of infrastructure to education and training programs, from initiatives targeting social inclusion initiatives to projects supporting local cultural life. For example, several projects have been implemented, such as "Access to electricity", as well as specific initiatives dedicated to communities close to the power plants. **In 2021, the overall contribution of Enel to the communities in which the Group operates was 91 million euros, of which about 5 million euros for in-kind giving activities.**

The model includes the development and use of quantitative KPIs, such as the number of beneficiaries, which **in the period 2015-2030 is estimated to be:**

- **5 million beneficiaries of quality education (SDG 4);**
- **20 million beneficiaries of clean and affordable energy (SDG 7.1);**
- **8 million beneficiaries of decent work and sustained, long-lasting, inclusive, and sustainable economic growth (SDG 8).**

Engaging suppliers

(for more details see the chapter "Progress starts with people - Suppliers")

In order to make the supply chain increasingly resilient, Enel has launched several initiatives.

Specifically, in Italy the process of supplier growth is assisted by the Supplier Development Program. Through signing agreements with the main players, **Enel guarantees favourable conditions compared to those of the market** and a contribution to cover partially the services offered within the framework of the program, including financial instruments

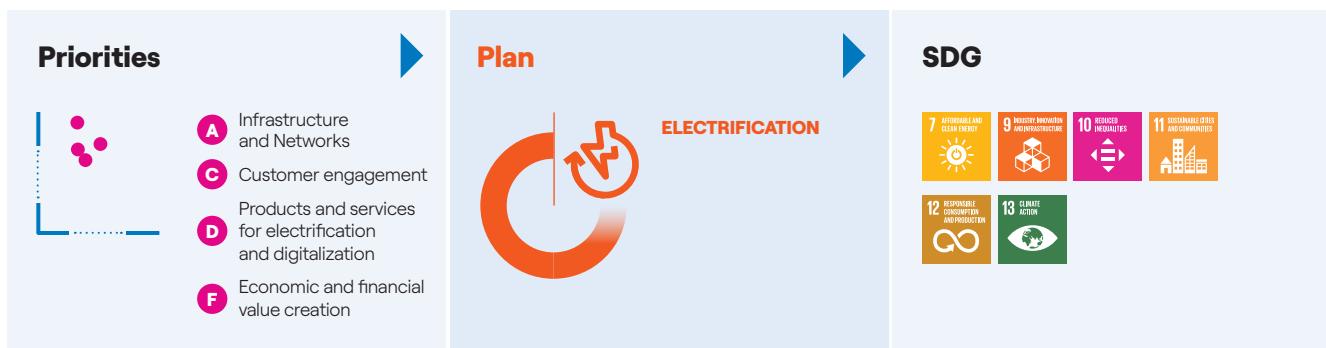
that can facilitate access to liquidity and managerial and technical training programs to encourage business reconversion. Particular attention is paid to initiatives to **support the reconversion and diversification of business** such as the "Sportello imprese" (business desk), which consists of periodic meetings with individual traditional power generation companies aimed at accompanying them in processes of growth and requalification towards areas in expansion, such as renewables or new services related to energy efficiency.

Furthermore, in 2021 Enel applied in Italy the social clause beyond the limits of the law (extra legem), allowing more than 1,900 workers to keep their jobs despite the change of contract.

With the aim of contributing to the reskilling and/or upskilling of workers with professional skills that risk becoming obsolete, to the creation of entrepreneurship and to the strengthening of Italy's productive and economic fabric, **Enel has also created the following professionalizing courses, involving its supply chain:**

- for photovoltaic panel installers, designed with the Sostenibile CNA of Viterbo, local employers' associations and the Municipality, with the aim of reskilling workers in the Civitavecchia and Montalto di Castro supply chain by training 120 technicians to be employed on worksites for the construction of solar photovoltaic plants. This is a concrete contribution to companies that, as part of the path of energy transition taking place in northern Lazio, have decided to convert to the renewables business. In 2022, the course will be repeated in Brindisi.
- for welders, designed with colleagues from the Civitavecchia plant and in partnership with the employment agency Umana Forma, Unindustria and a local company that has provided the workshop and teaching staff;
- for fiber technicians, a project aimed at 150 unemployed Abruzzo residents, identified in collaboration with the Abruzzo Regional Authority, to enable them to find employment thanks to what is now a highly sought after professional training.

In the early months of 2022, "Energie per Crescere" (Energy for Growth) was launched, a program devised in conjunction with the ELIS training body, to include about 5,500 young people onto the labour market within the next two years and create, in the various local communities, a pool of professionals available for Enel's network of supplier companies.



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
SAIDI (min)	228 in 2023	243		216 in 2024 ⁽¹⁾		
SAIFI (no.)	2.5 in 2023	2.77		2.5 in 2024 ⁽²⁾		
Innovation and digitization of the distribution networks	49 mil end users with active smart meter by 2023	45 mil end users with active smart meter		48.4 mil end users with active smart meter ⁽³⁾		
Cabling ratio (km of cable lines/km of lines in total)	63.0% by 2023	60.6%		61.6% by 2024		
Network losses (Italy) ⁽⁴⁾	4.7% in 2023	4.7%		4.7% in 2024		

Find out more

Smart meters replace conventional meters and allow real time information of consumption level and its optimization.

- (1) The 2030 target is ~100 min.
 (2) The 2030 target is ~2.
 (3) The 2030 target is ~81 mil.
 (4) Includes the technical losses (Joule effect) and non-technical losses (energy theft) of e-distribuzione (Italy).



Networks

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
New producer connections (Italy and Spain)	283 thousand new connections in the period 2021-2023	79 thousand new connections		309 thousand new connections in the period 2022-2024 ⁽⁵⁾	I E	7 9 13
New producer connections - power (Italy and Spain)	9.0 GW in the period 2021-2023	1.64 GW		8.5 GW in the period 2022-2024 ⁽⁵⁾	I E	7 9 13
Rural and suburban electrification: grid extension and microgrid solutions ⁽⁶⁾ – Connections	231 thousand connections in the period 2021-2023	104 thousand connections in rural areas		570 thousand connections in rural and suburban areas in the period 2022-2024 ⁽⁷⁾	I E S	7 13
Rural and suburban electrification: grid extension and microgrid solutions ⁽⁶⁾ – Beneficiaries				2.2 mil beneficiaries in rural and suburban areas in the period 2022-2024 ⁽⁸⁾	I E S	7 13
Charging points ⁽⁹⁾	~780 thousand	319 thousand		1.1 mil by 2024 ⁽¹⁰⁾	I E G T	9 11 13
Real-time demand response	10.6 GW	7.7 GW		13.0 GW by 2024 ⁽¹¹⁾	I E S T	7 9 13
Storage ⁽¹²⁾	527 MW	80 MW		476 MW by 2024	I E S T	9 13
Light points				3.6 mil by 2024	I E T	7 9 11 13
Electric buses				12,600 by 2024 ⁽¹³⁾	I E T	9 11 13

Find out more

The management of the light points mainly consists of maintenance and their upgrade, for example the transition to the use of LEDs and intelligent lighting.

In addition to the vehicle itself, electric buses are supplied with several services such as the charging infrastructure, the smart charging platform, etc., to promote effective development of electric urban transit.

- (5) The target was redefined following a regulatory change in Spain pursuant to the Real Decreto of 29 December 2020 (1183/2020), which provides that the connection request is no longer necessary for installations of less than 15 kW.
- (6) The scope includes Argentina, Brazil, Chile, Colombia, Peru and Romania.
- (7) The 2030 target is 1.8 mil connections (2021-2030).
- (8) The 2030 target is 6.9 mil beneficiaries (2021-2030).
- (9) Public and private charging points installed. Includes interoperability points, net of which charging points installed at the end of 2021 there are 157 thousand.
- (10) The 2030 target is >5 mil.
- (11) The 2030 target is >20 GW.
- (12) EGP and TGX projects are excluded from the perimeter.
- (13) The 2030 target is over 20 thousand electric buses.

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Automatic payments (% payments through direct debit /Total Payments)	⊕	⊕		38%	I S T	9 11
Clients	E-billing (% bills issued and delivered with no paper/ total bills)	⊕	⊕	36%	I S T	9 11
	Digital customers (% customers registered via web or app/Total customers)	⊕	31%	42%	I S T	9 11
	Commercial claims (no./10k customers)	⊕	⊕	297 in 2022	I S T	9 11

 Industrial
  Environmental
  Social
 Governance
  Technological

Goals

 New
  Redefined
  Outdated

Status

 Off track
  On track
  Achieved

Clients

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Activities, products and services dedicated to customers with disabilities	Analysis of the customer experience for customers with disabilities and final qualitative assessment	Romania: analysis at national and county level of categories of vulnerable consumers and preparation of recommendations for Market area regarding needs of customers with disabilities and potential approaches		Analysis of the customer experience for customers with disabilities and final qualitative assessment		
Promotion of accessible products and services	Some examples: Social inclusion boosting program successfully launched and closed for Enel X Pay and Homix (Italy); accessible e-billing in Chile; accessible informative videos of Credito Facil Codensa available on the web, digital channels, and screen boards of service centers; use of sign language in videos in service centers and introduction of the Pedius app in Peru					
Promotion of 'slow shopping' and inclusive offers	Enel Premia wow for all completed in Italy, it got double the number of downloads compared to the other special coupons of the last 8 months (tot. 60,000); accessibility mapping of the stores of the four Enel distributors in Brazil; modification of 6 shops in Chile to eliminate architectural barriers; updating and creation of preferential areas of attention in shops in Peru					

Find out more

Accessible products and services feature inclusive functionalities for people in vulnerable conditions, such as the elderly, people with disabilities, customers facing energy poverty situation.

Slow shopping is a method that aims to create meaningful experiences for customers with disabilities by creating specific dedicated channels, using accessible digital apps and services or by adapting our shops and call centers to make them more inclusive, for example using sign language and designing accessible physical spaces.

Activities	2021-2023 targets	2021 results	Tag	SDG
The launch of the global platform for customer operations, based on the focus on customers and on digitalization, has outlined new performance and sustainability indicators at global level, making the previous country indicators, that are no longer present in the 2022-2024 Plan, homogeneous.				
Voice of customer for ongoing improvement				
Italy Market - Customer Satisfaction Index Enel Energia SpA (%) - value from 1 to 100)	92.3%	90%	I S T	9 11
Italy Market - Perceived quality ⁽¹⁴⁾ (value from 1 to 5)	4.3	4.2		
Iberia Market - Customer Satisfaction Index (index - value from 0 to 10)	7.5	7.46		
Romania Market - Customer Satisfaction Index (index - value from 1 to 10)	8.0	8.3		
Chile Market - Customer Satisfaction Index (%) - value from 1 to 100)	73%	70%		
Inclusive offers				
Inclusive offers dedicated to customers - Italy	12 thousand customers "Over 65" involved by 2023	The initiative was no longer foreseen in 2021	I S	9 11
Paperless: online sales, archiving and digitalization of documents, digital bills, interactive bills				
Italy Market	<ul style="list-style-type: none"> 5.9 mil digital communications sent to customers 65% of sales made via tablets, compared to total sales made through channels that use tablets 	<ul style="list-style-type: none"> 6.6 mil digital communications sent to customers 32% of sales made via tablets 	I S T	9 11
Romania Market	2.1 mil digital communications sent to customers	11.8 mil digital communications sent to customers		
Everywhere commerce – Electronic billing (% of customers using digital billing)				
Italy Market	~60%	51%	I	9
Iberia Market	36%	39%	E	11
Romania Market	38%	42%	T	12
Chile Market	32%	22%		
Colombia Market	35%	20%		
Peru Market	13%	10%		
Argentina Market	23%	14%		
Brazil Market	17%	14%		
Everywhere commerce – Electronic payment (% of digital payments/total payments)				
Italy Market	~50%	48%	I E T	9 11 12

(14) This indicator measures the quality perceived by the customer on a monthly basis compared to the last contact with Enel Energia.



Activities	2021-2023 targets	2021 results	Tag	SDG
The launch of the global platform for customer operations, based on the focus on customers and on digitalization, has outlined new performance and sustainability indicators at global level, making the previous country indicators, that are no longer present in the 2022-2024 Plan, homogeneous.				
Digitalization of the customer relationship – Customers who use digital services ⁽¹⁵⁾ (mil users/year)				
Italy Market	8.0	4.4	I	9
Iberia Market	6.0	6.6	S	11
Romania Market	1.7	1.2	T	
Digitalization of the customer relationship – Customers who use digital services via app ⁽¹⁶⁾ (mil users/year)				
Chile Market	0.66	0.54	I	9
Colombia Market	1.65	1.16	S	11
Peru Market	0.33	0.30	T	
Argentina Market	0.55	0.35		
Brazil Market	8.80	7.86		

(15) This indicator measures the number of users who use the digital services offered (web/app) at least once during the year.

(16) This indicator measures the number of users who use digital services via apps at least once during the year.



The decade of electrification and customer centricity

309.4 TWh
Electricity sold,
up 3.8% compared
to 2020

2,233,368
km
Network

69.7 million
Electricity and gas
customers

243 min
SAIDI

0.8 million
Beneficiaries of
new connections in
rural and
suburban areas

0.3 million⁽¹⁾
Charging points

45 million
End users with active
smart meters

(1) Public and private charging points installed. Includes interoperability points, net of which charging points installed at the end of 2021 are 157 thousand.

102-7 | **EU3** | **EU4**

Climate change and environmental pollution linked to fossil fuels compel us to alter our energy habits, the ways we power our vehicles, our domestic appliances, our heating systems and our production processes. Electrification is the common strategic horizon towards the progressive decarbonization of the economy and represents the lever through which customers can personally participate in the change under way, choosing and experiencing the benefits of sustainable solutions that are convenient, innovative, flexible and digital.

The emergency situation, which has lasted this year too, has highlighted how essential and indispensable the services of generation, networks and sale of power are. **Reliability, safety and continuity of distribution, innovation, customized digitalization, together with quality, effectiveness and transparency in the sale of energy and services have characterized and characterize each stage of our relationship with customers in all the countries where we operate.**

Our customers ask us to undertake a **path of growth together**: they are in fact aware of the importance of their role in the ongoing energy transition process, but do not always know how to participate. We undertake to guarantee a **high level of service quality** and to **maximize customer satisfaction**, anticipating market needs in order to ensure reliable responses and establish lasting relations, based on dialog, collaboration and trust: aspects that refer not only to the supply of electricity and/or natural gas, but also and above all to the intangible aspects of the service perceived by the customer. Our goal is to

be a **reliable partner**, capable of offering simple and innovative solutions and anticipating our customers' needs. We are at the forefront of providing innovative and inclusive services dedicated to senior citizens, the disadvantaged, the indigent, the marginalized, vulnerable families or the disabled to ensure a **just energy transition**. We strive constantly to improve the channels and methods by which contacts are made, our back office processes, and the monitoring of complaints and requests for information, in order to reduce response times and ensure proper management. We dedicate great attention to the analysis of customer reports, in order to understand customer perception and any critical issues in progress, so that the appropriate corrective actions can be implemented immediately without compromising overall customer satisfaction.

In 2021, **Global Customer Operations** was created, a new Staff Function dedicated to increasing the value and satisfaction of our customers. **"Making life easier for our customers around the world, and putting them at the center"**. A phrase that declares a very concrete business prospect, linked to the rapid evolution of technology and customer consumption habits. **Putting the customer at the center** means developing new relationship models that promote listening and engagement to ensure the continuous improvement of our services. We also strive to enhance the contribution that each individual customer can make to decreasing their impact on the planet, adopting consumption styles geared towards the use of renewable energy, recycling and reuse, sharing and reducing waste, starting with paper contracts and bills. All of our customers share one common request: **simplification**.

To be able to simplify and offer immediate solutions to our customers' problems, we must first simplify ourselves, by adopting an understandable jargon-free language and by trying to maintain a high level of quality, provided and perceived from the first contact. In this sense, technology can come to our aid: digital transformation is in fact opening up new frontiers for customers, who nowadays expect excellent service, in real time and at a reasonable cost.

Furthermore, in the last year, the experience of technological innovation and digitalization of solutions that characterizes Enel X, with its beyond commodity offer, has combined with the retail dimension. Indeed, **Enel X Global Retail** was founded, amplifying and strengthening our ability to respond to new scenarios and design increasingly personalized offers to meet customer needs. Enel X Global Retail is therefore positioned with a dual role:

- **enabler:** by assisting and educating its customers and partners in the electrification of end uses and, thanks to the support of digitalization, more efficient power management, with the aim of building a sustainable development model;
- **enhancer:** through enhancement of assets, seizing the opportunities arising from the processes of digitalization and electrification.

Enel X offers an ecosystem of closely interconnected solutions that transform energy into new opportunities in different sectors: electric mobility, public and private power efficiency, artificial intelligence and data analysis servic-

es, power consultancy and financial services. The goal is to create an integrated ecosystem of beyond commodity electrification services, leveraging the commodity customer base and putting our users' needs at the heart of solutions. This is why, within the process of global energy transformation, Enel X Global Retail has decided to seize the opportunities generated by electrification, beginning from our deep knowledge of the various targets and their respective needs.

Finally, in 2021 the new **Global e-Mobility** Business Line was also created, to respond to the global expansion of the e-mobility market and of charging solutions and related platforms for the power supply of zero-emission vehicles. Indeed, the Group's new organizational set-up stems from the desire to accelerate technological evolution and growth across the entire value chain linked to the e-mobility sector, responding to the needs of current and future users with a structured portfolio of charging solutions and software for the government-owned and private sectors, promoting the growth of electric mobility through partnerships and strategic alliances, and continuing the path of innovation linked to charging technology in which Enel is today recognized as a major and trustworthy international player.

For further information about customer management in the various countries, in addition to the following paragraphs, please refer to the individual Sustainability Reports of Enel Group's subsidiaries.

Enel, vision 2030 for access to energy and electrification, and the UN High-Level Dialogue on Energy

Enel is one of the companies that participated in the UN High-Level Dialogue on Energy, the first summit-level UN meeting in over 40 years exclusively dedicated to the topic of energy. The event virtually brought together heads of state and other political, business and civil society leaders, who unveiled "**Energy Compact**", a set of voluntary commitments aimed at accelerating the achievement of United Nations Sustainable Development Goal (SDG) 7 – ensuring access to affordable, reliable, sustainable and modern energy systems for all – and zeroing out net emissions.



Enel Global Infrastructure & Networks contributes to the “Energy Compact” commitment made by the Enel Group to reach 5.6 million beneficiaries (commitment later increased to 6.9 million) with new connections in rural and suburban areas in Latin America and Europe in the period 2020-2030 (for further details, see the box “The Energy Compact on Enel’s sustainable strategy” in the chapter “The path to Net-Zero”). In line with the Shared Value Creation (CSV) approach, for this strategic activity proactive knowledge of the context and the different customer needs, and in general an ongoing

dialogue with stakeholders, are an integral part of the electrification process. Reaching and connecting vast rural and remote areas of the world means integrating technological innovation with social and economic development. Numerous electrification projects are carried out by Enel Global Infrastructure & Networks, in which, depending on the specific context, grid extension solutions are adopted, such as the Department of Cundinamarca in Colombia (rural electrification), or microgrid solutions such as those developed in remote areas of Brazil in the State of Goiás. Parallel to this, we work for the process of normalizing connections in large megacities in Latin America (suburban electrification), where we support the resolution of commercial losses related to irregular connections and where we work for regulated access to electricity that ensures the necessary

security conditions for everyone. Finally, numerous activities are carried out in Italy, Spain and Romania to combat fuel poverty.

Enel X Global Retail is also actively involved in the management of three flagship projects in Sardinia, Zaragoza and Santiago de Chile, with the aim of testing different business models targeted at electrifying end-use consumption that can be launched quickly and possibly scaled up nationwide. Through this process, it is possible to understand along with customers what the barriers to adoption are, quickly find a solution and then commercialize it. In **Sardinia**, in particular, it was decided to pursue the commitment to achieve a green island, not only in the electrification of end-use consumption but starting from generation.



On January 27, 2022, in Cagliari, Enel, Università degli Studi Roma Tre and Centro Ricerche Economiche e Sociali Manlio Rossi-Doria presented the project "**Green Electrification of Sardinia**", included among the **United Nations Multi-Stakeholders Energy Compact**, and considered a landmark in the process of energy transition at global level. The project plans to achieve a number of **goals by 2030**, including:

- **increased electrification of final demand by at least 1.8 TWh compared to 8.5 TWh in 2019;**
- **reduced carbon intensity of electricity generation from 0.5 tCO_{2eq}/MWh to 0.1 tCO_{2eq}/MWh, for a total reduction in emissions of about 80% (2019 baseline);**
- **increase in renewable generation from 4 TWh in 2019 to 10.9 TWh.**

Overcoming reliance on the generation of power from fossil sources will take place through replacement with

renewable plants, mainly photovoltaic and wind, and widespread diffusion of batteries and, at the same time, through the dissemination of technologies for the electrification of end uses (SDG 7 targets 7.1 and 7.2), such as electric mobility, systems for space heating and cooling, energy efficiency and induction plates, as well as the electrification of industrial processes of the main manufacturers in the area.

Although they have very different characteristics from the Italian island (the first is in fact an industrial city, while the second is a metropolis) **Zaragoza and Santiago de Chile** will follow the goal of electrification of final consumption, modulating and adapting it to their own needs, through local targets and offers, to make the benefits of electrification applicable, tangible and demonstrable.

For further details, see the chapter "The Path to Net-Zero" in this document.

The grid of the future for a just transition

| 103-2 | 103-3 | EU4 | DMA EU (FORMER EU7) |

In 2021, 510.3 TWh were transported on the Group's distribution grid (485.2 TWh in 2020).

Electricity distribution network by geographical area



Romania	132,334
Iberia	316,506
Italy	1,151,482
Latin America	633,047
Total (%)	
Total (km)	2,233,368

(1) In Italy there is also 20 km of high-voltage network.

Our mission is to ensure an affordable and reliable quality service through an efficient and digitalized electricity grid, enabling a more sustainable lifestyle through the use of electricity for all our customers. As a Distribution System Operator (DSO), our Group has embraced the challenges of the energy transition to develop the grid of the future: 'smart', modern, flexible and digital. An evolution that needs the grid to transform profoundly into flexible and open systems in which customers, retailers, aggregators, energy generators and new players can operate and collaborate to accelerate the energy transition. Thanks to new digitalized infrastructure, we can open up our networks to active stakeholder participation, providing a platform where everyone can operate equally, encouraging the use of electricity to generate shared value over the long term. Similarly, we have moved from a customer-supplier relationship to a new collaboration model based on partnerships with the supply chain, the innovation ecosystem (start-ups, universities, industrial partners, crowdsourcing), but also with customers and energy generators for co-design and joint development of new solutions.

To support this ambitious transformation, **Grid Futureability®**, the new long-term strategy that defines the grid which we aim to achieve by 2030, has been launched, identifying the actions to be put in place globally, from an industry and stakeholder integration perspective. A strategy which, going beyond more traditional technological investments, takes into consideration the different

High voltage	Medium voltage	Low voltage
5%	27%	68%
6%	36%	58%
(1)	30%	70%
3%	62%	35%
2%	40%	58%
46,860	891,221	1,295,287

needs of customers in both rural and urban contexts to identify priorities and proceed to the renewal, upgrading and expansion of grids in the coming years through circular economy solutions and processes, but above all to rethink the integration of grids in the local areas and with communities, thus ensuring a fair and inclusive transition. A new industrial approach that, by focusing on the needs of customers and associating to each investment the relative value created in ESG terms, transforms grid innovation into a tool to improve people's lives concretely, building new ecosystems that make it possible to create shared value in the long term.

Grid Futureability® also aims to ensure the best service quality for all end customers, with particular attention to people with disabilities, to ensure that the infrastructure is resilient to extreme weather conditions, able to accommodate more renewable connections and electric cars, and achieve a safer infrastructure while minimizing environmental impact. Outdated grid assets will be replaced with new sustainable technologies and with a new design to encourage integration into the landscape.

From a technology perspective, sustainable, innovative, and cutting-edge technologies are expected to be widely deployed to transform grids into smart grids. The combination of robust infrastructure with advanced digital solutions will make grids increasingly resilient, participatory and sustainable, and capable of meeting the diverse needs of customers in both emerging and mature markets.

This ambitious project currently involves an investment of 18 billion euros, with a target of around 70 billion by 2030. In the next three years, 200 new primary substations will be activated, more than 15 thousand km of medium-voltage lines will be installed and 38 thousand new inspections will be carried out on the existing grid. These investments will allow us to increase the hosting capacity by about 60 GW and to activate charging infrastructure for more than 12 million electric cars. For further details, see the "Innovability®" and "Circular economy" chapters in this document.

One of the priority objectives of Grid Futurability® is to ensure the environmental sustainability of our grids by leveraging circular economy models, starting from construction phase, with the commitment to achieve full sustainability of our sites by 2030. Through an approach called "**grid mining**" we are analyzing the entire value chain of grid assets in order to recover valuable materials and devices from obsolete grid infrastructure, with the goal of minimizing environmental impact and resource consumption, while maximizing positive social aspects and long-term value creation. The first "grid mining" project was the "Circular Smart Meter", launched in Italy and Brazil with the aim of reducing the environmental footprint of smart meters through the end-of-life regeneration of the materials that make them up, with 100% of the plastic recovered from old, decommissioned meters. Further details on circular economy initiatives in Infrastructure and Networks can be found in the dedicated chapter of this report.

In addition, 2021 saw the launch of **Gridspertise**, a new industrial and commercial entity that offers innovative, flexible, sustainable and integrated solutions to electricity

and distribution operators (DSOs), presenting itself to the market as a reliable partner to boost the digital transformation of power grids across the industry ecosystem as part of the energy transition. The offering is structured around three priority areas of DSO digitalization needs across the entire value chain:

- **meter and grid edge digitalization**, focused on increasing customer engagement and stakeholder participation through smart meters and grid edge technologies that also enable engagement in electricity prosumer markets;
- **digitalization of grid infrastructure**, aimed at increasing the intelligence and flexibility of power grids to accelerate full-scale digitalization, increasing efficiency, reliability and service quality and supporting DSOs to manage the challenges facing network operations;
- **digitalization of field operations**, to increase operational efficiency thanks to innovative solutions for planning and operational processes and, at the same time, to increase the safety of internal and external operators in the field.

Gridspertise's solutions and services provide benefits to the entire electricity ecosystem. DSOs can improve service quality, reduce operating costs, optimize investments in new infrastructure, and enhance field operational safety, productivity and sustainability.

Finally, as part of the Net-Zero project, standards and trends for each country were mapped in 2021 to optimize the estimation of direct and indirect GHG (greenhouse gas) emissions. These include "technical losses", energy consumption of DSOs for services, emissions of sulfur hexafluoride (SF_6) contained in some assets and, finally, emissions from emergency generators. For further details, see the chapter "The Path to Net-Zero".



Customer centricity

| 103-2 | 103-3 | EU3 | DMA EU (former EU23) |



Romania	
Iberia	
Italy	
Latin America	
Total	

	Electricity market customers	Gas market customers
no.	3,044,844	119,415
no.	10,250,657	1,684,369
no.	21,824,404	4,165,317
no.	28,253,787	25
no.	63,373,692	5,969,126

	2021	2020	Change 2021-2020	
Demand response (MW)	7,713	6,038	1,675	27.7%
Lighting points (thousands of units)	2,821	2,794	27	1.0%
Storage (MW)	375	123	252	-
Public and private charging points ⁽¹⁾	157,209	105,079	52,130	49.6%

(1) The value does not include interoperability points. The 2020 figures include a more specific determination thereof.

In 2021, the final number of energy and gas customers was nearly 70 million, in line with 2020. Energy sales amounted to 309.4 TWh in 2021 (298.2 TWh in 2020). Enel also op-

erates demand response capacity of around 8 GW, up by almost 2 GW compared to 2020.

Customer satisfaction

| 102-43 | 102-44 | 103-2 | 103-3 | 417-1 |

Despite the constant attention paid to issues linked to service quality, this year the customer satisfaction surveys carried out in the countries where we are present showed results that were substantially in line with previous years and in some cases slightly worse. The results of these surveys are subject to detailed analysis in order to understand the trends and implement any corrective actions promptly.

In **Italy**, the customer satisfaction index (CSI)⁽¹⁾ for 2021 was 91.0 for the regulated market (93.8 in 2020) and 90.0 for the free market (91.9 in 2020), slightly down in both markets. Monthly satisfaction surveys are carried out among customers who have received an answer to a written or verbal complaint. The survey is conducted by telephone interview after a response has been sent or the customer has been contacted by telephone.

In **Iberia**, through the subsidiary Endesa, efficient cus-

tomer service is the main value pursued in the relationship with the customer and we strive for maximum efficiency in the operation of commercial channels, tools and platforms through a process of constant innovation and improvement. The main methodology used to ascertain the degree of customer satisfaction is seen in the interviews carried out through digital channels, especially social media, reflecting the fact that the digital transformation is permeating the Company as a whole. The ICS in 2021 stood at 7.16⁽²⁾ for the free market (7.3 in 2020) and 7.39⁽²⁾ in the regulated market (7.7 in 2020).

In **Romania**, customers can voice their opinions via the contact center, e-mail and website. Information is gathered once a month and the results are used to improve the service quality and business processes. The general satisfaction index was 8.4⁽³⁾ for the free market (8.2 in 2020) and 8.3⁽³⁾ for the regulated market (8.4 in 2020).

(1) Value is calculated on a scale of 1 to 100. The values for 2021 have been estimated on the basis of established trends.

(2) The value is calculated on a scale of 1 to 10. The cumulative value is 746 and takes into account B2C and B2B customers.

(3) Calculation of the value has changed from a 100-point scale to a 10-point scale. The cumulative value is 8.3.

In **Latin America**, customer satisfaction indicators are a fundamental element for the definition of strategies and new products. In **Brazil**, customer satisfaction is measured every year using several specific indices. The principal index is calculated by the Brazilian association of electricity distributors (ABRADEE - Associação Brasileira de Distribuidores de Energia Elétrica). This index is determined after conducting a sample survey among customers on such aspects as: energy supply, information and communication, utility bills, customer support and image. No less important, the IASC index (customer satisfaction indicator) is calculated by the Brazilian regulator, Aneel (Agência Nacional de Energia Elétrica), after conducting a sample survey of residential customers on such aspects as customer care, reliability, information and price. Lastly, the NPS (Net Promoter Score), adopted globally, determines the percentages of satisfied and dissatisfied customers based on responses to the question: "How likely are you to recommend our company to a friend or colleague?".

In order to know the opinion of clients in relation to their level of satisfaction, their perception and their future ex-

pectations, interviews are also carried out in **Peru** with those who have used the services of the contact points, through structured and standardized questionnaires. Finally, in **Colombia**, there is a customer satisfaction form designed to measure market perception of the supply of products and services in order to direct initiatives and the respective resources more efficiently. The quality satisfaction index (ISCAL), the key elements of which include the commercial relationship and billing, has remained at excellent levels in recent years, thanks to the development of the customer relationship plan.

In **Chile**, numerous surveys are conducted to determine user satisfaction and to obtain feedback on the experience derived from the service offered. Specifically, during 2021, more than 270 thousand surveys were initiated directly from call centers, through the use of automated outbound calls capable of interpreting and understanding natural language. In addition, we are implementing an important strategy for the improvement of digital channels (web, WhatsApp, social networks) with a view to increasing the experience of customers and offering them an increasingly punctual and efficient service.

Complaints management

| 102-17 | 102-43 | 103-2 | 103-3 |

In all the countries where we operate, customers have various channels available through which to make a complaint or request information (post, website, toll-free number). Our Group constantly monitors the feedback received, in order to understand the customer's perception and any ongoing critical issues and to implement the appropriate corrective actions using a data-driven approach. In **Italy**, for example, through Enel Energia, the Enel Group monitors the commercial quality of all its contact channels, systematically monitoring the sales and management processes. The goal is to ensure the fulfillment of requirements in compliance with current legislation, privacy and rules protecting the freedom and dignity of workers. Customer reports are managed through dedicated channels and analyzed by a specific working group so that the most suitable actions are taken, both at the complaint management stage and, above all, in preventing the underlying causes. In **Italy**, ARERA (Regulatory Authority for Energy, Networks and the Environment) establishes the minimum performance levels to be met for the customer service and waiting times. Again in 2021 the expected result is above the standards required by the Authority.

In **Iberia**, complaints are managed both centrally by the "Atención de Reclamaciones" (complaint management

unit) and locally through six neighboring units, in order to prevent any disruptions and determine the appropriate tools needed to resolve them when they do arise, thus improving the efficiency of the process. In 2021, the complaints management model, implemented in 2019, was consolidated through an end-to-end approach to the process. 69% of complaints received involved the billing process.

In **Romania**, customers can send reports using different channels: dedicated e-mail address for complaints and requests, website, direct call center helpline or even visit a Punto Enel.

In **Colombia** and **Peru**, a digital transformation of the process has started and an automated procedure (RPA - Robot Process Automation) has been adopted for the management of complaints about energy usage, in order to speed up the process of responding to customers.

In **Brazil**, a customer experience team analyses the causes of complaints through analytical tools (e.g. country and regional analysis of complaints), surveys and forums with the customers themselves, in order to develop improvement actions; in order to reduce the number of complaints, major actions have been implemented in **Chile** to improve customer experience using different communication channels. A new management system was

launched during 2021 with the aim of responding more promptly to customer information needs and of providing

ing greater control in the billing process and in data collection and analysis.

Focus on vulnerable groups

| **102-43 | 102-44 | 103-2 | 103-3 | DMA EU (former EU23)** |

We want to remain attentive to the needs of citizens, improving and maintaining access to electricity in the most disadvantaged areas and among the poorest populations. All the countries in which the Group operates in fact provide forms of support, often linked to state initiatives, which make it easier for certain sections of the population to pay electricity and gas bills, thus allowing equal access to energy.

In **Italy**, since 2008 for the electricity sector and 2009 for the gas sector, a discount has been provided for domestic customers experiencing financial hardship and – for the electricity sector only – for customers who use life-saving electro-medical equipment (known as the “social bonus”). The bonus is funded with state resources and specific tariff components determined by the Authority.

Applications for the bonus can be made through the municipality, the social security office (INPS) or the tax assistance center (CAF) and, if approved, customers receive a credit on their bill that varies according to their income and the number of people in the household. In 2021, the number of recognized requests for relief more than doubled compared to 2020, involving approximately 1 million customers. In general, protection is provided in the event of disconnection of the power supply: in the event of non-payment, customers who have an electronic meter are not cut off completely but have their available power reduced and are cut off completely only if the non-payment persists.

Enel Energia has also activated a chat function on its website, which makes it possible to meet the needs of customers with hearing difficulties. Assistance for those with a hearing disability is also guaranteed through the telephone channel via Pedius.

In **Iberia**, 2021 was a year of significant regulatory changes in terms of electricity and gas billing, which required the subsidiary Endesa to make a great effort in providing information on the new developments and their impact on end consumers, social services and consumer associations. The “social bonus” (with discounts on the electricity bill from 25% to 60% for vulnerable customers and from 40% to 70% for severely vulnerable customers), as well as the prohibition to suspend the power supply to vulnerable customers, also remained active for 2021. In addition, urgent measures were introduced to mitigate the impact of the escalation of natural gas prices in the retail gas and

electricity markets, which established the minimum vital supply for vulnerable customers (recipients of the social electricity bonus) in a situation of failure to pay, which extends by 6 months (in addition to the existing 4) the useful period for settlement of the balance, during which the supply cannot be cut off and power is reduced to 3.5 kW only for customers with power above this value.

Furthermore, since 2014 Endesa has maintained many agreements signed with local/regional authorities and service sector organizations, in order to avoid cuts in supplies to customers recognized as vulnerable by the social services. This year, collaboration agreements with municipal authorities were renewed and reorganized (from 273 agreements currently in place 10 centralized agreements were concluded with autonomous communities and urban associations).

These agreements have enabled Endesa to handle 149,681 requests and 17,054 queries, amounting to an accumulated debt of 20.8 million euros, in relation to vulnerable customers who have difficulty in meeting their bills. In collaboration with the Catalan regional government, the company has agreed to settle the debt of more than 35 thousand households, with a total value of 38.8 million euros in unpaid bills dating back to 2015. The company will take on approximately 78% of the debt. To prevent future non-payments, an agreement has been reached to create a solidarity fund aimed at preventing the accumulation of new back payments, in which Endesa and government authorities will participate in equal measure.

In addition, since 2018 Endesa has offered customers in vulnerable groups the opportunity to pay their bills in interest-free instalments and has opened specific support channels.

In **Romania**, tailor-made solutions are constantly being sought to meet the needs of the most vulnerable customer groups. In 2021 we were also present in Ferentari, one of the most disadvantaged neighborhoods in Bucharest. By appointing a trusted person from that community, called an “energy mediator”, we have been able to gain a better understanding of local needs to ensure a more appropriate offer of services. The energy mediator also helps the population of the neighborhood to perform seemingly simple tasks such as reading meters, signing contracts or accompanying local people to the Enel shop when necessary. A partnership with the association FDP - “Protago-

nists in Education" was also launched in 2021, with the aim of identifying and understanding the causes that force almost 80 families in the area of Faur-Republica (Bucharest) to live in energy poverty.

In **Brazil**, customers who rely on life-preserving electro-medical equipment have priority over other customers on the telephone channel and their requests are monitored and promptly supported. In addition, Enel appropriately manages customers with special subsidies offered by the government, such as the Social Electricity Tariff (TSEE) subsidy provided for low-income people.

In **Chile**, action plans have been developed to minimize the impact on customers of the economic crisis associated with the effects of the pandemic. In particular, as a precautionary measure, meters were not read on site in certain months of the year and web and social network campaigns were promoted to encourage self-reading by customers. Easy payment options were introduced (ability to agree a specific payment date without interest and up to 12 instalments) and specific projects were developed in order to enhance the customer experience via the use of digital channels.

Priority support remained in place during 2021 for electricity-dependent customers, i.e. those who need to be connected to a medical device that runs on electricity.

In **Peru**, Enel X launched the **Dr. 360** project, health insurance associated with the energy contract made available at competitive prices and therefore aimed at the most vulnerable segments of the population. Activation entitles the beneficiary to telemedicine, discounts on medicines and,

possibly, ambulance transport (depending on the type of tariff plan).

In **Colombia**, social promotion initiatives include Codensa Easy Credit, a financial product on offer to the most vulnerable categories of the population who do not have access to credit through traditional banking channels: Codensa Easy Credit. This is a credit card aimed at promoting the financial inclusion of Enel customers in the city of Bogotá and in the department of Cundinamarca. Among the services available is the possibility to purchase goods and services in over 7,000 Enel points of sale and to pay by instalments charged directly in the bill. At the end of 2021, the beneficiaries of this option exceeded 75,000, over 50% of whom are women.

Lastly, in the context of the **Value for Disability** project (see the "Progress starts with people - Local and global communities" chapter of this document), actions were identified at Group level that will be implemented in the coming years. These include: the start of slow shopping, meaning the creation of shops with areas and times dedicated to those who find shopping stressful or challenging, in which staff are trained to welcome persons with disabilities (e.g. accessible shops, priority service, sign language interpretation, chairs and in-store areas reserved for breaks), targeted offers, annual analysis of the customer experience of persons with disabilities and related qualitative score, as well as the launch of products designed using the "design for all" technique, which takes account of the needs of everybody, thereby broadening their user base and overall satisfaction.

A transparent relationship with customers

| [102-16](#) | [103-2](#) | [103-3](#) | [417-1](#) | [DMA EU \(former EU24\)](#) |

Over the last few years, customers have changed their lifestyles and buying habits as a consequence of the Covid-19 pandemic. The resulting social distancing accelerated the use of e-commerce, attracting new customer segments to digital channels. This unstoppable acceleration towards the digital transition is accompanied by increasing demands for a more customized experience. Our Group has launched new digital channels and expanded the payment methods available to customers, in order to mitigate the difficulties generated by the economic crisis resulting from the pandemic. Consistent with the official efforts made to mitigate the effects of climate change, we have intensified our commitment to the energy transition, focusing on the digitalization of customer relations by means of digital payments and instalment plans, listening to customers as part of the continuous improvement process, the circular economy and

bill discounts, inclusive offers for disadvantaged, low income, socially excluded and vulnerable customers, online sales, digitalization of documents and filing, digital bills, interactive bills, innovative and inclusive digital services, responsible consumption, and flexible offers thanks to open meter.

In the various Group companies, in accordance with the Code of Ethics, all contracts, communications addressed to customers and all advertising messages must be:

- clear and simple, written in language that is as close as possible to that normally used by the people to whom they are addressed;
- compliant with current regulations, without resorting to elusive or incorrect practices;
- complete, without neglecting any information needed by the customer to make a decision;
- accessible to the customer.

In all the countries where the Group operates, specific customer service channels have been set up: physical, telephone and online to ensure constant information flows concerning the features of the products and services offered. Access to information has also been strengthened through the use of social media channels, such as Facebook and Twitter, and specific apps. In order to guarantee that communication with customers is truly transparent, correct and effective, we undertake to ensure that any cultural, linguistic, illiteracy or disability barriers do not affect equal access to information for customers. Services dedicated to deaf people have been developed in Spain and Peru, thanks to the collaboration with the Italian start-up Pedius, which has been operating in Italy since 2018.

In **Italy**, in addition to the www.enel.it website, which allows customer relationships to be set up and maintained for commercial and management purposes, there is a specific Enel Energia app designed to manage utilities quickly and easily, providing access to all the data relating to bills, usage, payment status, etc. It also allows the services associated with the various supplies to be activated or changed, information to be received about new offers and promotions, while also providing access to the dedicated loyalty program. The Enel Energia website (www.enel.it) also contains a guide with audio-visual content explaining the bill and a chat function is available for deaf customers; the chat also offers an English-language service via a dedicated call-back option. In addition, staff in Enel shops are able to assist foreign customers, and the contact centers in the province of Bolzano offer a service dedicated to German-speaking customers. As part of the "Enel Social Services" programme, created in collaboration with the Prime Minister's Office, the National Electricity Service sends the bill in Braille to blind customers. In **Iberia**, the www.endesa.com website provides various functions and payment methods, a section dedicated to privacy management, a chat function available on the app and innovative ways of viewing usage and invoices. Over the past two years the pandemic has accelerated the digitalization process, thus boosting online services. By the end of 2021, the www.endesa.com website has accumulated 2.8 million registered customers (11% more than in 2020). All commercial communications, invoices and information sent by Endesa to its customers can be received in two languages: Spanish and Catalan. The www.endesa.com website is available in Spanish, Catalan and English. The company has also implemented a channel for persons with hearing or language disabilities using the Pedius app, which allows customers to ask questions about their bills or contract and receive personalized information. Endesa is also committed to overcoming any physical barriers by placing customer contact points on the ground floor to ensure access for people with disabilities. Finally, Endesa has a special unit to manage re-

lations with consumer associations and public bodies, which holds regular meetings and participates in various industry forums with a view to adopting increasingly appropriate measures for the continuous improvement of customer relations. In this regard, in 2021 the program to automate management of the most used channels (mainly chat and WhatsApp) through the use of Artificial Intelligence in the main support processes continued. Indeed, the goal is to provide a faster response to the most frequent needs of our customers and to adapt to the higher volume of traffic that online assistance has faced as a result of the pandemic.

In **Romania**, the www.enel.ro website provides a series of online services to customers in Romanian and English, such as payments, support and even the ability to activate electronic invoicing via text message or e-mail, directly from the website.

Faced with the challenges arising from the pandemic context and the digitalization process already launched in 2020, in **Chile**, the company adapted its communication channels in 2021 to work remotely, ensuring fluidity and effectiveness in customer relations, with a view to improving the customer experience and adjusting communication to new needs.

Since 2020, an app has been available that gives customers immediate access to various services – such as reporting emergencies and paying bills – and which this year has been revamped in terms of design and functionality.

Enelbot was enabled on the www.enel.cl website to offer customers a new, easily accessible contact channel that provides automated responses on balance requests, payments and bill reading. In 2021, Enel accumulated more than 76 thousand visits to the website thanks to this communication channel. In addition, the use of social networks, such as Facebook and Twitter, has allowed us to keep customers up to date on any power outages or emergencies, and this has increased the degree of customer satisfaction thanks to the transparency, instantaneousness and timeliness of information. The WhatsApp channel is confirmed as one of the preferred contact tools for customers, and in fact there were 30 thousand visits during 2021.

In 2021, Enel sought to bring people closer to issues related to electricity consumption through the dissemination of explanatory videos conducted by the "Professor Solomon", a comic character who addresses energy efficiency issues with humor and straightforwardness.

In **Brazil**, we offer a wide range of customer communication channels. By means of the website (www.enel.com.br), text messaging and the app, customers can access information and services while maintaining a transparent relationship with Enel. They can also communicate through the main social media (Facebook, Twitter or Instagram), using specific applications for each, or contact

an assistant via chat (WhatsApp, Messenger, DM-Direct Message or e-mail). Virtual assistant Elena, a WhatsApp chatbot, is also available to interact with customers and show them the easiest way to fulfil their requirements. Enel complies with current customer privacy regulations in all the countries where it operates. We also strive to monitor all third-party companies that may be in a position to use the personal data of customers. To this end, dedicated clauses are included in contracts with partners who use personal data to carry out specific activities,

for example sales services or customer satisfaction surveys. Customer data is an expression of the individual's personality and identity, and must therefore be treated with due caution and guarantees. Enel considers personal data to be a shared and corporate asset at the same time. For this reason, we have appointed a Data Protection Officer to guarantee full respect for the privacy of all the individuals with whom we interact. For further details, see the "ESG backbones - Sound governance" chapter of this document.

Energy-saving commercial offers, products and services

| 103-2 | 103-3 | DMA EU (former EU24) |

In all the countries where we operate, a wide range of high energy performance products has been launched to guarantee savings in terms of both consumption and emissions.

Endesa has become established as one of the main players in the solar self-consumption market in Spain. Thanks to the experience gained and its technical knowledge, the company supports customers in enhancing the technology needed to accelerate the efficient consumption of energy, contributing to the generation of clean and renewable power. Through its subsidiary Endesa X, in 2021 Endesa carried out the simultaneous construction and commissioning of two photovoltaic self-consumption facilities in two Kronospan plants in Spain (Burgos and Salas), with a total of 7.4 MWp of power. The project involved the installation of 18 thousand photovoltaic panels, over an area of 36 thousand m² – equivalent to five soccer pitches – allowing the generation of 9 GWh and providing 5% of the energy required for production processes. In environmental terms, a reduction of approximately 3,200 tons of CO₂ per year is estimated, with a benefit of 282 thousand trees planted each year.

Finally, as part of the development of e-mobility solutions and in order to promote their deployment, Endesa X will actively participate in the electrification of Zaragoza's urban bus fleet, to make the city climate neutral by 2030. In terms of size and speed of fleet transformation, this is in fact one of the most important public transport electrification projects carried out to date in Spain. No fewer than 68 electric buses will be introduced and 75 charging stations installed.

In **Italy**, Enel X offers a wide range of integrated products to ensure energy savings for the benefit of our custom-

ers. Among the solutions proposed are **Homix**, the smart home integrated with Alexa, **JuiceBox**, the home charging station, **Enel X Sun Plug&Play**, the innovative photovoltaic balcony system the installation of which does not require structural work and which makes it possible to contribute to domestic power needs using solar energy, reducing the energy component by up to 20%. For more details, see the box "Enel X Store in Rome" of this chapter.

In **Chile**, two major projects related to "Carbon footprint" and "Energy management platform" were implemented. In collaboration with For The Planet, a local company, during 2021 Enel adopted a new tool for quantifying and checking the carbon footprint of customers who, via the platform, will be able to monitor their greenhouse gas (GHG) emissions, alter their habits and behave in a more sustainable manner. At a small additional cost, this program also includes carbon footprint training and support throughout the contract period. With regard to the second project, Enel Distribución Chile, in collaboration with Enel X, has provided energy management tools to customers so that their facilities can achieve established energy efficiency objectives. This is made possible by using two systems:

- Utility Bill Management (UBM), a web platform that improves operational efficiency via the automated management of account services and the display of consumption;
- Energy Management System (EMS), an online system for monitoring energy and power consumption that can manage the energy efficiency of various installations/items of equipment.

Electrification that can only be achieved with customers

The energy sector is changing and so is the energy used, which is why we are committed to creating and offering individuals, companies and government bodies products

and services to make everyday life, from mobility to home automation, easier and more efficient.

Businesses: B2B (Business to Business)

The **B2B** sector is constantly looking for partners that can offer innovative and technological solutions to increase competitiveness, accelerate decarbonization and reduce costs and energy consumption. The partnership with Enel X provides access to customized processes, where technologies and services come together to offer the most effective solution tailored to the specific needs of the customer and the sector. Among the solutions offered are the self-production of electricity through photovoltaic plants, or the installation of trigeneration plants, as well

as products and services for the energy efficiency of consumption, based both on the use of software and energy management systems, and on storage systems, related to solutions for the management of energy demand.

During 2021, Enel X confirmed its leadership in **demand response**, with **7.7 GW** of capacity under management globally, and helped its customers close Renewable PPAs (Power Purchase Agreements) for 3.5 GW of extra renewable energy compared to 2020 (500 MW) worldwide, with a particular focus in North America.

Transparency and energy efficiency: the partnership with CDP – Carbon Disclosure Project

In 2021, Enel X joined the non-profit organization CDP (formerly the Carbon Disclosure Project) as a Gold Accredited Solutions Provider, with the goal of supporting companies in reducing their carbon footprint to achieve the United Nations Sustainable Development Goals (SDGs) and help make the planet a more liveable place. The goal is to provide businesses with an alternative



model that respects the environment, in order to build a more sustainable and efficient world. Together, Enel X and CDP will promote the transparency of corporate data on environmental performance and the adoption of measures that can encourage a more sustainable use of energy throughout the industrial chain.

Government authorities: B2G (Business to Government)

Conversely, the offers in the **B2G** sector have the objective of accompanying cities along a pathway towards electrification and sustainability by exploiting digital platforms for the management and monitoring of the products offered, through the integration of solutions aimed at efficiency and improvement of services for citizens.

The Enel X 2.0 city transforms to create an electrified, circular and interconnected smart city, through innovative solutions for public and architectural lighting, smart street decor and electrification of transport, and is enriched by the public charging infrastructure of the Juice family, and efficiency-enhancing technologies for public buildings

(photovoltaics, efficient lighting and the digital energy management suite). The Enel X YoUrban platform makes it possible to digitalize and interconnect Enel X and enables real-time monitoring of the status of infrastructure and performance and sustainability indicators through a Digital Control Room.

In the last year, more than 186 thousand new lighting points have been acquired, there are 3,046 e-buses operated mainly in Colombia and Chile, the United States and Spain, and about 2,500 government authorities in Italy have registered on the YoUrban portal.

● Urban transport: Enel X's experience in Latin America

"Electric public transport plays a key role in the transformation towards sustainable and interconnected cities. With our integrated solutions, we are leading the market in creating and promoting an ecosystem that generates synergies and integrates joint work with the government and the different stakeholders at the LATAM level." (Nhiura Coaquina, Head of Business Development eBuses eCity LATAM)

Latin America is at the center of the energy transition and electrification process, especially with regard to electric mobility, particularly in the area of transportation. In fact, cities are under increasing pressure to electrify and decarbonize their transportation systems due to the growing urban population and pollution levels.

Enel X Colombia has been awarded two contracts to supply six electric terminals and 412 electric buses to the TransMilenio public transport system in Bogotá. Together, the six electric terminals will have a total of 473 smart charging points with the capacity to recharge 878 electric buses.





In Chile, Enel X is providing smart charging infrastructure for 435 electric buses in Santiago, for a total of 11 electric terminals, 40 smart bus stops and 245 chargers.

In Lima, the first electric bus, equipped to collect real-time data, was launched in partnership with the Global Sustainable Electricity Partnership (GSEP) and Canadian public utility Hydro-Québec. The information will be used to create the basis for a nationwide electric transport system in Peru.

In Uruguay, a smart charging monitoring system has been installed for 20 electric buses run by the private operator Cutcsa.

Enel X is also developing business relationships to achieve 100% electric transportation in Argentina, Brazil and Peru.

Innovative offerings in the region include **Ebus-as-a-Service (EaaS)**, an end-to-end model in which we provide a combination of solutions ranging from electric bus fleet financing and smart city services to smart charging solutions for electric buses and electric terminals.



Nhura Coaquina

Head of Business
Development eBuses
eCity LATAM

The consumer: B2C (Business to Customer)

The road to electrification traced by Enel X combines technological innovation with the simplicity of daily use and the reliability of the service, thus making end customers aware that they have made a personal choice with a positive impact on their spending, and not only symbolic, in the fight against climate change.

Among the various services offered are **Homix**, the smart home solution with integrated Alexa, which allows for optimal management of home heating, lighting and home se-

curity, **Enel X Sun Plug&Play** photovoltaics, and **JuiceBox** private charging infrastructure.

In 2021, Enel X installed about **64 thousand energy-efficient e-Home products**, including boilers, air conditioners, heat pumps and **more than 5 thousand photovoltaic plants** (partly with storage system), between Europe and Latin America, avoiding the emission into the atmosphere of about 17 kt of CO₂ globally⁽⁴⁾.

The “Programa de recambio” in Chile

The program to replace wood stoves with electric air conditioning systems is an initiative implemented to offset emissions by companies in the manufacturing sector and was implemented based on the methodology approved by the Ministry of Environment for the submission of Emissions Compensation Plans - ECPs⁽⁵⁾.

The initiative, which is highly appreciated by the Chilean Ministry of Environment, allows companies to meet their offset targets by financing the replacement of wood stoves with efficient air conditioning systems in the residential segment.

From 2017 to 2021 the “Programa de recambio” has allowed the removal of more than 10 thousand wood stoves that have been replaced free of charge with air conditioning systems, helping to prevent the estimated emission of 221 tons of PM 2.5⁽⁶⁾ and 35,849 tons of CO₂. In addition, this plan follows a circular economy logic, as the stoves that are removed are recycled and smelted to produce steel bars that are reused in the construction industry.



(4) Estimated figure.

(5) The ECP is a compulsory legal instrument that affects each project in its different phases and requires offsetting to be implemented when the established norm for PM (Particulate Matter) and Gas emission is exceeded. Each Plan is designed according to the specifics of the project or operation.

(6) Airborne particulate matter is defined as all solid and liquid atmospheric particles suspended in the air. The term PM 2.5 identifies particles with an aerodynamic diameter that is less than or equal to 2.5 µm.



Enel X Store in Rome

Enel X, in collaboration with Volkswagen Group Italia, has opened the Enel X Store in Rome, the first city area for ultrafast charging of electric vehicles and the first HPC (High Power Charging) site of the European project CEUC (Central European Ultra Charging) co-funded by the European Commission. The Enel X Store in Corso Francia offers technologies for energy efficiency, financial services and solutions for electric mobility, and continues Enel X's goal of making our cities smarter and more sustainable through electric mobility and our homes more energy efficient, encouraging the electrification of uses. Each charging point has a power of up to 350 kW and makes it possible for electric cars compatible with high power charging to fill up with energy in about 20 minutes. In addition to the ultrafast chargers, there is also a JuicePole, the 22 kW + 22 kW public charging station, and a JuiceMedia, the integrated digital screen with two charging stations, reserved for test drives of Volkswagen Group Italia brands.

Residential products include: Homix, the smart home solution with integrated Alexa, which makes possible the easy management, including via voice control and remotely, of the temperature, security, lighting and other devices of the home ecosystem. Enel X Sun Plug&Play, the innovative photovoltaic balcony system that is easy to install without the need for structural work, allows solar energy to contribute to domestic energy needs even in the city, providing power to appliances and other devices, and leading to a saving in the energy bill of up to 25%. JuiceBox is a home charging station designed to ensure intelligent, safe and flexible charging. The Enel X Store in Corso Francia also has products for energy efficiency, such as heating and air conditioning systems and Enel Energia's solutions for the management of electricity consumption. To these can be added specific solutions such as JuiceAbility, which makes it possible to use the public infrastructure to recharge electric wheelchairs. The store also offers the opportunity to pay bills, make recharges, which will soon be available for the JuicePass app for filling up electric cars, make shipments and obtain information for the activation of Enel X Pay, the app and online account that facilitates all types of transactions in a simple and user-

friendly. Space will be available in the store, on a rotational basis, for 100% electric models of the Volkswagen Group Italia brands, and specific activities are planned for users interested in discovering zero-emission mobility, from workshops to dedicated consultancy, up to the possibility of taking test drives.





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Gender - % of women in selection processes ⁽¹⁾	50.0%	52.1%		50.0%		
Gender - Female managers ⁽²⁾ and middle managers (%)	22.6% managers 30.6% middle managers 29.7% managers and middle managers	23.6% managers 31.4% middle managers 30.6% managers and middle managers		26.8% managers⁽³⁾ 33.4% middle managers⁽⁴⁾ 32.7% managers and middle managers⁽⁵⁾		
Gender - % of women in managerial succession plans		42.7%		45.0%		
Gender - % of women in Top Manager succession plans				45.0%		
Female students involved in STEM career guidance initiatives				12,800 female students involved in the period 2022-2024		
Climate survey (%)	100% people⁽⁶⁾ involved 87% participants	100% people⁽⁶⁾ involved 70% participants⁽⁷⁾	 	100% people⁽⁶⁾ involved 80% participants		
Open Feedback Evaluation - Performance appraisal (%)	100% people⁽⁶⁾ involved 99% appraised	100% people⁽⁶⁾ involved 99% appraised		100% people⁽⁶⁾ involved 99% appraised		

- (1) Excluding selection processes for blue collar workers or comparable technical roles as well as data concerning USA and Canada where local legislation prevents gender tracking in the recruiting phase.
 (2) Including female Top Managers.
 (3) 2030 target is 32.1%.
 (4) 2030 target is 38.1%.
 (5) 2030 target is 37.4%.
 (6) Eligible and reachable persons: those who have a permanent contract and have been in place and active for at least 3 months during the year.
 (7) Climate surveys are carried out every two years. 2021 data refers to 2020 survey. The deviation from the 2021 target of 86% (figure in line with the previous 2018 climate survey), is related to a forecast prior to the pandemic emergency and to the change in the global scenario.



Activities	2021–2023 targets	2021 results	Status	2022–2024 targets	Tag	SDG
Average training hours “Cultural Evolution” per capita	+	44.6 hours		46 hours in 2024	S T	4 8
Digital skills – Promote training on digital skills among all Enel people	35 new “digital sustainability” initiatives over the period 2021–2023	20 “digital sustainability” initiatives carried out		20% of training hours dedicated to develop digital skills	S T	4
Reskilling and upskilling – Promote and plan reskilling and upskilling programmes for Enel people		Upskilling and reskilling mapping carried out with all the Business Lines involved ⁽⁸⁾		40% of training hours conducted on upskilling and reskilling in 2024	S T	4 8
Development of a new culture of “Human sustainability” among our people	+ 			10% of training hours dedicated to develop human skills	S	4 8
Scholarships available for Enel people	390 scholarships over the period 2021–2023	165 scholarships		390 scholarships over the period 2022–2024	S	4 17
Disability – Adopting a systemic approach to disability inclusion	<ul style="list-style-type: none"> Launching a structured process to analyze the needs of Enel people with disabilities Disseminating accessibility principles and awareness of their benefits on inclusion Launching initiatives to improve the inclusion and contribution of Enel people with disabilities 	Examples of global initiatives that involved Enel people with disabilities as part of the Value for Disability project ⁽⁹⁾ . <ul style="list-style-type: none"> Launch of a global community of disability focal points. Improvement of the accessibility of the tools for listening, development and training dedicated to Enel people Inclusive safety for emergencies (focus on health surveillance for people with disabilities in the new Global Health Policy) 		<ul style="list-style-type: none"> Launching a structured process to analyze the needs of Enel people with disabilities Disseminating awareness on the importance of accessibility and its benefits on inclusion Launching initiatives to improve the inclusion and contribution of Enel people with disabilities 	S	8 10

Find out more

Digital sustainability initiatives are aimed at promoting awareness of sustainability issues through digital technology.

Among the topics related to the **“Human sustainability”** culture, there are sense making, empowerment, talents management, New Leadership.

(8) For further information, please refer to the dedicated paragraph “Enel’s commitment to a just and inclusive transition and the action plan” within the chapter “The path to Net-Zero”.

(9) For further information, please refer to the dedicated paragraph “Value for Disability”.

Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Promote an inclusive culture	⊕	⊕		<ul style="list-style-type: none"> Promotion of a bias and harassment free inclusion culture Promotion of a multicultural workplace inclusion culture 	S	5 8 10
	⊕	⊕				
Enel people in remote working	⊕	⊕		Monitoring of eligible workers	S	8
Asset protection	⊕	⊕		Assessing risk in 100% of the countries where the Group operates	S	8
Physical protection of people abroad ⁽¹⁰⁾	<ul style="list-style-type: none"> Preparation of the new "Travel App" Development of risk mapping by geographic region 	<ul style="list-style-type: none"> The Travel Risk managed jointly with the countries and monthly reviewed in a dedicated Committee, with the participation of Security managers from medium-risk countries Developed initiatives and courses to advance travel security awareness, simplifying the process, improving the usability of documents and interfaces and carrying out a more thorough second-level mapping of risk zones within countries 	🟡	<ul style="list-style-type: none"> Design and implementation of an online training course on travel security to be included in the eDucation catalogue in 2022 Catalogue content expansion with at least 3 training courses for people travelling by 2024 	S	3 8

(10) This refers to services to mitigate the risk of assault and kidnapping for colleagues working in countries with very high levels of crime.



Goals



Status



Enel people



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During 2021, **remote working** and **people empowerment** have ensured the continuity of activities in a constantly evolving context. **Sharing, passion, involvement, listening** are the keywords in the way we work and live in our company, which is moving **from 'I' to 'We'**, putting people at the center. The future of work will promote new hybrid methods, including smart working and innovative organizational models, to create an ecosystem that ensures that everyone is comfortable in the new working environment. This is why we continue to carefully develop and strengthen our **people empowerment** processes, aimed at supporting the evolution of the organizational culture to enable people to become more effective in upcoming challenges. **Trust, responsibility, proactivity and innovation** are the key values of our Open Power approach, underpinning an open and dynamic working environment, which promotes entrepreneurship risk-taking and management of discontinuity, thanks

to an increasing integration of diversity. **Leadership is becoming 'gentle'** and fosters people's talents, attitudes and aspirations. The 'new' leader is empathic, generous, able to inspire, to work in team to show the Company's collective approach in practice, and to listen in order to boost the potential of their teams. In this context, the necessary skills quickly evolve and **upskilling** and **reskilling** strategies assume more and more significance to enable the development of talent and contribute to socially responsible approaches, with the aim of **supporting a just transition without leaving anyone behind**. This is why we invest not only in technical tools but also in **relational skills**, also known as soft skills, and we are committed to proximity to people, including by means of increasing attention to **caring** activities and **active listening**, to both individuals and groups in various organizational contexts.

66,279
Enel people

23%
Women in the workforce

5,402
New recruits

44.6
Training hours per employee

23.6%
Female managers

31.4%
Female middle managers

52.1%
Women in selection processes





Mind the Gap – beyond gender bias... wittily

"We wanted to invite everyone to reflect, in a witty and inclusive way, on the topic of gender bias in everyday work. It really was a wonderful feeling to see our project become a reality. We hope that it has helped to free us from these stereotypes, erasing or disposing of them, just like the characters in our cartoons do."

Is remote working and sharing space with family members an act of heroism or a hindrance to work? The setting is unique, although the way we look at it and the language we use to speak with colleagues in this situation could be very different and reveal stereotypes that could also turn into discrimination.

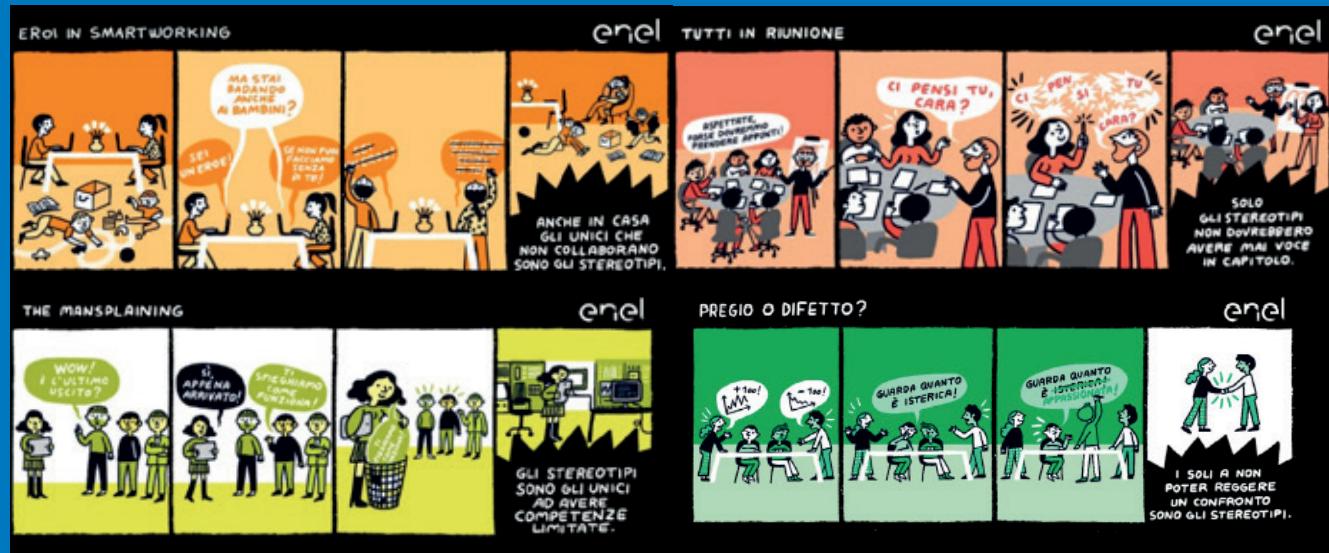
This is why Enel has launched **Mind the Gap**, a global communication campaign to train people to recognize prejudices and discriminatory behavior, in a witty manner. A comic strip event to lift the veil from some of the subtle biases that still affect the female universe in companies and capture everyone's attention on the language we use in our everyday work, and on the impact of words, promoting behaviors that inspire well-being, inclusion and feeling welcome. Six cartoons have been made, available in different languages, in which the only hero is common sense: stereotypes are overcome and the ending is



Susanna Sità, Ludovica Maria Gasparini, Alessia Pastori, Francesca Dabene, Irene Varoli, Valeria Virginia Checchi, Laura Tempra, Chiara Cancemi, Chiara Bonci

rewritten with fairness in mind. A call to action was also launched to bring in additional stories.

The campaign was conceived and developed taking as a starting point the experiences and shared sensibilities of a team of colleagues who work in male-dominated technical professional areas and who have firsthand experience of some of the biases represented. The concept of the campaign was created in-house and was presented at "Make it happen!", a corporate entrepreneurship program aimed at contributing to corporate culture evolution by promoting innovation and entrepreneurship. The comic strips were also produced in-house.



*Cartoons owned by Enel SpA. All rights reserved.
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Enel people in the world and the Open Power model

As at December 31, 2021, the Enel workforce totalled **66,279**, down by 438 compared to the end of 2020. This reduction is the effect of the net balance between new recruits and terminations in the year (-461 people) and the

change in scope of consolidation (accounting overall for +23 people), including the sale of Enel Green Power Bulgaria and the acquisition of CityPoste Payment SpA in Italy.

Workforce by Business Line

no.

	December 31, 2021	December 31, 2020	Percentage on total at December 31, 2021	Percentage on total at December 31, 2020
Thermal Generation and Trading	7,847	8,142	11.80%	12.20%
Enel Green Power	8,989	8,298	13.50%	12.40%
Infrastructure & Networks	33,263	34,332	50.20%	51.50%
End-user Markets	6,148	6,324	9.30%	9.50%
Enel X	3,352	2,989	5.10%	4.50%
Services	5,734	5,731	8.70%	8.60%
Holding and other	946	901	1.40%	1.30%
Total	66,279	66,717	100.0%	100.0%

Change in total workforce

Workforce as of December 31, 2020

66,717

New recruits

5,401

Terminations

(5,862)

Change in scope

23

Workforce as of December 31, 2021

66,279

Since 2015, Enel has implemented the **Open Power model** of values and behaviors, which translates into operating aspects fostering engagement and participation of the people working at Enel, and constituting the point of reference to manage people and their development.

The People and Organization Function defines the organizational models in line with the Group strategy. People selection, management and development processes are governed by specific global and local policies and procedures, that are posted to specific sections on the Company intranet. Enel's organizational model features a matrix consisting of Business Lines/Countries and Regions, alongside the Global Service and Holding Functions, aimed at supporting the business.

In 2021, a "**Pandemic Emergency Management**" unit was created within the Holding People and Organization Function, with the aim of coordinating the management of the Covid-19 emergency in the Group, defining global policies and guidelines for the prevention of the risk of infection among our people and the reduction of impacts on busi-

ness continuity, in compliance with national and international legislation, providing support for their implementation within the Group, according to a uniform approach that safeguards local specificities and constraints, and by constantly monitoring the trend of pandemic indicators in different Countries and Regions. The unit is also tasked with promoting activities to overcome the emergency phase and to transition to a new working model, in conjunction with the other corporate Functions involved. Last year, as a clear sign that we consider individual well-being as a key goal, we also set up a **well-being and welfare** global unit aiming at strengthening the bond between our workforce and their company.

The main data and strategic objectives relating to the People and Organization Function are illustrated to the Control and Risks Committee, to the Corporate Governance and Sustainability Committee and to the Board of Directors, in dedicated meetings focusing on the Sustainability Plan, the Sustainability Report, and the evolution of Enel's position in the main ESG ratings and sustainability indices.

We promote inclusion: the CSR Europe think tank

In the last two years, together with CSR Europe, a European sustainability network, Enel has promoted multistakeholder initiatives and dialogue on a **just transition and the future of work**.

In 2021, the Group cooperated with the network on the Inclusion Think Tank project, which brought together companies, NGOs and representatives of institutions to take stock of the main **challenges and opportunities arising from the pandemic crisis**, with a specific focus **on the future of work and on three main lines: i) Work-Life Balance: Extended well-being; ii) New skills; iii) Diversity & Inclusion**.



At the end of the project, a "**Companies and the Inclusive Society Blueprint was drawn up**", which highlights the key role of the human resources function in the process of integrating new approaches to work (creativity, innovation, development of human capital) and to ensure renewed interest in employee needs, well-being and inclusion.

The document was presented during the **Creating a Future-Proof and Inclusive Work** plenary session at the **European SDG Summit**, which was also attended by the European Commissioner for Employment, Social Affairs & Inclusion and the Chairman of Enel.



Remote working and well-being to handle the pandemic

Ensuring **staff safety** and **business continuity** have been the priority objectives since the early stages of the Covid-19 emergency.

In 2021, over **39,000 people** worked remotely; experiments on hybrid forms of office-home work began in the second

half of the year. The deep-rooted digital and technological transformation of the Group has allowed to apply varying flexibility measures in our countries of presence. These are set out in the table below.

Flexibility measures	Italy	Spain	Romania	Russia	North America	Latin America ⁽¹⁾	Africa, Asia, Oceania	Europe
Part time	☒	☒	☒	☒	☒	☒	☒	☒
Smart working	☒	☒	☒	☒	☒	☒	☒	☒
Telework	☒	☒	☒	☒	☒	☒	☒	☒
Seasonal schedule	☒	☒	☒	☒	☒	☒	☒	☒
Short week	☒	☒	☒	☒	☒	☒	☒	☒
Time bank	☒	☒	☒	☒	☒	☒	☒	☒
Flexible time	☒	☒	☒	☒	☒	☒	☒	☒

(1) Argentina (smart working), Brazil (smart working, time bank, flexible time), Chile (smart working, telework, flexible time, short week), Colombia (smart working, time bank, flexible time, short week), Peru (smart working, flexible time, seasonal schedule, short week), Costa Rica, Panama and Guatemala (smart working, telework, flexible time, short week).



Since the early stages of the outbreak and also for 2022, Enel entered into a **global insurance policy** for all employees, aimed at ensuring an additional benefit on top of the other policies and healthcare measures already in place to the people admitted to hospital as a result of Covid-19. In Italy, a trade union agreement was also signed in the first stage of the outbreak in 2020, to protect people unable to work remotely (known as "**non-remote employees**") by creating a solidarity system whereby all employees could choose to donate one or more days of their holidays to them, which were matched by the Group with an equivalent number of days of leave. In 2021, Enel and the trade unions decided to use the unused positive balance of holidays donated and leave provided by the Company to assist with further difficulties experienced by Italian **non-remote employees**. Specifically, paid leave was granted in

the event of **precautionary quarantine** or in presence of **vulnerable workers or workers belonging to categories for which vaccination was not mandatory**, fully paid leave was ensured (compared to half-paid leave as currently set by the regulations in force) both during the **quarantine and in the event of Covid infection or interruption of school activities of children under 14**, while for children aged 14-16, employees can apply for paid leave.

To provide emotional support for people to deal with the 'extraordinary' circumstances of the Covid-19 outbreak and to stay close to people, a **listening and psychological support service** has been available since the beginning of the pandemic in the Group's main countries⁽¹⁾. The service is free, provided in different ways, active 24 hours a day, 7 days a week and is delivered anonymously and confidentially.

The global well-being framework

In 2021, together with our people (in co-creation mode), a global well-being framework was defined, based on eight pillars that affect overall satisfaction with the centrality of people in mind, specifically considering the needs that have emerged:

- **psychological well-being**, more broadly "feeling comfortable in one's own skin", involving the management of perceived stress and individual skills of coping with stress;
- **work-life harmony**, balance between working and family life, involving the management of working time and disconnection, taking due account of the person's family commitments (children, caring for elderly and/or disabled relatives);
- **physical well-being**, intended as inspiration to take care of one's own physical health;
- **social well-being**, intended as a sense of connection and belonging to the communities in which the person participates socially;



- **economic well-being**, intended as a sense of satisfaction with the family's economic situation;
- **sense of protection**, intended as a sense of security perceived by the person with respect to the occurrence of unpleasant events;
- **ethical well-being**, intended as satisfaction with the value, meaning and purpose of the person's life;
- **cultural well-being**, intended as "feeling encouraged to grow and learn new things".

How these eight factors act on the overall well-being depends on individual and cultural factors.

That is why we carried out our first survey in this sense in order to measure the level of well-being and identify the most important initiatives for people, with a shared metric in the countries where Enel operates that covers intercultural differences. The results of the survey will enable an evaluation of the best actions to be taken, through a decision-making process that will involve an international, heterogeneous and multicultural team.

(1) Italy, Spain, Romania, Brazil, Argentina, Colombia, Peru, Chile, Panama, Costa Rica and Guatemala, Mexico, United States and Canada, Ireland, United Kingdom, Greece, Turkey, France, Germany, Poland, Norway, Australia, China, India, Japan, New Zealand, Singapore and Taiwan. These countries represent 98% of Enel people.

Creating a Healthy Workplace

The WELL Building Standard explores how design, site management, and behaviors where we live, work, or generally interact can be improved to promote human health and well-being. Milan Carducci was the first Enel site to obtain WELL certification (November 2021), as well as the first location in Italy to achieve WELL Platinum status; the goal in 2022 is to obtain certification at certain buildings under renovation in LATAM, in particular at the sites in São Paulo and Rio de Janeiro, Brazil, and in Lima, Peru.

In 2021 we also joined the WELL Portfolio, a program that involves 549 sites – 541 of which are in Italy, 2 in Peru, 4 in Brazil, 2 in Colombia – affecting over 30,000 employees; the objective of the Portfolio is, where possible, to extend on a large scale the logic of design and management of the site, but also the policies and initiatives, aimed at pro-

tecting people's good health and well-being, raising personal awareness of the adoption of healthy dietary habits and psychological/physical well-being. This program provides a score – regardless of whether the individual site has obtained certification – to indicate the application of the Enel WELL principles, which is updated over time and denotes progress made.

The features of WELL that promote air and water quality, natural light and the use of sustainable materials are complemented by those that require organizational transparency, training and information, access to health services and education. In other words, the requirements for WELL certification are aligned with the United Nations Sustainable Development Goals (SDGs).

Investing in our people

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In the current scenario of transformation and uncertainty, which requires new skills, professionalism and flexibility of adaptation, our ambition is to foster the empowerment of people, engaging and motivating them to reach their full potential and providing them with opportunities for per-

sonal and professional growth, to guarantee and support the achievement of the Group's strategic objectives. The selection and recruiting, training and development processes therefore play a key role.

Attracting new talent

Despite the pandemic, **over 5,400 new people were recruited** in 2021⁽²⁾, partly thanks to the strengthening of **relations with universities** and to the **Recruiting Day**, carried out at a global level, and relying on an aptitude model based on the various positions to be filled. All open positions in the Group can be consulted on the enel.com website, in the "Careers" section.

The new digital tools supporting the selection process have made it possible, even during the pandemic, to fully engage and include all the candidates thanks to the use of gamification and an artificial intelligence-supported video interview aimed at deepening the knowledge of the young talents aptitudes.

Over the last year, several initiatives, most of which have been digital, have been developed in relation to **talent attraction** and **employer branding**, aimed at building a corporate identity that is attractive to potential candidates and

that includes the transmission of the value structure in the workplace, to immediately engage the interest of young people who could take a position at the Company in the future. The **#OurPeopleOurEnergy**⁽³⁾ social media campaign has been launched, with content dedicated to the enhancement of people and their stories, including with the use of testimonials: "What's it like to work at Enel?". All the pages relating to our brands have been integrated into the Enel Group's and our brand positioning on the job boards (Indeed and Glassdoor) has been optimized. In order to match candidates with the profiles we are looking for, we have an application tracking system that picks up applications made via the various channels, to guarantee a uniform user experience for candidates all over the world. Enel's evolution in the field of talent identification begins with the direct, open and transparent involvement of every person in the Group in the selection and development pro-

(2) Fixed-term contracts are used to a limited extent, to cope with peaks in activity or to temporarily replace workers on extended leave (for example, maternity/ paternity leave, etc.) and are paid wages at the same level as permanent workers.

(3) The average "Story Reach Rate" for the campaign was 6%, about 3 percentage points higher than the average benchmark value recorded by RivalIQ. The campaign's Retention Rate was 74%, meaning that three quarters of people viewed the content from start to finish.

cesses, with a view to inclusion and participation in corporate life. In 2021, the pilot version of the "**Referral Program**" was launched, to search for talent via two pathways:

- **external**: every person at Enel can help to find people who could become new colleagues in the outside world;
- **internal**: once a year, it is possible to recommend a colleague for advancement in their professional development.

As at December 31, 2021, 1,072 referrals had been made.

Valuing and enhancing our people

In 2021, the process of qualitative and quantitative **performance appraisal** saw the engagement of Group people at various levels in a process of exchange and constant discussion that shifted the focus towards the organizational network as a model for growth and self-empowerment rather than pursuing a hierarchical model. In particular, a new evaluation model has been developed and extended to the entire Group: **Open Feedback Evaluation (OFE)**, which encourages constant listening and constructive and transparent dialogue between people, networks and managers, in full compliance with the Code of Ethics.⁽⁴⁾

The program, which involved 100% of the eligible people⁽⁴⁾ in the Group, has significant distinctive features compared to the past. In particular, in order to create constant dialogue between and with people, the evaluation has become continuous and all-encompassing, with three scheduled times for discussion between managers and employees during the year.



(4) Eligible and reachable: those on a permanent contract, currently working and active for at least three months of 2021.

Finally, mobility at work was enhanced again in 2021, enabling people to open up to new professional challenges, facilitating the diversification of competencies, and creating increasingly horizontal profiles. To this end, new regulations have been released at a global level, by integrating also the e-profile tool as an opportunity to enhance people's hard and soft skills, their aspirations and their motivations for change.

The new OFE model consists of three interdependent dimensions:

- "**Talent**", consisting of highlighting one's individual skills based on the **15 Soft Skills Model** and linked to the **4 Open Power values** of Trust, Responsibility, Innovation and Proactivity;
- "**Generosity**", intended as the propensity to enter into relationships with others, dedicating time to acknowledging talent and getting involved in turn, requesting feedback proactively, thus generating a mechanism of individual and collective growth;
- "**Action**", i.e. employees' ability to achieve professional objectives, as evaluated by their managers.

Also in 2021, the **succession planning** took place, the annual process involving Group managers in the identification of high-potential colleagues available to fill managerial roles in the short term (ready) and in the medium term (pipeline). To accompany successor development in relation to their potential positions, the appointing manager, the manager responsible and the People and Organization Function identify shared development actions, based on individual and professional profile. Successor identification follows criteria based on meritocracy, diversity and the horizontal nature of the profiles, and requires a major focus on gender equality. In particular, 42.7% of the successors earmarked are women. The commitment to gender equality can also be seen in the managerial appointment process: compared to 2020, the proportion of female managers increased by 2%, from 21.6% in 2020 to 23.6% in 2021.

Listening and dialogue

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By listening to the Group's people, Enel has devised specific action plans for the various business areas in relation to the main needs that have emerged (meritocracy, personal development, work-life balance, etc.). In late 2020, the global "**Open Listening: An interview to build our future**" program was launched. The global initiative, in which 70%⁽⁵⁾ of employees actively participated, provided significant feedback on the in-house climate but also on working conditions, asking colleagues to imagine the future in the era of the "next normal": from remote working methods to spaces, from new technologies to the leadership models of the future. The overall level of people's engagement was 93.5%.

In 2021, the "**Employer Value Proposition**" survey was also launched, aimed at detecting the aspects of the working environment considered valuable and distinctive to the Group: as part of the project, the Net Promoter Score was also determined, i.e. the indicator that measures employee satisfaction and the main characteristics associated with

the Enel brand as an "employer of choice". Sustainability, innovation, safety in the workplace and work-life balance are the main attributes that have emerged, which also coincide with the preferences people stated when choosing where they want to work.

Other listening initiatives have been carried out in relation to well-being and disability; more details are provided in the relevant sections of this chapter.

A further essential element is **People Business Partners**, figures dedicated to listening and dialogue with people, able to grasp individual aspirations and integrate them with the organization's needs.

Finally, Enel considers **internal communication** a mainstay in the creation of corporate culture, people growth and the growth of the organization, stimulating and promoting the exchange of information, knowhow and experience. Internal communications are also the main vector to disseminate the Enel strategy and the objectives identified for the near future.

Lifelong learning to encourage our people to participate in cultural evolution

The rapid and continuous evolution of the business determines the need for new technical and professional profiles and the natural disappearance of others. In this context, the central pillars of our learning strategy are:

- "**lifelong learning**", to ensure the constant updating and competitiveness of our people;
- **reskilling** programs, aimed at learning new skills to fill positions or roles different from the previous ones taken;
- **upskilling** initiatives, to optimize performance to meet new requirements.

As such, everyone has the opportunity to make an active contribution, to be motivated and to work in a context of well-being, thus contributing to the achievement of the Group's strategic objectives. During 2021, various actions were taken to promote the dissemination of issues related to upskilling and reskilling, involving both the Global Business Lines and individual countries. In particular, a global challenge was launched, 36 interviews were conducted with senior executives on current and future skills and a

working group was launched to draft guidelines and map projects by adopting a shared taxonomy. European networking has been strengthened by means of two major interventions: signing up for the CSR Europe Upskill 4 Future initiative with e-distribuzione's "People Business Partner R-evolution", intended for People Business Partners, the first facilitators of the energy transition in accompanying people in their professional pathway of growth, and the contribution to the drafting of the Joint Declaration between the European Social Partners, the Joint Statement on Just Transition, signed in November 2021.

Despite the global pandemic crisis, the adaptability and versatility of technological platforms have made it possible to guarantee the continuity of the training offer, to make it more scalable and effective, building advanced learning experiences and contributing to the consolidation of our people's digital skills. In 2021, the training budget was increased by more than 10%, to approximately 20 million euros, with an average cost per employee of 306.3 euros;

(5) The Climate Survey takes place every two years and 70% of redemption referred to "Open Listening: An interview to build our future", conducted in 2020. The deviation from the 86% redemption expected for 2021 (data in line with the previous 2018 Climate Survey), is as a result of a forecast made before the pandemic emergency and the change of global scenario that led, among other factors, to exclude communication channels generally used for this type of campaigns.

95.7% of the workforce took part in over 3.2 million hours of training (about 44 hours per head), around 500,000 hours more than the previous year, thanks to some of the training courses having been redesigned to be conducted remotely.

Enel's new training paradigm aims to contribute to the empowerment of people through the expansion of their knowledge, in line with the Group's values and with the development of the 15 horizontal skills deemed crucial. In a perspective of transmission of knowledge, generosity and sharing in intergenerational exchange, training initiatives have been promoted, aimed at "training the trainer". The aim of this initiative is to strengthen the involvement of people with greater seniority as internal or external trainers, leveraging their experience and capitalizing on their skills with a view to developing the business community, as well as 'returning' knowledge to the ecosystem, with circularity of knowledge in mind.

In addition, cultural orientation and training programs have been developed and launched on the model of **gentle leadership** that puts the person at the center in a new dimension led by example, inspiration, distribution of responsibility, trust and sharing. In 2022, this program is expected to involve the entire global scope of the Company.

In terms of digital skills, in 2021 Enel involved over 80% of people in dedicated training activities; the 2021 goal of **digital sustainability** was reached courtesy of the contribution of the countries and Business Lines. For this purpose, more than 20 initiatives have been implemented that promote

different concepts related to **digital sustainability**, grouped into 7 different areas: awareness, customer centricity, operational efficiency, smart grid, digital support, circular economy and e-mobility. These initiatives have reached 70% of the population, with an aim of raising awareness of the opportunities offered by technology, increasing sustainability and minimizing the environmental impact by improving the ecosystem in which Enel operates.

In 2021, the Schools and Academies developed training programs focused on responding to the specific needs of Enel's various organizational areas. These pathways were taken in conjunction with strategic university and academic partners, managed by the Enel Foundation. Over 15 Schools and Academies were active in 2021, with numerous editions delivered over the year, covering most of the Business Lines and Global Business Lines. The Schools and Academies, together with the training actions of upskilling, reskilling and external skilling, contribute to enhancing the technical knowledge of the people who inhabit the Enel community in a context increasingly characterized by the ongoing energy transition.

Finally, Enel's commitment to raising awareness of anticorruption issues remains strong: the interventions to disseminate knowledge of ISO 37001 certification for the Group's Italian companies, Model 231 and Global Compliance reached a course redemption level of around 80%, while in 2021, the new training course on the new Enel Code of Ethics was launched globally, having been updated in 2020.

Inclusion and uniqueness

| 103-2 | 103-3 | 405-1 |

The inclusion of diversity and the leveraging of people's multiple and unique talents are essential factors in the creation of long-term sustainable value for all stakeholders. **Inclusion = Value** is the paradigm that substantiates this approach, an increasingly relevant one in view of the changing conditions we are experiencing in the business, where the ability to imagine new scenarios and to dynamically co-create innovative solutions by leveraging the varied mix of individual characteristics is fundamental. For Enel, inclusion means **creating open and welcoming** contexts and ensuring the organizational and interpersonal conditions that enable us **to take care of people, ensuring their individualities enter into conversation**, so that everyone can freely express their unique value.

The approach is therefore based on the principles of non-discrimination, equal opportunities, dignity, work-life balance and inclusion of every person, beyond any form of diversity, and is substantiated in an organic set of actions that promote the care and expression of everyone's

talents, an inclusive and bias-free organizational culture and a coherent mix of skills, quality and experiences that create value for people and the business. The action plan for diversity and inclusion takes the form of specific public commitments stated in the Sustainability Plan, approved as part of the Sustainability Report by the corporate governance bodies: balancing **the two genders in selection processes**; increasing **the percentage of female managers and middle managers and the number of female students involved in initiatives related to the STEM subjects** (Science, Technology, Engineering, Mathematics); adopting **a systemic approach to the inclusion of disability**; disseminating **a bias-free culture attentive to intercultural differences**; supporting **flexibility at work**. Among the most significant initiatives developed in 2021 were the actions dedicated to a systematic impact on the various aspects of the gender gap and the inclusion of disability, specific listening and support services made available to people during the pandemic, projects dedicated to people with

vulnerabilities, awareness initiatives on LGBTQ+ issues and cultural diversity.

Back in 2013, Enel issued its Policy on **Human Rights**, followed in 2015 by the **Diversity and Inclusion** Policy, in parallel with the adoption of the seven Women Empowerment Principles (WEP) promoted by the UN Global Compact and UN Women, in compliance with the UN Sustainable Development Goals. In 2019, the **Workplace Harassment Policy** was also published, which spells out respect for individual integrity and dignity in the workplace and addresses the topic of sexual and discrimination-related harassment. In 2020, these principles were recalled in the **Statement against harassment** in the workplace, published on Enel's website⁽⁶⁾. In 2021, to ensure equal opportunities for access to digital information and systems, the global policy on **digital accessibility** was issued.

The People Care and Diversity Management Holding unit, founded in 2016 and merged in 2021 into P&O – Global Industrial Relations, Welfare and Well-being, performs governance functions globally on these issues, ensuring coordination and monitoring of local initiatives, and sharing of best practice. Indicators measuring progress on diversity and inclusion are the focus of a prompt global reporting process.

In Italy and Spain, there are also specific "Equal Opportunities Committees", which also involve the civil society partners who contribute to the identification of needs and the proposal of solutions in terms of inclusion, while in Colombia, Peru, Mexico and Enel X Europe, there are specific Diversity & Inclusion Committees.

The commitment and transparency shown in favor of gender inclusion were confirmed by Enel's appearance in the main rankings, ratings and ESG indices:

- in early 2022, for the third time, **Bloomberg** included

Enel and its subsidiaries Endesa and Enel Chile in the **Gender Equality Index**. The index acknowledged the actions taken to promote the presence of women on the Board, in managerial positions and in new recruits, the contribution in terms of equal pay, the conception of social benefits and work-life reconciliation solutions, and the prevention of harassment;

- in 2022, for the third year running, Enel is one of the Top 100 companies in the **Equileap Gender Equality Global Report & Ranking**, and is the leading Italian company in the field. This positioning is the result of actions aimed at promoting the presence of women in the Board of Directors, in managerial positions and in selection, for the contribution to equal pay and the promotion of well-being and the integration of life and work for all employees. In addition, Enel's practices to promote human rights, freedom from violence, abuse and sexual harassment were also acknowledged;
- in 2021, Enel was also confirmed in the **Refinitiv Diversity and Inclusion Index**, taking first place in the industrial grouping "Electric Utilities and Independent Power Producers" and seventh place in the Top 100, for the growing presence of women at all levels of the organization and for the Company's engagement on the transparency of the results obtained in terms of D&I, including externally. In 2021, Enel also received the **Impulsa Talento Femenino** award in Chile for the presence of women including at managerial level, and in Italy the Lifeed **Caring Company 2022** award, which promotes companies committed to enhancing the synergy between private life and work, to promote the diversity and uniqueness of each person. Finally, Enel North America was rated Best Place to Work for Disability Inclusion in the **Disability Equality Index** and Mexico was awarded the "**Éntrale**" **Badge** for its initiatives to include people with disabilities.

An inclusive culture in progress

At Enel, the evolution of the culture of inclusion has been supported over the years by intensive communications and awareness-raising at every level and in every organizational context. Each year, a specific theme has been developed to inspire both the campaigns and the wide range of events held: in 2017, the central topic was the enhancement of all diversities; in 2018, inclusion as a source of value for people and for the business; in 2019, sustainable value generated by inclusive behaviors; and in 2020, individual responsibility in genuine inclusion, even at a distance.

In 2021, two global training campaigns were launched, focused on bias and harassment in the workplace, intend-

ed for all Enel people. In particular, "**Oltre i Bias**" ("Beyond Bias"), an initiative aimed at training people to identify the most common biases occurring at work (affinity, availability, halo, bandwagon and confirmation). These are often unconsciously triggered attitudes and the campaign points in a witty way at how to avoid them. In addition, in terms of gender bias, **Mind the Gap** has been launched. A global comic book campaign, it gently lifts the veil from some of the clichés still encountered in the female universe in companies (for more details, see the specific inset in this chapter).

(6) <https://www.enel.com/content/dam/enel-com/documenti/investitori/sostenibilita/enel-statement-against-harassment.pdf>.

To raise awareness of the global policy on harassment, the **Harassment in the Workplace** course, already carried out in Italian, has also been localized into Spanish and English and assigned in the countries that speak these languages. The course explores four realistic cases related to discrimination over age, disability, LGBTQ+ and sexual harassment.

In addition, many networks and/or communities within the Group are active in terms of:

- **gender** ("Yin Yang" in Mexico, "Women in Leadership" in Chile, "Women in Energy" in Peru, "Her Community"

Multiple dimensions of uniqueness

Valuing people's uniqueness means bringing out and giving voice to each of the multiple dimensions in which it is expressed. Each individual represents a mix of skills, experiences, abilities, history and sensibilities, all of which contribute to their identity and are given the opportunity to be reflected in everyday work. However, there are aspects and dimensions that need to be acknowledged within organizations to enable everyone to express their potential in full. Different **generations** coexist in organizations and the exchange of skills and experience remains central to value creation. Again in 2021, this exchange involved hundreds of Enel people, junior and senior, in all the countries where the Company operates and the Business Lines, working on internal training, coaching, mentoring, shadowing and ambassador experiences on technical topics and soft skills. To address the topic of **age management** systemically and through a new lens, in 2021 the **Age-lity@work** project was launched, an innovative co-creation pathway in which 40 people of different generations from all the Group's businesses took as a starting point the intergenerational experience gained in the organization and explored the territories of neuroscience and anti-fragility. They entered into discussion and identified concrete actions to be taken to encourage the adoption of a new mindset in an intergenerational perspective. In addition, over 1,400 people in Italy have engaged in the **Re-generation** program, created in conjunction with UniNettuno University, dedicated to the upskilling of staff over 50 on topics related to data management, artificial intelligence and innovation. A number of webinars have been organized to develop awareness of inclusive language in terms of age. For **outgoing staff**,

in Greece, "The Ladies' Room" for the Enel X European countries);

- **disability** (the global "Disability Community Network" for focal points on disability, "Comunidad de inclusión" in Spain, "Disability Community" in Italy, specific networks in Mexico and Russia);
- **LGBTQ+** ("Just Be" in Mexico, "Un equipo con orgullo" in Chile);
- **age** ("Beyond Generations" in Mexico);
- **ethnicity** ("Expat Network" in Mexico).

Peru has proposed a pathway to deal with the change and ensure better quality of life ("Pensando en tu futuro"); in Italy, counseling is offered, aimed at dealing with this time mindfully and constructively.

Globally, a tutor accompanies the onboarding period of **new recruits** and facilitates the integration of **expats** in their destination country.

In terms of **LGBTQ+**, during the year a team was created to explore these issues in the Group and to promote cultural change via actions that support full inclusion in the working environment. In this regard, two major measures taken in line with the Group's inclusive vision are worthy of note: in Italy, the **extension of parental leave** to same-sex couples, to meet childcare needs and offer them the same opportunities for protection as for the children of heterosexual couples, and in Peru the **extension of health insurance coverage** to cohabiting same-sex couples. Along this pathway, many countries have begun to cooperate with external associations and networks in order to promote actions aimed at enhancing talent regardless of identity, gender expression and sexual orientation. Italy is associated with Parks - Liberi e Uguali, Spain with REDI, Colombia, Chile and Mexico with Pride Connection. Some countries (Italy, Romania, Mexico, Colombia, Peru, Poland, United Kingdom, Ireland, Norway, France, Germany, Greece, Australia, South Africa, South Korea) have organized awareness-raising, training and communications campaigns to reflect on inclusive language, shed light on stereotypes and explore specific aspects of LGBTQ+ living, in particular for IDAHOBIT Day⁽⁷⁾.

(7) International Day Against Homophobia, Biphobia, Interphobia and Transphobia.

Enel believes that **cultural and ethnic diversity** represent an extraordinary wealth, and is therefore committed to promoting and enhancing the knowledge, relationships and cross-fertilization between different cultures. The Company's commitment to promoting cultural diversity is represented by our people, who are of 80 nationalities and speak 24 different languages in the various countries where we operate.

In order to enhance this ethnic and cultural diversity, an analysis was carried out in 2021 to consider the option of stating this information in the various Countries and Regions. The analysis showed that most countries have legal and privacy protection constraints that do not allow this identification, while in some countries, including Argentina, Costa Rica, Guatemala, Mexico, Peru, South Africa, Canada, Brazil and the United States, data collection is al-

lowed only on a voluntary basis.

In Brazil, to promote interculturality, 40% of internship positions were filled by black candidates, and a webinar was held on Black Awareness Day with in-house and external guests; for all managers and the P&O family, an in-depth study was also proposed on racial prejudice. Peru organized a workshop on the topic of the value of ethno-racial, identity and sexual intersections in working environments. Workshops on cross-cultural awareness and Spanish Heritage have been organized in the United States. In Mexico, informative materials on local culture and witty representations were provided on the needs of expatriate colleagues. Russia granted an extra day off according to national and religious holidays and launched an online contest on the culinary traditions of the various nations.

Cultures in dialogue

In order to create a unique language among the ethnicities and cultures present within the Enel Green Power and Thermal Generation Business Line, the **WIRED: Connecting intercultural skills** project was carried out, to raise awareness of cognitive/relational dynamics with interculturalism in mind. Initially intended for 200 key figures in Engineering & Construction from 19 countries, who were heavily exposed to international contexts, it was then extended to all employees and could be accessed via the e-ducation training platform. The course, consisting of three modules ("Breaking Bias", "Cultural Sensitivity" and "Language & Communication"), has been enhanced by the creation of a series of "Quick Start Guides". In addition to retracing the topics covered, the guides also include monographs on the historical, political, cultural, religious and traditional aspects of



the specific geographical regions considered in the training sessions, and a series of suggestions and Q&As on how to communicate and local customs. The online course, which can also be accessed flexibly as a podcast, has been created to fulfill the accessibility by design requirements for the content, to ensure maximum inclusiveness of every colleague's experiences. The course served as an opportunity for exchange and cross-fertilization, focusing on the typical skills of intercultural sensitivity in terms of understanding different points of view, tolerance of ambiguity, listening, observation but also the ability to prevent prejudices and to understand and constructively use stereotypes as a complex skill, with the capability to pay proper attention to non-verbal language as well.

Taking action to close the gender gap

| 405-1 | 405-2 |

In 2021, Enel continued its commitment to overcoming the gender gap and achieving wage equality with an organic approach of actions that influence all phases of women's journey in the organization: from representation at entry level to empowerment and development in positions of responsibility, paying attention to various relevant moments in life, such as becoming parents and personal or family care.

The gender gap action plan consists of **measures that directly and indirectly affect** equal pay, given the fact that the gradual increase in female representation at different organizational levels is a prerequisite for natural generational exchange and thus for achieving parity in remuneration over time.

The **indirect measures** include a steady increase in women joining the Company and in positions of responsibility in the organization. Selection processes are closely monitored to ensure a fair balance of the two genders in the candidate pools, with a rising trend in the last five years (**52.1%** in 2021). The commitment to the growth of women in positions of responsibility is also significant: **23.6%**⁽⁸⁾ of managers were women in 2021 (21.6% in 2020), and **31.4%** of middle managers were female (30.4% in 2020), with an increase in the ratio between female managers and middle managers of 4%. Various actions have been taken at a global level, including the introduction to the Long Term-Incentive Plan 2021 of a new performance target, with weighting of 5% of the total: the "percentage of women in managerial succession plans" by the end of 2023. This is an objective for all managers at Enel and its subsidiaries, including the Enel Chief Executive Officer, who occupy top positions of strategic interest to the Group; the powerful commitment in the Enel Group to ensuring equal representation of women is therefore emphasized, including in pools for managerial succession plans, and the increasing attention paid to the topic of "gender equality" is leveraged.

As at late 2021, women account for **22.5%** of the entire Group workforce, whereas they cover around **15.7%** of executive positions (CEO-1) out of the total of these positions (3 out of 19).

The **direct measures** include internal policies addressing succession plan management and salary review processes, which take into account gender diversity dimensions, as

Gender gap:

the action plan, direct and indirect measures

52.1%

women in selection pools

15.7%

women in executive positions

22.5%

women in the workforce

44.4%

women on the Board

23.6%

women manager

42.7%

women in managerial succession plans

well as the allocation of a budget dedicated to ensuring equal pay for equivalent roles. In addition, the commitment to promote gender equality also resulted in setting a specific MBO 2021 track as part of the MBO objectives assigned to the management of the People and Organization Function.

For the purposes of monitoring equal pay, the number and proportion of female managers show a trend of steady increase over the years; in particular, in 2021 there was an increase of 2% (from 21.6% to 23.6%) in the percentage of women managers, and this led to a slight decrease in the Equal Remuneration Ratio (ERR), which went from 83.3% to 81.1%. All the actions taken to advance women's standing are also continuing, not only in senior management, the effects of which will be fully appreciable in the medium to long term, also taking into account the generational dynamic.

(8) Women working in managerial roles (managers and middle managers) in revenue-generating business areas account for 23.2%, up from 22.1% in 2020.

In countries where the Group maintains a presence, numerous initiatives are in place to promote the **empowerment** of women and a leadership style inspired by female models, such as "Empowering Conversations" among female managers and colleagues of both genders, the "Forum Liderazgo Feminino" symposium and the "Mujeres Fuera de la Caja" in Peru.

As far as the **parental dimension** is concerned, in all Group countries the "Parental Program" is active, aimed at promoting organizational and personal awareness of the culture of parenthood and at reconciling personal and professional needs in this stage in life, a fundamental one for both parents. The program is based on the values of trust, care and engagement, and provides for a structured process of interviews between the new parent, the manager and the People Business Partner, before and after returning to the Company. The program is supported by a single information point that offers all the information, services and training initiatives relevant in facilitating a return to the Company, in supporting work-life balance, and in promoting the motivation and organization of activities.

In 2021, the percentage of **women in the Group working in STEM roles** reached **18%**, compared to 16.6% in 2020. Increasing importance is also accorded to supporting initiatives that promote the presence of women in study and professional pathways in **STEM** fields, in conjunction with schools, universities and institutions, to overcome gender stereotypes and disseminate the importance of the technical and scientific culture, increasingly integrated with the humanistic dimension. These initiatives over the last six years to raise awareness and orientation towards the STEM world have involved **over 20,000 female students**, confirming Enel's significant investment in directing the talent of women due to take up the professions of the future in the coming years. In particular, in 2021 in Italy the "Tech Talk" cycle of inspirational digital meetings continued with domestically and internationally renowned female role models from the world of science, culture and entrepreneurship, as did meetings in the school-business system (promoted by ELIS); in Brazil, the volunteer program "Mujeres de Energia" was held, as part of "Rede do Bem", aimed at female university, high school and technical students; and in Spain the STEM workshops "Orienta-T" and "Ella te cuenta" were held aimed at young people. Numerous initiatives were also focused on career guidance, such as "P-tech" (promoted by IBM) in Italy and "STEM Talent" in Peru, and on social inclusion, such as "School4Life" (promoted by ELIS) and the STEM summer camp "Brindisi Brilla", aimed at students in areas of Italy at high risk of dropping out of school, and the "Plan Semilla" in Colombia, which trains and offers job opportunities to young

and adult women in conditions of social hardship. Various meetings also took place at universities in Italy, the United States, Central America, Russia and Greece, aimed at raising awareness of the Group and the main professional profiles required in the STEM field. Mexico finally opened the doors of the two sites at Villanueva and Magdalena II with a virtual tour, while Colombia created STEM summer camps for employees' daughters.

Finally, all countries have held numerous events for International Women's Day and the International Day against Violence against Women, to celebrate the value of women and equal opportunities and raise awareness of respect for rights and overcoming gender bias.

In February 2021, to confirm its commitment to these issues, Enel joined the "**Equal by 30**" campaign, promoted by Clean Energy Ministerial (CEM), the initiative whereby various public and private sector organizations have committed to promoting gender equality in terms of pay, leadership and opportunities in the clean energy sector by 2030. Three specific commitments have been made to raising the awareness of an increasing number of girls towards STEM disciplines and professions, fair representation of women in selection shortlists, and growth in the number of women in managerial positions. Enel Chile adheres to "Energía+MUJER", which aims to promote the participation and leadership of women in the energy sector.

In October 2021, during the G20 Women's Forum Italy, Enel signed the "**Towards the Zero Gender Gap**" CEO Champion Commitment, aimed at promoting ever greater gender equality, diversity and inclusion.



Value for Disability

To ensure the full inclusion of people with disabilities and in line with the approach indicated by the UN Convention, Enel provides tools, services and working methods, and promotes initiatives aimed at creating an accessible environment that promotes the independent expression of the talents and potential of everyone in the organization.

Globally, there are 2,152 people with disabilities and the topic is particularly relevant for Italy (1,612 colleagues with disabilities, around 75% of the Group total). In countries where the legislation provides for minimum quotas for the inclusion of people with disabilities, the Company is in line with the regulatory provisions, and in some cases resorts to compensatory measures as required by law. In all countries with people with disabilities, there is a **focal point** of reference to respond to specific needs and to devise dedicated initiatives. In 2021, a **community** was also created that connects all focal points for disability, a global network that acts to share best practices, offer support between countries and contribute to the implementation of specific projects.

The public commitment made as part of the Valuable 500 global initiative resulted in the 2020 **Value for Disability global project**, aimed at fulfilling the potential and promoting the full inclusion of people with disabilities at a corporate, social and economic level, at developing specific global and local action plans, including by means of discussion with associations and benchmarking with other companies, which are currently being implemented in line with the priorities identified in the Sustainability Plan. The project is organized into cross-Functional teams, operating in different countries and coordinated by a global team. As part of the 2021 action plan, **awareness-raising and training events** have been held in the various countries⁽⁹⁾,

aimed at staff and/or specific professional families, caregivers, those who work in direct contact with customers and suppliers. The **empowerment** of colleagues with disabilities has been promoted: for example, in Italy training sessions have been organized for the use of assistive technologies; in Romania, workshops have been held to develop skills; in Argentina, a dedicated counseling service has been set up; in Brazil, a tutoring service has been provided for people with disabilities who are smart working. Several countries have launched **employer branding** initiatives (Spain, Greece, Chile, Mexico), while others have launched selection initiatives to hire people with disabilities (Spain, Romania, Colombia, Brazil and Mexico). In Spain, a mandatory online course has been devised to explore and overcome **disability-related bias**, as well as interactive workshops, "Disability with no fear", attended by over 3,000 people.

Global initiatives are also being developed to ensure that the needs of Enel people with disabilities are **listened to and known**, to facilitate their active participation in organizational life and to ensure attention to specific needs in terms of **physical and digital accessibility, health and safety**. With regard to the horizontal projects, accessibility adaptation has been completed in various tools related to People and Organization, as has the WIN Questionnaire, a listening and awareness tool that evaluates the quality of interaction in the working environment and identifies their needs, participation and perception of the support offered by the organization. Various initiatives relating to digital accessibility have been carried out: the issue of a specific policy on digital accessibility, the preparation of a catalogue of assistive technologies, the extension of the service desk for colleagues with disabilities in Spain.

Caring for all

| 103-2 | 103-3 | 401-2 |

Enel promotes the value of care in all situations, including contingencies, that an individual may be required to deal with during their working life, and offers benefits and services that support the integration between private and working life. In 2021, caring initiatives dedicated to individuals and their families continued. A few examples of initiatives in the different countries where the Group maintains a presence are provided below.



(9) The initiatives carried out involve all staff (Spain, Chile, Colombia, Greece, Romania, South Africa, Australia, India), the People and Organization professional family (Italy, Brazil, Romania, Peru), management (Spain, Brazil, Romania, United States), caregivers (South Africa, Morocco, Argentina) and those who work in direct contact with customers (Argentina, Romania, Colombia) and suppliers (Spain).

Caring for people

In Italy, webinars have been organized on digital education, as have workshops with philosophers and writers on eating disorders; a dietician has been employed by the Company, with free consultations; video clips on dietary well-being, physical activity and good posture have been published on the corporate intranet. The promotion of physical well-being is encouraged in Italy by means of a specific agreement with the networks of gyms throughout the country, and likewise in Spain under the "Programa Entrénate", which encourages physical activity. Colombia works systemically on these issues via its "Estrategia de Felicidad Organizacional", which identifies elements such as consistency, gratitude, service, compassion and resilience as the fundaments of happiness, affecting the full development of the person, the working environment and the organization's results. Among all the various experiences, Mexico stands out for promoting an integrated approach between well-being, engagement and happiness, expressed in the "Become and Engage – BE Program" project, which includes a wide range of activities associated with a gamification system and provides access to benefits

and supplementary welfare services. Of the initiatives taken by Enel to support people, including during the pandemic, particular attention was paid in Italy to those suffering from a chronic disease, as part of the "**MaCro@Work Caring Program**". The initiative is a major step in awareness of a highly delicate issue, to enhance the relationship between the Company and our people with the aim of promoting the social and working inclusion of all employees. In 2021, the project was operationally launched in Italy with the training and creation of the network of Caring Managers, People & Business Partners who voluntarily applied to support 'vulnerable' colleagues by providing active listening and support to search for the most suitable solution to create an inclusive environment for the colleague experiencing difficulties, as well as for their entire working environment. Another corporate solidarity project launched in Italy is **HeLP Me**, a caring service for colleagues who are in a situation of temporary or permanent need, for example motherhood, convalescence, chronic illness or disability, who can request support from a network of volunteer colleagues available to provide their time.

Caring for families

In most countries services and support are provided, including financially, focused on childcare and motherhood, such as breast-feeding rooms at our major sites.

In addition, in Italy "Care Master" is available for caregivers at the Company, as well as an online family counseling service at subsidized costs and parenting training sessions, "New Parents, New Energy"; workshops have also been held for employees' children on the topics of coding and STEM subjects; family services are available, such as financial support (bonuses for the purchase of school books, contributions for kindergarten, school and university, scholarships and agreements with schools), and to "save time": baby-sitting, elderly care and home support. A range of initiatives have been introduced, in conjunction with the mobility manager network, to promote the sustainable

movements of Enel people, including specific agreements for public transport subscriptions. Finally, all mothers and fathers of children attending primary school are granted entry permits for their children's first day of school. Spain has a dedicated channel on the company intranet, offering a wide variety of products and services at competitive prices, as well as leisure offers and training sessions, but also providing the option to make donations to improve the living conditions of the most vulnerable. An app can also be downloaded to access various services such as private car sharing, car cleaning and repairs, a dietician and a travel agency. Plus, at the Madrid site, a "To-Do room" is available, offering services to save time that are open all day long (for example, laundry, dyeing, computer repairs, etc.), to improve work-life balance.

Caring in the organization

In 2021, an analysis was carried out **to harmonize the minimum duration of maternity leave** within the Group. From 2022, Japan, Taiwan, Germany and Panama will therefore add to the leave required by law to reach a minimum threshold of 80 working days, as is already the case under European legislation. As in 2021 in terms of maternity leave, a similar analysis will be carried out in 2022 regarding paternity leave.

In line with the care approach and to support the parental

experience, Enel offers measures in addition to the provisions of local legislation in terms of additional days of leave and pay, with potential benefits in terms of work-life balance and caring for families.

Where **maternity leave** is concerned, in more than half of the main countries in which Enel operates (Argentina, Spain, the United States, Canada, Mexico, Colombia, Guatemala, Costa Rica, Peru, New Zealand, Australia), Enel guarantees a higher number of leave days than those pro-

vided by the local legislation. As such, Argentina, Colombia and Peru offer a substantial number of extra days. In terms of salary, where the total remuneration is not guaranteed by local laws, Enel intervenes by bridging the gap to reach 100% coverage. In particular, this happens in Italy, Romania, Russia, the United States, Canada, South Korea and Greece, while in all other Group countries, remuneration is already 100% guaranteed according to legal requirements. Specifically, in Italy Enel guarantees 100% coverage compared to the 80% required by law for the five months of compulsory leave.

The average number of days of fully paid maternity leave in total for countries that account for 80% of the global total workforce (Italy, Brazil, Spain, Argentina and Romania) is 24 weeks, with the minimum offered in Spain (17 weeks).

Also with regard to **paternity leave**, in some countries Enel intervenes with additional measures both in terms of the number of additional days of leave (Argentina, Spain, Mexico, Colombia, Guatemala, Costa Rica, Panama, United Kingdom, Ireland, Chile, Peru, New Zealand, India, Australia, Greece) and in terms of wages (in Russia, Mexico and Greece, Enel covers any pay gaps guaranteeing 100% pay, and in all other Group countries, remuneration is already 100% guaranteed according to legislative requirements). In particular, in Italy since 2021, the law requires 10 days of paternity leave to be paid at 100% of wages, even in the event of adoption.

The average number of days of fully paid paternity leave in countries that account for 80% of the global total workforce (Italy, Brazil, Spain, Argentina and Romania) is 3 weeks, with the minimum offered in Brazil (1 week).

In terms of **parental leave**, the measures on offer vary greatly from one country to another. Italy provides parental leave of 10 months, shared between the mother and father, in a child's first 12 years. If the father takes at least 3 months, the total leave rises to 11 months. The collective agreement pays a salary of 45% for the first month and 40% for the second and third months, compared to the 30% required by law for the first 6 months.

In 2021 in Italy, parental leave was extended to same-sex couples in civil partnerships who care for children, and in Peru health insurance coverage was extended to same-sex couples living together for a minimum of two years.

In Italy, it is also possible to take leave for very serious family circumstances, and to offer holidays or rest periods from a solidarity point of view (solidarity holidays) to colleagues in the same company, to help children or adolescents, parents, spouses, civil partners or common-law spouses who need constant care or in the event of very serious family or personal circumstances. As well as holidays donated by colleagues, Enel provides the same number of days of paid leave. In Spain, it is also possible to take advantage of daily flexibility adapted to the temporary needs of the worker, in the form of a temporary change in working arrangements, reductions in working hours and leave for family care.

The analysis of the level of coverage of non-salary benefits⁽¹⁰⁾ concerned the entire Group workforce, showing a high percentage in terms of access to the main benefits.

The main support initiatives and the extent of their coverage of the Enel workforce are set out below.

Non-salary benefits, 100% of countries where Enel operates	Involvement
Covid-19 insurance	100%
Life insurance	88%
Medical insurance	93%
Pension fund membership	81%
Additional parental measures (maternity, paternity and parental leave)	94%
Meal allowances	86%
Child support initiatives	84%
Loans	90%
Leisure and cultural initiatives	91%

(10) Non-salary benefits are the series of goods and services provided by the Company in addition to monetary pay.

Supplementary healthcare assistance and additional pension coverage

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The majority of countries where the Group maintains a presence offer supplementary health insurance policies at advantageous conditions with respect to the alternatives available on the market. In many cases, the Company provides benefits related to prevention and periodic checkups (see also the "Occupational health and safety" chapter). For all Italian employees and their dependent family members, in agreement with the trade unions, Enel set up the Supplementary Healthcare Provision for Enel Group Employees (FISDE) in 1997. The Provision disburses repayments and redemptions for healthcare expenses, promotes initiatives for the disabled and individuals subject to socially challenging situations (drug addiction, alcoholism, learning difficulties, psychosocial disorders) and sets up preventive medicine programs. Also in 2021, members were able to take advantage of the agreement with the Italian National

Council of Psychologists (CNOP) and Italian Psychoanalytic Society (SPI) for psychological support services. In line with the FISDE solidarity principle, former Enel employees can also continue to benefit from the services offered by the Provision by continuing to pay the membership fees. Staff support measures also include the option of accessing fixed-contribution and other pension plans, such as membership of mandatory or optional schemes and the award of various types of individual benefits in services associated with post-employment benefits provision. **As at December 31, 2021, 81% of employees were covered by the Enel Group pension plan.** The largest pension funds are in Italy (Fopen and Fondonel), Spain and Brazil. See also the "Remote working and well-being to handle the pandemic" section of this chapter.

Safe travel

As of 2016, Enel people travelling to destinations considered at risk have been provided with specific information detailing the healthcare situation and safety conditions of the countries in question. Specifically, by means of the company travel reservations system, the Security Guide, Security Travel Guide and Health Guide are sent out before departure, with any necessary updates added just before departure or during the trip. In relation to specific risks associated with the destination,



whenever necessary Enel prepares suitable protective measures (expert guides, bodyguards, etc.). To coordinate the entire process, a 24/7 supervisory function supports staff during travel, monitors the relevant news reports and coordinates responses in the presence of situations of objective danger or emergency. The model is active in all Group Countries, guaranteeing 100% coverage of international and intercontinental travel with the integrated Travel Security system.

Industrial relations

| 103-2 | 103-3 | 402-1 |

Enel complies with the labor law in force in the various countries it operates in, with the fundamental principles of the United Nations Universal Declaration of Human Rights, and with the conventions of the International Labor Organization (ILO) concerning workers' rights (freedom of association and collective bargaining, consultation, right to strike, etc.), systematically promoting discussion between

social partners and seeking an adequate level of agreement and sharing of corporate strategies by employees. In 2021, the percentage of employees covered by collective bargaining agreements was 90%. Industrial relations activities on the Group level continue to be conducted in accordance with the model laid down in the Global Framework Agreement (GFA) signed by Enel in

Rome in 2013 with the Italian Federations in the sector, and the global unions IndustriALL and Public Services International. The agreement is acknowledged as benchmark best practice for European and non-EU multinationals. It is founded on the principles of human rights, labor rights and of the best and most advanced transnational industrial relation systems of the reference multinational groups and institutions on the international level, including the ILO. One of the particularly significant principles of the GFA is on remuneration, whereby the minimum payment made to Group employees cannot be lower than the level established by the collective bargaining agreements and legislative and regulatory texts in the various countries in question, in line with the provisions of the ILO conventions. In terms of remuneration, Enel also guarantees that the equal pay principle is respected in all countries in which it maintains a presence, and therefore commits to guaranteeing the living wage for all its employees, promoting initiatives to ensure equal pay for equal work for men and women. This principle is also indicated in the Group's human rights policy, which states that everyone working throughout the entire value chain is entitled to remuneration in line with the principle of fair return for work, equal pay between male and female employees for work of equal value, and minimum payment no lower than the level established by the collective bargaining agreements and legislative and regulatory texts in force in the various countries, in line with the provisions of the ILO conventions.

In addition, it is also expressly provided in section 3.8 of the Code of Ethics that upon the establishment of the employment relationship, each employee will receive accurate information relating to the characteristics of the role and the duties to be performed, and to the regulatory and remuneration elements according to the principles set out above. This information is presented to the employee in such a way that acceptance of their position is based on an effective understanding and awareness not only of their duties, but also and above all of their rights (enshrined in the aforementioned collective agreements). As well as serving as the basis of the regularity of contracts, this approach enables us to operate fairly at all levels of the Company and in all the Countries and Regions in which Enel operates.

Under the GFA, Enel also acknowledges the right of its employees to set up or participate in trade union associations in order to protect their interests. In particular, employees may be represented, in the various generation units, by trade union organizations and other forms of rep-

resentation elected in compliance with the legislation and practices in force in the countries concerned. Collective bargaining agreements are acknowledged as the main tool to determine the contractual conditions of its employees and to regulate relations between senior management and trade unions. Enel complies with the principle of trade union independence and does not interfere in any way with the organization of representation, allowing workers' representatives access to the workplaces in order to communicate with their members, in compliance with the law and the industrial relations systems in force in each country. Enel therefore recognizes as interlocutors the trade unions that represent workers in the Company, in compliance with the provisions of national legislation, and adheres to strict neutrality regarding the choice of workers whether or not to join a trade union organization and/or the choice of the union by which to be represented. In the event of a discrepancy between local and international standards, the Group strives to apply the provisions that best protect workers' rights. Finally, Enel provides adequate information to its employees and to the trade union organizations that represent them, in order to facilitate collective bargaining, and provides its people with a full range of information, including via the Company intranet, concerning collective labor agreements and trade union agreements, in accordance with current legislation.

At European level, the Agreement on the Enel European Works Council, last renewed in July 2016, is confirmed as one of the most advanced agreements in the EU electricity sector for the attention paid to bilateral issues such as occupational health and safety, training and diversity. In 2021, contact continued with the European Works Council, despite the pandemic.

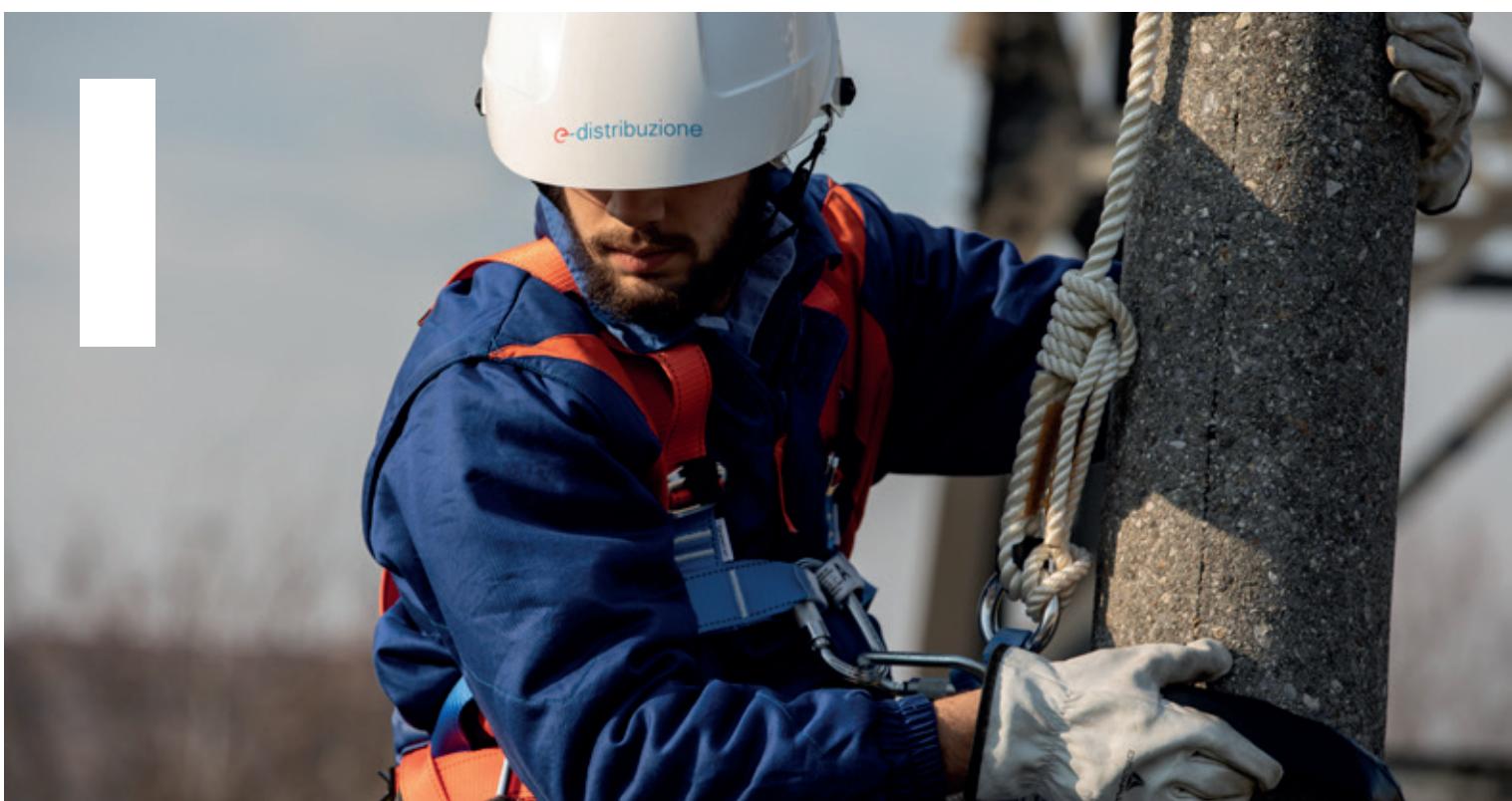
Enel and the domestic and European federations (IndustriAll Europe and the European Public Services Union) have transferred their consolidated experience of social dialogue to the sector's Social Working Group, supported by the European Commission – DG Employment – regarding the employment impacts of the energy transition and digitalization in the coming years in all European and global electricity companies.

In the various countries in which it maintains a presence, Enel is committed to managing the transition by entering into robust dialogue with the trade unions, translating in practice the principles of the just transition for everyone, including local communities and contractors, the people most directly involved in the process of change, in particular in the conversion of sites and coal-fired power plants.

In the event of organizational changes, **timely disclosure**

to trade union representatives is required, as indicated in the table below.

Country	Minimum Period	Legal Provisions/Collective Agreements
Argentina	In view of the general provisions of the law, and in analogy, a minimum period of 48 hours will be taken into account for the purpose of notifying any amendment of the essential conditions of the employment contract	There are no legal requirements or provisions in collective agreements
Brazil	It is convention and practice to provide "timely" information	There are no legal requirements or provisions in collective agreements
Chile	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-
Colombia	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-
Italy	25 days. The Company informs the trade unions with a specific document of its intention to transfer a part of the Company. In addition, our Industrial Relations system (Art. 9) provides for the prior involvement of trade unions on the main organizational changes in order to share the objectives and manage their implementation	Legal provisions (Art. 47, Law No. 428/90 and Art. 9 of the collective bargaining agreement, referring to Law No. 428/90)
Peru	Neither the law nor collective bargaining provide for a minimum notice period in the event of organizational changes	-
Romania	Obligation to inform and consult worker representatives on business developments and to inform them periodically about the Company's economic situation	Legal provisions and collective agreements
Russia	8 weeks	Legal provisions
Spain and Portugal	30 days	Provided for in the Collective Agreement and the Framework Guarantee Agreement of Endesa SA and its subsidiaries in Spain





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Inclusive and equitable quality education	5.0 mil beneficiaries by 2030 ⁽¹⁾	3.0 mil beneficiaries (2015–2021)	On track	5.0 mil beneficiaries by 2030 ⁽¹⁾	S G	4 17
Affordable, reliable, sustainable and modern energy	20.0 mil beneficiaries by 2030 ⁽¹⁾	13.2 mil beneficiaries (2015–2021)	On track	20.0 mil beneficiaries by 2030 ⁽¹⁾	S G	7 17
Sustained, inclusive and sustainable economic growth	8.0 mil beneficiaries by 2030 ⁽¹⁾	3.7 mil beneficiaries (2015–2021)	On track	8.0 mil beneficiaries by 2030 ⁽¹⁾	S G	8 17
Strengthening and promoting operational partnerships	581 partnerships launched		On track	Strengthening and promoting operational partnerships	S G	17
Implementation of new projects in support of the communities in which Enel operates in order to create shared value (CSV)	2,410 projects		On track	Implementation of new projects in support of the communities in which Enel operates in order to create shared value (CSV)	S G	1 2 3 5 10 17
Dissemination of the CSV model in operating assets	1,478 total CSV applications		On track	Dissemination of the CSV model in operating assets	S I	9

(1) Cumulative figures since 2015.



Local and global communities



| 102-42 | 102-43 | 102-44 | 103-2 | 103-3 | 411-1 | 413-1 |

Establishing solid, long-lasting relationships with local communities represents a fundamental pillar of our strategy at the base of a new development model that does not leave anyone behind and is able to create shared value over the long term for all stakeholders.

This model extends along the entire value chain: **from the proactive analysis of the needs** of the communities to the construction of **sustainable plants and sites** as well as their management. It has evolved further to extend this approach also to the **design, development and supply of energy products and services**, as well as to the **innovation of processes** through the use of new technologies to contribute toward the construction of communities that are increasingly circular, inclusive and sustainable.

In 2021 our contribution to the social and economic development and growth of the territories resulted in more than **2,400 sustainability projects** in the various countries where we are present, involving more than **7.5 million beneficiaries⁽¹¹⁾**. In line with the sustainable development goals (SDGs), the projects range from the expansion of infrastructure to professional education and training programs, as well as projects that support cultural and economic activities and promote access to energy, **rural and suburban electrification, face energy poverty and promote social inclusion for the more vulnerable population categories**. A fundamental lever for the implementation of these projects is the ability to make use of **581 active partnerships** on an international level with nonprofit organizations, social companies, start-ups and institutions rooted in the territory. The reduction of the number of partnerships in comparison to 2020 is due to the fact that in 2020, 450 immediate

response initiatives were activated in order to face the health emergency with partnerships in the field, some of which were not extended in 2021.

This approach makes it possible to implement a wide range of projects in different areas, also thanks to the activation of **virtuous ecosystems** such as the **Open Innovability®** platform, which is based on openness and sharing in order to facilitate and promote the identification of innovative social ideas and solutions.

In particular, there are two large challenges: energy transition and post-pandemic recovery. **Energy transition** represents an important growth and modernization accelerator for the industry thanks to the potential it offers in terms of economic development, **well-being, quality of life and equality**. Taking advantage of these opportunities requires farsighted policies that ensure a **just and inclusive transition** and that take into consideration, in particular, the **needs of social categories most exposed to change**.

With the continuation of the **Covid-19 pandemic** also the commitment to support the communities continues by activating specific initiatives for social-economic recovery through the development of local marketplaces, favoring access to credit and promoting **inclusive business models** to support the weakest sections of the population, with particular attention to **people who are vulnerable** from a physical, social and economic point of view. There are also many **digitalization** projects for supporting connectivity in rural areas, computer literacy, encouraging the participation of women in STEM subjects, e-commerce platforms and online and offline solutions with a positive impact on local communities.

**More than
2,400
Sustainability
projects**

**More than
7.5 mil
Beneficiaries**

**Approximately
1,500
Applications of the
Creating Shared
Value model**

**581
Partnerships**

(11) Beneficiaries are the people in whose favor the project was carried out. Enel considers only the direct beneficiaries for the current year. The number of beneficiaries considers the activities and projects carried out in all the areas in which the Group operates. Solely within the NFS perimeter (excluding companies consolidated using the equity method, foundations, Group non-profit organizations and companies to which the Build, Sell and Operate, or BSO mechanism has been applied), the number of beneficiaries in 2021 is 0.5 million for SDG 4 (0.5 million in 2020), 3.4 million for SDG 7 (1.8 million in 2020) and 0.5 million for SDG 8 (0.8 million in 2020).

To identify the best solutions for each territory, a path is used that is based on sharing with the local communities and constantly listening to the needs of the concerned stakeholders. With this process it is possible to anticipate the future needs and develop mapping that is as complete as possible of not only the potential positive aspects, but also the negative ones, that the activity carried out by the Group has on the communities where it is present.

This process starts in the design phase with the identification of the stakeholders who are potentially interested in the project thanks to specific initiatives that have the goal of:

- guaranteeing that the concerned parties are suitably involved and that their requests are listened to and understood, also through an early community involvement process. An example of this is the SEECA (Social, Environmental and Economic Context Analysis) tool called CSV, which permits, for example, to trace the contacts and actions of involvement, as well as the key issues raised during the entire period of the project (refer to the following paragraph "Strategy and model for creating shared value with communities");
- analyzing the type of relationship that can be created between the Group and the mapped stakeholders in order to avoid potential conflicts of interest;

- providing clear guidelines to our representatives who are responsible for managing the consultation processes with the stakeholders that each country supplements with respect to the specific local aspects and the business activities to be implemented;
- sharing all the information about the project that is relevant for the concerned stakeholders in order to promote transparent and collaborative relationships. The sustainability teams of the various countries are also involved in negotiation activities for land that belongs to small owners or local communities considered key in the area of direct influence of the project;
- guaranteeing that consultation satisfies specific conditions of quality, such as for example being free, preventive, inclusive, adapted to the local context, bidirectional and well documented;
- providing an access channel for reporting by people who need to contact us, using the tools and means available locally, such as local teams or a specific person, toll-free numbers, the internet or, in the case of isolated rural communities, local leaders who are able to periodically collect any complaints;
- involving independent third-parties in negotiation processes as "good faith witnesses", if applicable.



Strategy and model for creating shared value with communities

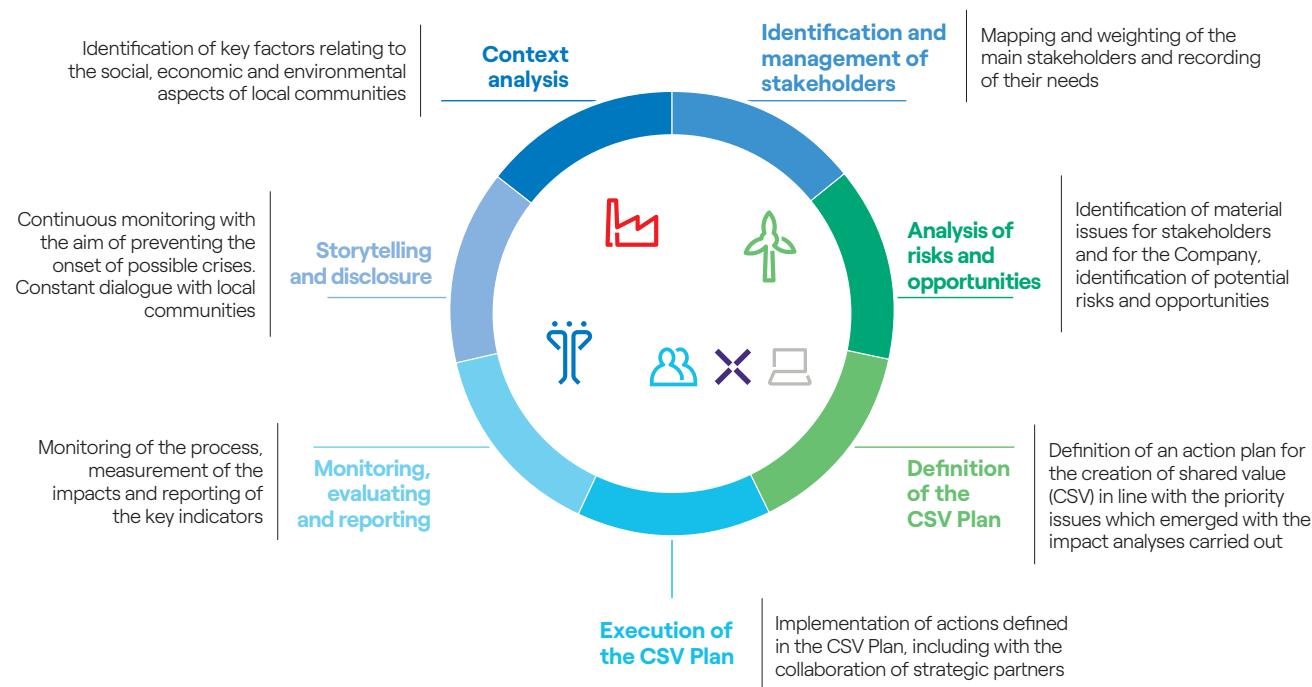
Innovation and sustainability represent the pillars at the base of the Group's strategy; from this point of view, the Creation of Shared Value (CSV) is both an objective as well as a precise methodology that aims to integrate sustainability into business by using an inclusive approach that does not leave anyone behind.

In 2021, in response to the growing challenges presented by the new social and economic context, we updated our CSV model, which was defined in 2015, placing at the center the Purpose ("Open Power for a brighter future. We empower sustainable progress") as a guiding element for the entire value creation process and in compliance with the Group's sustainability strategy (see the chapter "Our model for sustainable progress"). This evolutionary path is based on three main pillars:

- **sustainability in the value chains of the Business Lines** by minimizing the use of natural resources and maximizing the value created for community (sustainable sites, for example);

- **developing inclusive products and services**, for identifying solutions that solve the requirements of people (services for vulnerable and disabled customers, for example);
- **expanding the ecosystem of partnerships and collaborations** (to continually seek ideas and talents within and outside of the Company).

The CSV model for managing community relations integrates socio-environmental factors within business processes and throughout the entire chain of value, with special reference to operations of business development, engineering and construction and supply chain, in addition to management and maintenance of assets. A model whose primary phases are described in the infographic below, and that describes a wide range of socio-economic, environmental and cultural data. In particular, a materiality analysis is provided to correlate the priorities of stakeholders with those of the Group in order to identify and meet common needs.



The model's functioning is regulated by a specific Policy (no. 211 "CSV Process definition and management") and by an Operating Instruction (no. 1768 "Project Portfolio Management System"), which incorporates the operation of a dedicated digitized platform (Project Portfolio Manage-

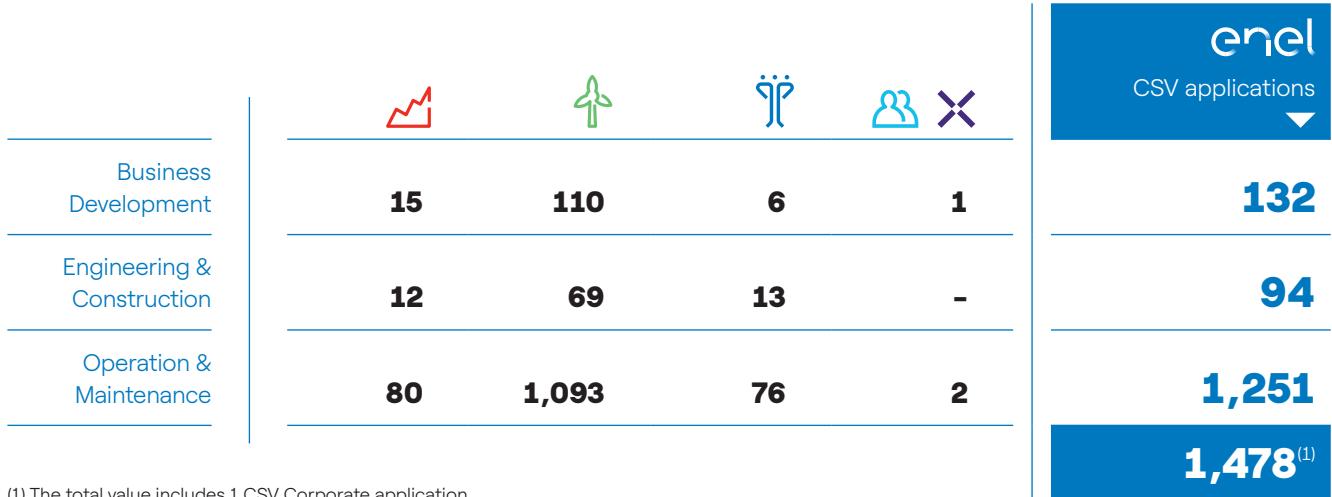
ment System) and the clear definition of roles and responsibilities. Definition and dissemination of guidelines on the use of CSV applications, the preparation and assessment of the sustainability projects, the management of the projects on a Group level and the dissemination of best prac-

tices in the countries we operate in are guaranteed by the Holding's Innovability® organizational structure and by the relative sustainability structures in the various countries of operation. Each Country and each Business Line adapts the procedures for the global policy and the procedures for application of the CSV model on a local level, based on the specific aspects of business and the context.

In 2021, there were 1,478 applications of the CSV model⁽¹²⁾ in the various phases of the value chain. During the

Engineering and Construction phase, and thanks to good practices in terms of circularity and sustainability in the use of resources for the generation of renewable energy, a "Sustainable model for the design and construction of plants" was defined in order to minimize the environmental impacts while promoting local economic development by involving local labor, while guaranteeing at the same time improved operational efficiency, with respect for the territory. For additional details, please refer to the chapter "Towards a nature-based model".

CSV Applications



(1) The total value includes 1 CSV Corporate application.



(12) An application is interpreted as the use of at least one CSV instrument in relation to an asset, in any phase of the chain of value and in any Business Line. The CSV applications in the BD phase include applications regarding BD opportunities (also at the beginning phases) and business projects output from the pipeline. They can also relate to assets in O&M in the case of modernizing projects or decommissioning activities. The CSV applications in the E&C phase can refer to assets passed to the O&M phase at the end of the year. The number of CSV applications in Infrastructure & Networks (I&N) may refer to the concession area, but also areas identified by municipalities and substations. For the NFS perimeter alone (i.e. excluding companies consolidated using the equity method, foundations and non-profit organizations of the Group, and the companies for which the BSO - Build, Sell and Operate mechanism was applied) the number of applications for 2021 amounts to 1,456 (compared to 1,396 in 2020).

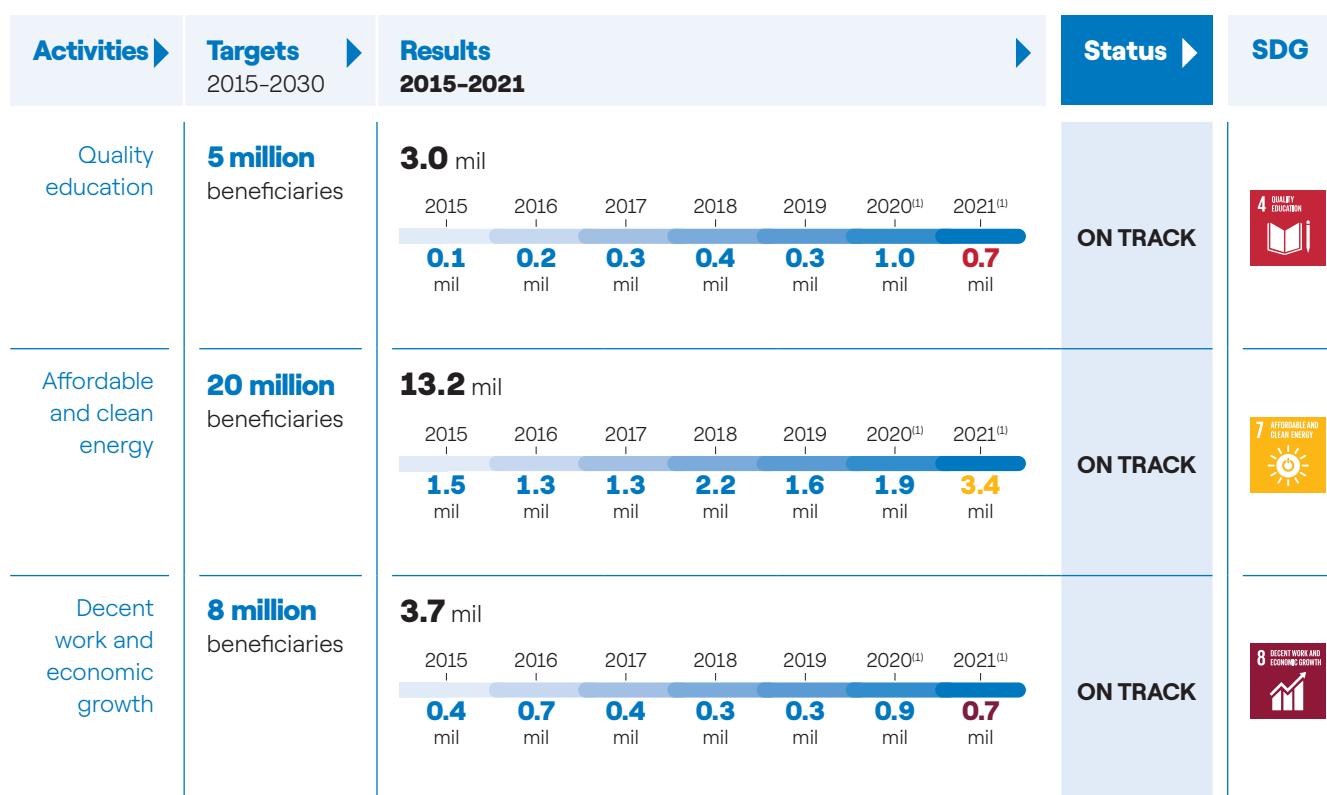
The value created for the communities

The contribution to sustainable development goals

The sustainability of the strategy is also confirmed by the progress achieved in terms of the Group's contribution to achieving the United Nations sustainable development goals (SDG), with particular reference to projects for:

- ensure inclusive and equitable quality education (SDG 4), which has benefited **3 million people⁽¹³⁾**;

- provide access to affordable, reliable, sustainable and modern energy (SDG 7), that has been used by **13.2 million people⁽¹⁴⁾**;
- promote sustained, lasting, inclusive and sustainable economic growth (SDG 8) with **3.7 million beneficiaries⁽¹⁵⁾**.



(1) Beneficiaries are the people in whose favor the project was carried out. Enel considers only the direct beneficiaries for the current year. The number of beneficiaries considers the activities and projects carried out in all the areas in which the Group operates. Solely within the NFS perimeter (excluding companies consolidated using the equity method, foundations, Group non-profit organizations and companies to which the Build, Sell and Operate, or BSO mechanism has been applied), the number of beneficiaries in 2021 is 0.5 million for SDG 4 (0.5 million in 2020), 3.4 million for SDG 7 (1.8 million in 2020) and 0.5 million for SDG 8 (0.8 million in 2020).

(13) Cumulative data from 2015–2021 on the total number of beneficiaries of SDG 4 to date.

(14) Cumulative data from 2015–2021 on the total number of beneficiaries of SDG 7 to date.

(15) Cumulative data from 2015–2021 on the total number of beneficiaries of SDG 8 to date.



Value for Disability: contribution to the communities

More than 1 billion people in the world, mostly in low income countries, are living with disabilities: it is the largest minority in the world (15% of the global population). Levels of participation in social and economic life, and also access to education and care are significantly less than for the rest of the population. For this reason, we wanted to start global and local projects in order to learn about and satisfy the needs of colleagues, customers and communities for creating inclusive products and services based on the Design for all methodology, with the goal of promoting the increase in the skills, employability and entrepreneurship of disabled persons.

Here are some examples of projects:

- Colombia: "Emprende con Enel". This initiative offers training and consultancy services to small companies and business people, helping them to overcome the crisis generated by the pandemic, giving priority to entrepreneurs who work for the inclusion and for the reduction of barriers for people with disabilities. The project was launched using the Open Innovability® platform. One of the relevant projects that was

selected concerns sustainable tourism with disabled persons as guides.

- Italy: "Diversamente Chiosco" which was awarded by the Group and the municipality of Fossacesia within the scope of the Cresco Award contest related to the entrepreneurship of disabled persons. This is a project of inclusion related to the work and training for young people with disabilities through which a bar was established that is managed by young people with intellectual and/or relational disabilities, who opened their doors at the weekends in July and August 2021 in the square where the ATM is located along the waterfront.
- Romania: small subsidies were assigned via FDSC (foundation for the development of civil society) to 13 NGOs that assist people with disabilities (with a total of 650 beneficiaries). The support provided was flexible and inclusive, targeted toward specific and priority needs indicated directly by the partners, which are usually difficult to cover with the subsidies assigned by traditional lenders. Furthermore, a subsidy targeted toward the foundation Pentru Voi was assigned in order to improve the structure of the NGOs activities who work with people with disabilities, both by preparing an accreditation guide as well as by providing methodologies so that these organizations can offer professional mediation services that help disabled persons enter the work world.



Measure the value of our commitment for communities

| 103-2 | 103-3 | 203-1 |

We make a substantive contribution to the development and social and economic growth of the territories and communities where we operate with varying types of intervention, ranging from the expansion of infrastructure to education and training programs, from initiatives targeting social inclusion initiatives to projects supporting local cultural life. To measure our action, we adopted the LBG (London Benchmarking Group) method, which makes it possible to clearly determine and classify the Company's contribution toward the development of the communities where it is present and compare it with other companies.

In particular, according to the LBG standard, the expense for the contributions to the communities can be divided as follows:

- donations: *pro bono* contributions and without obligations for the beneficiaries, except that they have to use the donation for charitable purposes and for non-profit associations. For Enel, this item includes all the monetary and in kind charitable donations, including those for

- philanthropic and solidarity activities;
- investments in the community: medium and long-term involvement in community support projects, also in partnership with local organizations, aimed at addressing significant problems both for the territory as well as for the Company. This category includes, for example, projects related to a wider strategy to the benefit of the community, such as Access to electricity, or specific initiatives dedicated to the communities near the power plants;
- commercial initiatives with a social impact: contributes to activities connected to the core business, in which the Company promotes its own brand and its own corporate identity. Examples of these initiatives are the marketing campaigns that also provide benefits for the community, or that include contributions for charitable purposes.

In 2021, Enel contributed **more than 91⁽¹⁶⁾ million euros** to the communities in which it operates.

2021 initiatives in favor of communities by purpose (%)

Donations	10.7%
Community investments	61.6%
Commercial initiatives with a social impact	27.6%

Initiatives in favor of communities by type 2021 (%)

Cash contribution	89.6%
Employee volunteerism	0%
Donations in kind (goods/services/projects)	2.7%
Management overheads	7.2%

(16) During 2021, donations decreased significantly in comparison to 2020 due to the effect of the disbursements made during 2020 by the countries, Enel Cuore and other Group foundations for the purpose of medical supplies together with donations to public and private institutions focused on fighting the pandemic.

The investments in communities are in line with the previous year, whereas the commercial initiatives increased 43.6% compared to 2020, especially in Latin America, Iberia and AAO due to the effect of the post-pandemic recovery.

Some examples of sustainability projects

eCitySevilla: the 100% sustainable future city

#eCitySevilla is a public-private collaboration initiative guided by Endesa, a Spanish company in the Enel Group, by the Scientific and Technological Park Cartuja, the Junta de Andalucía and the municipality of Seville. The project was created in order to develop a **model of a sustainable, open, digital and decarbonized** city in the Scientific and Technological Park "Cartuja" in Seville **by 2025**. With a plan of pioneering initiatives that reach the energy and climate goals fixed for 2050 twenty-five years in advance, #eCitySevilla represents an international reference that will guide the

development of the city of the future, and is also a model for the urban energy transition. The area of Isla de la Cartuja is an open-air laboratory of innovation that provides a model of a smart city of the future. It integrates the most advanced solutions in area of renewable energies, sustainable mobility, efficient buildings and digital infrastructures. The cornerstones of the project include reaching energy self-sufficiency due to the possibility of generating 100% renewable energy by constructing a photovoltaic generation plant and developing large storage systems.

School4Life: a path towards a sustainable future

The School4Life project was created in 2021 as a result of the collaboration between the Group and the ELIS consortium and has involved **25 Italian schools**, middle schools and high schools, for a total of **1,900 students**, who were able to participate in learning and experimentation experiences.

The initiative was participated in by Group experts as masters of the trade, role models and mentors, who helped the kids create concrete projects, simulating realistic challenges and problems to stimulate their creativity and express their individual talents. The role models were asked

to motivate the students, whereas the mentors accompanied them down a development path that was focused on the creation of a sustainable future. The project, which is planned to be repeated and expanded during 2022-23, has the goal on the one hand to make the young people aware of the opportunities offered by the energy transition in terms of work possibilities, and on the other hand it aims to keep them from dropping out of school using a methodological approach based on experimentation and learning by doing.

Nuevo Pachacútec: education for progress

Among the educational projects we promote around the world, the alliance with the technical institute **Nuevo Pachacútec** in Peru represents one of the initiatives that has a greater impact on the local community. Through this project, which was started in 2006 in the district of Ventanilla, which is located north of the capital of Lima, every year Enel Distribución Peru contributes toward the training of approximately **125 students**, offering them professional opportunities and growth paths in the electric sector, with a job placement rate in the work world of more than 90% at

the end of their studies. The initiative aims to provide advanced technical training in the energy field and has generated value over the years in one of the most vulnerable areas of the country, promoting employment opportunities for young people with limited economical resources. A large amount of attention is placed on the topic of **gender equality**, stimulating the participation of female students in a sector that is traditionally considered only for men and offering them opportunities for professional development.

Ruta Pehuenche: a program for the development of small local business people

In Chile, where the hydroelectric plant Los Cóndores is under construction in the region of Maule, interaction with the local community has generated training and work opportunities and has resulted in the creation of a micro-entrepreneurial fabric led by women. The local development

program **Ruta Pehuenche** was created here, and its name was taken from the international corridor that extends to Argentina and is full of exceptional natural attractions. The project has the dual objective of promoting the economic growth of the entire community through training path-

ways and improving living conditions thanks to the use of eocompatible technologies for the supply of water, food, housing, energy and for solving sanitation problems. Since 2018, the year in which the project started, more than 80 people (of which 70 women) participated in the professional laboratories organized in the Chilean towns of La Mina, Paso Nevado, Armerillo and Las Garzas, with a total of **130**

hours of training. This initiative has led to the **creation of small commercial businesses** – linked to the tourism flow in the area – that produce items made of wood and jewelry made with stones and ceramic. In addition to improving the ability of families to generate income, the project represents a channel for promoting and strengthening the role of women in the local social fabric.

Sustainability Wonders – The digitalization of schools near our plants

Sustainability Wonders is a program of the Enel Green Power and Thermal Generation Global Business Line that was created due to the need to collect, enhance and share internally the best projects of sustainability in our generation plants all over the world, explaining them with the voice of those who are directly involved. To support this, a digital space was created where it is possible to read and learn about some of the projects that we are carrying out every day in more than 19 countries, learning from others, being inspired by best practices to replicate them and create new relationships.

The first edition of the program, in 2021, was dedicated to SDG 4 "Quality education" and made it possible to collect all the initiatives that have contributed toward the development of young people in the communities where we operate, through projects of education, training and support to schools by means of infrastructure and digitalization.

During this first edition, the project that was appreciated most by Enel people and that

was selected as the winner was carried out in Spain in 2020-21 and had the goal of increasing digitalization in the schools near our plants. The project was included in the Public Responsibility Plan of Endesa to contrast the consequences of Covid-19, and to contribute toward alleviating the digital divide that was worsened by the pandemic and aggravated situations of confinement and social distance in all areas. More vulnerable students without access to a computer or the internet even had to renounce their right to education for a few months.

Thanks to this program, laptops and connection cards were given to the children of the most vulnerable families in 429 public schools near 40 generation plants of Endesa. More than 5,000 children in approximately 160 municipalities benefited from this initiative, and the teachers in 431 schools, as well as more than 55,000 students received online training on digital topics in order to support a new method of communication between students and teachers.

"Following the social-economic crisis caused by the pandemic, the Public Responsibility Plan prepared by our Company was another opportunity for demonstrating to our neighbors that we were there again another time to help them, offering the solidarity that is to be expected from a large company such as ours. All the beneficiaries, municipalities, schools, institutes etc. recognized our commitment and for this reason we are very proud to be part of the Endesa family."



José Antonio Galván

Director of the North-West Hydro Generation Unit, O&M Hydro Iberia

Access to energy

DMA EU (former EU23)

Access to energy represents a challenge and a primary need as stated by the United Nations SDG 7, which aims to ensure access to affordable, reliable, sustainable and modern energy systems for all. The Energy Progress Report provided the international community with a global dashboard for recording progress toward this sustainable development goal. The 2021 report in particular highlights that 759 million people in 2019 did not have access to electricity, a figure which is down compared to the 1.2 billion of 2010.

With a proactive approach to the needs of society, we aim to develop sustainable business models that can drive change and guarantee not only access to clean energy, but also sustainable development of communities. In all countries where we operate, we are close to people and support in particular the most vulnerable sections of the population, both through initiatives, usually inspired by the government, that provide economic support in facing energy costs, as well as through projects in developing countries that promote access to energy by a greater number of persons.

This commitment is confirmed in the 2022–2024 Strategic Plan through the definition of specific objectives, including an increase in renewable sources, energy efficiency initiatives, the development of sustainable and circular prod-

ucts and services, engaging local communities through a creating shared value model (please see the section, "Value for territories" in this chapter and the chapter "Our model for sustainable progress").

The Strategic Plan, the Sustainability Plan that describes in detail the goals and commitments from an ESG point of view, including access to energy and the corresponding financial and non-financial reporting are analyzed and monitored by the Board of Directors, by means of the Corporate Governance and Sustainability Committee and the Control and Risk Committee (see the Corporate Governance report, available at www.enel.com).

Top Management is engaged on a daily basis in realizing these strategic objectives by contributing towards supporting the global challenge of guaranteeing access to energy. To support Top Management, each country is responsible for managing relationships with institutional bodies, regulatory authorities on a national, regional and local level, and associations for promoting the development of solutions for access to energy according to different needs. The Innovability® Function, both on a holding level as well as a Business Line/Country level, also promotes the dissemination of a shared value model. It supports innovative solutions that can promote access to energy in remote areas with limited access to electricity.

Promoting access to energy

We are committed to promoting access to energy in developing countries not only by supplying electric energy, but also clean, innovative technologies to the population in order to generate energy that has a reduced impact on the environment. Approximately 1,950 MW of renewable generation was commissioned in Latin America in 2021, increasing the total renewable capacity to approximately 19,500 MW. In Africa, Enel Green Power is currently the main private operator in the renewable sector in terms of installed capacity (more than 1,500 MW in operation and 317 MW under construction), with a presence in different countries, including South Africa, Zambia and Morocco. In Asia, the Group is present in India through its subsidiary EGP India, one of the country's main renewable energy companies, which owns and manages 340 MW of wind capacity, producing approximately 270 GWh a year in Gujarat and Maharashtra.

In 2021, in just developing countries, more than 239 energy access projects were developed that reached around 2.3 million beneficiaries and roughly 70 related partnerships were in place. Some examples are provided below of initiatives that Enel is adopting in developing countries to support access to energy and that were promoted by the various Business Lines.

- **Rural Electrification in Goiás (Brazil).** As part of the initiative of rural electrification in Brazil, in the State of Goiás, approximately 17,000 connections were made since 2017 in remote zones, using on-grid and off-grid solutions, reaching various isolated communities such as: Cavalcante, Colinas do Sul, Monte Alegra de Goiás and Teresina de Goiás. The projects that Enel Goias will carry out over the next three years include initiatives in favor of families and local producers that are part of the dairy industry and its related activities and that need to become increasingly energy efficient. Partnerships will also be created and strengthened with local institutions and dialog will be expanded between representatives of the Company – at the cutting edge of the energy transition process – and the communities.

- **Cundinamarca 100% (Colombia).** The "Cundinamarca 100%" program aims to provide energy to families in areas that are difficult to access with wide geographical dispersion. The project started in 2016 with the participation of public partners and private associations in three ways: connection to the conventional electrical grid, installation of off-grid plants powered by solar panels and the construction of a mini-grid to attempt to guarantee safe, reliable and continuous access to energy also in remote and isolated ar-

eas. The program also includes education and professional training projects for the start-up of production companies and support for local agricultural development. With the development of the plan, from the process of identifying the users to access to the electrical service, more than 3,000 users were able to benefit in all geographically isolated rural areas. This program also made it possible to increase the coverage of the service and decrease the percentage of the population without service. "Cundinamarca 100%" is a project that is life changing through the supply of electrical energy in a safe, reliable and sustainable way to rural communities located throughout the territory and that never had electricity, making it possible for them to meet primary needs.

- **Suburban and marginal areas of cities (Chile).** In addition to rural electrification, we are committed to supplying ac-

cess to energy in some areas located in the shadows of the extended mega-cities, guaranteeing safe, efficient, reliable and sustainable energy for citizens. With the "Seguridad Energética en Campamentos" project in Chile, we are working in the marginal areas located in the municipality of Maipú to improve the living conditions of families who live in this suburban area. Enel Distribución and two NGOs (Fundación Techo and Litro de Luz) have entered into a collaboration that makes it possible to carry out various projects, including solar powered public lighting, social projects and workshops on the efficient use of energy and the prevention of electrical risks. The creation of a "community center" not only offers a meeting place and recreation area, but it is above all the ideal place for holding seminars suitable for the entire community, creating work opportunities especially for those who are in vulnerable situations.

Fighting energy poverty

The system for access to energy in developed countries has been guaranteed for some time now, however, following the widespread **increase in the prices of raw materials** on international markets starting from the second half of 2021, there has been an increase in consumers who **find it difficult to manage the energy expense**, especially families with low incomes. Even if governments have the primary responsibility of guaranteeing safe and economic access to basic energy services, also the electric sector is called to provide a tangible contribution by promoting fair and sustainable social-economic development.

In all the Countries in which we operate, we are always directly involved together with governments and local institutions to **fight energy poverty** and facilitate access to energy to customers living in vulnerable conditions. In line with the Group's sustainable business model and with the goals related to the topic of **energy transition**, every Business Line of the Group promotes specific initiatives to support the dissemination of solutions for energy efficiency and responsible consumption, the modernization of infrastructures and an increase in renewable sources.

Over the past years we have adopted different forms of support, often through initiatives inspired by the government, in order to help some sections of the population support the costs for the supply of electricity and gas, in order to permit **equal access to energy**. Among our various initiatives, we have launched specific campaigns to support the population living in conditions of vulnerability, providing information and advice for efficient and responsible energy consumption.

Some examples of projects developed on an international level are provided below (see also the chapter "The decade of electrification and customer centricity"):

- **Training program on access to energy and social services (Spain).** This initiative is based on training courses

on topics such as energy saving and efficiency measures, optimization of the electricity bill, the new Social Bonus and protection against having electricity cut off if the bills are overdue, and is directed towards NGOs and Social Services so they are able to improve their consultancy and their efforts for supporting families living in situations of vulnerability. In 2021 more than 35 thousand beneficiaries were involved in the project, which was developed together with the trainers at Endesa Energía and with the participation of approximately 100 institutions (NGOs). The purpose of this initiative is to demonstrate the Group's commitment to vulnerable groups and to the right against energy poverty, improving the relationships with stakeholders, such as local institutions, municipalities and Non-Governmental Organizations. Involving the NGO and Social Service in the work of observing and the fight against Fuel Poverty increases their knowledge in order to help vulnerable families and as a result minimize the barriers to access to energy.

- **Cerro Iglesias (Panama).** The project concerns the city of Cerro Iglesias, in Panama: a rural zone without access to electric energy near the Cerro Iglesias hydroelectric power plant, which was illuminated thanks to a creating shared value project together with the Oficina de Electrificación Rural (OER) of the Prime Minister of the Republic of Panama. Thanks to the shared effort with local authorities, the residents of the community located in the Panamanian district of Nole Duima, the comarca of Ngäbe-Buglé, receive electrical current in their homes. The project has made it possible to build approximately 14 km of transmission line, install 263 street illumination plants and electrify 423 homes. Sustainable and renewable energy guarantees illuminated streets for the residents of this small village and the electricity they need to manage their local businesses, schools and health-care facilities.

Primary development projects in progress and management of possible resettlement

| [102-42](#) | [102-43](#) | [102-44](#) | [103-2](#) | [103-3](#) | [413-2](#) | [EU 22](#) |
| [DMA EU \(former EU 19\)](#) | [DMA EU \(former EU 20\)](#) |

We are located in a large geographical area and this necessarily requires being able to set up relationships tailored to each specific situation as well as developing a thorough knowledge of each territory and of the needs of the people who live there. By doing this, we can proactively include what is essential to them in the way we conduct our business. This type of constructive dialog makes it possible for all involved stakeholders, including ourselves, to become more aware of and contribute to the creation of innovative solutions, a fundamental element for a competitive, inclusive and sustainable business model. This interaction is even more necessary when the development of infrastructural projects involves the resettlement of a part of the population residing in the surrounding areas, which is a process that requires a very attentive engagement of those who are affected as well as a careful evaluation of the psychological and social problems that can be caused at an individual and collective level.

This is why when we select the sites for developing our projects we adopt an approach that aims, first of all, to find alternative solutions, carefully studying what characterizes the communities from an economic, political, cultural and social-demographic point of view, to learn about the daily life of those who live in the area of influence, the dis-

tribution of the population, its forms of organization, levels of employment and wages. In the cases in which the option of relocation is the only viable solution, the project is developed in observance of applicable international standards, taking into consideration the possible impacts on the various forms of physical, human, economic, environmental and cultural capital of the affected populations as well as observance of the country legislation in force, including any local regulations that specify the conditions for resettlement and the methods for calculating the related economic compensation. This concrete commitment is stated in our Human Rights Policy (refer to chapter "Human Rights") and implemented through community relations based on a model for creating shared value (refer to the paragraph "Strategy and model for creating shared value with communities" in this chapter).

Hereafter, a description of the most significant projects under development and of past projects where we are managing residual critical issues jointly with a narrative outlining the positive and/or negative impacts (actual or potential) on the territory and the way in which we are promoting a proactive dialog to reach solutions that are as shared as possible.



Bocamina power plant (Chile)

The Bocamina II plant is a 350 MW coal-fired thermoelectric power station whose construction started in 2007 in the municipality of Coronel, Region of Bío Bío, in Chile. The plant is part of the coal-fired thermoelectric complex of Bocamina, whose first 128 MW unit was built in the 60s, commissioned in 1970 and closed at the beginning of 2021, three years ahead of the date identified in the Chilean National Decarbonization Plan, and subsequently to the closure of the coal-fired power plant of Tarapacá, which took place in 2019. The second unit, which is planned to close in 2022 in line with the pathway set to decarbonize our generation mix, was built in an area adjacent to the first unit, where approximately 1,300 families lived, for whom a resettlement process was necessary.

In 2017 this process was aligned with the main applicable international standards, including IFC no. 5 "Land Acquisition and Involuntary Resettlement". In particular, an extended analysis process was started in order to identify the suitable actions for ensuring the long-term sustainability of the resettlement project. This analysis was carried out with the support of a company with considerable experience in this area, Environmental Resources Management. The new quarters were equipped with social, sport and religious infrastructures, which were not initially included in the process, making it possible to preserve the social and human capital of the communities.

Today, all the families concerned with the resettlement process have been consulted and involved and more than 1,200 agreements have been reached with a total of 1,370 involved families. The remaining families decided not to participate and remain in their place of origin. The resettlement process was formally closed in August 2020.

The redesign of the entire resettlement process makes it possible to redefine the relations with the concerned communities and focus on local development, as well as respect and transparency between the parties from a point of view of a just transition. The actions carried out in 2021 include:

- the start of the work necessary for the requalification of approximately 240 homes in the communities of Huertos Familiares and Doña Isidora, after a pilot phase in 2020 for six prototype homes that made it possible to identify the measures necessary for its subsequent extension on a larger scale. This is an important step in the process of recovering the relationship with these communities, which started in 2018 with the creation of a technical committee comprised of representatives of our Company, the community and the CITEC (Center of Investigation and Technologies of Construction - Universidad del Bío Bío) which has the objective of identifying the invention measures to be adopted for the requalification of homes with construction defects;
- analysis of the impacts associated with the construction

problems of the homes in which the communities lived since 2010, and the effects on the quality of life of the families, as well as the quantification and liquidation of the relative compensations;

- reconstruction or financial compensation for the 12 churches which were not involved in the resettlement process;
- an agreement for the reconstruction of the historical school in Coronel, "Rosa Medel" financed by Enel Generación Chile in 2020, as agreed with the town hall and with the community;
- the development of the "Mi barrio, nuestro barrio" (My neighborhood, our neighborhood) program, which includes implementation of requalification projects for new and pre-existing areas affected by the plant. In addition to the completion of a sports center in the community of Huertos Familiares and company offices built by women of the community of Cerro Obligado within the scope of training activities for the development of eco-sustainable skills, the construction of a "Park of the senses" was completed, which provides an experience amongst greenery and native vegetation. Starting in 2020, and during all of 2021, work was carried out for two company offices, whereas work was started for two other offices as a part of the plan for the recovery of common spaces for the resettled communities. The same plan for the recovery of urban spaces includes the creation of the longest mural in Chile, along the external perimeter of the Bocamina power plant. This project was implemented with the local communities and is the graphic narration of the history of Coronel and its inhabitants and involved more than 70 people, from children to grandparents;
- Coronel cleaning plan: which involves the elimination of the micro-waste landfills and the removal of residual materials from the homes where the transferred families lived previously, avoiding environmental impacts and situations of abandonment and insecurity;
- transfer of eco-sustainable skills and circular economy projects: in the community of Cerro Obligado an eco-building project and an eco-furnishing project solely for women were realized in collaboration with the NGO Sembra; to date four women have had the training and from 2018 had their own operation in their workshop in Coronel where they reuse pallets and other materials of various local industries, transforming them into furniture and other items.

Furthermore, in 2019, together with the local fishing community we defined a method for participating in borrowings dedicated to supporting artisan fishing, which allowed more than 580 small business people in 2020 to access resources to improve their activity. Two other notifications will be launched in 2022.

To further strengthen the local business fabric, since 2016 we have made an annual fund available to small companies in Coronel that made it possible for about a hundred of them to access economic resources to improve their business. 2021 was the last year of this initiative.

Through the development of a system for managing the complaints and/or requests of the community based on criteria of transparency and fairness, it was possible to successfully resolve more than 1,000 reports, thanks to a multifunctional team that includes legal experts as well as resettlement and sustainability consultants, and that guarantees the verifiability, transparency and fairness of

the solutions. The application of this system for managing complaints, in line with the United Nations Guiding Principles on business and human rights, was recognized in 2021 by Pacto Global a nivel Latinoamericano as a practice of reference. Details are available at the following link <https://www.pactoglobal-colombia.org/publication/buenas-practicas-en-derechos-humanos-y-empresas-en-latinoamerica/6/component.html#page/85>.

Further information can be found in the Enel Chile and Enel Generación Chile Sustainability Report (www.enel.cl; www.enelgeneracion.cl).

Alto Bío Bío power plants (Ralco, Pangue and Palmucho – Chile)

We have an operational presence in the area of Alto Bío Bío (Ralco, Pangue and Palmucho), which is an area with a historical presence of the indigenous Pehuenche populations, where we manage three hydroelectric power plants. Numerically, the Pehuenche population in the area of influence of the plants amounts overall to approximately 3 thousand people, comprised of 800 families distributed in 10 communities (Pitril, Callaqui, El Avellano, Aukiñ Wallmapu, Quepuca Ralco, Ralco Lepoy, El Barco, Guayalí, Pewen Mapu and Ayin Mapu). In February 2017 we signed an important collaboration agreement with 25 families of the Aukiñ Wallmapu community for the start of local development projects, resolving the conflict related to the impacts generated by the construction of the Ralco plant. The following June we also signed to similar agreements with the El Avellano and Quepuca Ralco communities. In March 2017 we officially handed over the ancestral cemetery to the El Barco community, which completed the commitment that we had made with the community after the construction of the power plant. Furthermore, in 2020, our relationship with the local communities took an important step forward with the Quepuca Ralco school project, whose construction was included in the agreements for the construction of the Ralco power plant, and whose purpose is to valorize the cultural identity of the Pehuenche communities. Currently, working tables are active with the 10 communities in which plants have been defined for the sustainable progress of the territory that are aligned with the Sustainable Development Goals, mainly no. 8 and 4.

Social-economic development

Following a request made mainly by the El Avellano community, a community project was created in 2018 for the collection, processing and sale of hazelnuts. In 2019, the production department was inaugurated, which allows the community to transform the native hazelnuts into sub-products to provide to the market, thereby diversifying

their customer base. The project partners, who made it possible for a traditional activity to transform itself into a community type of micro-entrepreneurial business while maintaining the natural hazelnut groves, are the Università di Concepción, the El Avellano community, the municipality of Alto Bío Bío and the Peñuel Foundation.

In consideration of the tourist and recreational potential of the areas near the plants, and in order to promote the social-economic development of the local communities, specific projects promoting sustainable tourism were started. In particular, one was started for the area adjacent to the El Barco Laguna, where local business people currently offer camping, tour and gastronomy services. More than 6,000 tourists visit the area every season, representing an important area for this initiative. The collaboration between us and the community was carried out mainly with the objective of improving the sanitary situation of the area and install new toilet facilities and discharges for the treatment of wastewater. A project is being developed in Los Chaicanes to promote potato cultivation. This initiative, which had the initial purpose of marketing the tuber for fresh consumption locally, led to the production of seed potatoes and the recognition of this production by the agricultural and zootechnical service (Servicio Agrícola y Ganadero) as authorized to sell seed potatoes in 32 municipalities of the region of La Araucanía. The establishment of community production cooperative allowed the community to access borrowings of more than 30,000 euros. During the period of health contingency due to the pandemic, the cooperative played a fundamental role in guaranteeing food safety for the municipality of Lonquimay. In fact, it was able to sell 15,000 kg of potatoes to the city, which were distributed to the families most economically impacted by the pandemic. In 2021, a depot was created for storage, which make it possible to lengthen the storage period and extend the period they can be sold. The processing room was expanded also in 2021 in order to expand the production capacity and also to support the production of high-quality honey.

Access to education

As regards access to education, we assign scholarships that cover school fees, room and board for young people in the cities where the schools are located and study materials. This initiative concerned more than 700 students in the areas where various indigenous communities reside in the southern part of the country. In 2021, in particular, the Company collaborated with the municipality of Alto Bío Bío, con la Fundacion Pehuen, with the communities of Renaico and, finally, with the communities of Mapuches di Pullinque and Pilmaiquen in the "Los Ríos" Region.

Shared and sustainable water management

In the region of Bío Bío, we also signed an agreement with the Chilean Minister of Public Works to improve the flexibility in the use of water, ensuring its supply to families and electric energy power plants. This agreement was subsequently ratified also with the local associations that manage the irrigation channels in the area of Saltos del Laja. This initiative is the result of a joint project with the associations Canalistas del Laja and Canalistas del Canal Zañartu, Dirección de Obras Hidráulicas, Dirección General de Aguas, Ministerio de Agricultura, Ministerio de Energía and Comisión Nacional de Riego. There is also an agreement with the municipality of Antuco in order to start a pilot project to promote tourism in the area of Salto del Trubunleo during summer. In order to manage possible contingent or emergency situations in a quick and coordinated manner, we defined a specific communication system between the power stations of Pangue and Ralco of Enel Generación Chile, the Angostura di Colbún power station, the municipalities of Alto Bío Bío, Quilaco and Santa Bárbara, the Ministry of the Interior and Public Security (ONEMI) and the Ministry of Energy. Further information can be found in the Enel Chile and Enel Generación Chile Sustainability Report (www.enelgeneracion.cl).

El Quimbo power plant (Colombia)

El Quimbo is the most imposing civil engineering project realized by the Enel Group over the past years and represents one of the greatest hydroelectric investments in Latin America. The power plant has an installed power of 400 MW and is located in the department of Huila, south-west of Bogotá. In line with our approach of sharing and involving all the stakeholders concerned with our activities in the areas involved with their development, starting in December 2014 we defined a multi-year plan of social-environmental projects that concern the local communities, and in particular families who are residents or who own property in the area of influence of the project, as well as those who

Just a bit more south, in the region of Los Lagos, in the Mapuche community of Mapu Pilmaiquén, a project was started to return approximately 6 hectares of indigenous land near the Pilmaiquén hydroelectric power station. Today, the community manages this territory with a sustainable tourism project, opening the area's ecosystem to visitors, which is narrated according to the Mapuche cosmovision of conservation of the equilibrium of natural resources. This area, which is called Parque La Isla, welcomes approximately 6 thousand tourists every year, bringing economic benefits to the community. A large amount of their profits are invested in park conservation. Thanks to training activities in local handicraft techniques and the growing flow of visitors, an increasing number of people can benefit from this project by selling their products. To guarantee the presence of the beautiful waterfalls, Enel Generación Chile releases the water from the hydroelectric power plant for the benefit of local tourism.

Since 2016 Enel has collaborated with the Centro de Investigación y Transferencia en Riego y Agroclimatología of the University of Talca in a project of sustainable irrigation techniques targeted toward minimizing the use of water while improving production. In addition to local farmers, to whom knowledge and technology is transferred, the project also involved the local agricultural high school of the municipality, which made it possible for hundreds of young people to receive training in the sustainable use of water resources. The project demonstrated that it is possible to reduce the consumption of water by 50% for some typical crops in the area.

In order to identify the initiatives for the conservation of water resources in the hydroelectric basins shared with the agricultural sector, a "hydroenergy by design" study was carried out in the region of Maule, through which it was possible to identify with local stakeholders the strategic elements to be preserved for the maintenance of the hydrogeological ecosystem, from a point of view of territorial environmental planning with collective participation.

work or have commercial and service activities in that area. The surveyed families who met the specified requirements were able to decide between resettlement (collective/individual) and the sale of their land. Of the 152 families who selected the first option, 40 selected individual resettlement, benefiting from the availability of land that could be used for a home as well as for production purposes. The remaining 112 families opted for collective resettlement (Montea, Santiago y Palacio, Llano de la Virgen, San José de Belén) with new homes equipped with essential services and inserted in an urban context with schools, churches, multifunctional sports facilities, soccer fields, green areas

as, collection centers for the recycling of waste and waste water treatment plants. Each family also received 5 hectares of land with an irrigation system in order to develop their own productive activity (crops or mini ranches). Today, three of the four collective resettlement areas have completed and operative irrigation plants; the only exception is the district of Llano de la Virgen where the work is still in progress. Furthermore, 79 resident families, between collective and individual areas, already possess the ownership deed for their lot.

Social-economic development

During 2021, we continued monitoring the technical aspects related to the resettlement activities. In particular, we performed more than 340 visits to the people responsible for the agriculture production projects. In 82% of the cases, we monitored and supported the agricultural production system, whereas in the remaining 18% of the cases, the processes were reinforced through the transfer of technological knowledge.

In addition to continuing the projects already identified for meeting the needs of the communities from the point of view of creating shared value, we started new ones with important entities and associations. Specifically:

- 89 production projects related to the production of cacao, passion fruit, pineapple, coffee and the breeding of livestock were established;
- we have fully distributed the contribution to be used for the realization of various productive projects and for promoting the economic growth in the municipalities of direct influence. In El Agrado (317 benefiting families) and Garzón (13,832 benefiting families) the actions concerned the improvement in the sanitary conditions of the urban center and the road infrastructure, whereas in Gigante (2,559 benefiting families) the actions were targeted toward agricultural production projects and the improvement of road and sport infrastructure in the rural areas of the municipality; in Tesalia (92 families), a center concerned with the activities of three associations of local productions, we carried out a project for reinforcing the production supply chain of the cherry tomato through the application of protected crop technology;
- we continued the implementation of the agreement stipulated with Casa Luker, the United States Agency for International Development, the University EAFIT and the Foundation Saldarriaga Concha in the seven concerned municipalities (Algeciras, Campoalegre, El Agrado, Garzón, Gigante, Hobo, Rivera). Among the initiatives implemented within the scope of this agreement, we inaugurated the Training Center La Escalerita, rehabilitated 170 hectares in front of the Huila crops, with the replanting of 208 hectares, for a total accumulated since 2019 until today of approximately 590 rehabilitated hectares

and 340 replanted hectares, reaching the prefixed goal. Furthermore, there was an improvement in the sales of cacao to the benefit of the almost 400 producer members of the department. The training and support for the adoption of management instruments should also be pointed out;

- in the department of Huila, we signed an agreement with the association of ASOAPIS beekeepers in the municipality of Garzón, which has 53 members. The agreement involves the transfer by us for the free use of 170 hectares of terrain next to the El Quimbo dam, which will be used for the production of honey and its derivatives. The project is without a doubt also to the benefit of the environment and the preservation of biodiversity, in addition to the association of beekeepers, as the presence of bees promotes pollination and the reproduction of plants. The objective for 2022 is to product around 180 tons of honey, with an indirect benefit that will involve approximately 300 people, including families of the members and jobs to be created.

Environmental management

The educational and support projects continued for the management and rational use of natural resources and environmental protection in the communities in the areas of direct and indirect influence, including the educational institutions of the six municipalities in the area. Specifically, we implemented 180 actions during 2021, including:

- 3 training courses on the electric sector for each municipality;
- 39 actions for promoting the environmental awareness of the communities and public and/or private institutions in the concerned regions, including the first webinar on climate change, called "What is the climatic crisis? Searching for alternatives to protect the environment". The event was attended by approximately 270 people coming from 12 departments of Colombia and 10 municipalities of Huila with various profiles: ecological groups, university students, companies, governmental and non-governmental organizations;
- 48 meetings with resettled families that were focused on good practices for environmental protection;
- 13 training courses for resettled families on efficiency in productive projects: the rational use and management of water for consumption and irrigation, agri-food production and technology, administration and organization of the products for production and marketing;
- the strengthening of 6 ecological groups through 30 coordination actions among the groups themselves and the institutions, and 37 consultations regarding the creation of projections;
- 4 actions dedicated to sustainable tourism that involved the participation of public and private institutions locat-



Restoration of the tropical forest (Colombia, Enel Green Power and Thermal Generation, El Quimbo hydroelectric plant)

Since 2014 Enel-Emgesa has developed the largest ecological restoration project on a large scale of the tropical dry forest of Colombia in an area of more than **11,000 hectares**, as a measure of environmental compensation for the construction of the "El Quimbo" hydroelectric power plant in the region of Huila. The first pilot phase (2014–2018) involved identifying the most appropriate strategies to as well as determining the native species over 140 hectares. The main results were the propagation of approximately 215 thousand plants of 62 native species, the construction of almost 22,000 linear meters of fences for controlling the adjacent livestock farms, the building of a research center and the discovery of a new plant species unique to this area called *Pitcairnia huilensis*. Inside the restored area, a protected

area of more than 900 hectares called "Cerro Matambo" was created, which contributes to the conservation of the region's biodiversity. During the second phase, which started in 2018, a goal was fixed to have 500 hectares in active restoration by 2021, which, with the 640 hectares that were effectively reached, was significantly exceeded and resulted in the replanting of more than 480 thousand specimens of various native species.

Finally, in 2021, approximately 2,700 hectares of the area under restoration were declared a Natural Reserve of Civil Society. Currently, almost 3,600 hectares out of the total of 11,000 hectares were declared a Protected Area of Colombia, which demonstrates the state of conservation and its importance for the purpose of maintaining the country's biodiversity.



ed in the areas of direct influence. One of the initiatives concerned the launch of the first webinar on naturalistic tourism called "Naturalistic tourism and environmental sustainability in the tropical dry forest", with the participation of more than 320 people from the departments of Guainía, Antioquia, Sucre, Cundinamarca, Cesar, Quindío, Caldas, Vichada and Huila, in Colombia, and participants coming from other countries, such as Argentina and Venezuela.

Communication channels and legal proceedings

Specific communication channels were defined to provide information and respond to all the questions from the community regarding the project (dedicated web page, social channels, newsletter, etc.). The offices of Garzón and

Gigante have assisted approximately 470 people following requests and petitions who expressed total satisfaction with the assistance that was received.

Some local inhabitants/fishers started "acciones de grupo" and "acciones populares", which are currently pending, with the main complaint that the revenues from their businesses were reduced due to the construction of the power plant and a presumed impact on the activities of filling the Quimbo dam on downstream fishing. For more details, see the paragraph related to El Quimbo, in the section "Contingent assets and liabilities" of the 2021 Consolidated Financial Statements.

Additional initiatives and information about the projects are available in the Emgesa Sustainability Report 2021 (<https://www.enel.com.co/es/medio-ambiente-desarrollo-sostenible.html>) and on the website dedicated to the project (<https://www.enel.com.co/es/conoce-enel/enel-emgesa/el-quimbo.html>).

Other development projects

850 MW EGP-Nareva consortium wind project

In March 2016, a consortium between Enel Green Power and the Moroccan company Nareva, in partnership with the supplier Siemens Renewable Energy, was awarded the project for the development, construction and management of wind plants with a total installed capacity of 850 MW and for an overall investment of approximately 1 billion euros.

The purpose of the project is to supply renewable energy and support the social, economic and environmental development of the various involved areas from a point of view of greater access to electricity and reduction in dependency on fossil energy sources. The investment is managed, furthermore, in line with the principles adopted by the international community to ensure respect for human rights, protection of the environment and reduction in emissions deriving from coal and does not involve any type of extraction activity. The dialog with the concerned communities is a continuous process that is guaranteed by the repeated activities of consultation that support and update, if necessary, the results of the other analyses carried out.

In preparation of the development of the entire project, the consortium carried out a preliminary analysis of the social, economic and environmental context (SEECA) in the areas in which the plants are to be built (Midelt, Boujdour, Tiskrad, Jbel Lahdid), with the help of external specialists. The SEECA identified the relevant social-economic problems and the specific needs of the local communities that include: development of infrastructures, development of education, health care, development of social services, support for poverty and protection of cultural heritage.

Following this, for the sites of Midelt and Boujdour, we carried out an Environmental Social Impact Assessment in compliance with the standards of the International Finance Corporation (IFC) and other international guidelines; the same type of analysis is being carried out for Jbel Lahdid and will be developed for Tiskrad.

The accuracy of the analyses and the determination of the impacts and benefits for each site are starting points for defining the specific sustainability plan, which is expressed in actions that accompany all phases of the project, from construction to operation.

In particular, the construction phase is inspired by the "sustainable construction site" model, which is based on practices and solutions that maximize the social, economic and environmental benefits for the territory and surrounding communities. This model is the standard practice we have adopted in all construction sites around the world.

This application of this model to the **Midelt** plant, for example, whose construction was completed in 2020, gener-

ated positive impacts on the local communities in terms of employment, training and transfer of skills: this includes an initiative that involved 300 workers selected from nearby communities, who were trained and employed by contractors and small-medium sized local businesses that operate in the transport, hotel, food service and cleaning sectors. The environmental impacts related to emissions, water consumption and waste were measured and mitigated by adopting virtuous solutions and actions. Specifically, the main solutions that were implemented are as follows:

- **reduction in CO₂ emissions:** the installation of a photovoltaic mini-grid to power the base camp and auxiliary services; generation of photovoltaic energy integrated with batteries to power the turbine monitoring phase, autonomous photovoltaic modules to power prefabricated buildings/containers at the base camp; street lights powered by photovoltaic plants;
- **reduction in the use of water and promotion of its reuse:** the adoption of systems for the collection, treatment, storage and reuse of rainwater, for the production, for example, of concrete and for dust control; reactivation of the well to the benefit of the community with the installation of a pumping system powered by the photovoltaic system mentioned above;
- **reduction in the use of materials and the promotion of recycling:** reuse of all excavation materials to improve the conditions of roads and hillsides and to create new access roads and bridges to the benefit of the community; recycling of utilized wood pallets to create signs at the site.

Also for the operating phase, a sustainability plan was prepared that is based on the results of the second SEECA that was carried out, in line with the general approach that was described, with two main courses of action: realization and application of the sustainable plant model in order to maximize the social, economic and environmental benefits for the territory and the surrounding communities during the operating phase.

Therefore, sustainability projects were started in favor of the surrounding communities, focused mainly on health and education in collaboration with the NGO Injaz Al Maghreb. In particular, caravans were provided dedicated to specialist medical examinations to the benefit of students in the community. 200 hours of training were provided to 15 people coming from the local community to insert them in the work force at the plant. In addition, 5 small and medium-sized businesses were involved for the supply of services related to the plant. Furthermore, in collaboration with the Moroccan Student Foundation, one scholarship will be granted per year to give the possibility to a student

in the local community to complete university studies. We are applying the same approach of a sustainable construction site also for the site of Boujdour. Some of the actions carried out are indicated below:

- reduction of CO₂ emissions by means of a minigrid installed to power the base camps and auxiliary services;
- reduction of the use of water through the reuse of the water used while working;
- donations in favor of the surrounding community of systems for the water accumulation and recycling of materials used during construction for the requalification of roads and hillsides and to create signs at the construction site.

After the construction phase, also in this case specific actions are planned for the plant operating phase that aim to maximize the benefits for the surrounding communities in terms of employment, creation of skills and use of local small and medium-sized businesses.

Furthermore, during 2020, the Boujdour site was involved in the performance of a due diligence on human rights based on the United Nations Guiding Principles on business and human rights, the support of a renowned independent nonprofit organization with wide experience in this field. The results of this activity led to the preparation of an action plan that includes initiatives, among other projects, some of which were already completed, for:

- guaranteeing anonymous access to channels that collect complaints from workers and the Saharawi communities;
- Avoiding discrimination in employment and promoting the use of Saharawi staff, including by means of specific training programs;
- activating *ad hoc* projects/infrastructures for the needs of people who live in remote villages or for small local businesses, with a particular focus on the Saharawi population.

The results of the due diligence were also considered when carrying out the second SEECA and for defining the consultation process for the representatives of the Saharawi population, which is an activity carried out independently by an external qualified company and with proven experience in the area of sustainability. The consultation process included vulnerable groups, all belonging to the Saharawi population, and was carried out in Hassaniyya, the local language spoken by the Saharawi population, thanks to the inclusion in the team of an expert from that population. Interviews generally focused on: expectations and concerns about the project, perception of the project by the community, general challenges in the province and in the areas neighboring the site, means of support for the population, access to water and to electricity.

The completion of the consultation process provided a "social license" to operate, in light of a general acceptance of the renewable project by the Saharawi stakeholders who were interviewed, who pointed out numerous opportuni-



ties that resulted in terms of employment and local economic development, evaluating the project in line with their advocacy activities for their people's right to development, work and access to energy.

Also in light of some fears that arose during the consultation by the younger segment regarding the shortage or absence of skills in the sector of renewables, the specific Sustainability Plan for Boujdour promotes the employment of the communities and local small business also during the operational phase of the plan with a particular focus on the Saharawi population, actions for training and the creation of local skills, projects in favor of more vulnerable pastoral communities and support for local cooperatives. During the phase of constructing the civil works, we trained and employed approximately 200 people of Saharawi origin as part of the non-qualified workforce. Currently the majority of the workers, approximately 79% (92 people), come from the local Saharawi community. Various contracts were stipulated with more than 100 local small and medium-sized business for the supply of auxiliary services during the construction work (supply of materials, vehicle rentals, security services, etc.). In this way, we contributed to the economic support of business people who were particularly affected by the consequences of the pandemic. Also in Boujdour, as for Midelt, attention was placed on health care requirements, in particular a medical caravan

was made available to students coming from surrounding schools for specialist examinations of various type (general practitioners, dentists, ear, nose and throat doctors, etc.). Various projects were implemented to promote education, including: classes dedicated to approximately 1,000 beneficiaries held by local volunteers that covered topics related to renewables and the operation of the wind plants. Every year a scholarship will be given to one university student coming from the community of Boujdour, in collaboration with the NGO Moroccan Student Foundation. Finally, training centers were established that provided approximately 2,000 hours of teaching, to improve local knowledge for electrotechnical purposes.

To support the construction work of the plant, we also created new sections of road or requalified existing sections (approximately 60km) reconnecting state roads with grazing areas, thereby creating a benefit for the pastoral communities located in remote areas.

A specific project is also planned for reinforcing the local connection to the city of Boujdour, which can therefore benefit from the renewable electric energy generated by the plant.

Finally, we are monitoring the possible developments concerning the western Sahara. As regards the recent decisions of the European General Court agriculture and fishing agreements with Morocco in the Western Sahara, these concern aspects of treaty law that apply only to states and not to private investors. However, we are highly committed to implementing all of our projects in line with the principles adopted by the international community concerning human rights, protection of the environment and decarbonization. In this regard, the Boujdour project relates to the generation of electricity from renewable sources and is not directly connected to any extraction activity in the territory of residence of the Saharawi population.

Windpeshi project – Colombia, La Guajira

In 2019 five Enel Green Power projects won approximately 740 GWh/year in the Cargo por Confiabilidad tender. The winning projects, of which three are wind turbines and two solar will power the country's energy system, which recently started its journey into the development of green energy. Windpeshi, Tumawind and Chemesky are the windfarms in the La Guajira department, a region characterized by a significant presence of the indigenous population, which represents 20% of this population in the whole country. Historically, it is a region with a very high rate of primary unmet needs such as access to potable water, energy and education.

For the Windpeshi plant, we launched the construction of both the windfarm and a transmission line. In both cases, the communities involved were consulted: 11 relating to the wind farm and 23 regarding the transmission line. The consultation process enabled identifying opportunities for developing projects that can promote access to both potable water and to education. In particular, with reference to:

- **access to potable water**, the public water system was inaugurated in favor of the rural communities spread throughout the region. The project will benefit 3 thousand Wayuu indigenous people and will make it possible to access water, treat it and make it potable, store and

distribute it, improving the quality of life of the population. This project was financed by the "obras por impuestos" mechanism and falls within the Colombian Ministry for housing's Guajira azul program. A second water system, Amalipa will benefit the communities in the area of influence of the transmission line. Finally, also in the department of La Guajira, wells are being constructed and rehabilitated to permit the use of water for other purposes;

- **access to education**, an agreement was signed with SENA (Servicio Nacional de Aprendizaje) to start processes for job training and sustainable entrepreneurship in the communities in the area of influence of the projects, as well as the specialization of non-qualified work in the project activities, with the result that 65 people were trained in construction-related topics.

We also reached an agreement with the University of La Guajira for the creation of an intercultural manual, which represents a fundamental tool for understanding the dynamics and particular aspects of the ethnic communities and, through an agreement with Artesanías de Colombia, we are promoting in the Wayuu territory the artisan processing of the Wayuu fabric in the area of influence of the Windpeshi wind park.





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Qualified suppliers ⁽¹⁾ assessed for health and safety aspects for all product groups (% qualified suppliers)	100%	99%		100%	S	3 12
Qualified suppliers ⁽¹⁾ assessed for environmental aspects for all product groups (% qualified suppliers)	100%	99%		100%	E S	12 13
Qualified suppliers ⁽¹⁾ assessed for human rights and business ethics aspects for all product groups (% qualified suppliers)	100%	99%		100%	S G	12 16
Continual increase in the coverage rate of "sustainability K" tenders (% of "sustainability K" tenders/total tenders)	80% by 2023	83%		92% by 2024		S
Supplies' value covered by Carbon Footprint (CFP) certification ⁽²⁾		59%		75% by 2024	E S	12 13
Supplies' value covered by Carbon Footprint certification or CFP estimation by international database ⁽³⁾		76%		95% by 2024	E S	12 13
Ratio of tenders including mandatory Sustainability Requirements				35% by 2024	E S	12

- (1) The ratio is calculated considering the total number of qualified suppliers with qualification valid within the year and does not include large players or subsidiaries of related industrial groups.
- (2) 80% of this value is also covered by EPD (Environmental Product Declaration), that certifies Carbon Footprint, environmental impacts and circularity data.
- (3) CFP estimation from international database based on LCA methodology (Life Cycle Assessment).



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Integration of the Environmental Product Declaration (EPD) qualification requirement and subsequent launch of co-innovation projects		Environmental Product Declaration (EPD) became mandatory as tender requirement			E	12
Development of a new control system for real time recognition and monitoring of suppliers' performances	Establishment of the system for reducing risk and improving resilience in the supply chain	The internal communication campaign on the Track and Rate system continued in 2021			S G	12
Definition of a single sustainability index for Enel's supplier ranking in 2022		It has been decided to attribute more weight to separated evaluations in terms of environment, safety and human rights in order to be able to act expressly on suppliers depending on the type of risk emerged			S	12
<ul style="list-style-type: none"> Increase and strengthening of tender strategies in which assessment of the K technical factor includes sustainability aspects Start of actions aimed at sharing best practices throughout the entire perimeter of Enel 	<ul style="list-style-type: none"> Completed the rationalization of "sustainability K" factor Library and creation of sustainability tender requirements Library Creation of a Community of Sustainability and Circular Economy in the supply chain to spread sustainability best practices and projects 				S	12
<ul style="list-style-type: none"> Promotion of activities of information and benchmarking with suppliers Development of projects in line with the principles of circular economy, in order to achieve a "zero waste" approach and then extend it to the business activities Activity of training of the employees of Global Procurement on sustainability topics 	<ul style="list-style-type: none"> Remote vendor days and workshops carried out Definition of circular KPI for procurement and use of circular K factors and requirements Two rounds of webinars for buyers carried out in order to share how to use "sustainability K" and requirements; training on sustainability and Circular Economy School carried out 				S G	12
Training and awareness raising campaigns in relation to the use of applications developed for the new Supplier Performance Management, with a focus on the new evaluation category dedicated to human rights	<ul style="list-style-type: none"> Training and recurring meetings carried out with all the Business Lines during 2021 (1,237 people trained) 				S	12



Suppliers

| 102-9 | 102-10 | 103-2 | 103-3 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1 |

170.4

thousand

Contractor personnel (FTE)

99%

Suppliers qualified on health and safety aspects, environmental and human rights

83%

Ratio of tenders including sustainability "Ks"

The transformation of the energy system, alongside the digital revolution, entails changing and evolving the way works are performed and how goods and services are supplied. It also means suppliers are essential partners to achieve sustainable progress across our operating footprint. Companies that stimulate their suppliers to commit to sustainability will also be able to better quantify the total impacts generated.

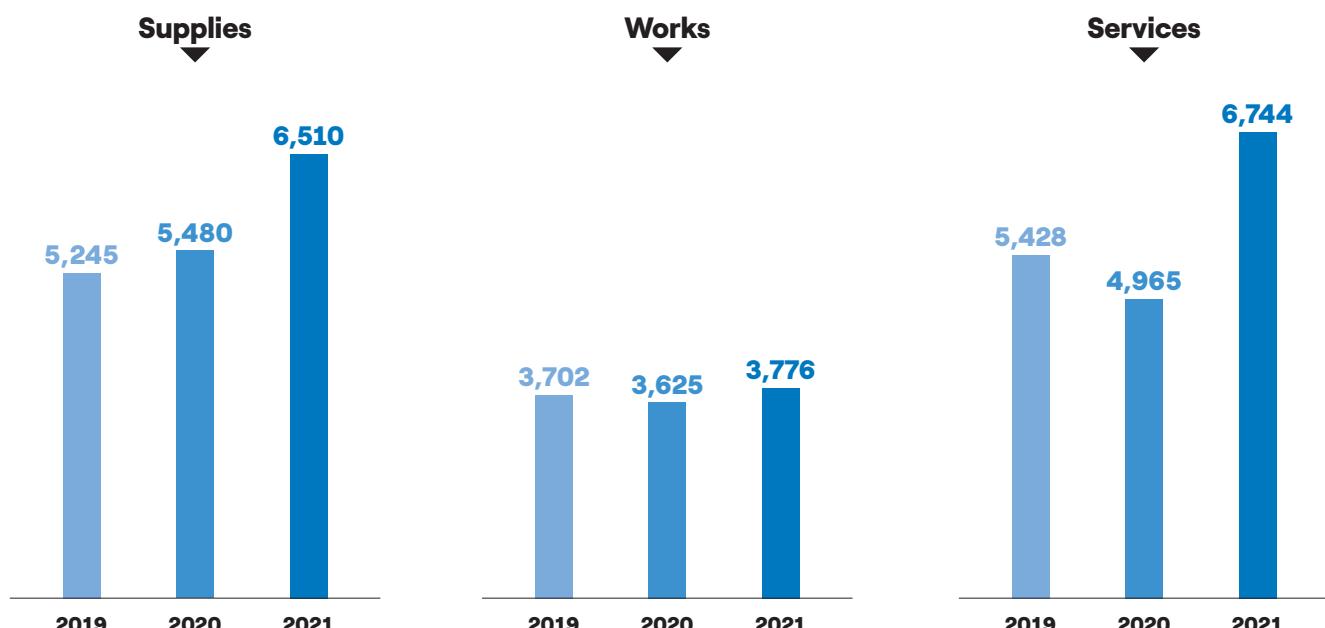
Our purchasing processes are underpinned by loyalty, transparency and collaboration, and in addition to guaranteeing the necessary quality standard, we request that

our suppliers adopt best practices in terms of human rights and environmental impact of their activities. The latter include working conditions, health and safety, adequate hours worked, rejection of forced or child labor, respect for personal dignity, non-discrimination and inclusion of diversity, freedom of association and collective bargaining, and respect for privacy by design and by default.

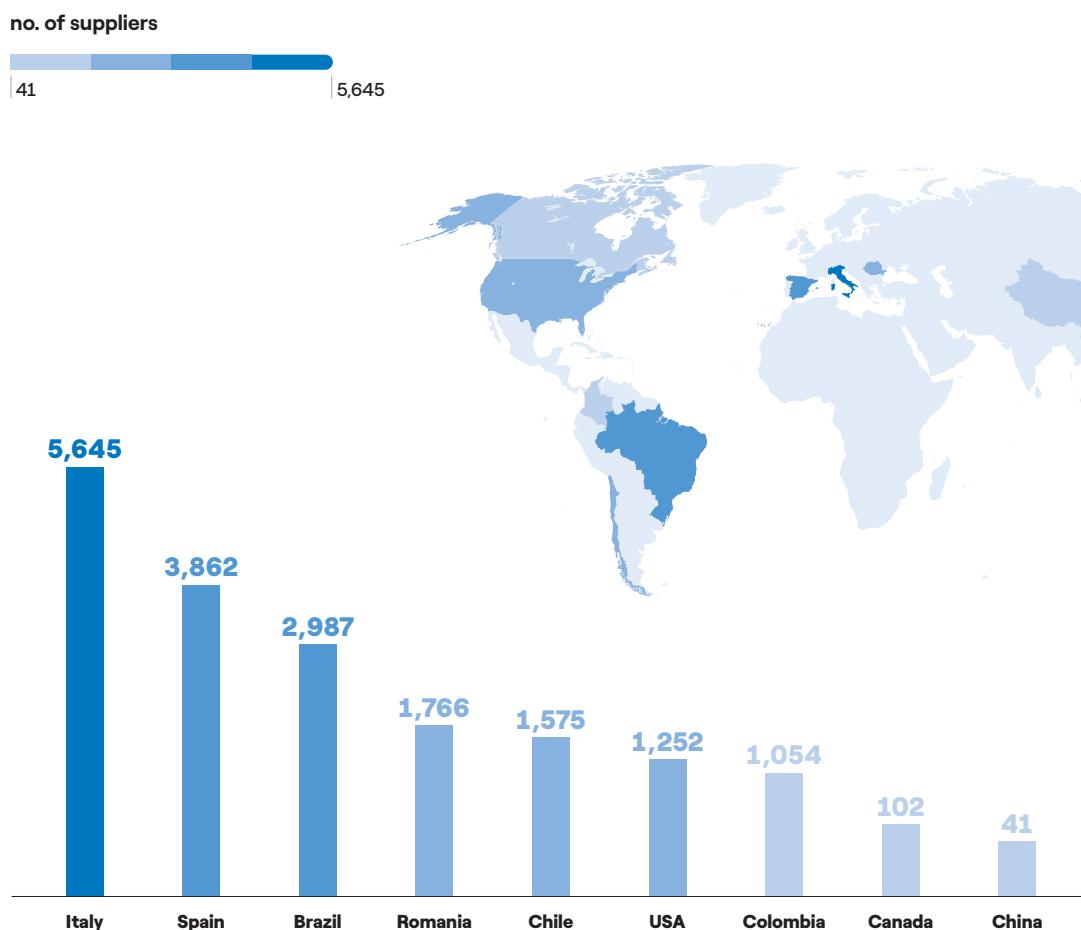
All of the above, within a clear codes of conduct framework that includes, to name a few, our Human Rights policy, Code of Ethics, Zero Tolerance for Corruption plan and our global compliance programs.

Purchases and tenders for goods and services

Supplies, works and services contracts (mil euros)



Top 10 Enel sourcing locations



The graph shows the countries where suppliers are located.

In 2021, the total from contracts for works, services and supplies amounts to over 17 billion euros, of which more than a third is in Italy, followed by Spain and Brazil.

Our procurement strategy is based on three fundamental principles:

- 1. enlarging buyers skills**, using user-friendly technologies, digitizing all processes and providing online training courses on the main aspects related to the procurement and Enel world, including courses dedicated to human rights and to employment practices standards that our suppliers must respect, while acknowledging everyone's contribution to a multicultural work environment based on trust and animated by passion;
- 2. enhancing integration and communication** with internal customers, jointly defining together solutions that can meet their needs, exploiting new, interdisciplinary and agile working methods;

- 3. involving suppliers from the onset of our internal customer needs**, to develop innovative approaches together.

Cost minimization, once a traditional indicator for measuring supply chain effectiveness, is now flanked by other metrics aimed at **maximizing value creation in its various forms** (safety, timing, quality, risk reduction, performance, flexibility, sustainability).

In addition, in 2021 **two communities** were launched with the involvement of different staff Functions and Business Lines at Enel, to further integrate the principles of sustainability and circular economy within the entire supply chain management process and to measure the value it creates, including the contribution to the sustainable development goals to which the Group has committed publicly.

Supplier management and assessment processes

| 103-2 | 103-3 | 308-1 |

In addition to compliance with local legislation, procurement processes are based on criteria to promote sustainable development and social stability, as well as on the principles of free competition, equal treatment, non-discrimination, transparency and rotation.

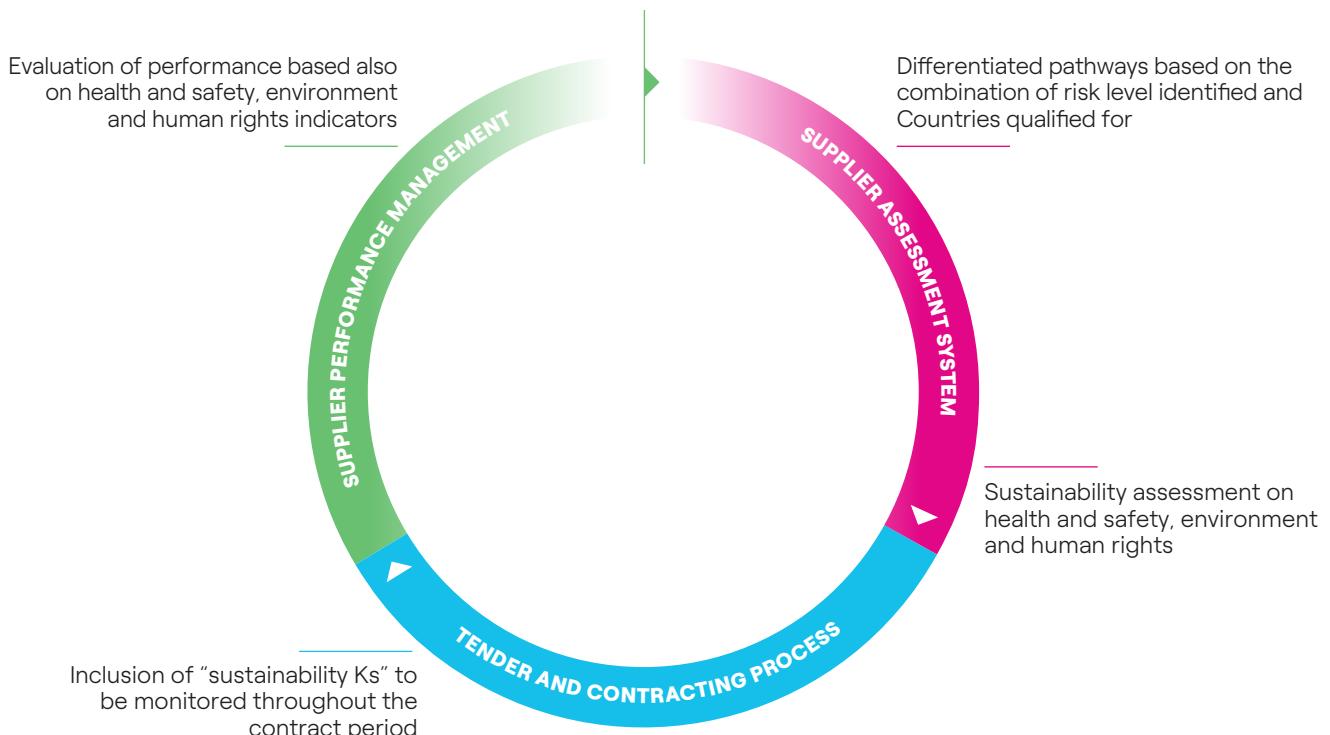
The selection of the best partners and the execution of contracts according to the highest standards of sustainability are guaranteed by our analysis and monitoring of the entire procurement process:

- **100% of the purchasing product categories are preliminarily evaluated in terms of risk**, on the basis of integrity, environmental, social and economic criteria;
- during the **qualification** stage, potential suppliers are assessed based on very stringent criteria relating to occupational health and safety, human rights, and the environmental impact of their activities;
- during the **tender** stage, there are specific mandatory sustainability requirements and reward factors (sustainability K), in order to contribute to the promotion of responsible practices at a systemic level;

- throughout the **duration of the contract**, we monitor compliance with the requirements and reward factors (Supplier Performance Management).

Together with suppliers, we work to define new metrics and indicators and to promote co-innovation projects fostering decarbonization and circular economy, with positive impacts on both manufacturing and purchasing processes. In particular, for the 13 most strategic product categories, which now represent more than 50% of the expenditure on the purchase of materials, we require the Environmental Product Declaration at a global level, the aim of which is to quantify, certify and objectively communicate the impacts generated in the entire life cycle of supplies (water consumption, CO₂ emissions, impact on the soil, etc.). Certified data enables us to measure emissions for the entire supply chain, supporting the Group's decarbonization pathway.

All processes are carried out digitally via the portal made available to suppliers with a view to environmental sustainability, by reducing the use of paper.



Supplier qualification system

Each potential supplier, taking into account their business, can undertake a qualification pathway for one or more product groups and select the countries in which to supply goods and services. Suppliers are only acknowledged as suitable if they meet all the specific requirements for each product group (PG).

All product groups are analyzed at a global level and with the support of the different areas involved in the field, to set the requirements in question. In particular, the analysis involves:

- mapping of the activities included in each PG;
- choice of the qualification pathway depending on supplier type (there are *ad hoc* processes for start-ups, sector leaders and industrial groups);
- allocation of a risk level for each key issue (safety, environment, human rights, irreplaceable supplier, etc.); and
- categorization into product groups based on the risk detected.

The qualification pathways may therefore differ according to the combination of the risk level identified and the countries for which the supplier has chosen to qualify.

With specific reference to **sustainability aspects**, the questionnaires require information on:

- **health and safety**, via the "Safety Self-Assessment" and its straightforward indication to our suppliers of the fundamental requirements on which to work and grow together;
- **environment**: the environmental criteria provide an evaluation scale from 1 to 3 (where 1 is the worst rating and 3 the best) and differ depending on the product category in question and the associated risk level. Moreover, for product categories with a higher risk, an on-site audit at the contractor's premises/sites is always required;
- **human rights**: the assessment is independent of the PG risk level and involves an analysis of potential suppliers regarding existing labor practices (such as rejection of forced or child labor, respect for diversity and non-discrimination, freedom of association and collective bargaining, fair and favorable working conditions, including hours worked and adequate wages, protection of workers' privacy, checks on the supply chain) and community relations (local, indigenous and tribal) and society.

Before proceeding with qualification, we also **check the reputation** of the potential supplier by means of national and international data providers and we check compliance with the legislation and regulations in force as well

as **adherence to the principles** to which we have committed through our Human Rights Policy, Code of Ethics, Zero Tolerance of Corruption Plan and global compliance programs, with specific reference to the lack of conflict of interest (including potential) and, depending on the specific risk classes, the submission of specific certifications/self-declarations or on-site visits to check whether the above-mentioned requirements have been met.

If the outcome of these analyses and assessments is positive, individual suppliers can qualify and be added to the Supplier Register (or remain on it if previously qualified) and then be invited to participate in the Group's procurement procedures. If the outcome is negative, the supplier may submit a new request for qualification at a later date.

Compliance with the requirements must be assured for the entire duration of the qualification and, as such, those already included in the Enel Register of Qualified Suppliers are constantly monitored, partly by reference to external databases, for events that may affect their company and its main representatives.

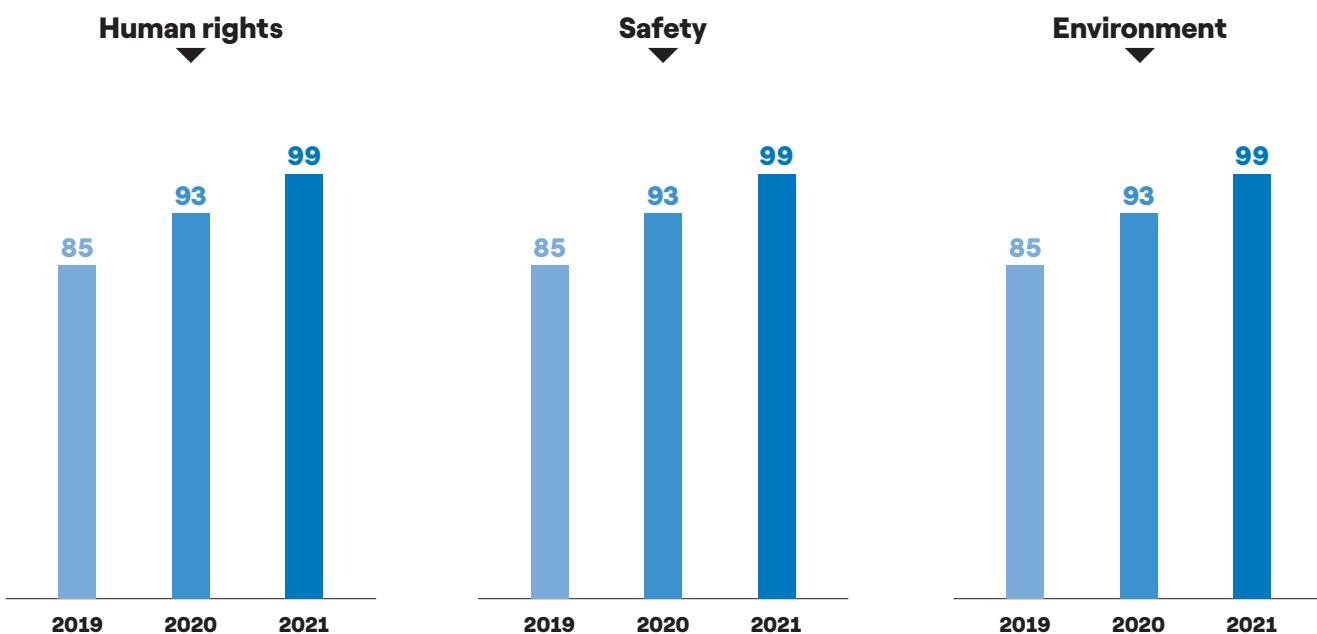


In 2021, 100% of new qualified suppliers were assessed according to social, environmental and safety criteria. The number of qualified suppliers with a contract still active at the end of 2021 is approximately 6,900 (around 61% of active suppliers as of December 31), while the

total number of active qualified companies is approximately 14,000.

The following table shows the trend in the qualified suppliers percentage for the three aspects analyzed by process.

% suppliers qualified at December 31



Tendering and contracting processes

Consistent with our commitment to introduce sustainability aspects into the tendering processes, we adopted a structured process governed by a specific procedure to define "sustainability Ks", which can be used in the tendering stage by the various purchasing and monitoring units throughout the entire life of the contract.

The process involves a "Library", cataloging all the "sustainability Ks", consistent with the various PGs and grouped into two macro-categories:

- **environmental Ks**, including waste management, carbon footprint assessment according to UNI EN ISO 14067:2018; circular economy projects;
- **social Ks**, including training to develop the skills of local communities, or action to ensure respect for gender diversity.

The Library is periodically updated by the two sustainability and circularity communities, taking into account the maturity of the market in terms of specific sustainability practices and new business strategies.

We include specific clauses in all contracts for works, services and supplies, which are updated periodically to take account

of the various regulatory changes and align to international best practices. The General Terms and Conditions comprise a general section containing provisions applicable to all countries, as well as Country Annexes which contain the clauses specific to each country.

The general terms and conditions refer to the current regulations on remuneration, contributions, insurance and tax, with reference to all workers employed for any reason in the execution of the contract by the supplier. In addition, the principles set out in the ILO Conventions and the legal obligations regarding the protection of child labor and women are explicitly recalled, as are equal treatment, prohibition of discrimination, abuse and harassment; freedom of association, association and representation; rejection of forced labor; safety and environmental protection and conditions of health safety (Art. 29.1.3 of the General Terms and Conditions). In the event of conflict between the latter and the ILO Conventions, the more restrictive standards will prevail.

The clauses also state that suppliers must undertake to prevent any form of corruption (Art. 29.1.5 of the General Terms and Conditions).

In addition to the legal provisions, the contractual conditions require that our suppliers:

- recognize the "Ten Principles" of the United Nations Global

Compact and declare that they manage their business activities and operations in order to meet these fundamental responsibilities in the fields of human rights, labor, the environment and the fight against corruption (Art. 28 of the General Terms and Conditions);

- acknowledge the commitments we have made in the principles listed in the documents below and refer to them in the execution of the contract: the Human Rights Policy, which also includes a principle relating to respect for biodiversity; the Code of Ethics; the Zero Tolerance for Corruption Plan; and the global models for the prevention of crimi-

nal risks (Art. 29.1.2 of the General Terms and Conditions);

- adopt suitable conduct to avoid the emergence of conflicts of interest throughout the entire term of the contract and to notify us promptly in writing if any such circumstances arise (Art. 29.2 of the General Terms and Conditions).

We reserve the right to carry out any control and monitoring activity to check compliance with the obligations set out above by both the supplier and any of its subcontractors, and to terminate the contract immediately if any breach is ascertained.

Supplier Performance Management

The Supplier Performance Management (SPM) process enables us to evaluate and monitor the performance of our suppliers during both the procurement process and the execution of the contract.

The goal, with a view to collaboration with our suppliers, is not only to take any corrective actions during the execution of the contract, but also to encourage a pathway of improvement made possible by actions that reward best practices.

The process is based on the objective and systematic disclosure of data and information on the execution of the contracted work. This data is used to develop specific indicators, also called categories (Quality, Punctuality, Health and Safety, Environment, Human Rights & Fairness, Innovation & Collaboration), which are combined to form a weighted average and produce the **Supplier Performance Index (SPI)**.

The categories and SPI can be used as assessment elements for participation in tenders and for maintenance of the contractual relationship.

Monitoring activities are conducted by the various Business Lines with support from the relevant health, safety and environmental units, where applicable, and the Qualification & Vendor Rating unit. In addition, all Enel people who interact with suppliers have the opportunity to express their own assessment using the dedicated Track & Rate app.

In the event of poor performance, we take specific actions that can be reflected in:

- qualification (for example, its suspension, review of the application class – i.e. bands of tender amounts within which suppliers can gain access, placement on the blacklist, exclusion from the list of qualified suppliers, etc.); and/or
- the contract (for example, further investigations, improvement action plan, termination, reduction in volumes, etc.).

If issues are found with the conduct of a supplier, an action plan may be drawn up jointly, the execution of which is sub-

Suppliers

10,000

Tier 1 suppliers

54%

of Tier 1 suppliers are deemed critical, considering their strategic importance to the business, purchase volumes and potential economic, social and environmental impacts

2,883

Tier 1 suppliers

assessed during 2021 (includes assessments made during the tendering and contract award phases)

37%

of assessed Tier 1 suppliers that have been assigned improvement actions

98%

of assessed suppliers presented improvement action plans and improved their ESG performance as a consequence

jected to our constant monitoring.

The SPM process monitored 638⁽¹⁷⁾ PGs and 6,020 contractors last year (compared to 612 PGs and around 7,050 contractors in 2020).

(17) Out of a total of approximately 700 product groups.

Monitoring systems

The monitoring process for our suppliers is regulated by specific Group procedures that state the rules to be followed for services rendered by:

- contractors during the execution of the contract, via safety and environmental inspections aimed at preventing accidents, injuries, diseases and environmental events;
- Enel people while performing their duties, to identify any existing non-conformities and potential dangers and reduce the reputational risk of the Company as a consequence of inadequate actions by workers and contractors.

Inspections are planned on an annual basis and are scheduled in an integrated manner, to ensure that no area of the organization proceeds without suitable monitoring.

During on-site verifications (in 2021, 1,316 safety assessments were carried out as a result of non-compliance), specific checklists are used, which help to focus attention on the contractual provisions (for example, HSE conditions), on technical standards, on authority and legislative requirements, and also provide for the uniform classification of non-conformities for subsequent corrective action to be taken.

At each stage of the procurement process, specific committees comprising representatives from both the purchasing area and the Business Lines assess and monitor supplier performance.

In particular, the following committees have been established:

- the **Qualification Committee** (396 sessions held in 2021);
- the **Integrity Committee** (64 sessions in 2021): this includes representatives from Global Procurement, the Legal Function, the Security Function and the technical Functions of the Business Lines; it meets whenever a critical issue emerges that may have negative repercussions on the integrity of the supplier in question. The Committee is tasked with sharing and analyzing these critical issues and evaluating the activation of specific actions/sanctions on supplier companies.

Moreover, individual country-specific units ("Contract Control Areas") have been set up to carry out checks on responsible management by our supply chain and to assess and manage risks relating to joint and several liability (contractually applicable to successful tenderers and any subcontractors). The checks include an initial mass document analysis to check that suppliers have made timely social security contributions and complied with their contractual obligations. A subsequent, second-level check on a sample of tenders involves targeted and thorough verifications with on-site inspections.

In addition, our suppliers have specific **whistleblowing channels** available, as set out in our Human Rights Policy and in our Code of Ethics. Local contact channels are available to ensure access to this mechanism for all interested stakeholders, in their own language.



Our individual and ecosystemic approach to reject forced labor

Enel's commitment against forced or compulsory labor and any form of slavery and human trafficking – as defined by the International Labour Organization (ILO Convention n. 29) – is depicted in our Human Rights Policy (principle 2.1.1. – employment practices section). We comply with the UN Global Compact and require the application of ILO conventions to our contractors (please refer to the "Human Rights Management" paragraph).



In addition to guaranteeing the necessary quality standards, our suppliers are requested to adopt best practices in terms of human rights and working conditions (including adequate hours worked, respect of personal dignity, non-discrimination and integration of diversity, freedom of association and collective bargaining), occupational health and safety, environmental responsibility, impact on local community, dissemination of human rights principles throughout the supply chain and respect for data protection by design and by default.

We have in place a voluntary due diligence process on our human rights management system, running on three-year cycles (please, refer to the "Human Rights Management" paragraph). Mandatory due diligence mechanisms are being discussed at European Union level (refer to the proposed text of directive on "**Corporate Sustainability Due Diligence**" released on February 23, 2022) and are expected to bring benefits in terms of transparency about overall human rights management processes at corporate level and, hence, on procurement processes.

With specific reference to the photovoltaic supply chain, besides legislation, we are carrying out a number of initiatives both individually and working jointly with other utilities, our suppliers and sector associations. Namely:

a. on the individual side, we:

- request suppliers to develop a silicon traceability system to guarantee and verify the origin of silicon as well as tracing our supply chain, up to polysilicon, and planning on-site audit at the factories that are involved in the supply of materials and equipment used in the solar panels;
- verify, benchmark and instigate any necessary improvements to our suppliers' codes of conduct (such as Human Rights Policy and Code of Ethics, or equivalent) using our UNGPs, OECD, ILO and Global Compact based standards as a reference;

b. on the ecosystemic side, we:

- participate in some specific initiatives like the "Supply Chain Transparency Monitoring Programme". This 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⁽¹⁸⁾, 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 EU legislation;
- have fostered the set up of the "Global Alliance for

Sustainable Energy", a recently launched initiative involving national and international players operating in the energy sector and who are willing to lead, accelerate and foster transition to a decarbonized economy. The objectives of the Alliance include the redefinition of the very concept of 'sustainable energy' and the involvement of stakeholders working in or having relations with such sector, such as civil society, policy-makers, academia and raw material suppliers. Within the Alliance, a specific human rights and inclusion working group has been set up with the aim of mapping salient issues along the value chain, define a code of conduct and a reporting tool to solve current fragmentation of standards;

- will carry out further specific initiatives in synergy with the solar industry with the aim to guarantee the sustainability of the supply chain. These initiatives will include:
 - sharing best practices in terms of 'codes of conduct' (such as Human Rights Policy and Code of Ethics, or equivalent);
 - assessing that labor practices at the factories involved in the supply of materials and equipment used in the solar panels to be installed in European power plants are sustainable, within any limit set by issues impacting factory visits resulting from the Covid situation, industrial property confidentiality and commercial as well as geopolitical restrictions;
 - including, in EU companies requests for bids, requirements for photovoltaic (PV) module suppliers concerning the respect of human rights and sustainability standards along their supply chain, as well as the implementation of a traceability system for the materials that compose the solar panel, giving full visibility of it to their customers also through due diligence processes related to environmental and human rights aspects.

Considering that PV will represent a key technology to enable the energy transition in the EU and worldwide, we believe Europe needs to have a certain type of strategic PV production inside its borders and to build the related supply chain. We are convinced that if we leverage on the momentum for renewables, thanks to the existing R&D and industrial know-how still present in the EU and with support from the EU itself, a new roadmap can be created towards a European industry for solar panels. That is why we welcome the launch in January by the European Commission of a **public consultation on the EU solar energy strategy**. The consultation is seeking input on the main bottlenecks and barriers to investment under existing rules. It looks at policy measures with, among its objectives, that of

(18) In line with the framework of the United Nations Guiding Principles.

"ensuring secure supplies of affordable and sustainable solar energy products through supply-side measures, including high sustainability standards and global PV supply chain resilience"⁽¹⁹⁾.

In the EU Industrial Strategy published by the European Commission in April 2021, Solar PV together with other renewable energy technologies is one of the key industrial ecosystems for the EU. The European supply chain will thus need to be strengthened in order to facilitate access to

rapidly growing markets within the continent and globally. Moreover, the efforts that the European Commission is putting forward on the topic are complemented by the newly set **European Raw Materials Alliance** as a central platform aimed at identifying solutions to supply bottlenecks. Furthermore, the **European Battery Alliance** work is converging on the same goal.

In a nutshell, the EU is laying the grounds for the creation of a sound solar value chain within its borders.

Training and information

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We have organized many meetings with contractors on sustainability matters in recent years, with a view to exchanging ideas. In addition, articles are published periodically on the Enel Global Procurement website that highlight the commitment made by the Group to these topics (<https://globalprocurement.enel.com>). We have also implemented numerous initiatives to engage contractors with regard to protection and awareness, particularly on health and safety matters. Due to these initiatives, there has been a significant decrease in accidents at work in recent years (for further details, see the "Occupational health and safety" chapter of this document).

Enel & Suppliers for Sustainable Value

We have launched several initiatives to increase the resilience of the supply chain and to make Supplier Centricity more and more concrete and tangible.

One example is the **Supplier Development Program**, launched in July 2020 and relaunched in November 2021 when it was opened to over 6,000 suppliers in Italy, to support the growth pathway companies in the supply chain and, at the same time, to contribute to achieving the Group's strategic objectives. The program is aimed at companies, based or with branches in Italy, that are qualified or at an advanced stage of qualification in our Supplier Register and have a production value up to 250 million euros. We pay particular attention to small and medium enterprises operating in strategic sectors that will benefit

from our direct support to provide access to certain services.

By entering into agreements with the main players, we guarantee more favorable conditions than the market average and we contribute with partial coverage of the services offered as part of the program. These range from financial instruments that can facilitate access to liquidity, to managerial and technical training programs that promote the conversion of the business towards the energy transition, from consulting services on sustainability, circular economy, strategy, M&A and internationalization, to access to catalogs of means of transport and working machines, all the way to services to obtain certifications. Particular attention is paid to initiatives to support the conversion and diversification of businesses, such as the "Companies Counter", consisting of periodic meetings with individual traditional generation companies to support them in their processes of growth and redevelopment towards expansion in areas such as renewables or new services related to energy efficiency.

The development that Enel intends to promote takes the form of:

- increased awareness about sustainability and digitalization matters;
- differentiation of the business and consequent reduction in supplier dependence on Enel;
- increased financial strength;
- internationalization, which helps grow our business outside of Italy and Europe.

(19) Source: https://ec.europa.eu/info/news/public-consultation-feed-new-eu-strategy-solar-energy-2022-jan-18_en#:~:text=The%20European%20Commission%20has%20launched,for%20publication%20later%20this%20year.&text=maximising%20the%20socio%2Deconomic%20benefits,solar%20energy%20for%20wider%20society

On the other hand, the **Supplier Journey** project seeks to improve efficiency and maximize the value of our relations with suppliers, throughout the entire process. Here too, we actively analyze our processes, systems and the approach

"Thanks to the Supplier Development Program we support more than 6,000 companies on the path to sustainable and digital development, encouraging the growth of skills and their economic and financial consolidation."

followed when working with suppliers on a daily basis, thus facilitating the improvement actions identified by listening to the principal actors involved: buyers, contract managers, administrative colleagues and suppliers.



Flavia Vicari

Head of Supplier Development
and Operational Excellence
Procurement, Italy

Energie per Crescere (Italy)

In early 2022, the **"Energie per Crescere"** ("Energies for Growth") program was launched, in conjunction with the training institution ELIS, to include around 5,500 young people in the world of work within the next two years. This program was created to meet the needs of network technicians to be employed in operational roles, with a specific focus on activities related to the management of electricity networks (cable installers, cable jointers, secondary substation and PTP installers, LV live operators). ELIS will coordinate the initiative for the selection, training and identification of professional profiles, to hire

candidates at one of Enel's partner companies on a fixed-term contract of 6 months or more, with the possibility of continuing. Before starting work at the companies, they will follow a 5-week training course at Accredia-certified institutes and the participants will also receive a refund for the course.

Requests for staff from companies participating in the program will be processed according to geographical area, and in the selection phase, will be managed by some of the major employment agencies; candidates will be able to evaluate the employment location proposed.



Fuel procurement

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Suppliers of solid and liquid fuel are selected through the "Know Your Customer" process that, for each counterpart, evaluates the reputational and economic-financial aspects and their satisfaction of the appropriate technical and commercial requirements.

Checks also ensure that suppliers are not on any specific UN, EU or Office of Foreign Assets Control (OFAC) black-lists. These lists identify individuals or organizations associated with terrorist associations, organizations under EU financial sanctions, and so-called Specially Designated Nationals (SDNs) who are subject to US sanctions on terrorism or drug trafficking charges, among others.

To assess the sustainability aspects of coal sources, an internal process has been established to ensure that Group requirements for occupational safety, environment and human rights have been satisfied.

Purchase contracts entered into with each supplier are subject to the Group principles embedded in the Human Rights Policy, the Code of Ethics and the Zero Tolerance for Corruption Plan, with which suppliers must comply. We reserve the right to terminate contracts in severe cases of non-compliance with those principles.

Lastly, to mitigate the risks arising from the maritime shipment of fuel, we have adopted a tool to vet and select the carriers used. Vetting is a recognized industry standard for oil transportation; but, for a few years now, Enel and an increasing number of operators have also begun to apply this methodology to the transportation of bulk cargoes.

	UM	December 2021	December 2020	December 2019
Resources used in the production process				
Fuel consumption for thermoelectric production from non-renewable sources				
from non-renewable sources				
Coal	(,000 t)	5,958	5,893	18,483
Lignite	(,000 t)	0	105	730
Fuel oil	(,000 t)	863	975	1,246
Natural gas	(Mm ³)	15,682	13,075	13,513
Gas oil	(,000 t)	1,033	906	1,601
from renewable resources				
Biomass and waste for thermoelectric production	(,000 t)	71	89	131
Biogas	(Mm ³)	0.7	0.1	1.3
Geothermal steam used for electricity production	(,000 t)	350,160	350,090	109,891

Bettercoal

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Together with major European electric utilities, we are actively engaged in Bettercoal – a global initiative to promote the continuous improvement of corporate responsibility in the international coal industry. Bettercoal has released a code of conduct based on existing and agreed standards of social responsibility in the mining sector. This details guidelines which mining companies can refer to when drawing up their own social, environment and ethical policies. The Bettercoal Code tells suppliers what members expect from their practices in relation to four main categories: management; commitment to ethics and transparency; human and labor rights; and environmental performance, while promoting ongoing improvement. In 2020, a new version of the Code was finalized to align it with the latest best practices in sustainability, thereby contributing to achievement of the applicable Sustainable Development Goals.

After signing a letter of commitment, mining participants in the program embark on a virtuous path by accepting

on-site checks, carried out by independent third parties, to verify that the Code's principles have been applied, and agreeing an ongoing improvement plan to overcome any shortcomings.

In addition to Bettercoal's growing presence in various forums in the area of coal and supply chain sustainability, the initiative has become an example of collaboration among the various stakeholders, geared towards improving socially responsible practices within the supply chain. During 2021, the mining companies committed to the Bettercoal initiative produced more than 400 mil t of coal. Although the global pandemic linked to Covid-19 prevented the inspections planned in Russia, Colombia and South Africa, 12 improvement plans were monitored actively throughout the year, and the two working parties dedicated specifically to Russia and Colombia continued their work.

For further information, please refer to the website: www.bettercoal.org.





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Reduction of specific SO ₂ emissions	-94% in 2030 compared to the baseline year 2017	-89% compared to 2017 (0.07 g/kWh)		-94% in 2030 compared to the baseline year 2017 ⁽¹⁾		12
Reduction of specific NO _x emissions	-70% in 2030 compared to the baseline year 2017	-56% compared to 2017 (0.35 g/kWh)		-70% in 2030 compared to the baseline year 2017 ⁽²⁾		12
Reduction of specific particulate matter emissions	-98% in 2030 compared to the baseline year 2017	-98% compared to 2017 (0.005 g/kWh)		-98% in 2030 compared to the baseline year 2017 ⁽³⁾		12
Specific water requirement ⁽⁴⁾	-65% in 2030 compared to the baseline year 2017	-52% compared to 2017 (0.21 l/kWh)		-65% in 2030 compared to the baseline year 2017 ⁽⁵⁾		12 6
Reduction of waste products	-87% ⁽⁶⁾ in 2030 compared to the baseline year 2017	-87% compared to 2017 (1.2 mil t)		-87% ⁽⁶⁾ in 2030 compared to the baseline year 2017		12
"ZERO Plastic" project - Reduction of single-use plastics at Enel Group sites ⁽⁷⁾	<ul style="list-style-type: none"> Reducing single-use plastics (office scope), compared to the new structure imposed by the pandemic, in the main countries of operation Extension of the project in plants by 2023 Enel sites in Italy⁽⁸⁾: -85% by 2023 Enel sites in Spain: -75% by 2023 	<ul style="list-style-type: none"> The project follows the evolution of the pandemic emergency and the "new-normal" are being evaluated to define an effective plan to reduce the single use plastic Enel sites in Italy⁽⁸⁾: -75% by 2021⁽⁹⁾ Enel sites in Spain: -65% by 2021⁽⁹⁾ 		<ul style="list-style-type: none"> Reducing single-use plastics (office scope), compared to the new structure imposed by the pandemic, in the main countries of operation Extension of the project in plants by 2024 Enel sites in Italy⁽⁸⁾: -85% by 2024 Enel sites in Spain: -75% by 2024 		12

(1) The target for 2024 is -93% compared to 2017.

(2) The target for 2024 is -65% compared to 2017.

(3) The target for 2024 is -98% compared to 2017.

(4) Extractions considered net of the portion of water discarded into the sea after the desalination process (brine). New green hydrogen production plants are excluded.

(5) 2024 target is -55% compared to baseline year 2017.

(6) This target excludes waste produced by the decommissioning of thermal plants.

(7) Compared to the volume of single-use plastics used in 2018.

(8) This does not include offices with fewer than 20 employees.

(9) Reduction calculated based on office occupancy and pandemic contingencies.



Activities	2021–2023 targets	2021 results	Status	2022–2024 targets	Tag	SDG
Biodiversity conservation	⊕	⊕		<ul style="list-style-type: none"> Beginning No Net Loss implementation on selected projects in highly importance biodiversity areas starting from 2025 Biodiversity No Net Loss for new infrastructures by 2030 No Net Deforestation by 2030 No Go in UNESCO areas⁽¹⁰⁾ 	I E	14 15
Minimizing the impact of Enel sites on habitats and species included on the Red List of the International Union for Conservation of Nature (IUCN)	<ul style="list-style-type: none"> Improving company processes for risk assessment and biodiversity management on plants and assets Establishing Group indicators and adopting biodiversity performance monitoring Internal awareness-raising initiatives on biodiversity protection, reaching 100% of the Enel population Increasing the partnership framework and stakeholder engagement 	<ul style="list-style-type: none"> Completed High level biodiversity risk assessment and priority definition. Group Guideline under internal implementation by the main Business Lines New biodiversity KPIs for main group assets implemented. Webinars on "Biodiversity Ambassadors" to Enel Italian Employees; Biodiversity photo contest engaging all Enel Employees Participation to "Business for Nature Coalition"; Participation to SBTN's Corporate Engagement Program 	●	<ul style="list-style-type: none"> Improving company processes for risk assessment and biodiversity management on plants and assets Strengthening and aligning Group indicators and adopting biodiversity performance monitoring Internal awareness-raising initiatives on biodiversity protection, reaching 100% of the Enel population Increasing the partnership framework and stakeholder engagement 	E G	14 15
Environment Extra Checking on Site (ECoS)	⊕	90 ECoS carried out		72 Environment ECoS each year	E S	3 14 15
Environment Contractor Assessment (CA)	⊕	190 Contractor Assessments carried out		196 Environment Contractor Assessment (CA) each year	E S	3 14 15

(10) In any case Enel commits to comply to service obligation with the best adequate and feasible solutions.



Towards a “nature-based” model

0.07 g/kWh
Specific emissions of SO₂

0.35 g/kWh
Specific emissions of NO_x

0.005 g/kWh
Specific emissions of particulate matter

0.21 l/kWh
Specific water needs

62%
Total waste recovered

183
Projects for the protection of biodiversity

Over **9** thousand hectares of habitats restored

Protecting natural capital and combating climate change are an integral part of the Company's strategy and the basis of the values by which a company's sustainability is measured.

Preserving ecosystems and species means respecting life, the planet's natural heritage, and the places and symbols of communities. For this reason, in Enel they are considered strategic and integrated factors in the planning, operation and development of our activities for promoting sustainable economic development in the communities where we work, as well as determining factors for consolidating the Company's leadership in the energy markets. Being an energy company, our operations depend on natural resources, but at the same time they have an impact on them. For this reason, we integrate **risk and opportunity assessments into our**

decision-making processes and our Group governance, through the definition of **specific targets aimed at reducing impacts on nature, restoring habitats and sharing the benefits of ecosystem services** with the communities with which we interact.

Recent years have marked a significant increase in global awareness of the need for a **commitment to tackle the ever-increasing loss of biodiversity**. This commitment has been strongly relaunched by the Convention on Biological Diversity (CBD), which is working on the Post-2020 Global Biodiversity Framework, a policy document that will be adopted by signatory countries at COP15 to be held in 2022 in Kunming, China. In parallel, the European Commission has published the **Biodiversity Strategy⁽¹⁾** which includes targets that are binding for Member States.

Enel's commitment to biodiversity

Enel commits to achieve No Net Loss of biodiversity for new infrastructures by 2030, starting implementation on selected projects in high Biodiversity significance areas as of 2025. **To reach this goal, Enel will operate in line with the mitigation**

hierarchy principles, to avoid, minimize and recover impacts to Natural Habitats or habitats and species that are threatened, endemic or restricted-range.

Moreover, **Enel commits to preserve forests** and in case deforestation cannot be avoided, Enel pledges to restore/benefit areas of an equivalent value in line to **“No Net Deforestation” principle**.

Enel will not build new infrastructures in UNESCO World Heritage Natural Sites⁽²⁾.

(1) COMM (2020) 380 Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.

(2) In any case, Enel commits to accomplish the obligation arising from service needs with the best viable and affordable solutions.

We actively support the definition of a European Commission action plan, "Towards a Zero Pollution Ambition for air, water and soil - building a Healthier Planet for Healthier People"⁽³⁾, as a concrete tool to guide environmental performance for the industrial sector, and we have updated our **environmental policy⁽⁴⁾** with a view to continuous improve-

ment and management of our assets and service offerings. We are also an **active participant in the discussion of targets, evaluation and reporting methods and financial instruments** aimed at achieving **the goal of halting the process of biodiversity loss by 2030** and working towards a broadly positive ecosystem recovery by 2050.

Environmental governance

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Enel ensures **constant supervision and monitoring of environmentally relevant activities** through a widespread and harmonized organization at the level of central coordinating structures and at national level. In particular, the Holding Company has a central HSEQ (Health, Safety, Environment and Quality) function with responsibility for guidance, coordination and definition of environmental policy. This is flanked by the HSEQ functions present in the global structure of each Business Line with a role of coordination in the management of the respective environmental issues, ensuring the necessary specialist support in keeping with the Holding's guidelines. At national level, there are

staff units with a local coordination function and managers and reference persons identified in the individual operating units who manage the specific aspects of the various industrial sites.

In support of activities for monitoring environmental performance and the definition of improved plans for the operating units of the Business Lines, the Group environmental reporting system **Enel Data on Environment (EDEN)** is used. During 2021, version 2.0 of the EDEN tool was developed to improve the performance of the system and make the data validation procedure and the calculation and reporting of environmental KPIs even more solid.

Environmental Management System

Application of the ISO 14001 certified **Environmental Management Systems** (EMS) is one of the strategic tools defined by the Group's environmental Policy. At the end of 2021, EMSs were activated and certified on almost all operating assets, while for the new plants and installations propaedeutic activities are progressively planned for certification. Given the complexity and variety of operations carried out in the Group, a modular approach has been adopted with the definition of a management system at Holding level, certified ISO 14001:2015, which provides guidance and coordination to the Business Lines on environmental issues. Each Business Line has launched its own EMS focussed on its own specific activities. Furthermore, the main thermal and geothermal production sites in Europe also have EMAS (Eco-Management and Audit

Scheme) registration. In complying with the fundamental pillars that form the basis of our environmental policy, specifically in terms of our commitment towards "protecting the environment by preventing adverse effects", the Group "**Stop Work Policy**" was set up whereby all people who work for us are asked to intervene promptly and stop working when risks arise that affect not only their own health and safety but also the environment.

The environmental policy also identifies **training** as an integral part of the EMS. In 2021, 60 thousand hours of training were provided, an increase of about 25% compared to 2020, of which 14 thousand hours were delivered directly by SHE.Factory, the unit of the HSEQ function dedicated to specialist training on health, safety and environmental issues.

(3) COM (2021) 400 final.

(4) Enel has had a Group Environmental Policy in place since 1996, updated in 2018 and again in 2022. The Enel Group's environmental policy extends across the entire value chain and applies to all the production phases of every product and service, including distribution and logistics phases, as well as the related waste management; to each site and building; all relationships with external stakeholders; all Mergers&Acquisitions; every key business partner (including partners related to non-managed operations, joint ventures, outsourcing or third-party producers); every supplier, including service and contractor suppliers; all due diligence and Merger&Acquisition processes.



Environmental policy

Strategic factors in the planning, implementation and development of Enel's operations include protecting the environment and natural resources, tackling climate change, and contributing towards sustainable economic development. These are also key factors in consolidating the Company's position as leader in the energy market. Enel has had a Group environmental policy in place since 1996, based on **four fundamental principles**:

1. protecting the environment by preventing impacts and exploiting opportunities;
2. improving and promoting the environmental sustainability of products and services;
3. creating shared value for the Company and stakeholders;
4. meeting legal compliance obligations and voluntary commitments, advancing ambitious environmental management practices

and pursuing **ten strategic goals**:

1

To apply internationally recognized Environmental Management Systems to the whole organization, underpinned by the principle of ongoing improvement and adoption of environmental indices to measure the environmental performance of the whole organization.

- a. Ensuring annual compliance with ISO certifications 14001 extension to the entire scope of the Group's activities
- b. Streamlining and harmonizing certifications in the various organizational areas, seeking out partnerships and sharing best practices in environmental management

2

To reduce environmental impacts by using the best available technologies and best practices in the construction, implementation and decommissioning stages of plants, with a view to life cycle analysis and circular economy.

- a. Assessing the environmental impact caused by the construction of plants or by major restructuring operations
- b. Examining and applying Best Available Technologies (BAT)
- c. Protecting and monitoring surface and groundwater quality in the areas surrounding the plants
- d. Ensuring the internal development and application of international best practices

3

To build infrastructure and buildings that protect the local area and biodiversity.

- a. Assessing the risks and opportunities of biodiversity
- b. Developing and implementing infrastructures based on the Mitigation Hierarchy, the No Net Loss and the Zero Net Deforestation principles
- c. Developing and updating a Biodiversity Action Plan with projects that take into account the specific aspects of local environments (conservation of the habitats of protected species, reintroduction of particular species and replanting of indigenous flora in cooperation with research centers and nature observatories)
- d. Implementing biomonitoring activities (terrestrial, marine, river)
- e. Protecting areas of high biodiversity value and, among these, forests and protected areas
- f. Mitigating the visual and landscape impacts of power and distribution facilities and protecting archaeological assets during construction activities
- g. Undertaking research into innovative solutions to promote the development of urban biodiversity in the provision of infrastructures and services

- 4** **To play a leadership role in renewables, in the decarbonization of power generation, in the electrification of end-use and in the efficient use of energy, water and raw materials.**
- a. Progressively expanding the renewable generation facilities and pursuing the goal of decarbonization
 - b. Improving the efficiency of power plants
 - c. Reducing network losses tied to electricity distribution
 - d. Efficiently managing water resources for industrial uses, with a particular focus on water stress areas
 - e. Promoting services and products for electrification and end-use energy efficiency
- 5** **To ensure optimal waste and drain water management and promote circular economy initiatives.**
- a. Reducing waste production
 - b. Reducing the pollutant load of wastewater
 - c. Increasing the recovery and recycling rate of waste and drain water produced
 - d. Exploiting by-products for use as raw materials in external production processes
 - e. Applying the principles of the circular economy and seizing opportunities for reuse in second life equipment and products
 - f. Carefully selecting disposal service providers and using IT systems for waste traceability
- 6** **To develop innovative technologies for the environment.**
- a. Implementing systems to boost plant efficiency and lower emissions
 - b. Promoting and developing smart grids and digital asset management solutions to improve their environmental performance
 - c. Developing innovative solutions to support renewable production (photovoltaic, geothermal, wind, green hydrogen), integrated with energy storage systems
 - d. Promoting and developing electric mobility
 - e. Developing innovative solutions for energy efficiency and smart cities
 - f. Devising innovative services for the modulation of energy consumption that enable greater flexibility and stability of the electricity grid and more efficient use of resources
 - g. Digitalizing processes and cloud computing
- 7** **To communicate with citizens, institutions and other stakeholders about the Company's environmental performance.**
- a. Publishing the Sustainability Report and providing open data access to the Group's key environmental parameters
 - b. Communicating with financial analysts and taking part in various sustainability indices
 - c. Consulting and engaging local stakeholders
 - d. Disseminating environmental initiatives online
- 8** **To provide employee training and raise awareness on environmental issues.**
- a. Providing training on environmental issues
 - b. Engaging employees in campaigns to support the environment
- 9** **To promote sustainable environmental practices with suppliers, contractors and customers.**
- a. Applying supplier assessment criteria based on environmental performance
 - b. Holding meetings for information and training on relevant environmental aspects at the start of the works
 - c. Assessing suppliers based on their environmental performance in activities carried out on Enel's behalf
- 10** **To meet and exceed legal compliance obligations.**
- a. Ensuring that operations are carried out in accordance with the legal requirements of the various countries and with the voluntary commitments made
 - b. Correcting any non-compliance with obligations and voluntary commitments
 - c. Assessing further voluntary environmental actions and practices, including where not legally required

Chief Executive Officer
Francesco Starace

In 2021, implementation of the environmental training programme continued, targeted at increasing the skills of technical staff and personnel with operational responsibilities (**Environmental Competence Building Program**) on the themes of waste management and contaminated sites. The programme will continue throughout 2022, dealing with other relevant environmental topics in order to ensure

uniformity of skills and operating standards in all countries where the Group operates. Training sessions were also held for the adoption of the new Group policy on **environmental inspections**, involving the inspectors of each country with a view to aligning execution and assessment criteria. **Awareness days** were also held on sustainability, proper management of environmental events and, in Italy, biodiversity.

Environmental risk analysis

| 102-15 |

In order to identify and minimize environmental risks related to our activities, we also apply a series of important investigation and intervention tools at Group level which operate in synergy to protect the environment.

- **Group Policy for the classification and analysis of environmental events.** Environmental events are classified according to their type and relevance. This classification is based on their possible impact on the environmental matrices and on any potentially sensitive areas (eco-systems and protected areas), in addition to their negative impact on the organization itself. The policy defines the communication procedures for such events, analyzing their causes, and monitoring subsequent corrective actions and improvements in accordance with their classification and relevance.
- **Policy for assessing environmental risks and opportunities.** The policy applies to all operational sites and staff functions in the various countries and regions where Enel operates, with the adoption of a unitary model for classifying and assessing environmental risks and opportunities throughout the organization through the adoption at Group level of an IT tool called ERA (Environmental Risk Analysis). The analysis process includes the evaluation of the impacts of significant operational aspects with the various environmental matrices and the mitigation controls adopted to ensure regulatory compliance and observance of the most stringent voluntary targets for continuous improvement. It also makes possible the assessment of environmental significant risks and opportunities linked to governance and strategic activities carried out by the central functions of the organization. Finally, through the definition of aggregate risk indicators and the possible comparison with the evidence derived from the analysis of any accidental environmental events and the periodic Extra Checking on

Site (ECoS) visits, the ERA tool allows a high level of integration of continuous control processes between the different levels of the organization and the prioritization of improvement actions.

- **Extra Checking on Site (ECoS) Policy.** The ECoS is a tool for planning and conducting site visits by cross-divisional teams of experts in support of plants and operational facilities and with a view to identifying improvement plans and sharing best practices. In 2021, the different Business Lines across all the Countries in which the Group operates realized 90 ECoS with a focus on the environment. See also the chapter "Occupational health and safety".
- **Environmental assessment of suppliers.** In consideration of the importance that suppliers have in determining the overall environmental performances of the Company, we have adopted a supplier environmental assessment procedure that is structured and homogeneous for the entire Group, and that can be activated in the supplier qualification phase, especially for high environmental risk activities, or following significant environmental events. Assessments aim to verify the Environmental Management System as a whole and propose improvement actions to be shared with the supplier.
- **Environmental inspections of suppliers.** In order to guarantee high environmental standards, including for activities carried out by the contractors, the assessments are accompanied by environmental inspections of activities performed at the operating sites. In order to standardize inspection standards and obtain a structured and widespread control system, the Group's Guidelines on environmental inspections were issued in 2021. This document defines the criteria for planning and carrying out field inspections.



Protection of the natural capital

| 103-2 | 103-3 | 304-1 | 304-2 | 304-3 | 304-4 |

Protection of biodiversity is one of the **strategic objectives of our environmental policy** and is regulated by a specific **policy⁽⁵⁾** adopted by Enel in 2015 and which defines the guidelines throughout the Group and the principles according to which we should operate.

With the conclusion of the United Nations Biodiversity Decade, based on the Strategic Plan 2011-2020 (Aichi Targets)⁽⁶⁾, there has been an increase in global awareness of the need for further efforts to address not just the climate crisis but also increasing loss of biodiversity.

Aware of the opportunities, but also of the risks, that the energy transition may entail, Enel has decided to contribute actively and to strengthen its commitment to achieving a **"No Net Loss" of biodiversity in the development of new infrastructure by 2030**, with particular attention to areas of high biodiversity importance⁽⁷⁾, with respect to the conservation of forests⁽⁸⁾ and the safeguarding of protected areas.

The achievement of the No Net Loss objective is based on application of the **Mitigation Hierarchy** in the construc-

tion of all new infrastructures, operating, in order of priority, to avoid, mitigate and recover impacts. Only if there are significant residual impacts that cannot be avoided will the most appropriate offset actions be considered to conserve the overall biodiversity value.

This commitment is aligned, in terms of timing, with the targets identified in the European Union's 2030 Biodiversity Strategy, and also plans to begin operating according to these principles from 2025, on selected projects in areas of high biodiversity importance.

With reference to direct activities, and linked to the No Net Loss objective within the same time horizon, Enel has decided to make a further commitment to the conservation of forests according to the principle of **"No Net Deforestation"**, recognizing the importance of this both in terms of the richness of the biodiversity that forests preserve and the role they play in terms of carbon sequestration and long-term storage.

Finally, as regards safeguarding protected areas, **Enel will not build new infrastructure on UNESCO World Heritage Natural Sites⁽⁹⁾**.

Identifying dependencies and pressures on biodiversity

| 102-15 |

The identification of potential impacts on biodiversity and nature is fundamental in order to define the most effective strategies to avoid, minimize, remedy or compensate for the associated effects, in line with the Mitigation Hierarchy. Similarly, the identification of dependencies on biodiversity and natural capital enables identification of the most appropriate strategies to reduce the risks to the Company arising from these dependencies.

The main **dependencies** identified are associated with **ecosystem services** and the **use of resources and raw materials** required to build and operate infrastructure, as summarized below:

- maintenance of the water cycle, which enables the operation of hydroelectric power plants;
- regulation of the climate and climatic events on which the operation of all assets depends;
- soil stabilization and erosion control, important for hydroelectric reservoirs and transmission and distribution infrastructure;
- protection from floods and extreme environmental events, which are one of the primary causes of failure and unavailability of network facilities;
- use of water in production cycles, mainly in thermoelectric power generation;

(5) The policy is also available at the following link: <https://www.enel.com/en/investors/sustainability/topics-performance-sustainability/biodiversity>.

(6) United Nations General Assembly Resolution A/RES/65/161 March 11, 2011 (<https://www.cbd.int/undb/goals/undb-unresolution.pdf>).

(7) To identify areas of high biodiversity importance, the following general criteria are considered: 1) protected areas (UNESCO World Heritage Natural Sites and IUCN I-IV); 2) Critical Habitats as defined by IFC Performance Standard 6; 3) presence of protected species ("Biodiversity indicators for site-based impacts" - UNEP-WCMC 2020).

(8) The FAO definition of forest is used: Land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10%, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use. Reforestation actions to compensate for impacts that could not be avoided will be offset, alternatively, through dedicated projects or by contributing to reforestation initiatives promoted by partners, conservation organizations or through public or private projects, giving priority to offsets in the same geographical areas or regions where the impacts occurred, if possible, and of the same value.

(9) In any case, Enel commits to accomplish the obligation arising from service needs with the best viable and affordable solutions.

- use of raw materials (mineral and non-mineral) for the construction and operation of assets.

Enel's decarbonization strategy, focused on the growth of renewables and in particular wind and solar power, makes it possible to reduce most of the dependence on raw materials. Moreover, by reducing the risk of climate change, it helps to ensure the continued availability of ecosystem services.

The main **pressures** that can be exerted on nature are summarized in the following categories: **use and modification of ecosystems** (terrestrial, freshwater, marine); **use of resources** (mainly water withdrawal); **climate change; pollution; disturbances and introduction of invasive species**. These categories are inspired by those identified by **Science Based Target for Nature (SBTN)**⁽¹⁰⁾ and are the point of departure for analyzing the actions implemented to mitigate the associated risks.

In order to identify the priority areas for the Group, a risk analysis has been developed which, starting from the importance of each of the previous categories (understood as the potential impact of the activities carried out by the Group), and considering the risk mitigation and control actions already in place, identifies the priorities for action. From this analysis, by focusing on the categories of medium and high significance, it emerged that the level of control is already very high for risks associated with the use of natural resources (water withdrawals), climate change and pollution of environmental matrices. Indeed, for years Enel has already been defining stringent improvement targets that enable it to mitigate the main risks associated with them. The priority identified is the control of **risk relating to land occupation and transformation of ecosystems**, and in particular to land use and the transformation of terrestrial habitats, in relation to which the new commitments reported at the beginning of this paragraph have been undertaken.



(10) Science Based Target for Nature - Initial Guidance (September 2020).

Measures taken to reduce impacts

Enel has consolidated experience in the management and protection of biodiversity in the surroundings of our production sites, an activity which, over the past few years, has been focussed on the renewables segment and on grids in an increasingly large number of countries.

As a general safeguard, since 2019 Enel has adopted a **Group Guidelines** which outlines the principles and procedures for managing impacts on biodiversity during the entire life cycle of plants, from the development phase through to operation and decommissioning, and provides, as already anticipated, for the application of the **Mitigation Hierarchy** in the various project phases.

On the basis of these principles, in the Group's plants and installations in the area, monitoring is carried out to prevent impacts on ecosystems, also considering that these plants have generally achieved a new balance with the surrounding nature.

In relation to new plants, and in particular renewable ones, the potential exposure to a biodiversity risk is highlighted starting from the phase of feasibility analysis, taking into account the geographic proximity of the sites to protected or important biodiversity areas, and the potential presence of endangered species, to continue with **Environmental Impact Assessments**⁽¹¹⁾. A local prioritization of risks is then defined in order to identify solutions to avoid the most significant impacts and to define a local action plan.

These evaluations are part of a more extensive analysis for the application of the "Creating Shared Value" model through which the Company engages with the socio-economic and environmental requirements of the local area, defining the project to create long-term value for itself and for the local communities.

Once the infrastructure is commissioned, **protection of biodiversity becomes an integral part of environmental management, through periodical monitoring for the control of impacts highlighted in authorization phase**.

This is also the moment where the plant consolidates its relationship with the local area and where initiatives are

developed, such as voluntary projects, to safeguard local species based on the knowledge of the environment surrounding the site. The results of monitoring at the local level are communicated and analyzed at global level, allowing the identification of those general issues that need to be addressed with improvement plans or projects at Group level.

Global initiatives include the **Wind Wildlife Challenge** project, which involves identifying needs, sharing experiences and best practices, as well as innovative solutions, to reduce further the interference of wind plants with avifauna and bats. As part of this initiative, in 2022 tests will also be launched on various sensors and innovative tools based on radar, camera and multi-sensor technologies capable of detecting, deterring and possibly triggering the automatic shut-down of the affected turbine, involving plants in Italy, Spain, the United States and Canada. This testing campaign follows the one already launched in 2021 in the South African plant of Gibson Bay with ultrasonic deterrent systems specifically for bats.

As part of the Global Infrastructure and Networks Business Line, specific strategies will be adopted to mitigate the environmental impacts of the construction of new grids and the modernization of existing ones. The cabling ratio is the relationship (in percentage terms) between the length of the cable lines and the total length of the lines, showing immediately the mitigation of the environmental impacts of the electric lines. The increase in this index over time is due to a progressive increase in the length of overhead insulated cable and buried cable lines, reducing the proportion of bare conductors, with benefits in terms of the resilience of the grid, curtailing plant-cutting activities and a drastic reduction in the risk of electrocution for birdlife. In 2021, the cabling ratio showed an increase of two decimal points compared to the previous year, standing at 60.6%, thanks also to the noteworthy contribution from Latin American companies.

(11) Other assessments include, where significant, effects on population and sensitive or migratory species due to noise and habitat degradation, soil erosion due to drainage, pesticide use and tree felling, possible loss of plant species due to chemical use, aquatic flora, and sediment transfer.

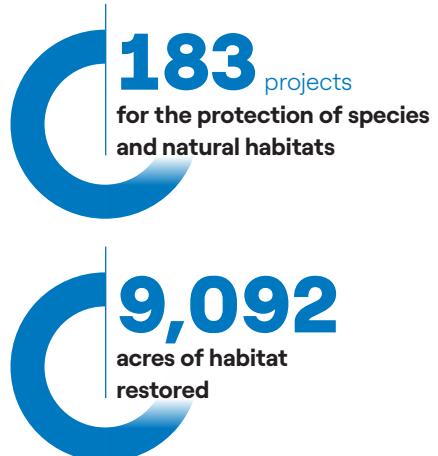


The biodiversity action plan

In 2021, **183 projects** were carried out to protect species and natural habitats at operating plants, 60 of which were developed in partnership with government agencies and non-governmental organizations and universities, for a total investment of **8.2 million euros**. The projects are carried out in all countries and regions and mainly concern renewable generation plants and distribution networks. Examples of measures to mitigate impacts on biodiversity, by way of implementation of the relevant policy, are available in the Sustainability section of the website www.enel.com at the following link: <https://www.enel.com/investors/sustainability/daily-commitment/environmental-sustainability/biodiversity>. Specifically, as regards projects that also include habitat recovery activities, these have involved over 9 thousand hectares, most of which are related to ecological

restoration and reforestation, mainly in Colombia, Brazil, Chile and Spain. The surface area affected by restoration projects in 2021 increased compared to the previous year (4,356 hectares in 2020), both for the commencement of new restoration projects and for the effective increase of the surface areas subject to restoration in the ambit of projects already active beforehand.

In addition to biodiversity projects developed on plants in operation, in 2021 94 projects were developed for the construction phase of new renewable energy plants, mainly in Brazil, Chile, Spain and North America, targeted at the conservation and monitoring of native species impacted, for an overall capital expenditure of 7 million euros.



The projects for the protection of species and natural habitats

| 304-4 |

Table of projects (excluding Worksites)

Country	Projects				Project type			
	Number of projects	Mandatory	Voluntary	of which voluntary	Monitoring	Conservation (species)	Restoration (habitats)	Research and other purposes
Iberia	31	4	27	87%	6	15	5	5
Italy	28	7	21	75%	2	26	-	-
ROE* (Greece; Ireland; Romania)	11	3	8	73%	3	7	1	-
North America	7	6	1	14%	3	3	-	1
Mexico	8	7	1	13%	5	1	1	1
Brazil	42	31	11	26%	17	8	15	2
Chile	21	10	11	52%	11	3	4	3
Colombia	16	9	7	44%	3	7	6	-
Guatemala	8	5	3	38%	5	-	3	-
Peru	7	3	4	57%	3	4	-	-
Russia	2	2	-	-	1	1	-	-
South Africa	2	2	-	-	2	-	-	-
Total	183	89	94	51%	61	75	35	12

Ecosystems	Terrestrial ecosystems	Marine Coastal ecosystems	Aquatic ecosystems	Species concerned
				Terrestrial Fauna Aquatic Fauna Avifauna Ichthyofauna Chiroptera Pollinators Terrestrial Flora

The Red List, compiled by the International Union for Conservation of Nature (IUCN), provides information on the conservation status of various species.

Critically Endangered (CR)	Endangered (EN)	Vulnerable (VUL)	Near Threatened (NT)	Least Concern (LC)
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Ecosystems Type	Species	Number of species on the IUCN Red List						
		Class	CR	EN	VU	NT	LC	Total
	Forest; Shrublands; Grasslands; Inland Wetlands; Rocky Areas; Marine Coastal		-	3	7	3	31	44
	Grasslands; Artificial; Shrublands; Rocky Areas; Caves; Wetlands Coastal Marine Aquatic;		1	1	-	1	11	14
	Inland Wetlands; Grasslands; Shrublands		-	4	12	3	76	95
	Grasslands; Savannah		-	1	2	1	67	71
	Grasslands; Savannah		-	-	-	3	95	98
	Forest; Grasslands; Savannah; Shrublands		1	13	33	88	525	660
	Forest; Uncultivated Area; Desert; Savannah; Shrublands; Rocky Areas; Inland Wetlands		-	-	2	3	42	47
	Forest; Shrublands; Inland Wetlands; Marine Coastal		2	7	15	11	313	348
	Forest; Inland Wetlands		2	3	3	4	45	57
	Desert; Forest; Inland Wetlands/Freshwater Rivers and Lakes		-	-	-	1	3	4
	Grasslands		-	-	2	-	78	80
	Grasslands		-	3	2	1	25	31

6	35	78	119	1,311	1,549
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Interaction of assets with biodiversity and protected areas

In order to monitor even more effectively its performance in terms of biodiversity protection, beginning this year Enel has introduced a series of new quantitative and qualitative indicators in order to measure the pressure and potential impacts generated, with particular attention to land occupation and ecosystem modification, which have been identified as priority issues. In order to achieve this goal, a specific GIS (Geographic Information System) applica-

tion, the Environmental Engine, has been developed to correlate geo-referenced information related to industrial assets with environmental maps related to land use classification, natural habitats, protected areas, critical habitats and ranges of endangered species.

The main indicators introduced are shown below.

Land occupation: the area of land occupied by power generation assets. This is a general indicator, as it does not provide an indication of the quality of the land that has been occupied by the assets.

Land occupation⁽¹²⁾

Technology	Hectares (ha)
Solar	16,650
Wind	12,640
Hydroelectric	202,500
Geothermal	445
Thermal	5,200

Transformation of natural habitats: measures the area of land occupied in hectares (ha), classified according to the IUCN⁽¹³⁾ categories on which the assets have been built. It therefore represents a specific indicator of the habitats that have been transformed to build the plants. Estimating the value of this indicator for new infrastructures will make possible the assessment of the effectiveness of impact reduction processes and the adequacy of mitigation and offsetting actions. For assets starting operation from 2021, the total new land occupation was approximately 10,700 ha, of which approximately 7,530 ha (70%) related to natural habitats, and 176 ha

(1.6%) to forest type habitats.

Presence of assets in protected areas: mapping was carried out for all power generation assets to assess the presence of assets in UNESCO protected areas and IUCN I-IV classified protected areas. As can be observed, the presence of power generation assets in protected areas mainly concerns hydroelectric plants, being mainly reservoirs built many years ago, generally before the protected areas were established, and for which a new balance with the surrounding environment has been achieved.

Presence of power generation plants in protected areas – by technology

Technology	no. infrastructures in protected areas / total number	Countries	Presence in protected areas (ha)	Presence in protected areas as % of the total occupied by technology
Solar	4 / 141	Greece	32	0.2%
Wind	8 / 266	Italy/Spain	116	0.9%
Hydroelectric reservoirs	161 / 1,096 ⁽¹⁴⁾	Italy/Spain/Chile	5,595	2.8%
Geothermal plants	0 / 39	-	-	-
Thermoelectric plants	2 / 98 ⁽¹⁵⁾	Italy	2	0.04%

(12) Land occupation was calculated for power generation facilities using a GIS application in which each plant was modeled and geo-referenced. The following criteria were used to model land occupation and the area of influence: solar, thermoelectric and geothermal were modeled with the plant perimeter; for hydroelectric, the perimeter of the reservoirs was modeled; for wind plants, from the position of the generators the area of land occupation is modeled in a precautionary manner to take into account ancillary works such as yards, roads and areas used when the construction site is operative (in so as far as they are subsequently restored).

(13) "IUCN Habitat Classification: 1) Forest, 2) Savannah, 3) Shrubland, 4) Grassland, 5) Wetlands (inland), 6) Rocky Areas (e.g. inland cliffs, mountain peaks), 7) Caves & Subterranean Habitats (non-aquatic), 8) Desert, 9) Marine Neritic, 10) Marine Oceanic, 11) Marine Deep Ocean Floor (Benthic and Demersal), 12) Marine Intertidal, 13) Marine Coastal/Supratidal, 14) Artificial – Terrestrial, 15) Artificial – Aquatic, 16) Introduced Vegetation, 17) Other, 18) Unknown"; <https://www.iucnredlist.org/resources/habitat-classificationscheme>.

(14) Number represents single reservoirs, not hydroelectric power generating plants.

(15) The figure includes plants being decommissioned.

Presence of power plants in protected areas (GRI 304-1) – by country

Countries	Renewable and thermoelectric power plants	
	Hectares (ha)	% in protected areas on the total area occupied in the country
Italy	3,712	19%
Spain	1,986	8%
Greece	32	5%
Chile	15	0.03%
Group total	5,745	2.4%

Biodiversity Significance⁽¹⁶⁾: this qualitative indicator makes it possible to classify power generation plants according to the importance of biodiversity present in their proximity (high/medium/low). The methodology therefore makes it possible to identify priority sites for the protec-

tion of biodiversity in order to ensure proper management to mitigate potential impacts. It should also be noted that most sites of high significance are related to hydroelectric power, so they are generally infrastructures built in mountain areas and present in the locality for many years.

Sites of high biodiversity significance	16 / 141	65 / 266	564 / 1,096 ⁽¹⁴⁾	35 / 98 ⁽¹⁵⁾	0 / 39

Presence of endangered species in the proximity of plants/assets: knowledge of protected species potentially present in the proximity of assets is important in order to evaluate the actions needed to reduce the risk of interference by Enel assets. This type of mapping is carried out on all infrastructures for which biodiversity projects are executed, so as to verify the adequacy of the monitoring and conservation actions implemented. The summary of this mapping is presented in the infographic table of biodiversity projects.

Valuation of ecosystem services: among the approaches that have been developed for some years in the scientific community to describe fully the contribution provided by biodiversity and nature, one of this concerns the evaluation of ecosystem services. On this topic, Enel has launched pilot studies to verify how this approach facilitates better environmental management of its infrastructures in order to maximize the benefits for the environment and for local communities (see the box “**Optimization of ecosystem services in Chile**”).



(16) To identify areas of high biodiversity importance, the following general criteria are considered: 1) Protected areas (UNESCO World Heritage Natural Sites and IUCN I-IV); 2) Critical Habitats as defined by IFC Performance Standard 6; 3) Presence of protected species, according to the methodology developed by UNEP-WCMC (“Biodiversity indicators for site-based impacts”, 2020).

Optimization of ecosystem services in Chile

The objective of the study is to define an approach to evaluate the ecosystem services provided by seven natural areas taken as a benchmark and which are part of the appurtenances of several hydroelectric plants owned by Enel in Chile.

In particular, the most important ecosystem services have been identified and characterized, proposing feasible and sustainable management and conservation actions, with the aim of enhancing the natural capital available.

Starting from the knowledge of the natural capital available in the area, the study conducted applies models

of territorial management that seek to protect the natural assets present and the potential benefits associated with them, including especially those at risk of being lost, through an adaptive management of nature in the area, and their contribution to social and economic development.

The methodology has already been applied to five of the seven areas covered by the project, all with different characteristics from each other, for a total area of about 10,300 ha. Ecosystem services have been classified according to the "Common International Classification of Ecosystem Services" (CICES – <https://cices.eu/>) and other locally accepted international standards, and identified through a scientific and participatory approach, classifying them into three main areas: cultural services, regulation and procurement. The main ones are shown in the following table.

Main ecosystem services identified		
Area	Sector	Ecosystem service
La Escuadra	Regulation	<ul style="list-style-type: none">• Deep water infiltration• Erosion control• Fire protection
Pehuenche	Procurement	<ul style="list-style-type: none">• Firewood• Wild fruits
Pilmaiquén	Regulation – Cultural	<ul style="list-style-type: none">• Hydrogeological regulation• Recreational activities
The Blue Lagoon	Regulation	<ul style="list-style-type: none">• CO₂ capture by the forest
Bajo Pascua	Regulation	<ul style="list-style-type: none">• CO₂ capture by the forest

In quantitative terms, it was possible to enhance 40 out of 43 ecosystem services identified for the La Escuadra - Pehuenche area, 14 out of 26 for Pilmaiquén and 28 out of 41 for Bajo Pascua - The Blue Lagoon. The total is about 5,000 tCO₂ sequestered per year, in the case

of management fully oriented to the provision of this ecosystem service, and about 360,000 euros per year of value shared with local communities for all other ecosystem services.

Stakeholder engagement

In recent years, nature and biodiversity issues are climbing up the global sustainability agendas and new stakeholders and multilateral initiatives are emerging to set goals and targets and stimulate the development of more ambitious policies to preserve biodiversity.

Enel is actively committed to this process, collaborating with the most relevant global stakeholders and participating in multistakeholder initiatives and dialogues. In particular, the main initiatives undertaken during 2021 included:

- joining the **Science Based Target Network**, a project that, on the trail of the Science Based Targets initiative (SBTi) in the area of climate change, will define a process to identify specific improvement targets for nature and biodiversity conservation;
- our collaboration with Business for Nature, launched in September 2020 with the signing of the **call-to-action "Nature is everyone's business"**. In particular, Enel is contributing to the organization's efforts to raise the ambition of the Post-2020 Global Biodiversity Framework, which is compared, in terms of international relevance, to what the Paris Agreement was for the climate, and which is expected to be adopted at the United Nations Conference on Biodiversity (COP15). Through the network, Enel has also joined the business delegation for the pre-COP15 negotiations in Geneva in March 2022;
- membership of CSR Europe's Biodiversity & Industry platform, which aims to provide a framework for the integration of biodiversity into the decision-making processes of companies;
- participation in the multistakeholder dialogue promoted by the WBCSD for the definition of the concept of "Nature Positive", which led to the report "What does nature-positive mean for business?";
- membership of the TNFD Forum, an advisory group in support of the new Taskforce on Nature-related Financial Disclosure (TNFD) working to establish a global

The collaboration with Business for Nature, launched in September 2020 with the signing of the call-to-action "Nature is everyone's business".

In particular, Enel contributes to the organization's efforts to raise the ambition of the Post-2020 Global Biodiversity Framework, which is compared – in terms of international relevance – to what the Paris Climate Agreement was, and which is expected to be adopted at the United Nations Conference on Biodiversity (COP15). Through the network, Enel has also joined the business delegation for the pre-COP15 negotiations in Geneva in March 2022.



framework for companies and financial institutions to assess and report on nature- and biodiversity-related risks and opportunities by 2023.

Furthermore, a series of initiatives was recently launched globally, targeted at the definition of metrics and approaches for the evaluation of the sustainability of economic sectors in terms of impacts on biodiversity. Among the most significant are those of the World Economic Forum (WEF), which defines general reference metrics for land and water use and, in the framework of the European Commission, the definition of the biodiversity taxonomy, which, by 2022, will provide a common classification of economic activities that contribute to protecting and restoring biodiversity and ecosystems.

Training and internal communication

With the aim of involving and raising awareness of all Enel people on the issues of protection and conservation of biodiversity, a series of specific initiatives have been promoted.

- Following the completion in 2020 of the **Biodiversity** pillar of the **Competence Building Program** dedicated to technical personnel and those with operational responsibilities, in 2021 an awareness-raising training course on biodiversity was carried out in Italy, during which the basic principles, the Enel policy, the main projects at Group and Italy level, and the points of view of the main NGOs active on the subject were covered. This initiative will be extended during 2022 to all Group personnel.

- The Enel X Global Retail Business Line launched a new project in 2021, "**We're part of the solution**", to raise awareness of the importance of the United Nations' International Day for Biological Diversity (IDB) and reaffirm that biodiversity is the solution to many of the challenges facing us, from climate change to health issues, and from the safety of food and water to sustainable livelihoods.
- A **photo contest** was launched, in which all Group people could participate, with the aim of capturing the best positive examples of integration of our industrial infrastructure with nature.

Several biodiversity projects



AGROVOLTAICS: the balance between nature and solar power

In 2021 Enel launched an experimental program on agrovoltaics, involving 9 solar plants in Spain, Italy and Greece with the aim of demonstrating the technical and economic feasibility of coexistence between large solar plants "on the ground" and agro-zoological activities, promoting the conservation of local biodiversity and indigenous ecosystem services, and enhancing local communities through a multistakeholder approach. The results obtained to date are very promising in terms of feasibility of integration of solar plants with crops, as they promote better shading and reduction of water stress due to less direct solar radiation on the crop itself. Some experimental projects were launched in 2021, which have involved the use of new technologies and layouts for solar plants, with the aim of protecting crops from possible extreme events due to climate change. Specific solutions are also being tested for the safeguarding of local biodiversity and the improvement of ecosystem services both in the areas where the plant is situated and in marginal areas in the plant's vicinity. In Totana, for example, techniques are being tested for the protection and improvement of the habitat of steppe birds living in this area, through the use of a species of leguminous plant, a source of nutrients, able to improve oxygenation of the soil and avoid the formation of invasive grasses while at the same time favoring nesting. In the Pezouliotika plant in

Greece, in addition to the use of crops that attract pollinator species in areas close to the plant, a biodiversity hot spot has been created through the restoration of a strip of semi-natural grassland, typical of the surrounding ecosystems, improving the ecosystem services of the area itself and the habitat of some species of butterflies, some of which are even at risk of extinction. The application of the BACI (Before-After-Control-Impact) protocol will make it possible to measure and evaluate the effect of the adopted solutions on the target species.

The activities will continue in 2022. It should be noted that in January the feasibility analysis was started in the Las Corchas plant in Spain, on an area equal to 60-70% of the total extension of the plant, corresponding to about 50 ha. This will represent the first large-scale ground-mounted agrovoltaic plant with technological application of integration and coexistence on the same soil of the two different businesses, power generation and agriculture. Finally, in the Bastardo plant in Italy, beginning in April 2022 crops will be used that promote the increase in the presence of pollinator species. In addition, the installation of some high-tech hives is planned, equipped with sensors of humidity, temperature, weight and sound of the hive to characterize the surrounding environment through the analysis of the health status of the bees, which should be considered as biosensors.

"At Enel Green Power we aim to improve the environmental and social sustainability of photovoltaic plants, seeking and testing innovative approaches and solutions to promote biodiversity and enhance ecosystem services. We are working on defining new business models in partnership with farms and local communities with the aim of promoting the co-location of sustainable agro-livestock activities on ground-based photovoltaic plants and creating shared value."



Miriam Di Blasi

Environment and Impacts
Mitigation – Innovation
at Enel Green Power

“La Primavera” project – Colombia

The project is framed as a work of compensation of mandatory maintenance activities carried out at the electrical transmission and distribution networks, which involve clearing of vegetation, in compliance with current environmental regulations and applicable technical standards, in order to limit the risk of service interruption or fire ignition. In this context, Codensa, an Enel Group subsidiary in Colombia, has developed a Forest Compensation Plan with indigenous plant species to protect and conserve areas of interest.



The activities started in 2018 with the planting of more than 42 thousand trees in the “La Primavera” forest reserve in the municipality of Pacho, which covers about 40 ha, and takes on a key role in the protection of the waters in the department of Cundinamarca.

The project included an initial biophysical characterization study of the area, to collect information on the ecosystem, climate, geology, hydrology and flora and fauna species of the forest reserve. As a result of this research, 18 indigenous plant species suitable for the area were selected. A monitoring plan was also defined through the use of innovative tools such as drones, to analyze the development of the plantation. The project has involved the local community in the activities of ecological protection of the area, including training, planting and forest maintenance, promoting environmental awareness within the community itself. **In 2021, after 3 years of maintenance, it was possible to hand over the area to the authorities having comprehensively compensated the maintenance activities considering 5 trees planted for each one felled.**

Enel X: Urban Biodiversity Strategy

Enel X has begun promoting a global urban biodiversity strategy to provide cities and its customers with new opportunities to introduce nature-based solutions that promote biodiversity and help make cities resilient by mitigating the microclimate, the quality of the air and by generally improving the quality of life. The strategy, which involves the integration of nature-based solutions into the Enel X offering portfolio, is being developed in the main countries where Enel X is present. Among the various initiatives, mention

should be made of the work being carried out at the SUBA e-bus electroterminal, located in the Thomas Van der Hammen reserve located in the city of Bogotá (Colombia). The electroterminal was built in a site that existed before the construction of the infrastructure where, in collaboration with leading universities and local authorities, Enel X presented a project to restore ecological connectivity through the restoration and planting of 730 specimens of native forest species, in order to reduce the ecosystem fragmentation of the reserve



730

native vegetation
planted



3.65 ton

CO₂/year



and to generate a suitable habitat for pollinator species.

In addition, Enel X was the first company to make a commitment to nature-based solutions and to adopt three beehives that have been placed in the Bee Garden on the roof of the Tor di Quinto headquarters in Rome, housing up to 180 thousand honeybees. Thanks to this project, educational workshops will be organized in which participants will be able to observe bees from close up, in complete safety and under the guidance of experts, and to learn why they are so important for our survival.

Reducing pollution in the atmosphere

| 305-1 | 305-7 |

The reduction of the environmental impacts associated with the operation of our plants is a strategic objective for us, pursued through the application of the best technologies available and of best international practices. The energy transition towards production from renewable sources, such as solar and wind power, contributes to a progressive reduction in specific emissions. During 2021, in particular, Enel's commitment to the path towards decarbonization

continued, with the closure of the Litoral coal-fired power plant in Spain. It should be noted, however, that, during 2021, higher demand for power, in conjunction with lower hydroelectric generation in some countries of the perimeter and in particular in Latin America, led to an overall increase in thermoelectric generation compared to 2020, particularly from O&G plants (+17% compared to 2020) and CCGT (+19% compared to the previous year).

Direct greenhouse gas emissions

| 305-1 |

The reduction of greenhouse gases is one of the priority objectives indicated in our environmental policy as well as in the Group strategy, and must be pursued through the progressive broadening of generation capacities in terms of renewable energy sources and improvement of the efficiency of infrastructures. Direct greenhouse gas emissions from Enel's industrial activities can be mainly traced back to carbon dioxide (CO₂) emissions from thermoelectric power plants and, to a lesser extent, to sulfur hexafluoride (SF₆) losses across the distribution network. Specific CO₂ emissions (Scope 1) in 2021 amounted to **227 g/kWh_{eq}**⁽¹⁷⁾ (**-45% compared to 2017**), up slightly compared to 2020

(+6%) due to higher energy production from gas-fired plants, as anticipated. Despite the 2021 figure, linked to the contingency of the year, the medium-term reduction remains in line with the target verified by the Science Based Targets initiative that the Group has set at 2030.

As a further contribution to reducing greenhouse gas emissions, the Infrastructure and Networks Business Line will commit to purchasing an increasing number of SF₆-free equipment and devices in the coming years.

For further details on greenhouse gas emissions, please refer to the chapter "The path to Net-Zero".

SO₂, NO_x, and particulate matter

| 103-2 | 103-3 | 305-7 |

Our commitment to improving the quality of the air in areas where we operate is testified to by the great care we pay to the constant reduction of the main atmospheric pollutants associated with thermal production: **sulfur oxides (SO₂)**, **nitrogen oxides (NO_x)**, and **particulate matter**. To this end, over the years various measures have been taken to improve environmental performances on specific thermal plants, the choice of which is the outcome of an analysis that, beginning from best technologies and international practices, takes into consideration factors such as context and local priorities, the plant's operation mode, understood as annual operating hours, current plant configuration and the prospects of productive life. During 2021, the

total investment in environmental measures amounted to 29 million euros.

With respect to the values in 2017, the Group set further important targets specifically related to the reduction of emissions of atmospheric pollutants by 2030. These targets see specific emissions in 2030 of 0.05 g/kWh_{eq} for SO₂ (-94% compared to 2017), 0.24 g/kWh_{eq} for NO_x (-70% compared to 2017) and 0.005 g/kWh_{eq} for particulate matter (-98% compared to 2017). Pollutant reduction trends and targets are consistent – in as much as they are linked to the Strategic Plan and to the Group's decarbonization objectives.

Emission measurements are carried out in compliance

(17) Value related only to consolidated production. In relation to the overall value of the capacity managed, CO₂ emissions amount to 205 g/kWh_{eq}.

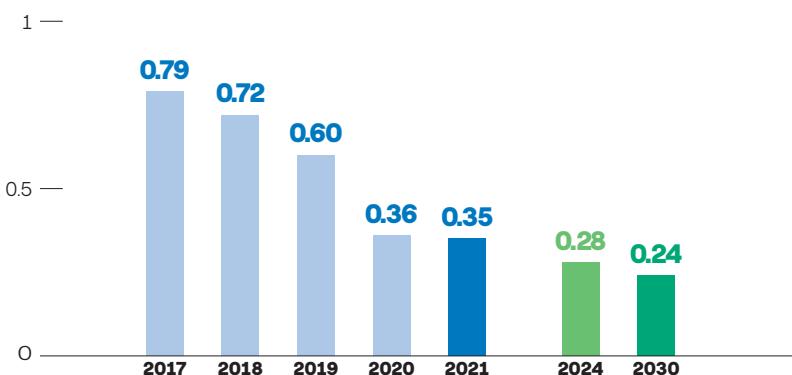
with each country's regulatory framework and, in the majority of large plants, a measurement system is used that can assess compliance with the limits in real time. Its reliability is guaranteed by accredited certifying entities and through assessments carried out by inspection authorities.

In 2021, there was a decrease in absolute and specific terms for SO_2 and particulate matter. For NO_x mass emissions recorded a slight increase linked to the higher amounts of power

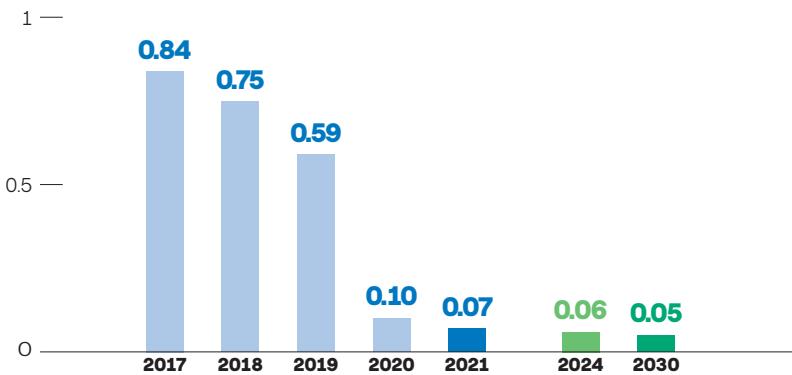
generated from gas-fired and CCGT plants, but specific emissions decreased due to the concomitant increase in the generation of energy from renewable sources.

Specifically, **specific NO_x emissions were 0.35 g/kWh_{eq} (-56% compared to 2017)**, SO_2 emissions were 0.07 g/kWh_{eq} (-92% compared to 2017), and particulate matter emissions were 0.005 g/kWh_{eq} (-98% compared to 2017).

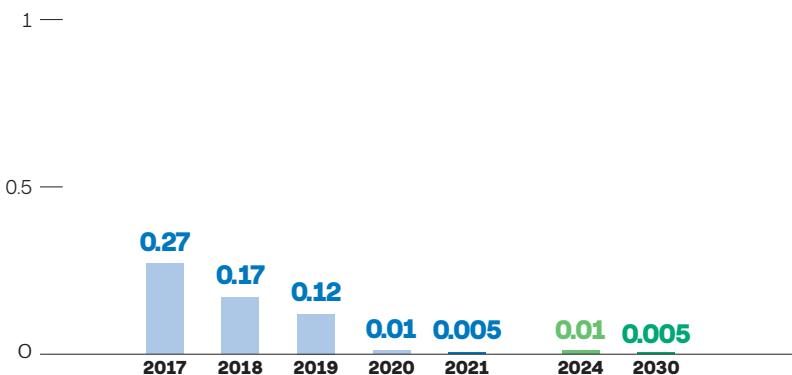
NO_x (g/kWh_{eq})



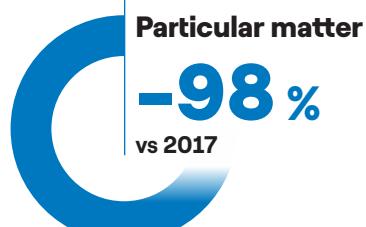
SO_2 (g/kWh_{eq})



Particular matter (g/kWh_{eq})



Reduction targets of our main emissions by 2030
(vs base year 2017)



Responsible use of water

| [103-2](#) | [103-3](#) | [303-1](#) | [303-2](#) | [303-3](#) |

The responsible use of water resources and their protection are vital for the safeguarding of natural ecosystems and for the wellbeing of people that live in them, as well as for the success of our activities.

The Group withdraws water prevalently for industrial purposes and uses it primarily for thermal and nuclear power generation, for the cooling of thermal cycles, and atmos-

pheric emission abatement systems. Overall water needs for production are covered through withdrawal from what is referred to as non-scarce sources (seawater) and scarce sources (surface freshwaters, groundwater and water for civilian use). Where locally permitted, we use, as incoming water resources for our own processes, treated waste waters, typically supplied by water management consortia.



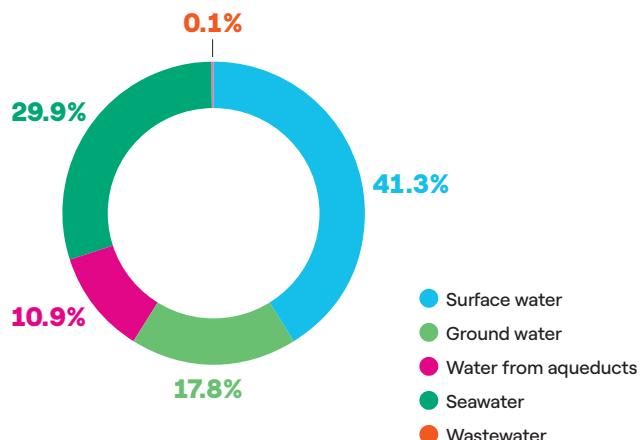
Efficient use of water resources

Total process and closed-loop cooling **water withdrawal** in 2021 was approximately 55.6 Mm³, with an increase of approximately 8% compared to 2020 due to increased thermoelectric power generation.

Enel is vigorously pursuing the objective of reducing its **specific water requirement**⁽¹⁸⁾, with a target of a 65% reduction in 2030 compared to the 2017 value, defined on the basis of the results achieved and the new Plan, which envisages for an even more efficient use of the water resource in existing thermoelectric plants, the evolution of the energy mix towards renewable sources and the progressive reduction of generation from fossil fuels. **The specific requirement in 2021 was 0.21 l/kWh, stable compared to 2020 (0.20 l/kWh) and in line with the Group's reduction targets (-52% compared to 2017).**

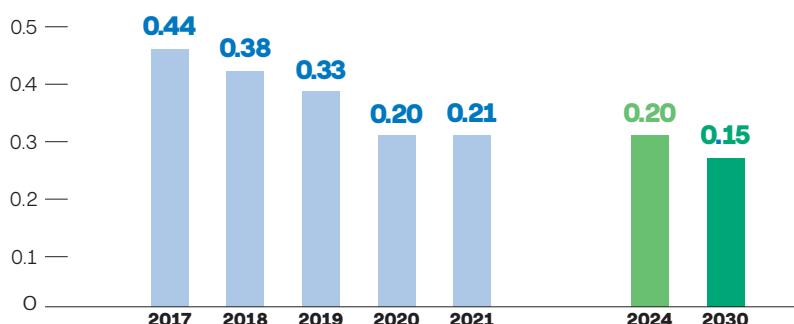
The progressive reduction of water requirements is pursued by promoting, where possible, the recovery of wastewater. Particular attention is paid to the use of water in cooling towers, the efficiency of which is being increased by upgrading the control and recovery systems of the blowdowns, thus also reducing their environmental impact. Other optimization interventions carried out concern the use of crystallizers, a technology developed in the field of

Water withdrawals by source 2021 (55.6 mil m³)

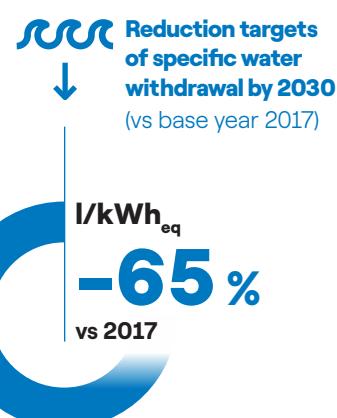


coal-fired generation that is in the pilot test phase on some combined cycle plants, with the aim of completely reusing wastewater in the power generation cycle. Finally, the collection and reuse of rainwater represents another important lever for reducing the environmental footprint of our power generation sites, thanks to the installation of appropriate storage tanks.

Specific water withdrawals (l/kWh_{eq})



Enel is also constantly monitoring all power generation sites located in zones at risk of **water scarcity** (water stressed areas) in order to ensure efficient use of water resources. Mapping of power generation sites falling within water stressed areas is done in line with the criteria of GRI 303 (2018) with reference to the conditions of



"(baseline) Water Stress" indicated by the World Resources Institute Aqueduct Water Risk Atlas⁽¹⁹⁾ and, beginning this year, will also include nuclear plants. Among the sites mapped, those defined as "critical" are those positioned in water stressed areas and which withdraw fresh water for process needs. For these sites, methods for manag-

(18) Water requirement is constituted by all the water withdrawal quotas from surface (including recovered rainwater) and groundwater sources, by third parties, from the sea and from wastewater (including treated wastewater) used for processes needs and for closed-loop cooling, except the quota of seawater discharged back into sea after the desalination process (brine). This latter item (brine) contributes to the quota of withdrawals.

(19) GRI 303 defines "water stressed" areas as those in which, based on the classification provided by the WRI Aqueduct Water Risk Atlas, the ratio (referred to as "baseline water stress", and indicating the level of competition among all users) between total annual surface and groundwater withdrawals for different uses (civil, industrial, agricultural and livestock) and the total available annual renewable water supply is high (40-80%) or extremely high (>80%). By way of greater environmental protection, we have also considered as located in water stressed areas those plants falling in zones classified by the WRI as "arid".

ing waters are analyzed for the purposes of minimizing requirements and maximizing withdrawals from sources of lower quality or which are non-scarce (wastewater, industrial or sea water).

In 2021, approximately 14% of the total energy generated by the Enel Group used freshwater in water stressed areas⁽²⁰⁾. In these areas, withdrawals from scarce sources amounted to 15 Mm³, with an increase of 36% compared to 2020 (11 Mm³). In this case, too, higher withdrawals are related to the contingency of increased energy generation from thermoelectric plants in 2021. The percentage of water withdrawn in water stressed areas is **27%** of total withdrawals.

The robust expansion of the solar power plants, naturally destined for location also in water stressed areas, has brought to the fore a new use of water connected with the

cleaning of dust deposits on the surfaces of photovoltaic panels. Although these volumes are not very significant, Enel has adopted innovative initiatives and solutions for these plants aimed at further reducing their needs.

The Enel Group's constant attention to monitoring and improving its water footprint is also testified by the WaVE (Water Value Enhancement) project, launched in 2020 by the Enel Green Power & Thermal Generation division, which made possible an assessment of the use of water resources in all thermoelectric and renewable power generation sites, and the consequent planning of specific innovative improvement actions, particularly in water stressed areas. The project continued in 2021, refining the mapping of assets with progressively greater granularity, also in view of the effects that climate change may have on the availability of water resources.

WaVE Project – Circular reuse of water in San Isidro plant

The combined cycle plant in San Isidro, Chile, composed of two units with a total capacity of 778 MW, vital for the electricity needs of the country, is located in a region with high water stress, subject to frequent and prolonged periods of drought. Reducing water use is therefore extremely important in order to preserve the resource and make it available to other local stakeholders, as well as to ensure operational continuity. The plant has initiated a collaboration with other local stakeholders with the aim of recovering the blowdown waters from the evaporative towers for their reuse as process water in the mining industry. The project encompasses the operation of the towers at higher efficiency and lower water demand, with a saving for the plant of about 500 thousand m³ of water per year. At the same time, the mining industry avoids the direct supply of freshwater, thus realizing an important example of circular economy able to bring benefits to all stakeholders in the catchment area. The recovered

water is used in the mining process for grinding and transporting ore in a closed circuit in which it is recirculated until completely consumed.

The initiative is also synergic with the forthcoming activation at the plant of a ZLD (Zero Liquid Discharge) system, pilot tests of which are currently under way, which will make it possible to send the saline drains from the cooling towers not only to the mine, but also to the ZLD recovery plant.

The project is part of a broader schedule of interventions aimed at optimizing the use of water in the evaporative towers, which still represent one of the most water-intensive processes in our power generation capacity. These include the adoption in 2021 at the Ventanilla and Santa Barbara plants of the advanced chemical control systems already launched the previous year at the Pietrafitta plant, which will enable the towers to be operated with a greater number of cycles of concentration, reducing the need for make-up water.

(20) The percentage of energy generated in water stressed areas, as well as the percentage of water withdrawn in water stressed areas, is calculated by including thermal plants that use water from scarce sources.



San Isidro power plant (Chile)

Mechanized panel washing in the Panama solar plants

Photovoltaic power generation in Panama is distributed over 7 plants, consisting of about 375 thousand panels for a total capacity of 62 MW. The humid tropical climate, often combined with the presence of nearby sugar cane and oil processing plants, as well as vehicular traffic, lead the panels to get dirty and to require cleaning at least once a year in order to avoid possible degradation phenomena. Until now carried out manually, cleaning of PV panels has recently been improved and optimized by adopting a semi-automatic cleaning system with

low water consumption, consisting of a motorized unit equipped with a special brush that extends over the entire surface of the panel and is able to slide along the entire length of the row of modules, allowing them to be cleaned in a single pass. Compared to manual cleaning, water saving is estimated at 68%, corresponding to over 0.5 million liters of water during a normal year of operation. The initiative can be further enhanced in the future by providing for the storage and reuse of rainwater instead of the water currently supplied by wells, so as to reduce further the pressure on local water resources.



Optimization of wastewater treatment

Downstream of internal recoveries and reuses, wastewater discharged from the plants is returned to the surface water body. Discharge always takes place downstream of a treatment process that removes any pollutants present to a

level where they will not have a negative impact on the receiving water body, in compliance with the limits provided for under national regulations and by operating permits.

Responsible and integrated management of water catchment areas

The activities of hydroelectric power plants are an important element of water management. These power stations, which do not contribute to the Group's water consumption in that the water withdrawn is completely returned to its source, provide a series of additional services for the community compared to the sole generation of renewable energies. Several power plants are in fact involved in the management, shared with the interested public and private stakeholders, manage the water resource for multi-purpose services ranging from flood control, drinking water and irrigation and firefighting services, to the man-

agement of river waste held by artificial dams, also including numerous cultural, leisure and nature-based initiatives, made possible thanks to the presence of the power plants. The reservoirs of hydroelectric plants also carry out a vital role in the response to the effects of climate change, increasing the level of protection of the communities subject to increasingly frequent severe flooding and to prolonged periods of drought. Management of the outflows from hydroelectric plants is done through specific programs to ensure the volumes of water required to preserve the ecological state of rivers (minimum vital water flows).

“Water: a shared heritage”

Multiple uses of water in Chile

Laguna del Maule is a volcanic area in the Chilean Andes in the province of Talca, whose easternmost foothills extend beyond the border with Argentina.

Since 1947, following an agreement with the Dirección General de Obras Públicas, which also allowed an increase in the capacity of the reservoir to 1,570 million m³, Enel has effectively managed the water availability, in order to share its use for irrigation as well as for hydroelectric generation.

In fact, the waters of the Maule river and its tributaries are used for the generation of hydroelectric power in 4 Enel and third party power plants. Thanks to a monthly average flow rate of 25 m³/s, Enel has generated an annual average of 330 GWh in recent years. At the same time, the waters of the Maule Lagoon have been used to irrigate agricultural land in the Maule region, supplying 67 agricultural associations and covering a land area of more than 200 thousand hectares.





The example of Colombia (fishing in the Bethany reservoir)

The Bethany Dam, built on the Rio Magdalena and located in the department of Huila, forms a reservoir with an area of approximately 7,400 ha and a volume of approximately 1,300 million m³. The department is the main producer of fish nationally, accounting for 39% of Colombian production. The fish farming cage system accounts for 40% of Huila's total production and the fish farming sector is estimated to generate about 3 thousand direct jobs.

In 2020, Enel received authorization from the National Aquaculture and Fisheries Authority (AUNAP) to begin the process of seeding two sectors of the Bethany reservoir of Yaguará Santa Helena (SH) and Pacandé (PA) with fry of indigenous species. The fry come from the Experimental Station of Hydrobiological Resources built by Enel and managed by the SurColombian University, the first to obtain certification from the Colombian Agropecuario Institute (ICA) as a biosecure aquaculture establishment for indigenous species.



Energy efficiency

| 103-2 | 103-3 | 302-1 | 302-3 | 302-4 |

Energy efficiency in production processes

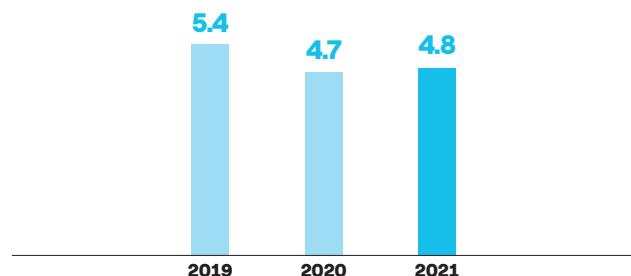
Using energy in an efficient manner is, for us, a constant commitment in the entire value chain, from generation to distribution; in particular, the strategy of reduction consumption entails capital expenditure to increase the energy efficiency of our activities, from interventions to maximize the output of generation plants to the operational improvement of the distribution grid, leveraging the diffusion of greater awareness in behaviors (see also the chapter "The path to Net-Zero"). Energy consumption is mainly represented by fossil fuels to operate thermal power plants (in 2021 71% was natural gas) and by uranium to operate nuclear power plants. A limited amount of energy consumption is related to the operation of renewable power plants (biomass and geothermal).

The overall direct consumption of energy for the production of electricity is 1,099,302 TJ (26.26 Mtoe). During the year, there was an increase in fuel energy consumption of about 10% compared to 2020, a difference that reflects the increase in thermoelectric generation (+16% compared to 2020) and, within that, the increase in gas-fired generation (+19% compared to 2020). The Group's **energy intensity**, which provides a measure of its operational efficiency, **in 2021 was 4.8 MJ/kWh_{eq}**, up approximately 2% compared to the previous year.

2021 saw the continuation of process efficiency initiatives, followed by the implementation of operational excellence programs across the different Business Lines, both for operations and in buildings management. In particular, as regards the Infrastructure and Networks Business Line, the commitment to reduce network losses continued, also contributing to the reduction of CO₂ emissions. Among the actions to be taken are the progressive reduction of single-phase electric lines, the construction of new electric lines to lighten the load on the pre-existing ones, and

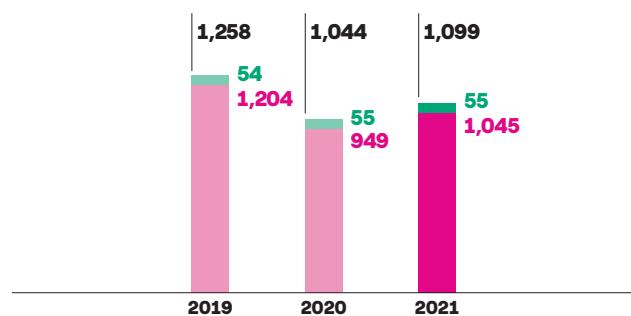
Energy intensity

(MJ/kWh_{eq})



Fuel consumption by primary source

(,000 TJ)



● From renewable sources

● From non-renewable sources

the use of low-loss transformers. Other actions include boosting the grid by using conductors with a greater cross-section and rephasing primary transformer. Finally, the realization of new transformer cabins will help reduce the length of the low-voltage lines which are characterized by higher levels of loss. More broadly, optimizing the grid set-up will allow a significant reduction of its losses.

Energy efficiency in the management of buildings

In addition to operational sites, the strategic commitment to energy efficiency is fundamental in the sustainable management of our buildings and administrative offices. In order to pursue this objective in a structured and organic way, Enel has adopted a Workplace Handbook in which it has collected the measures and technical references recommended within the Company for

the design, construction and management of workplaces. In the Handbook, particular attention to people and to the environmental, social and economic context in which they work is placed at the heart of every work environment. The environmental sustainability of each building, whether new or undergoing renovation, is pursued with reference to its entire life cycle, through the adoption of

circular⁽²¹⁾, low-emission and sustainable materials and products, with an environmental footprint certified by tools such as the Life Cycle Assessment (LCA), the Environmental Product Declaration (EPD) or Cradle to Cradle (C2C) standard. Where possible, models such as sharing and product-as-a-service are favored, capable of increasing the utilization factor of the building and the equipment it contains. Priority attention is also paid to the reduction of waste and its reuse, the sustainable management of water resources, the containment and control of air emissions and noise, as well as air quality inside and outside the workplace, with the aim of minimizing the environmental impacts of the building at every stage of its life cycle. Finally, the commitment to sustainability is guaranteed by the achievement of LEED and WELL certifications for new buildings and for those under renovation, or by the request for such certifications in the

case of rented buildings. For more details refer to chapter "Progress starts with people" of this document. With reference to the specific aspects of energy efficiency, the adoption of technological solutions and energy management systems with continuous control, that can qualify the building as a "Nearly Zero Energy Building", is recommended. In particular, the choice of equipment with energy efficiency corresponding to the highest market standards, i.e. with Energy Star certification, and the adoption, wherever possible, of solutions for the generation and use of renewable energy, is indicated. These include the installation of photovoltaic or solar-thermodynamic plants, hydrothermal plants for exchange with groundwater or cogeneration/trigeneration or, finally, the connection to district heating/cooling systems, where available.

The project for redevelopment of the Enel office in Viale Regina Margherita (Rome, Italy)

The redevelopment project of the Rome

Headquarters involves a facility with a total surface area of approximately 80 thousand m², capable of accommodating up to 2,600 people. Through the adoption of innovative principles of bioclimatic, sustainable and biophilic design, the project aims for excellent performances in terms of energy efficiency, circularity of resources and living comfort of the building, which will be subject to LEED and WELL certifications.

The renovation works, commenced in November 2019, will have an expected duration of about 40 months. Due to the urban context and high population density, each potential significant environmental impact has been subjected to management plans and dedicated control and mitigation measures, in compliance with all the limits imposed in the concession and best practice standards.



From **the energy point of view**, the high efficiency of the air conditioning systems, the LED lighting, the external walls made of highly insulating glass and the computerized management of the entire "building system" will make possible a significant containment of electricity consumption, which will be partly satisfied by the enhancement of photovoltaic self-generation, with an estimated reduction of about 50% in electricity drawn from the grid (approximately from 12 to 6 GWh per year). With regard to **water consumption**, the collection and full recovery of rainwater is expected, which, appropriately treated, will feed the vegetation watering systems, hydrants, evaporation towers and car wash services. **Regarding the production of waste**, during 2021 in particular a total of about 25 thousand tons were produced, of which around 98% (24.4 thousand tons) was destined for recovery.

(21) Please refer also to the chapter "Circular economy".

Energy efficiency and electrification products for customers

In 2021, the interventions carried out by the Enel X Global Retail Business Line in relation to efficiency, technological innovation and reduction of CO₂ emissions in the sectors in which the division operates, were strengthened and consolidated. In the public lighting sector, work performed in 2021 by Enel X in Italy, Spain, Chile and Colombia resulted in cumulative savings of approximately 153 GWh. In public transport, Enel X participated in the commissioning of more than 1,000 electric buses in Chile, Spain and Colombia. For its B2C (Business to Customer) customers in Europe and Latin America, in 2021 Enel X installed about 64 thousand energy-efficient products, including condensing boilers, air conditioners, air-to-water heat pumps and photovoltaic plants (some with storage systems), while in the B2B (Business to Business) sector, the photovoltaic plants managed by Enel X for its customers in Brazil and

Spain in 2021 made possible a production of distributed renewable energy equal to about 10 GWh, in addition to the energy savings obtained by the cogeneration and tri-generation plants managed by the company in Italy and Spain.

Overall in 2021, **Enel X's efficiency and electrification products and services enabled its customers to avoid the emission of approximately 128 thousand tons of CO₂**, corresponding to the environmental benefit of more than 7 million equivalent trees per year, values calculated by applying algorithms validated by an internationally recognized certification body according to the principles identified in the UNI EN ISO 14064-2:2019 standard.

For further details, see the chapter "The decade of electrification and customer centricity".



Waste management

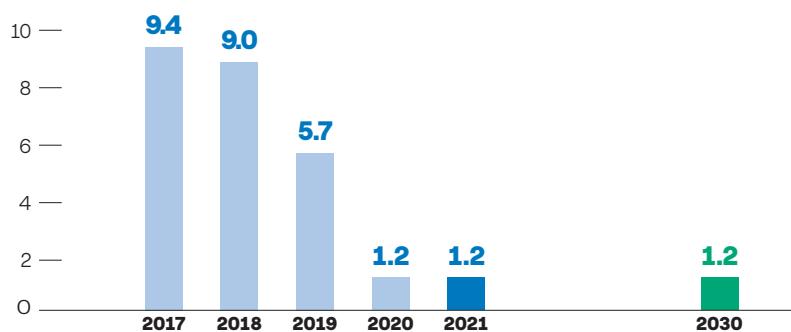
| 103-2 | 103-3 | 306-1 | 306-2 | 306-3 |

Optimal waste management is a strategic objective of our environmental policy, which results in a constant commitment to a reduction in its production, as well as to the definition of new methods of reuse, recycling and recovery, in the perspective of a circular economy (more information is available in the chapter "Circular economy").

For the purposes of reinforcing this commitment even further, we have equipped ourselves with a **Group Guidelines for Waste Management**, which collects the best Company practices deemed fundamental for optimal waste management. In particular, Enel has set important **targets to reduce the amount of waste produced** (-87% of waste

produced in 2030 compared to the 2017 base year⁽²²⁾). The reduction target takes into account the results already obtained and of the predicted evolution of the production mix towards renewable energies, as indicated in the three-year Strategic Plan. The target value includes the technological upgrading of renewable power plants, especially wind farms, which will reach their end-of-life in the next few years. For this reason, although the target was already reached in 2020, it was decided not to change it in order to take into account the potential impact of upgrading activities on waste production in 2030.

Waste produced (mil t)*

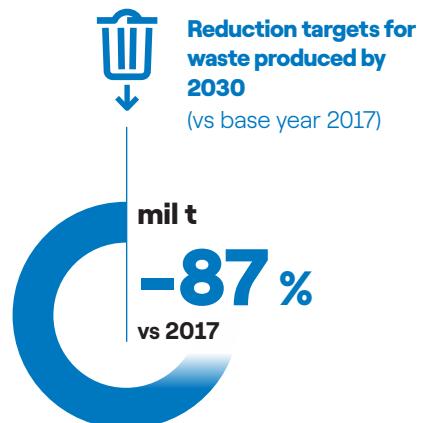


* These targets exclude waste produced from the decommissioning of thermal plants.

During 2021, waste production remained constant compared to 2020, with a value at 2021 of **1.2 mil t (-87% compared to 2017)**. Waste sent for recovery across the Enel perimeter was around 62%, slightly down on 2020 (66%). The commitment to a continuous **increase in the percentage recovery of waste products** is fundamental to ensure an efficient transition towards a circular economy in order to minimize the exploitation of natural resources in accordance with sustainable objectives and in combating climate change. A key role in this area is played by the significant **recovery of process waste** from thermoelectric generation, significant, that is, in terms of the quantities produced and their characteristics, including coal ash and desulphurization gypsum, reused in the construction industry for the production of cement, concrete and bricks according to specific technical and environmental control requirements. In particular, the

percentage sent for recovery is, respectively, 67% for coal ash (from 74% in 2020) and 81% for desulphurization gypsum (from 63% in 2020)⁽²³⁾.

Numerous other maintenance wastes from thermoelectric generation plants, such as waste oil, batteries and numerous metal scraps, including iron, copper and aluminium, as well as residues from primary filtration in hydroelectric plants, are also destined for almost complete recovery. A significant commitment is also directed at the recovery of waste **produced from demolition and dismantling of end-of-life power plants**, by using selective demolition techniques of the structures, as well as solutions to make the best use of the materials produced. Within the Enel Green Power and Thermal Generation division, the commitment made in 2020 with the launch of "Zero Waste" continued during 2021. This is a global project whose objective is to limit the environmental impact



(22) These targets exclude waste produced from the demolition of decommissioned thermal plants.

(23) The variations in the percentages of recovery compared to the previous year are due to plants decommissioned or shut down in the period.

of waste produced by the various plants and technologies in all the countries where the division is present. This is achieved through the reduction of the amount of waste generated and an improvement in the percentage of its recovery through the sharing of the best initiatives and best practices implemented by individual countries, which contribute to the definition of increasingly challenging objectives. Among the global initiatives carried out during 2021, the extension of the project to contractors who want to work with us, operating along the entire value chain, should be highlighted. In fact, a "sustainability K" factor has been introduced in relation to waste, through the definition of minimum requirements for participation in tenders and the adoption of additional bonus mechanisms that companies can activate optionally, should they be able to achieve higher levels of recoverability.

Particular attention was then paid to wind and solar technologies, in order to identify, as of now, possible strategies for the reuse of components that are subject to replacement or disposal throughout the life of these plants, an issue that we expect to become relevant from 2030, as anticipated. For wind technology, the "**Wind New Life**" project has been activated for the recovery of wind turbine blades, with a view over the next decade to gradually replacing components that will progressively reach the end of their useful life (around 2 kton/year in Italy). In addition to focusing on possible future recovery scenarios, the project has also involved analysis of energy reuse and recovery in the cement production process of the materials making up the blades, with overall recyclability values of the components of a wind turbine ranging from 80 to 85%. Details of further projects can be found in the chapters "Innovability®" and "Circular economy".

An increasingly greater effort has been made in particular to acquire, in a life cycle perspective, solid and comparable information on the **environmental impact of the substances and of products procured**. Similarly, **Extended Producer Responsibility (EPR)** models have also been adopted in relation to the **post-consumption phases of the products and services provided**. Of particular importance in this context was the commitment made by **Enel X** through its membership in Europe of consortia on WEEE, batteries and packaging, as well as the increasing attention paid to the design phase of the products marketed.

As regards the **waste generated by the management of grids**, recovery programs have been reinforced, in particular for dielectric mineral oils, used as insulation in electric equipment, and in the accumulators, utilized as energy reserve in transformer substations. These oils are

sent to companies registered and authorized for regeneration and waste-to-energy treatment, where regeneration is not possible, whereas the end-of-life accumulators are sent to registered and authorized companies that can recover secondary raw materials. Particularly relevant are the results obtained by the projects launched across various countries for **the sustainable replacement of intelligent first-generation meters and the recovery of their constituent materials**. The meter is made up of around 65% plastic materials and the remainder is mainly iron (12%), copper (7%) and electronic boards (7%). These materials, appropriately recovered at authorized plants, become reusable resources in other production cycles. For further initiatives, see the chapters "Circular economy" and "Suppliers" in the present document.

2021 also saw the continuation of Enel's commitment to the elimination of single-use plastics within the Group, initiated with the launch of the "Zero Plastic" project in June 2019 to coincide with World Environment Day. The project, which encompasses the gradual abandonment of disposable plastic, has involved the offices of the main headquarters (with more than 20 employees) in Italy and Spain, and is gradually being extended to the other countries where the Group is present. Despite the continuation of the pandemic, in 2021 the reduction of disposable plastic in offices (including cafés, canteens and beverage and food dispensers) can be estimated at 75% in Italy and 65% in Spain compared to the year of reference (2018), thanks to interventions for the replacement of the products supplied and the installation of water dispensers. It was not, however, possible to carry out actual measurements, due to the prevalent recourse to home working for personnel in the large offices as a response to the Covid-19 pandemic. Furthermore, precisely in view of possible specific health security requirements to be adopted as precautionary measures on the return to work of staff, however partial, the targets previously set for the following years have been appropriately updated, while awaiting a complete return to working normality.

The pandemic linked to Covid has also produced the appearance of a new type of waste in operating workplaces kept active for electricity service continuity needs. It is made up of mandatory personal protection devices (face masks and disposable gloves) distributed by the Company in all workplaces in order to prevent the spread of the contagion. Management of this waste was based everywhere on principles of maximum precaution, in line with the development of health provisions and requirements issued in the different countries.



Zero waste

In May 2021, the Spanish distribution company e-distribución, first among all Spanish DSOs (Distribution System Operators), obtained the "Residuo Cero" certification issued by Aenor, a leading certification body. The certificate is issued to organizations that evaluate the different fractions of waste, avoiding disposal in favor of recovery. The generation of waste is not, therefore,

eliminated, but the method adopted by the organization to reduce its production and ensure its reintegration into the value chain is recognized and duly certified. More specifically, for e-distribución the award of the certificate implies the optimization and complete traceability (collection, transport and delivery) of waste, from the site where it is generated to the treatment plant. Also for e-distribución, the certification attests that the waste generated in the autonomous community of Aragon and in the towns of Castile, León and Galicia has been optimized in order to give it a second life.

Protection of soil, subsoil and groundwater

| 103-2 | 103-3 |

Enel is committed to the continuous application of the most advanced technologies available and of best practices to minimize the possible environmental impacts deriving from its activities, using international standards as a benchmark even where the required environmental protection is less stringent. Among the areas of prevention, the highest level of attention is paid **to the protection, monitoring and remediation of soil, subsoil and groundwater** in the areas where plants and generation and service facilities are present in all countries.

The protection of these environment matrices guides all phases of their life, from design choices to construction, operation and end-of-life management. Both active and passive protection and safety measures will be used in project phase to prevent any possible form of uncontrolled or accidental contact of potentially polluting substances (fuels, reagents, liquid and waste flows) with soils and subterranean waters.

During plant operations, every process undergoes compliance controls as well as ongoing upgrades as required by the Environmental Management Systems to prevent and minimize the risks of any potential environmental contamination. At the same time, control plans are executed to monitor the condition of the previous environmental matrices. In the event of an accident, for example the accidental spillage of polluting substances, the timely application of the Stop Work and Emergency Management

Policies allows elimination of any possible environmental impact, rigorously complying with the provisions and the legal obligations of the various countries.

For management of the end of life of power plants, once they have been secured and prior to their being dismantled and the area reassigned to new development projects, Enel proceeds, according to the authorized provisions and legal requirements of the various countries, to verify further the environmental quality of the soil, subsoil and groundwater in the areas where the plant is located. In the event of potential contamination phenomena, characterization of the environmental matrices in the areas potentially affected and, if necessary, implementation of safety measures and subsequent remediation, are executed according to intervention plans shared with the competent authorities and by resorting to specialist, qualified companies able to restore promptly the level of quality suitable for the intended use of the area (industrial/commercial, residential). Particular focus is on power plants falling within the large industrial hubs.

In order to mitigate further the risk connected to the detention and consequent potential uncontrolled release of substances that can have an impact on the environment, numerous projects have commenced for their progressive substitution, for example, verifications under way on the use of vegetable (hence biodegradable) oil, replacing the traditional dielectric oil of mineral origin.



New use of industrial sites

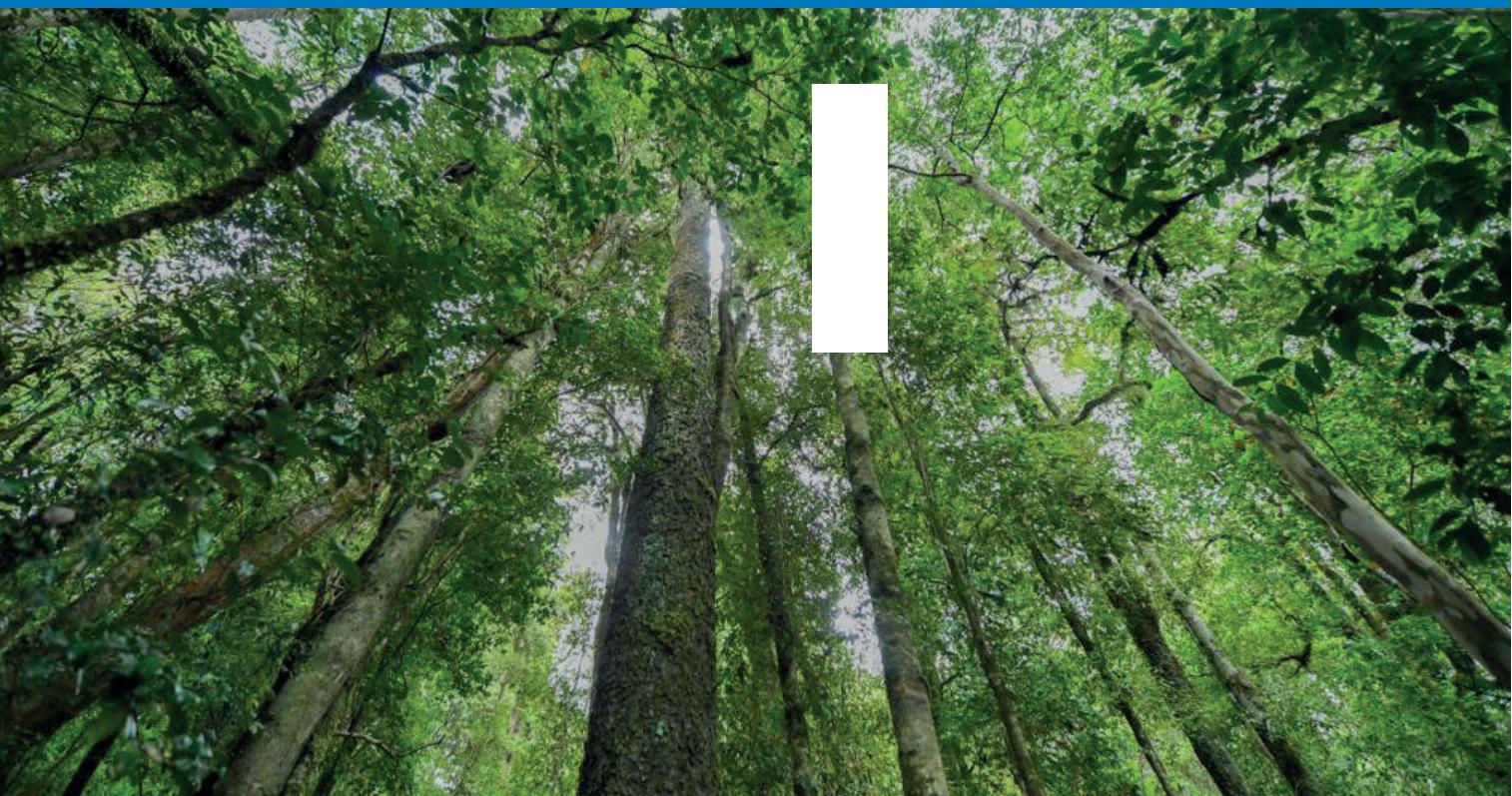
Reclamation of the Augusta site

The Augusta site falls within the wider area of national interest for the reclamation of Priolo in Sicily. In this context, as early as 2003-2004 site characterization and consequent reclamation procedures were initiated following the identification of soil contaminated by hydrocarbons. The soil remediation procedure, agreed upon with the authorities, encompassed the construction of an impermeable diaphragm wall along the entire perimeter of the contaminated area, the treatment of the soil using soil washing and biopile techniques, and subsequent re-use of the remediated soil. The remediation work was completed in 2011 with the return of the land concerned to its intended use, while *post-operam* monitoring continued until 2016. A photovoltaic plant is to be built on the reclaimed area. After the closure of the plant, which took place in 2019, the overall characterization plan of the area was presented and is currently awaiting approval. Among the

proposals under consideration, one is the development of a "remediation hub", a research and study center aimed at identifying innovative solutions for the mitigation of environmental impacts caused by plants and infrastructures.

Teruel Power Plant – Preparing for new uses

The Teruel site is located in the autonomous community of Aragon, Spain, and is home to a coal-fired power plant that received authorization to cease operations in June 2020. The Teruel plant repurposing project involves the development of a combination of renewable energy generation facilities (solar, wind and battery storage). This has made it possible to optimize the demolition project with respect to the future use of the site, anticipating the characterization of the soil and groundwater in the area affected by the installation of the photovoltaic plant in the zone previously occupied by the coal house, without having to wait for the completion of the demolition of the plant. The results of the risk analysis already prepared showed an acceptable level for all uses, without the need for further action.



Other activities

Enel X: e-mobility

During 2021, Enel X proceeded with an important development of the e-mobility Emission Saving tool, developed to provide evidence of the division's commitment to sustainable mobility through the electrification of the vehicle fleet in circulation. The algorithm, already capable of calculating the CO₂ avoided, the equivalent trees per year and the pollutants saved in the use of an electric or electrified vehicle compared to one powered by a traditional endothermic engine, was enriched in 2021 by the addition of the calculation of noise and avoided costs to health and environment.

The new e-mobility algorithm Emission Saving tool 4.0 has been verified and validated by an internationally recognized certification body (RINA) in accordance with the principles identified in the UNI EN ISO 14064-2:2019 standard. Enel X has therefore calculated the reduction in the level of environmental noise obtained thanks to the adoption of the electric-powered or plug-in vehicle in purely electric mode, compared to internal combustion vehicles, both non-rechargeable hybrids and purely thermal. To do this, it relied on CEDR⁽²⁴⁾ studies, which showed a clear reduction in noise emissions between 20 and 50 km/h. Above this speed, in fact, the noise derived from the rolling of tires and from aerodynamic penetration of the vehicle makes noise emissions comparable, regardless of the type of power supply, whereas below 20 km/h battery electric vehicles (BEVs) are equipped with acoustic devices that fa-

cilitate their detection by pedestrians. The results showed that, by adopting a conservative approach for a quick evaluation of the "gain" obtained from using electric vehicles, an overall noise reduction of 3 dB(A) compared to internal combustion vehicles can be considered, corresponding to 50% less noise related to vehicular traffic. The use of an electric vehicle (EV) in purely electric mode instead of an internal combustion vehicle (HEV/ICEV) is therefore equivalent to halving the vehicular traffic in terms of noise pollution.

Enel X has therefore quantified the savings in air and noise emissions related to the recharging services provided. January 2018 to December 2021 saw over 3.6 million recharges at Enel X stations across Italy; approximately 46 mil kWh was delivered by the charging stations and about 273 million km were traveled by electric vehicle owners. Compared to 2020, there has been an increase of over 100% in the energy supplied by the recharging stations, with a consequent doubling of CO₂ savings thanks to the greater diffusion of both electric vehicles and Enel X's connected public and private recharging points. The emission of about 33,400 tCO₂ has been avoided, corresponding to about 1.8 million equivalent trees per year, as well as about 82,400 kg of NO_x and 2,500 kg of PM_x. The noise avoided is equivalent to an annual reduction of 52,200 HEV/ICEV cars.

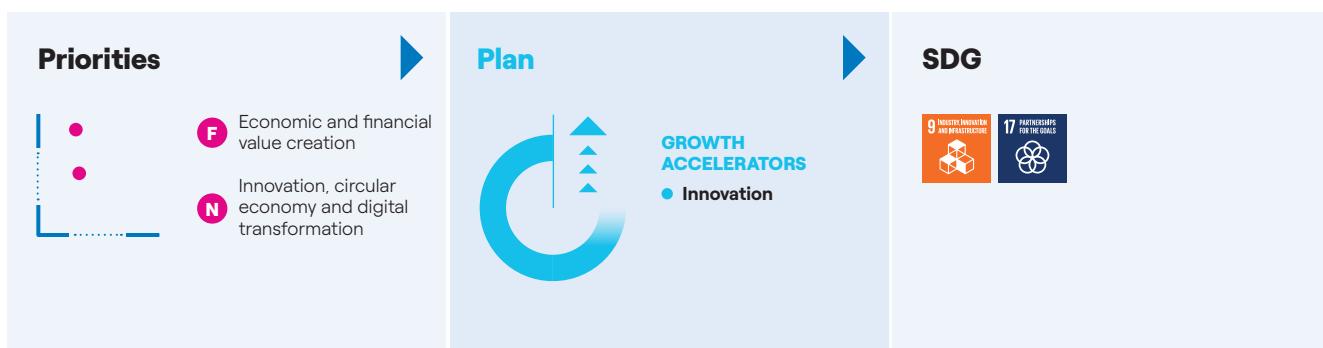
Environmental legal disputes

| 103-2 | 103-3 | 307-1 |

At December 31, 2021, the number of legal proceedings pending was 243 across the whole Group. The main environmental disputes related to Italy, Latin America and Iberia.

The total amount of fines issued to Group Companies in 2021 was about 5 million euros, primarily in Spain in relation to network operations of Edistribución Redes Digitales, and secondarily in Brazil.

(24) "Noise emission of electric and hybrid electric vehicles" – CEDR (Conference of European Directors of Roads).



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
<ul style="list-style-type: none"> Further enhance the reach of our innovation ecosystem, to find the best solutions on a global scale Generate value by solving the ever-increasing needs of the Business Lines, by enabling open innovation tools (collaboration with start-ups, crowdsourcing, partners, universities, intelligence, technological communities, solution design activities) 	<p>Launch of 350 Proof of Concept to test innovative solutions in the period 2021-2023</p> <p>Scale-up of 100 solutions to accelerate the implementation of the Strategic Plan in the period 2021-2023</p>	<p>168 Proof of Concept launched</p> <p>46 solutions adopted in the business</p>	<input checked="" type="checkbox"/>	<p>Launch of 520 Proof of Concept to test innovative solutions in the period 2022-2024</p> <p>Scale-up of 137 solutions to accelerate the implementation of the Strategic Plan in the period 2022-2024</p>	I S G T	9 17
			<input checked="" type="checkbox"/>		I S G T	9 17

I Industrial	E Environmental	S Social
G Governance	T Technological	

Goals	New	Redefined	Outdated

Status	Off track	On track	Achieved



DMA EU (former EU8)

In order to encourage new uses of power and new ways of managing it and making it accessible to increasing numbers of people in a sustainable way, we have made innovation a key component of our strategy. It is a path that involves traditional activities and the development of new models and technologies, based on cutting-edge innovation, creativity, passion and ideas not only from inside the Group, but also from outside.

We identify the most innovative solutions to meet the main challenges of sustainable development as well as the 17 SDGs of the 2030 Agenda of the United Nations, both in line with and as a support for the Group's strategy, its Industrial Plan and its

Sustainability Plan. Currently, we are defining a three-year innovation plan, shared with Top Management and submitted for approval to the Group's Innovation Committee, chaired by the Chief Executive Officer. In conjunction with the various functions and Business Lines in all countries where we operate, the Holding Innovability® Function (Innovation and Sustainability), reporting directly to the CEO, manages innovation activities in conformity with regulations currently in force and with the Group's compliance programs. Furthermore, dedicated facilities at Business Line level have been set up to facilitate the development and dissemination of innovative solutions.

46

Solutions adopted in the business

10

Innovation Hubs

Over 100

New collaborations initiated with start-ups

170

Around 170 Crowdsourcing initiatives launched through Open Innovability®

ISO 56002:2021 "Innovation Management Systems" standard implementation

In 2021, following the publication of ISO 56002:2021 "Innovation Management Systems", we decided voluntarily to extend the Group's existing Integrated Health, Safety and

Environmental Management System to include also innovation. The Management System has the following objectives:

- improvement of the Group's governance;
- integration between processes;
- identification any areas of improvement in processes and implementation of the appropriate measures;
- improvement of the company organization with a view to obtaining operational excellence.



The innovative ecosystem

In line with the Open Power vision, we promote an Open Innovation approach, renamed Open Innovability® in 2017, to address the challenges of the energy transition. Innovation and sustainability merge in a way that compels us rethink traditional business models and create new ones.

We aim to link the different areas of the Group with start-ups, industrial partners, small and medium-sized enterprises (SMEs), research centers, universities and entrepreneurs, including through the use of crowdsourcing platforms, such as openinnability.com. The platform is dedicated to the world of innovators and people in the Company who wish to contribute to business development with innovative and sustainable solutions, transforming proposals into concrete projects capable of solving the challenges inspired by specific business needs, many of which are directly related to the United Nations 2030 Agenda.

Since the platform was launched, almost 170 challenges have been published, more than 43 thousand users have signed up (plus around 400 thousand potential solvers from partner platforms) and more than 10 thousand proposals have been received. The solutions presented cover the entire value chain, from power generation to networks and markets.

Through the "I have a project" touchpoint, the platform also offers a space to anyone with innovative business-related projects, even if the proposals do not comply with any specific active challenge.



Together we can design the future

Generally speaking, thanks to the Open Innovability® approach more than 1,000 innovation projects have been activated and about 41 partnership agreements have been signed, covering assorted topics of relevance to the Group. These include innovative technologies and materials for smart grids (3M), promotion of space applications in the energy sector (ESA, Thales Alenia Space), and co-development of innovative digital solutions (Cisco and Microsoft).

The global network of Innovation Hubs and Labs supports the Group's innovation strategy and significantly contributes to consolidating the collaboration model with start-ups and SMEs. The latter propose innovative solutions and new business models, and the Group provides its expertise, testing facilities and a global network of partners to support their development and scale-up. The Hubs, which are located in the most significant innovation ecosystems for the Group (Catania, Pisa, Milan, Silicon Valley, Boston, Rio de Janeiro, Madrid, Moscow, Santiago de Chile and Tel Aviv), handle relations with all players involved in innovation activities and are the main source of research for innovative start-ups and SMEs. The Labs (Milan, Pisa, Catania, São Paulo, Tel

Aviv and Be'er Sheva being the most representative) allow start-ups to develop and test solutions together with our Business Lines. During 2021, thanks to the Group's stable positioning in innovative ecosystems and the intense use of the Hub and Lab network over 90 exploration initiatives were launched (more than half of which were in the form of virtual bootcamps) in different technological areas. This made it possible for us to meet more than 2,000 start-ups and initiate more than 100 new collaborations.

We also continued to implement the We4U (World energy 4 Universities) partnership program with national and international universities and research centers, with the goal of maintaining an ongoing, multidisciplinary dialogue focused on the challenges of the energy transition. The program, consolidated by over four years of activity, sees among its partners the Polytechnic of Milan, the Polytechnic of Turin, Bocconi University, Sant'Anna High School, Ricerca sul Sistema Energetico (RSE), UC Berkeley, MIT, Columbia University (NYC), Comillas University (Madrid), Strathmore University (Nairobi) and, more recently, the University of Genoa, LUISS (Free International University of Social Studies) and Venice International University.



Sicily in support of the global energy revolution: the Hub & Lab and the Gigafactory in Catania, hydrogen in Carlentini

“The Solar Innovation Lab in Catania is a multifaceted facility that makes it possible to broaden our knowledge in the field of photovoltaics from the point of view both of the individual technology components and of the plants as a system. The aim is to contribute to the growth of Enel’s competences so as to provide maximum support to the development of the global renewables ecosystem and, with the same level of commitment, to support Enel’s business in this sector.”

An example of how innovation is an integral part and beating heart of the Group’s business is the Catania Hub & Lab (Italy), where research did not cease even during the Covid-19 pandemic. It is one of the world’s largest and most advanced industrial innovation districts for renewable technologies, as well as an innovative ecosystem open to universities, start-ups and businesses. In the Lab’s workshops, the yields and performances of solar panels are tested, evaluating their reliability and providing useful data to support investments in the **plants** where they will be installed. The technologies used simulate the accelerated ageing of the panels, exposing them to thermal cycles in climatic chambers and to ultraviolet radiation in solar simulators, or else subjecting them to the combined effect of light and temperature through LeTID (Light- and Elevated Temperature-Induced Degradation) tests. Finally, there is the stabilization system, which measures power loss in panels during the very first phase in which they are exposed to light, thus focusing attention on the initial degradation, especially in cases where this is higher than the amount declared by the manufacturers. The Lab’s infrastructure also



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Head of Innovation Lab,
Passo Martino,
Catania

lends itself to testing mounting facilities such as trackers or welcomes projects for the automated assembly of PV panel arrays. Our commitment to the development of increasingly efficient photovoltaic panels was strengthened in 2021. Relying on the existing 3SUN plant, the Group intends to expand from 200 MWp/year to about 3 GWp/year of photovoltaic power, developing an architecture based on cells with even more innovative heterojunction technology (HJT) that will make it possible to achieve over 30% efficiency. TANGO (iTALiaN pv GigafactOry), the name of the initiative behind the building of the Gigafactory, is one of the seven projects recently selected for funding from the ETS (Emissions Trading System) Innovation Fund totaling Euro 1.1 billion. Furthermore, in Carlentini, in the province of Syracuse, we have launched **NextHy**, an initiative to stimulate growth of the entire green hydrogen ecosystem, which will have as its core an industrial platform for technological validation. Together with start-ups and global players, we will validate innovative technologies capable of accelerating the full commercial maturity of all technologies that enable the sustainable and competitive generation of green hydrogen.

Innovation Communities

We have set up Innovation Communities, specific interfunctional working groups that, by comparing and sharing ideas and experi-

ences, tackle relevant business issues in an innovative way and represent a point of reference for the various technologies.



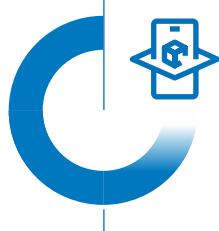
Blockchain, literally meaning a “chain of blocks”, exploits the characteristics of an information network of nodes to manage data and information securely in a shared manner without the need for a central control and assessment body. In this area, we have fostered collaboration with various stakeholders and have worked on different fields of application (asset tracking, trade, energy poverty management), despite the fact that it is not yet a scalable technology suitable for mass implementation.



Drones. We have been implementing this technology in power generation and distribution plants in all countries since 2012. The main uses within the Group concern thermal imaging and the inspection of thermal, hydroelectric, solar and wind plants, the detection of abnormalities, 3D modeling, photogrammetry and laser scanning. For several years we have also been carrying out tests and trials in collaboration with the regulatory bodies ENAC (Ente Nazionale per l’Aviazione Civile - National Civil Aviation Authority) and ENAV (Ente Nazionale di Assistenza al Volo - National Flight Assistance Agency), since the regulation of drone flight is still evolving at both national and European level. We have over 200 drones and 450 pilots worldwide. In 2021, the Community started working on the development of a common drone management platform in terms of fleets, operations, authorization processes, and so forth.



Energy storage. The use of storage systems ensures improved levels of reliability and network quality indicators, opening up new, sustainable frontiers and guaranteeing nationwide balancing of the grid and stability of system loads. The Group is investigating new storage systems, such as solid-state lithium batteries, vanadium flow systems, gravitational accumulators, and other alternative technologies for long-life applications. Today, the Community is working on a programmatic document to map all major innovative technologies and use cases within the Group to explore new opportunities.



Augmented and virtual reality. This Community aims to seek out sector products and platforms in order to follow their technological evolution and redefine use cases for the Company. In 2020 a shared database was created to gather all available virtual scenarios to be utilized for training.



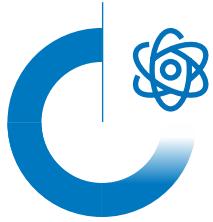
Robotics. The main applications of robotics are in the construction and automated maintenance of PV arrays or other inspection and maintenance activities in areas that may present high-risks to personnel operating in remote areas or in challenging or repetitive work environments. We are testing legged robots for specific, autonomous inspections, as well as remotely operated vehicles for underwater cable inspections, and for maintenance work on hydroelectric reservoirs, photovoltaic plants and wind turbines. The new frontiers in the use of robotics include autonomous construction with a variety of possible



Artificial Intelligence (AI) and machine learning. Currently AI and automatic learning are broadly used for the automation of processes and of physical device operations, from sensors to drones, on up to robots. The Business Lines make extensive use of these technologies as applied to the analysis of activities related to the O&M Functions. The Group can benefit from an ecosystem of artificial intelligence, a unique place where each user can access services developed internally and a data school for the development of in-house know how.



Sensors. Sensors transform the world around us into combinable data that can be used to monitor and predict human and technological behavior. We make significant use of sensors to monitor assets and facilitate predictive maintenance of power plants. Building on the policy document developed by the Community in 2021, we set out to explore new areas of application that can ensure increasingly widespread knowledge to improve management of operations and customer service.



Quantum computing. As the latest addition to the Innovation Community family, quantum computing has the potential to address new challenges for conventional computing architectures by leveraging the unique properties of quantum particles, such as entanglement and superposition, as the basis for driving computational systems.

Finally, other Innovation Communities, such as those related to wearables, additive manufacturing, data monetization, materials and hydrogen, are currently active, continuously monitoring the evolution of technology and sharing

new business models and use cases with all participants, as well as value-added services that could be adopted in different areas of Group activities.

The culture of innovation is enriched by the Agile approach

In 2021, the integration of the culture of Open Innovation with Agile Transformation was launched at Group level in order to support business from idea generation to project implementation. The Innovation and Agile cultures work in synergy, and are driving forces behind the creation of a competitive advantage and for the optimization of costs over time.

We are working to increase the portfolio of initiatives so as to promote and spread Innovation and Agile knowledge and methodologies at distinct levels, and to support business in generating value through the use of creativity, lat-

eral thinking and agile techniques.

The “Innovation Ambassadors” Community thus merges with the “Agile Agents” Community, reaching a total of over 400 people and offering its contribution to “making sure that innovation becomes part of the daily work of everyone in Enel”.

In 2021, the “MAKE IT HAPPEN!” program, designed to promote and celebrate entrepreneurship, reached a record of 12 approved projects, with the valuable contribution of the Idea Hubs in the collection and exploitation of new concepts.

Our innovative solutions

We leverage the deployment of systems and applications on common platforms to improve the operability, reliability and accessibility of systems to ensure customer centricity, while maximizing adaptability to internal and external changes. Different solutions based on automation, artificial intelligence tools, robots, remote control systems and

technologies have been tested and adopted to support health and safety. In addition, the Group has made use of the culture of sustainability by pushing for the adoption of circular models to increase competitiveness.

Considering the expected growth trend for wind power in the coming decades, we have worked in synergy with lead-

ing industry suppliers, companies and research centers. The aim is to foster the development and adoption of innovative materials and recycling processes, so as to ensure a fully sustainable life cycle of materials and, at the same time, improve their performance, thereby supporting the **circular and competitive growth of the wind industry**. In southern Italy, the first industrial plant has been designed that can treat the composite materials of end-of-life rotor blades from the repowering plans of the major Italian power plants and supply industrial operators with the secondary raw materials for their production cycle to manufacture insulating panels, bathroom and sanitary fittings and design items. New repowering models are also being validated, with promising results, through blade life extension techniques that avoid complete replacement. New collaborative agreements have been signed with start-ups such as Modvion and ACT Blade to support the development and testing of innovative materials capable of increasing power generation, reducing costs and facilitating the recycling of materials. Wooden turbine towers and wind turbine blades covered with a special technical fabric could be the components of wind farms in a not-too-distant future for the Group.

Circular approaches **have also been adopted in the field of photovoltaics and energy storage technologies**. Together with other companies and research institutes, the Group is participating in the European project Photorama to develop innovative technologies targeted at recycling end-of-life photovoltaic products and production waste and recovering over 95% of secondary raw materials for their reintegration into the photovoltaic value chain. Energy storage and wind power were combined in the recent collaboration agreement signed between the Group and the innovative company Energy Vault. The purpose of the accord is to integrate gravitational storage technology with the recycling of materials no longer needed in wind farms, applying a circular economy perspective along the entire wind power value chain while lowering the costs of energy storage.

We are at the forefront of **biodiversity protection and environmental impact mitigation**, and in 2021 we have again adopted numerous solutions to protect the habitats of animal and plant species. As part of the development of innovative solutions that combine the growth of large-scale photovoltaic plants with a sustainable use of local areas and biodiversity protection (agri-photovoltaics), in 2021 an important parallel experimental program was launched in Spain, Italy and Greece. The purpose is to promote the simultaneous and diversified use of soil, with the coexistence of agro-zoological activities between the rows of solar panels through a multi-stakeholder approach, integrating local communities through a circular economy perspective. At the Narzole hydroelectric plant, in the province of Cuneo, an environmental and sustainable solution called Prati Armati® has been successfully tested, making it pos-

sible to stop water and wind erosion of the soil and combat desertification. At the Gibson Bay wind farm in South Africa, three special acoustic deterrent devices (made by the US company NRG Systems) were installed to create a "barrier effect" that stops bats from approaching the wind turbines, thus preventing potentially fatal accidental impacts. For the Group, **automation, robotics and AI systems** are technological allies for making power plants increasingly efficient, sustainable and safe. With health and safety always first and foremost in our minds, we have launched the AI4Safety project on several sites. Thanks to new artificial intelligence solutions based on computer vision, it is possible to identify risk situations at an early stage, thereby expanding the number of critical events identified and enabling timely notifications and event classification through the digitalization of the entire process. We are also developing an innovative AI-based system for automatic fault recognition of wind turbine blades. This has proven effective in drastically reducing inspection times for analysis of data and in optimizing maintenance activities that can be prioritized and also expanded in numerical terms. In 2021, at the Totana photovoltaic plant in Spain, testing of a solution developed by the Italian start-up Reiwa was successfully completed. This was based on the use of autonomous robots to clean photovoltaic panels automatically without using water, demonstrating an increase in power generation, sustainability and safety.

Several projects have also been developed to support the power network business, exploring approximately 600 solutions from start-ups and SMEs over the past year, selected by the Group's Innovation Hubs or through internal and external crowdsourcing channels. We have initiated and accelerated three major initiatives to promote the energy transition globally, as outlined below.

- **Grid Blue Sky** is innovating and digitalizing our infrastructures and networks, industrializing Group innovations (such as the Network Digital Twin), advanced field operation technologies (such as remote and virtual assistance), and intelligent maintenance into a global platform.
- **Gridspertise**, a new company launched in September 2021, leverages the innovation developed and tested by the Group in the fields of metering and digitalization (grid edge, grid infrastructures and field operations), to offer cutting-edge solutions to other distribution companies.
- The Group's **Grid Futurability®** is based on the transformation of conventional grids into smart grids, starting from the needs of customers and stakeholders. It redefines operations based on digitalization and innovative technologies, leading to a vision of power grids as resilient, participatory and sustainable platforms. Innovation contributes to Grid Futurability® by testing novel solutions in terms of resilience, such as the Internet of Things and advanced grid sensors, grid automation and

edge computing, drones and robots, as well as innovative cyber security and emergency management techniques. In terms of participation, new options are being examined to plan and manage the grid by taking advantage of the flexibility services offered by distributed energy resources. As regards sustainability, sustainable and recyclable raw materials, as well as safety solutions for field operations and third parties, are being tested.

Enel X is committed to the development of **energy communities**, from the construction of photovoltaic plants to the technical-economic management of the energy community itself.

Regarding **smart city services**, in addition to the adaptive lighting and smart poles solution integrated with different functionalities (adaptive lighting, video surveillance, Wi-Fi, etc.), a new application of the City Analytics tool, namely, City Analytics – Mobility Map, was developed and placed on the market. This is intended to qualify macro-mobility statistical indicators to facilitate management of Covid-19 containment measures and help shape policy in this new phase of normalcy. Two additional indicators based on open data have been developed by Innovability® Enel X: the CE City Index (circularity index of municipalities) and the 15 Minutes City Index (service proximity index), accessible free of charge to government authorities who can register on Enel X's YoUrban portal.

As regards **storage**, numerous initiatives have been launched, from predictive anomaly detection to end-of-life battery treatment and second-life battery aggregation (Pioneer) to provide grid and storage distribution services. We have also initiated the **development of telemedicine products and services**, exploring and defining implemen-

tation scenarios for chronic patients, frail and elderly people, citizens interested in approaching monitoring and prevention programs, and public and private facilities of the National Health Service. The development is carried out in conjunction with primary health institutions, such as the Policlinico Gemelli, the Catholic University of the Sacro Cuore, the University of L'Aquila and the Prato Diabetes Center.

Furthermore, in conjunction with Mastercard, Enel X has launched the FinSec Innovation Lab in Israel to advance innovations in financial technology and cyber security for payments. The laboratory was established following a tender launched by the Israel Innovation Authority. The FinSec Innovation Lab will collaborate with start-ups to test and develop products and solutions, with a focus on digital security, fintech platforms, digital authentication and financial inclusion.

Finally, the global "RoBoost" program aims to accelerate and integrate market-ready technologies (both innovative and robotic) into Operation & Maintenance activities on more than 1,300 power plants located in 20 countries. We are working with innovative technology providers (start-ups, industrial partners, local and international companies) to build and develop robots, drones and other devices. Through this approach, Enel Green Power is combining its own knowledge with the technological and digital skills of various suppliers whose wealth of experience and capabilities it also helps to increase. Several applications of the technology include monitoring solar power plants using drones and AI as part of the maintenance work required for these installations, while also reducing health and safety risks and increasing operational efficiency.



Creating value in the future: intellectual property

The ecosystem of Open Innovability® generates innovation through the creation and sharing of internal and external solutions that give life to a flow of ideas that we are committed to protecting in a suitable manner. Intellectual Property (also defined as "IP") guarantees double protection: on the one hand it allows to control inventive solutions, technologies and knowledge that originate from the Company and the ecosystems of which Enel is part and in which universities, research institutes, suppliers, programmers and consultants are involved; on the other hand, IP makes it possible to safely and sustainably disseminate technolo-

logical solutions that are used to implement electrification, platformization and stewardship programs.

During 2021, we have strengthened the strategic, responsible and sustainable management of IP, both with the adoption of a new Intellectual Property Management procedure on a Group level, as well as by continuing the project of structuring reporting related to intellectual property, which must be viewed in the wider context of the Enel Group's non-financial reporting.

The new Intellectual Property Management procedure

The new procedure includes all the phases of the intellectual property life cycle, from the moment of conception of the invention up to the protection and maintenance of the portfolio and relationships with external parties. In particular, the procedure regulates the cases in which the intellectual property generated in Enel is transferred abroad, in contexts such as: (i) collaborative research, (ii) procurement, (iii) relationships with start-ups, (iv) merger, acquisition and stewardship operations, (v) direct or licensed acquisitions of intangible goods of Enel and third parties. This regulates the methods for protecting intangible assets, monitoring their use, the metrics for measuring, also quantitatively, the Group's performance in managing intellectual property, outlining elements that are useful for future actions concerning planning and optimization of assets and risk mapping.

The procedure is based on the following pillars:

- **involvement of people**, as it is concerned with regulating and encouraging the participation of employees in

the inventive process and make them more responsible with respect to the strategic importance of intangible assets;

- **a holistic view of IP**, as it includes all forms of intangible company assets, regardless of the legal methods of protection;
- **an approach that is coherent with the widespread system of innovation adopted in Enel**;
- **management based on the concept of measurability**, also quantitatively, of the Group's performance in managing IP.

The new procedure was prepared in accordance with the principles of ISO 56005:2021 and is connected to the Trade Secrets Management procedure, which defines the rules for the correct protection, management and internal and external circulation of the industrial secrets of the Group or of which it became aware in its contractual relationships with supplies, partners and, in general, with third parties.

The Intellectual Property Reporting project

Starting in 2020, the Group has challenged itself to correctly represent its intellectual heritage in non-financial reporting. We have therefore carried out a quantitative and qualitative recognition of the existing heritage and its systematization, both for coded and protected components (patents, design, utility models) as well as for trade secret. In 2021, we created the basis for the definition of an internal non-financial reporting process for intellectual property, which is based on proprietary methodology that is able to ensure the continuity, year after year, of the activity of assessing and optimizing the Company's intangible assets, in view of their future communication also outside the Company. The methodology being defined applies to all internal Group projects that generate intellectual property and is based on the necessary and

preventive identification of the various components that result from the project, in terms of documentation, technology, algorithms, processes, products, layouts, schemes and dashboards. Each ontology of the intangible asset, that is the identified intangible elements, is associated with one or more forms of intellectual property law in order to measure the intensity of the results of the project in terms of intellectual content. The internal methodology also includes the assessment of the intellectual property generated internally that, even though it is not meant in any way to replace other assessment methods adopted within the Group for determining the fair value and based on income methodologies, makes it possible to recognize the intrinsic value of these intangibles by leveraging elements of an equity nature and providing an indication

of the investment that would be necessary to replicate the assessed technological solution. On an experimental level, to test and perfect the methodology, some projects that contributed to the genera-

tion of IP within the Group were selected from inside the Global Business Lines, the Global Service Functions and Staff Functions.

Practical applications of the Intellectual Property Reporting methodology: Grid Blue Sky and the 3SUN factory

The **Grid Blue Sky** project aims to completely re-engineer the operative model of the grids for the integrated management of all activities, from design and planning to operation and maintenance up to interaction with customers and support for new distributor business models. All of this makes it possible for the various functions to be natively compatible with the various aspects of the operational environment, including those of a regulatory nature typical of energy markets. Grid Blue Sky is based on a paradigm of innovative development that makes its architecture scalable, sustainable and resilient as it is based on the idea that all the activities that the operator carries out take place by accessing a single integrated platform where data converges.

This makes it possible to avoid the need to develop redundant vertical solutions because the data base is shared, and open to the possibility of developing numerous services and integrating third-party solutions. The platform includes the following components: (i) asset owner, which concerns everything that regards the planning and development of the electrical grid; (ii) asset operator, which concerns grid management in terms of operating and maintenance processes; (iii) customer engagement, which controls the process of interacting with the customer, who can therefore benefit from a single platform of interaction and relationship management; and (iv) system operator, who is preparing for the future of electricity distribution, regarding the use of the flexibility offered by resources connected to the grids to resolve voltage regulation and congestion problems.

Examining the project using the Intellectual Property Reporting methodology made it possible to identify the various intangible components that make up the platform and confirmed the considerable intellectual property density of Grid Blue Sky. Associating the intangible



elements with forms of protection – which is part of the methodology inaugurated by Enel – reveals the presence of copyrights on all the source code that is at the base of the platform, all the aspects of conceptual design and informational flows at the basis of the operational model and all the original graphical elements (user interfaces and dashboards for reading data). Furthermore, in application of the internal procedure for the protection of trade secrets, we have identified, isolated and coded all the confidential components that underlie Enel's considerable knowledge of grid management and that are expressed in technological, organizational, economic, financial and marketing aspects.

Enel Green Power's 3SUN is the factory that studies and develops applications of new generation photovoltaics. Enel has long been at the forefront of the design of double-sided heterojunction solar panels, which increase the efficiency of systems due to the increased capacity to capture solar radiation. 3SUN's knowledge in this area does not only concern the panel as such, but also the innovative materials, the assembly methods as well as all the industrial knowledge needed for their implementation and the automated management (from the point of view of Industry 4.0) of the production lines. The codification of intellectual property in the case of 3SUN revealed all the technological components and the relative forms of protection that concern an extensive group of patent families on processes that were adopted on materials and the heterojunction technologies for panels, as well as a substantial set of secret knowledge, adequately identified and protected, that is necessary for the production of the panels, as well as specific production know-how that directly concerns the implementation of all the components of the Gigafactory.

The Group's main patents and designs

As at December 31, 2021 Enel has a portfolio that guarantees protection in all markets where the Group is present, **and that includes overall 892 patent rights for inventions belonging to 146 technological families**; of these, 749 have been granted patents and 143 applications are pending. Our portfolio also includes 15 utility models and 170 design registrations. Together with the patents, utility models and designs, the rights to IP also concern industrial secrets of a technical and commercial nature that are constantly coded and kept in line with what is required by the Trade Secrets Management organisational procedure. As regards trademarks, the Group owns 1,576, of which 1,455 already awarded and 121 pending approval.

We are investing resources in the development of innovative solutions with high IP density, mainly in the form of authorial protection and trade secrets, concerning climatic models and advanced quantitative models for the analysis of energy systems aimed toward supporting the decarbonization and electrification processes in the main countries and regions of interest, with an integrated, future-oriented vision.

Enel Green Power and Thermal Generation: we have developed innovative technical solutions in the area of energy generation from renewable solar sources that aim to (i) increase the photovoltaic generation of plants, increasing at a micro and nanometric level the mechanisms for transferring the loads in correspondence of the various layers, both in single heterojunction cells as well as in tandem systems and (ii) implement an innovative system for the quick and automatable installation of photovoltaic panels on predetermined support structures, therefore obtaining significant savings in terms of installation times, and an increase in the precision of the operation, its scalability and therefore Company competitiveness on an international level. With reference to these solutions, there are overall 11 patent families including currently 28 pending national and international patent applications and 7 granted and currently valid national patents.

Global Infrastructure & Networks: our patent heritage contributes in a significant manner to the strategy of creating platforms and the exploitation of network externalities in the services market, as well as automation of the management of utilities. The Grid Blue Sky project, analyzed within the scope of Intellectual Property Reporting as specified in the previous paragraph, is contributing toward the implementation of a new global operating platform for the Group's grids.

Enel X Global Retail: the development of solutions that have an impact on IP heritage has essentially concerned applications of telemedicine business and urban liveability platforms. In the first area, of particular importance is a health pathway studied and managed by the specialists of the Fondazione Policlinico Gemelli and made available through a telemedicine platform and an app, both developed by Enel X and protected by copyright. For the second area, there is the 15 Minutes City Index, an urban index developed with the support of the University of Florence. Enel X is the holder of the trade secret and a pending Italian patent. Using open data, the 15 Minutes City Index assesses the essential services (public transport, hospitals, schools, etc.), indicating the areas in each city and the individual micro-districts with lower levels of service (with respect to the density of the population), and thereby supports urban planning. As concerns the business of electric mobility, the IP portfolio presents a diversified structure of forms of protection, which includes patents for inventions, designs, trade secrets, utility models and copyright for technological content. In particular: (i) the patent family concerning the high power bidirectional charging infrastructures for which a patent was initially deposited in the United States, and then the procedure was started on an international level; (ii) the trade secrets inherent to the strategic mobility platforms; (iii) the copyright on the JuicePass app; (iv) the community design that protects the aesthetic form of JuiceMedia, an innovative product that makes it possible to offer electric charging and multimedia advertising services at the same time; and (v) the designs of the Mini JuicePole, protected in the European Union as well as in India, Chile, Norway, United States, Canada and the United Kingdom.





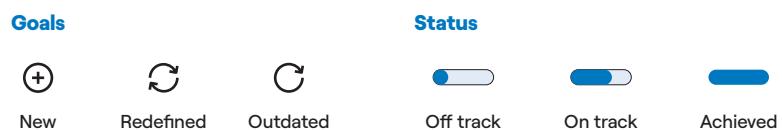
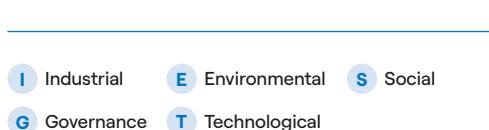
Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Disseminating the IT security culture and changing people's behaviour in order to reduce risks	15 cyber security knowledge-sharing events held each year	18 events delivered		15 cyber security knowledge-sharing events held each year	 	
Information security verification activities (Ethical Hacking, Vulnerability Assessment, etc.)	800 verification activities per year	1,580 verification activities carried out ⁽¹⁾		800 verification activities per year		
Execution of cyber exercises involving plants/industrial sites	36 cyber exercises ⁽²⁾	23 cyber exercises carried out		40 cyber exercises ⁽²⁾	 	

Find out more

Cyber exercises are drills aimed at simulating a cyber security incident, executed with the objective to train the reaction capacity of the involved subjects and to verify the processes and the technologies in the field. The exercises are conducted by Enel's Cyber Emergency Readiness Team (CERT) and involve both the technical structures and reference businesses. The simulation performed generates awareness and addresses possible needs for improvement of technical or organizational aspects.

(1) The year 2021 was characterized by an exceptional performance thanks to the extra commitment and the exploitation of synergies and cross operational opportunities of the areas involved.

(2) Cumulative value for the three-year reference period.



Activities	2021–2023 targets	2021 results	Status	2022–2024 targets	Tag	SDG
Activities to reduce CO ₂ emissions	-13 mil printed pages in 2023 (vs. 2019)	-53 mil printed pages compared to 2019 ⁽³⁾		-15 mil printed pages in 2023 (vs. 2019)	 	
Reduction of CO ₂ produced for optimization of PCs, laptops and monitors in Italy	12 mil hours of downtime		Activities to reduce PC, laptop and monitor downtime	 		
Extension of the use of videocommunication systems	7.3 mil meetings held via video communication services		Extension of the use of videocommunication systems	 		
Reuse and exchange of information in the e-API Digital Ecosystem			130 new e-API interconnections in the period 2022–2024	 	 	

Find out more

The **e-API Digital Ecosystem** is the digital environment thanks to which all the companies of the Enel Group can share information, normally confined within specific vertical applications (information "silos"), in a simple, fast and automated way. Thanks to the enabling technology of the API (Application Programming Interface), data flows and Enel's functionalities are treated as "data-as-a-product", promoting sustainability through a real reuse and exchange of information and a reduction of time and resources needed.

(3) The 2021 result has been significantly impacted by working methods tied to the pandemic.



Digitalization

1,580

Cyber
security
verification
actions

Technology is now on a journey that shows little sign of slowing down. Not only is it an integral part of every company's business, but it is also a fundamental enabler of sustainable development. When pursuing sustainable development goals, decarbonization, circular economy models

or energy efficiency cannot be achieved without the right technology. We are seeking to pursue the "twin transition" (energy and digital transition) to make our business model more high-performing, resilient and inclusive.

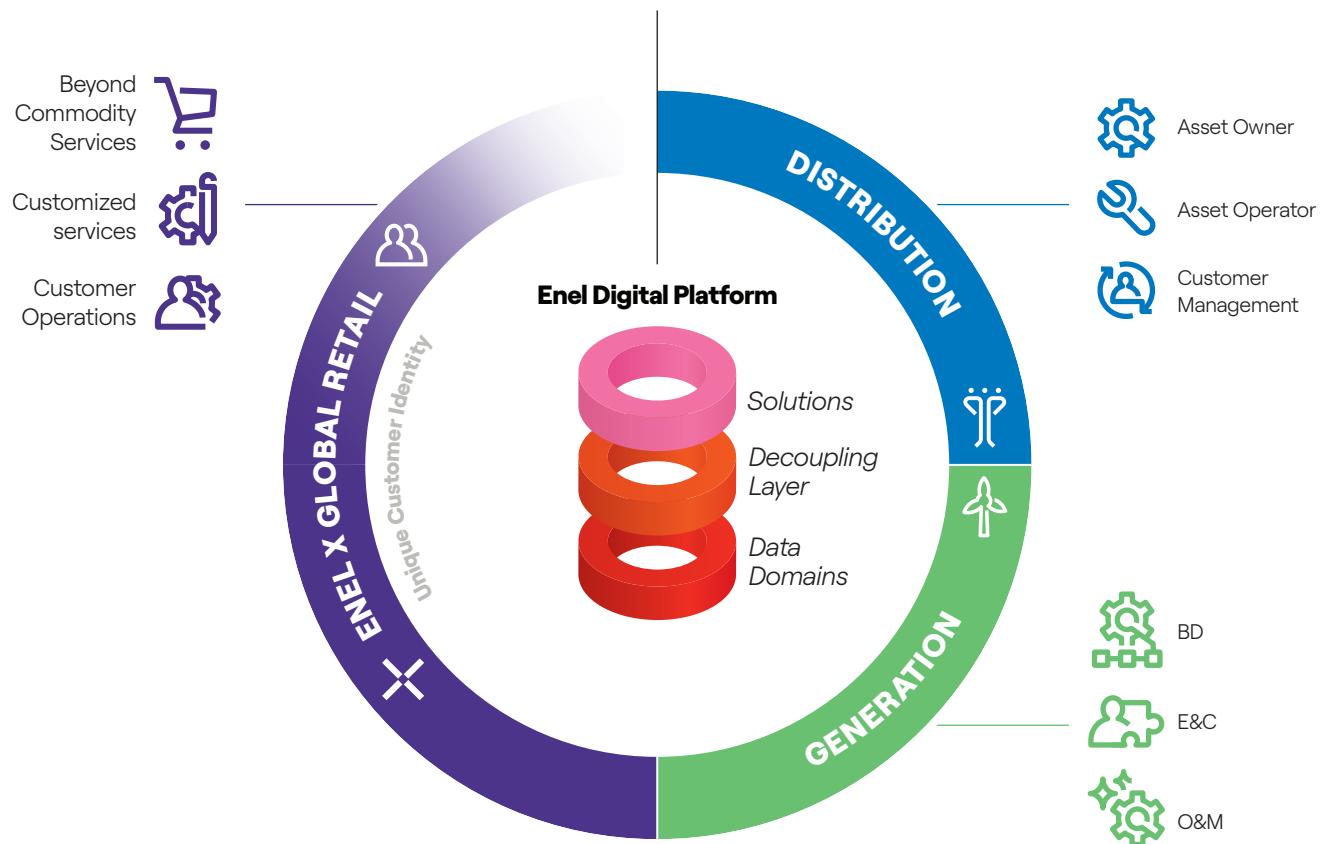
The digital transformation

The energy transition requires utility companies to evolve and become orchestrators of a complex system, characterized by multiple players and distributed assets. Digital technologies allow us to manage this new paradigm, improving the efficiency and profitability of assets and processes, and generating new business opportunities. In particular, by using digital platforms we can achieve increasing levels of scalability, efficiency and flexibility thanks to plug and play and reuse models, reducing marginal costs. At Enel, the digital transformation process is guided by the Global Digital Solutions unit which – working together with all the Holding's Business Lines and Functions – guides strategic choices, defines development paths, and ensures their implementation. Since 2015, we have been working to simplify our application map by developing global digital technologies that can be used across the value chain, and help develop and implement platform operating models throughout the organization, which has been made possible by the full migration to the cloud in 2019.

Specifically:

- our global digital platforms promote renewables development through shared interfaces and intelligent solutions to enhance business development (BD), engineering & construction (E&C) and operation & maintenance (O&M) activities;
- growth in the quality of service, efficiency and safety of our grid infrastructure is driven by a single digital platform – Grid Blue Sky – which standardizes the grids' planning, operation and maintenance phases and makes them more efficient;
- the Group's digital transformation has enabled it to support Retail and Enel X's merger into a new organizational structure in 2021, which is focused on increasing customer centricity. Our global customer base is managed by the Customer Operations platform, which provides customer support, service activation, and quick and easy payment and billing methods. Moreover, through Enel X's digital platforms, we are able to offer innovative products and services at global level for the B2C, B2B and B2G segments⁽¹⁾.

(1) B2C: (Business to Consumer), B2B (Business to Business), B2G (Business to Government).



In 2021, Enel launched a project to calculate digital-related emissions (the '**digital carbon footprint**') in line with the calculation tools and methods set out in the Greenhouse Gas Protocol (GHG Protocol). The pilot project looked at cloud services-related emissions for 2020 in terms of infrastruc-

ture-related tCO₂eq, and emission tied to our key cloud IaaS/PaaS (Infrastructure/Platform as a Service) and cloud SaaS (Software as a Service) providers. This enabled us to identify actions we can take to reduce and contain these emissions.

Key platforms to make routine activities more sustainable

Cloud computing

The cloud represents a fundamental strategic enabler which allows us to use IT resources (both in terms of infrastructure and applications) and which, by making full use of the access possibilities provided by the network, allows to reduce waste tied to the consumption of unused resources. The cloud used by Enel requires on average around 16% of the energy required by conventional on-premise infrastructures, which allows an average reduction in CO₂ emissions of around 88%, as well as optimized use of water for equipment cooling.

Unified Communications and Collaboration (UCC)

The UCC platform integrates real-time communication services such as instant messaging (chat), IP telephony, audio and video conferencing, with various means of communication, such as voicemail, email and SMS. This way, by taking full advantage of the sharing model to share and enjoy content online from personal computers, smartphones or tablets, we can reduce the need to travel and, in turn, lower our carbon dioxide emissions.

Data sharing and Enel Application Programming Interface (e-API)

The e-API ecosystem is the digital environment where all Group companies can share quickly and in real time – through standard interfaces and data paths – information that would normally remain confined to specific vertical applications (information silos). This ecosystem has helped speed up the adoption of digital solutions, reduce data redundancies within the Group and, more generally, reduce the amount of time and resources spent on exchanging information flows. A total of 123 new e-API interconnections were implemented in 2021.

Machine learning and predictive maintenance

We adopt machine learning technologies to conduct predictive analysis in relation to the maintenance of electricity distribution networks and generation plants, identifying

possible errors in advance and acting before faults occur on the main components. Therefore, using these technologies improves the quality of service provided, making it more sustainable over time, while ensuring an optimized use of internal resources and inspections focusing on the equipment most exposed to the risk of failure.

Digital circular assets

Using platforms makes the management of digital assets more effective in line with the principles of the circular economy, helping to maximize recoverable value and providing accurate information on the availability, location and condition of the assets. The circular management of digital assets in the Group's various countries is achieved by safeguarding both the extension of the devices' service life, selling them to employees or third parties (over 24 thousand devices sold in 2021), and disposing of these devices in line with recycling principles, for a total of 56 tons of equipment in 2021.

Personal computer donations

The initiative to donate personal computers that have reached the end of their service life has been implemented with the aim of creating a positive social impact on public and private entities, which carry out various kinds of activities of social relevance and/or which pursue public benefit purposes. By giving PCs a new life, we are reinforcing our commitment to supporting communities in the countries where we operate, promoting digital inclusion, and enhancing the circular economy of digital devices, extending their service life through reuse.



Shared IT services for Enel people

We promote the use of shared IT services by taking full advantage of the new opportunities provided by digital technology, always paying close attention to the most vulnerable segments of the Enel population. For example, a dedicated telephone help desk was made available to people in the Company with disabilities (including temporary disabilities) who use assistive technologies and software. Dialing 0 for assistance, they can receive support for their technical and practical needs. The service is overseen by a team with specialized skills in compliance with international guidelines and standards.

In 2021, we enhanced, integrated and extended the services and digital tools that were used to support the 39 thousand people who worked remotely due to the Covid-19 pandemic. These actions led to increasingly widespread use of video communication solutions, helping to maximize savings on travel and out-of-office missions while also reducing the CO₂ emissions tied to these activities.



Video communication⁽¹⁾

more than **7.3** million
meetings

more than **587.5** thousand
tons of CO₂ avoided

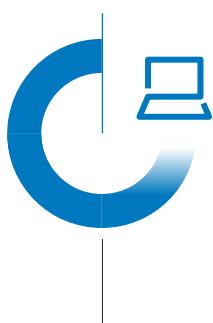


Printing service⁽²⁾

83 million
pages printed

6.5 tons
of CO₂ produced

The printing service, based on new generation printer models set up for a more eco-sustainable use, continues to be in operation at all Group offices. Together with a more rational use of prints and digitization, the service has made it possible to reduce paper consumption over the years and, in turn, reduce the impact on the environment.



PC Power Management – Italy⁽³⁾

12 million
hours of use

77.4 tons
of CO₂ produced

(1) Almost 5.1 million meetings in 2020 and 244 thousand in 2019, respectively with an avoided CO₂ contribution of 444.7 thousand tons in 2020 compared to 242.1 in 2019.

(2) 88 million pages printed in 2020 and 136 million in 2019, which respectively produced 8.4 and 12.5 tons of CO₂.

(3) 18 million hours of use in 2020 and 32 in 2019, which respectively produced 159.6 and 321.1 tons of CO₂.

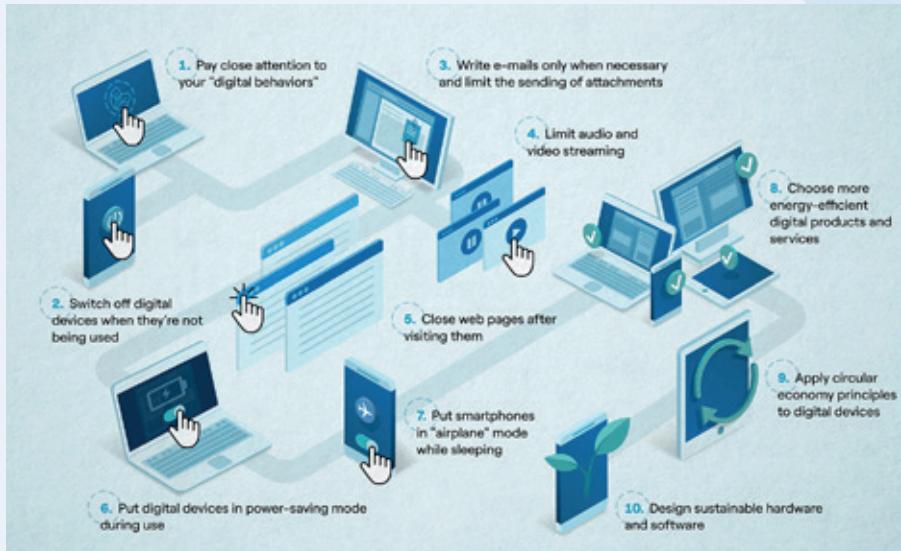
In 2021, we continued to monitor electricity consumption outside normal working hours⁽²⁾ of the IT workstations (desktops, laptops, monitors) of Enel people working in Italy. This was measured thanks to a Microsoft function (System Center Configuration Manager) on the workstations, which can identify when a workstation is on and not being used. Following the analysis, specific awareness raising initiatives were defined, aimed at reducing electricity consumption. Also this year, there has been a decrease in

the hours of inactivity. This is thanks to both our awareness-raising activities on energy efficiency and to the new IT tools made available to our people during the Covid-19 pandemic, which enabled a reduction in emissions. The greater use of mobile devices has in fact made it possible to reduce the number of fixed devices in the Group's offices and, in turn, cut down the amount of time that devices are on outside working hours.

Digital sustainability starts with you: the 10 things we can do for our planet

Digital technology is a great resource for sustainability and it makes a real contribution to our commitment to safeguarding the environment, territory and communities. We have launched a number of initiatives aimed at digital sustainability, including creating a **decalog of virtuous behaviors** to raise the awareness of all Enel people about their behavior when using digital technologies.

"Sustainability is the goal we must strive towards and digital technology is the way we can achieve it. Digital technology is a great resource for sustainability: let's use digital technology with virtuous behaviors."



Antonio Ganzerli

Head of Sustainability and
Circular Economy Global
Digital Solutions

(2) Monday-Friday (from 7pm to 7am); Saturday and Sunday. Monitoring is not carried out on servers and personal computers which, by their nature, must be operational at all times. Specifically, the indicator represents the amount of CO₂ associated with the electricity consumption of desktop computers, laptops and monitors, calculated after applying the average CO₂ emission value per unit of electricity generated (gCO₂/kWh) in relation to the mix of sources present in Italy.

Towards cyber-safe electrification

In the era of digital transformation, **cyber security** has taken on a key role in ensuring business operations. Typical cyber-attack types have changed radically in recent years: the number has grown exponentially, as has their level of sophistication and impact, making it increasingly challenging to identify the source in a timely manner. Moreover, the Covid-19 pandemic has led to a further increase in security events worldwide given the need to operate in agile work modes and make use of home networks. In 2021, many of the world's major attacks were carried out by leveraging the supply chain and through compromised third parties. This could cause a sharp rise in the number of victims, considering for example that a single hacked software would be able to compromise many more subjects than those of the main injured party, reaching its customers or causing the interruption of the provided ser-

vices (inducing the so-called "scale effect").

On top of constantly applying the cyber security strategy, we have set out special measures, bearing in mind that cyber risks are not merely a corporate problem but can become a risk of ecosystemic proportions within the broader context of the complex and highly interconnected electricity industry. For example, a large-scale blackout in this scenario would have socio-economic ramifications throughout the population, companies and key institutions. The regulations and laws that produce common guidelines to combat risks tied to cyber security must also stay abreast of their ongoing evolution.

The key elements are therefore sharing and cooperation on cyber security issues with participation among all stakeholders including companies, legal institutions, supervisory bodies, suppliers, customers, and employees.

Policies and management models

In line with the needs of the energy industrial sector and with the Open Power strategic approach, the Group has adopted a systemic vision of cyber security issues, as well as a global strategy of analysis, prevention and management of cyber security events. The cyber security path to support the Group's digital transformation is based on the definition, enhancement and adoption of a security governance model, as well as infrastructures and services, in order to take advantage of best opportunities – including with the help of cutting-edge technologies – to boost the cyber resilience of our solutions.

Since September 2016, the **Cyber Security** unit has been operating within Global Digital Solutions, reporting directly to the **Chief Information Officer** (CIO) who works under the Group Chief Information Security Officer (CISO). The unit is committed to ensuring the governance, direction and control of cyber security topics, establishing strategy, policies and guidelines in compliance with national and international regulations, engineering support for the protection of the Group's environments, monitoring of the risk posture through checks based on processes and technology, as well as monitoring and implementing compliance requirements tied to cyber security regulations, and adopting technical solutions and procedures to mitigate any weaknesses detected. The unit works synergically with the Business Lines and with the technical units responsible for systems design and management, thanks to the Cyber Security Risk Managers and Cyber Security Response Managers. CISO and the Cyber Security Risk Managers also make up the Cyber Security Operating Committee, which aims to evaluate cyber risks across the business and determine the risk acceptance

criteria based on the Group's risk posture. The **Cyber Security Committee**, chaired by the Group's CEO and made up of his/her front lines, approves the cyber security strategy and periodically checks its progress. As determined at the meeting of April 2021, the Committee meets every six months. Two meetings were held in 2021 (April and October).

It should be noted that, as part of the Control and Risks Committee meetings, one was held in October 2021.

This meeting was an opportunity to deepen the Group's risk taxonomy, which also includes cyber security risk, classified in the "digital technology" category.

All areas actively participate in implementing the cyber security strategy by way of an integrated operating plan in line with the Group's objectives. Moreover, cyber security strategy and initiatives are a key focus area for the Group's principal executive and control bodies (e.g. Board of Directors, Control and Risks Committee, Supervisory Bodies, etc.).

Moreover, the Group policy adopted in 2017 (the "**Cyber Security Framework**") addresses the principles and operational processes that support a global strategy of risk analysis, prevention and management.

This Framework, based on a "systemic" vision applies across the more traditional Information Technology (**IT**) sector, as well as to Operational Technology (**OT**) environments tied to the industrial world and the Internet of Things (**IoT**). Simultaneously with the definition of the Framework, the Cyber Security Risk Management method was established in 2017. The method is applicable to all IT, OT and IoT environments and includes all of the phases

required to carry out a risk analysis and define the related mitigation plan, in line with the stated cyber security goals. Enel has also created a “**Cyber Emergency Readiness Team**” (CERT) to ensure proactive management and responses to cyber incidents, while also encouraging collaboration and exchanges of information within a network of accredited international partners. Having entered into an agreement with the US national CERT, there are now 9

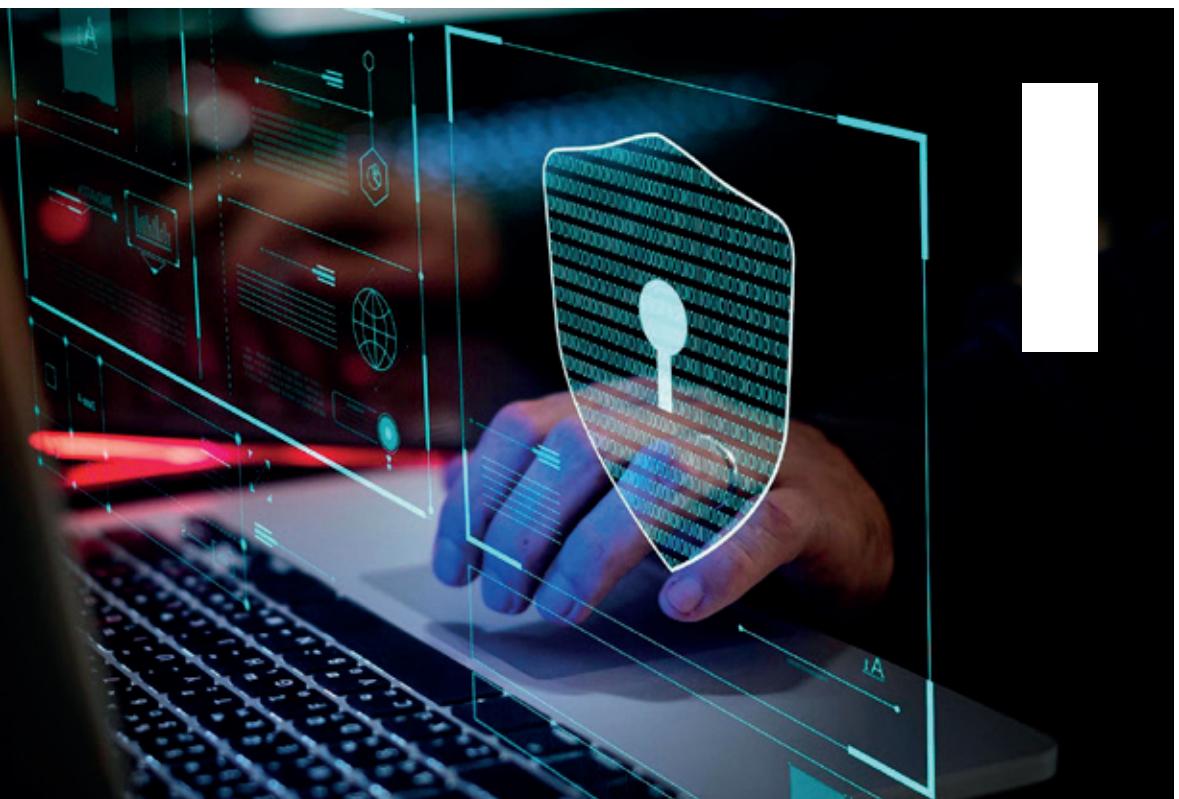
accreditations with: Romania, Italy, Chile, Argentina, Peru, Colombia, Brazil, Spain, and the US. Enel’s CERT is also part of Trusted Introducer – a service that includes 445 CERTs in 73 countries. In September 2018 Enel also joined FIRST (Forum of Incident Response and Security Teams), which is the largest and most widespread community in the sector, with 602 members spread across 99 countries.

Definition of the IT security strategy

The cyber security strategy deals with setting objectives and priorities to direct and coordinate investment initiatives for the Group as a whole, and to ensure adherence to cyber security policies, setting targets, managerial reporting, and constant monitoring of ongoing security activities. This process is guided by CISO and leverages on close integration and synergy with the various business areas, which communicate their needs, analyze opportunities, manage any criticalities, and make proposals for initiatives. Devising strategies is an iterative activity based on sharing and consolidation of the Group’s risk posture target. The various actors involved analyze the options and po-

tential initiatives within their respective business areas in order to assess the feasibility, guarantee consensus, and the necessary funds. The Cyber Security unit guides the process and, together with the other key players, gradually consolidates aspects such as future scenario, objectives, and possible strategic initiatives in a cyber security strategy proposal document, with a high-level budget estimate and prioritization.

The cyber security topic is also on the agenda of managerial meetings (such as business reviews, operational review meetings) and meetings of the control committees (such as the Control and Risks Committee).



Cyber security incident management

The multiplicity and complexity of the areas in which we operate (data, industry, and people) and of the technological components (e.g. business critical systems such as SCADA – Supervisory Control and Data Acquisition, smart grids and smart meters) increasingly integrated in the Group's digital life, have made it necessary to configure a structured cyber security system. This leads to the need for a new cyber defense model based on a systemic vision that integrates the IT sector (starting from the cloud down to the data center and mobile phone), the OT (everything concerning industrial sector, such as generation plant remote control) and the IoT (extension of communication and artificial intelligence to the world of things).

Through the monitoring systems, CERT collects 3 billion events every day relating to the company's assets from 6 thousand data sources, correlates them through automatic analysis, and produces a hundred "incidents" on average. The incidents are classified based on the Enel Cyber Impact Matrix (on a scale of 0 to 4), making use of the best events correlation capabilities thanks to the adoption of highly advanced services.

The vast majority of "incidents" are classified as **0/1**; these have no significant impact on Group systems and are automatically or semi-automatically blocked and/or managed by the existing company defenses, preventing and/or mitigating the impact of potential cyber-attacks.

Incidents classified as **2/3/4** have a potential impact on the Group and are managed by CERT analysts, involving any affected stakeholders. Thanks to the protection services, **CERT intercepts 1.5 million at risk emails, 47 viruses, 165 web portal attacks, and 1.2 million connections to harmful websites every day**.

If a cyber security incident involves a possible data breach, the appropriate and necessary actions are taken immediately, in line with the specific Group policy on "Personal Data Breach Management". Should a crisis situation arise that threatens the Enel Group's business continuity, assets, reputation and/or profitability, the appropriate actions are taken immediately, in line with the specific Group policy on "Critical events management".

In 2021 Enel CERT responded to: **175 cyber security incidents with impact level 2; 31 incidents with impact level 3; and zero incidents with the highest impact level of 4.**

In the cases detected, to ensure an efficient and rapid response and minimize the impact on people, services and assets, all the relevant management procedures have been put in place.

Specifically, when a cyber security incident translates into a potential data breach, the necessary actions are taken immediately, in line with the Enel Group "**Personal Data Breach Management**" policy.

Moreover, the "**IT Service Continuity Management**" policy formalizes a process to bring the risk affecting the availability of IT infrastructure down to an acceptable level, support to business continuity requirements, and restore IT services based on the results deriving from a Business Impact Analysis when a severe interruption occurs, including when caused by an incident.

In 2021 we adopted EDR (Endpoint Detection and Response) technology – a solution to block violations, and which uses innovative features and advanced paradigms not only to block viruses and malware on endpoints, but also to detect individual suspicious behaviors that could prove to be part of an attempted attack.

Detailed below is the number of cyber security events recorded in 2021.

2021	
Total number of cyber security breaches or other cyber security incidents ⁽¹⁾	0
Total amount of fines/sanctions paid related to cyber security breaches or other cyber security incidents	0
Total number of customers and employees impacted by data breaches affecting the Group	0
Total number of data breaches ⁽²⁾	0

(1) The value reported for the KPI "Total number of cyber security breaches or other cyber security incidents" refers to Level 4 incidents.

(2) The KPI "Total number of data breaches" refers to the number of events that occurred as a result of a cyber security incident (i.e. the number reported does not include any disclosures occurring as a result of non-digital incidents).

Furthermore, in order to boost our capacity to prevent, react to and manage incidents, **cyber exercises** simulating a real attack were carried out, involving staff working in the production environments. At the end of each exercise, reports were produced containing details of the actions taken during the simulation, to assess – with a view to continuous improvement – the quality and completeness of the materials provided to help with decision-making, the execution times for each phase, and how well the procedures had been followed.

Main projects and initiatives

All cyber security projects, programs, and initiatives are designed to avoid, mitigate or remediate cyber security risks for the entire Group. As a result, all activities are managed with a risk-based approach following the se-

curity by design principle to ensure a continuous due diligence process that also includes self-assurance activities.

The most notable projects are detailed below.

"CERT – Risk Monitoring extension"

- In the last quarter of 2020, CERT began to develop new functionalities using the higher potential of Artificial Intelligence and machine learning to help boost cyber threat detection capabilities and automate the analysis and incident response process. In 2021, the first use cases were activated, such as the automatic identification and blocking of malicious IPs that make repeated attack attempts against Enel applications.

"Endpoint Detection & Response (EDR) solution adoption"

- A platform which uses a unified set of cloud-delivered technologies to prevent all types of attacks, including malware, and which boosts the ability to block and detect individual suspicious behaviors that could be part of an attempted attack.

"Multi Factor Authentication (MFA)"

- Is a cloud solution used to enforce the identification method for users during the authentication procedure. Adopting MFA enables a person accessing a system to identify himself/herself through a second authentication factor via SMS or an app installed on his/her smartphone. The MFA solution enables regulatory compliance and is strongly recommended to counter emerging threats of theft of credentials, including those using social engineering techniques (e.g., phishing or potential user behavior not in line with policy). Adoption for internal users was completed during 2021.

TheRedPill

- The Group's platform that allows the improvement of training initiatives and simulated phishing campaigns; it aims to raise awareness of the main cyber security issues, address any upskilling and reskilling needs and teach how to defend against possible attacks. Four global simulated phishing campaigns, a knowledge assessment and an awareness campaign were launched in 2021 – the year the platform was released.

Assurance checks (Ethical Hacking, Vulnerability Assessment)

- These activities are carried out on an ongoing basis both using automated tools and manually, to assess and quantify any weaknesses in IT, OT and IoT environments (applications, systems, IoT devices, architectures and/or infrastructures). Following these checks, we can identify the best measures to eliminate or mitigate the detected vulnerabilities or threats and, consequently, the elimination of the potential concretization of malicious exploits associated.

Collaborations with external bodies and agencies

In line with the Open Power approach, we believe that networking with external entities and organizations is a key element in the cyber security strategy, to share best practices and operational models, develop and strengthen information sharing channels, and help define standards and regulations. In 2021, we provided feedback in public consultations to help draw up cyber security regulations, including by drafting legislations, promoting a harmonization of the current regulatory landscape, and implementing a risk-based approach and the principle of security by design. Collaborations carried out during the last year also aim to construct more homogeneous structures for defining the taxonomy of security incidents, more organic criteria for their classification, as well as more harmonious notification procedures in European contexts.

Moreover, taking into account the context of regulatory

compliance, no cases of non-compliance with standards or cyber security regulations were detected in 2021.

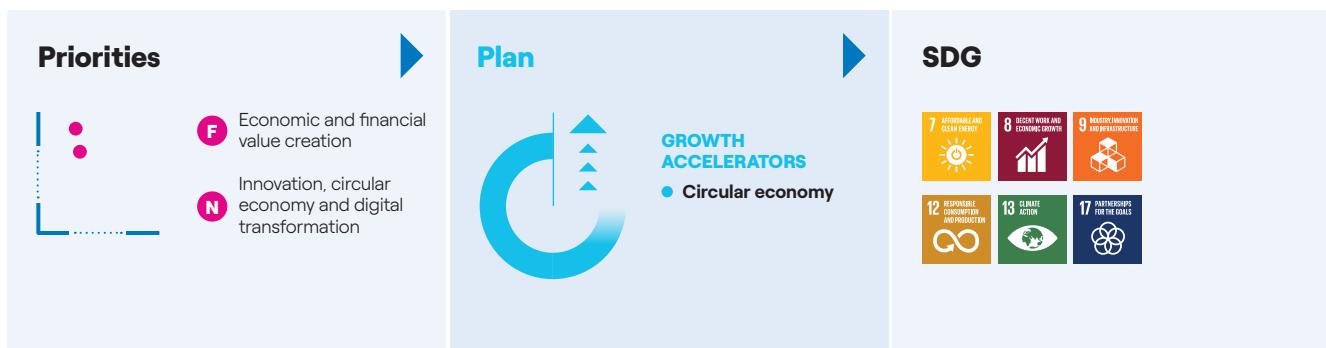
In recent years, a solid network has been established and developed by interacting with key stakeholders in the energy sector such as ANEEL (Agência Nacional de Energia Elétrica) and ONS (Operador Nacional do Sistema Elétrico) in Brazil and CNO (Consejo Nacional de Operación) in Colombia. We took part, for example, in the Confindustria Digitale team, which aims to help develop the Italian digital ecosystem, we participated in the working groups of the World Economic Forum, and contributed in recent years to the publication of several reports including "Cyber Resilience in the Electricity Ecosystem: Securing the Value Chain" and "Cyber Resilience in the Electricity Industry: Analysis and Recommendations on Regulatory Practices for the Public and Private Sectors".

Training and information

The "**Cyber Security Awareness Program**" has become a constant and ongoing initiative at Group level, which aims to disseminate our cyber security culture and raise awareness of threats and attacks that exploit the human vector. Building culture is key to boosting corporate defense, the latter being also conveyed by the way people operate. The "**Rules of Behavior for Digital People**" policy, released in 2020, is available in four different languages and was updated in 2021. It serves as a code of conduct for all Enel people, to safeguard their digital identity, disentangle themselves in the world of social media, and report potential incidents.

In 2021, we held **18 knowledge sharing events** on cyber security issues. Bulletins and news were created and disseminated through the company intranet and documents

were made available to keep up to date on these issues. The **Open Tech Journey** project also continued to provide access to training courses focused on technological topics, promoting internal skills to spread awareness of strategic topics and manage upskilling and reskilling needs. This was the background to the creation of the **Cyber School**, which delivered eight courses on the main cyber security topics. The first set of courses were delivered in a virtual classroom (four courses in 2020 and four in 2021, now seven as per the compaction of two courses with converging themes in one). To make the initiative constant and always usable, all courses in 2021 were engineered and made available to the entire Enel population in the e-learning format.



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Circularity improvement	86% by 2030	62%		92% by 2030 ⁽¹⁾		I E
Strategic circular economy projects to reduce raw materials consumption	Definition and application of circular economy solutions and new business models focused on key technologies	Implementation of new circular smart meter solution, analysis of new technologies for wind blade recycling, redesign of photovoltaic panels, evaluation of recycling solutions for electric vehicles batteries, deployment of new electric charging stations (with recycled plastic), photovoltaic panels reuse		15 projects in the period 2022-2024 ⁽²⁾		I E

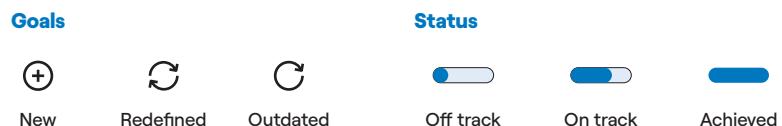
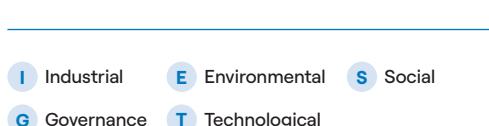
Find out more

The **circularity improvement** index measures the reduction of materials and fuel consumption of the Group's power fleet throughout the life cycle, compared to 2015.

Strategic circular economy projects and the related solutions developed are focused on key technologies such as wind power, photovoltaics, smart meters, electric vehicle charging stations, batteries.

(1) The target for 2024 is 77%.

(2) Seven of these projects are included in Innovation projects.



Activities	2021–2023 targets	2021 results	Status	2022–2024 targets	Tag	SDG
Definition and application of suitable industrial and financial circularity metrics to support and enhance circular economy activities, engaging the respective business areas	<ul style="list-style-type: none"> Start of data collection for Group financial/industrial KPIs Consolidation and adoption of potential other specific KPIs for Business Lines/ Countries in 2021 Definition of the Group's financial/industrial objectives on the circular economy in 2022 	<ul style="list-style-type: none"> Started the fine tuning for the Financial/ Industrial KPIs, the data collection and the definition of the process to include them in the sustainability reporting Defined a circularity KPI for the investment evaluation process and ongoing definition of circularity metrics for finance Improved process for circular KPI calculation for CEO Business Review, also including Business Lines and Countries 		Definition of the Group's financial/industrial objectives on the circular economy in 2022	I E	12
Strengthening of partnerships and collaborations with cities and other public entities (e.g., region, metropolitan areas, etc.) on circular economy	Strengthening partnerships and collaborations with international networks, companies from other sectors, external players focused on the development of "circular cities"	Members of: Ellen MacArthur Foundation; Capital Equipment Coalition; Italian Circular Economy Stakeholder Platform; European Remanufacturing Council, Circular Economy Alliance, WBCSD Built Environment Working Group, European Raw Material Alliance, Platform for Accelerating Circular Economy Leadership Group		28 cities/public entities engaged in partnerships and collaborations in the period 2022–2024	E G	12 17
Engagement of external actors to promote the dissemination and knowledge of the circular economy through physical/virtual events on CE, training activities and best practice sharing	<ul style="list-style-type: none"> Development of internal skills, culture and knowhow on the circular economy Training activities, CE community development, internal communication and sharing of best practices 	<ul style="list-style-type: none"> Three editions of the Global Circular Economy School, two for Latin America (one of which opened at external actors) and one for Iberia Eight global webinars on specific CE topics (e.g., Circular cities, CE social impacts, finance, etc.) Ongoing activities of CE Community (Chile, Colombia, Peru, Spain, Italy) Skills development and best practice sharing: working groups on material and legal topic for CE 		2,400 external participants engaged in the period 2022–2024	I E S	12

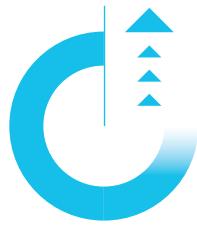
Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Obsolete spare parts, equipment and scrap coming from thermal plants demolitions valorization promoting the adoption of circular business models 	+ Collaboration by drafting position papers, taking part in working groups, and through dissemination activities	+ <ul style="list-style-type: none">Ongoing collaboration with Ellen MacArthur Foundation to develop the Circulytics metricsPublished a paper with PACE (Circular Economy Action Agenda for Capital Equipment)Collaboration with Circle Economy for a paper on the role of Human Resources for circular economy transition	-	53 mil € of revenues generated by Reselling and Recycling activities by 2024 ⁽³⁾ 	I E 7 9 12 13	
Stepping up the sharing of best practices and knowledge on the circular economy with external stakeholders	Collaboration by drafting position papers, taking part in working groups, and through dissemination activities	<ul style="list-style-type: none">Launch of the Circular Economy Challenge with Marzotto VenturesSeveral ongoing initiatives with start-ups (e.g., with ACT Blade for the development of a new type of innovative fabric of wind blades) 	-	The target is considered reached and overcome, given the constant involvement in major international networks on circular economy with a collaborative approach 	I E S G 12	
Engaging with start-ups to accelerate the transition to the circular economy		<ul style="list-style-type: none">Launch of the Circular Economy Challenge with Marzotto VenturesSeveral ongoing initiatives with start-ups (e.g., with ACT Blade for the development of a new type of innovative fabric of wind blades) 	-	The target is considered reached and overcome, because due to the dissemination activities carried out in recent years, the circular economy principles have been incorporated from the very beginning into the start-up engagement activities 	I E G T 17	

 **Find out more**

The target includes the implementation of various initiatives, including the **Spare parts and equipment New Life** project, that has the objective of giving new life to the components in the warehouses and to the equipment of the coal-fired power plants being decommissioned and to obsolete material from all the other thermal power plants, allowing economic and environmental benefits.

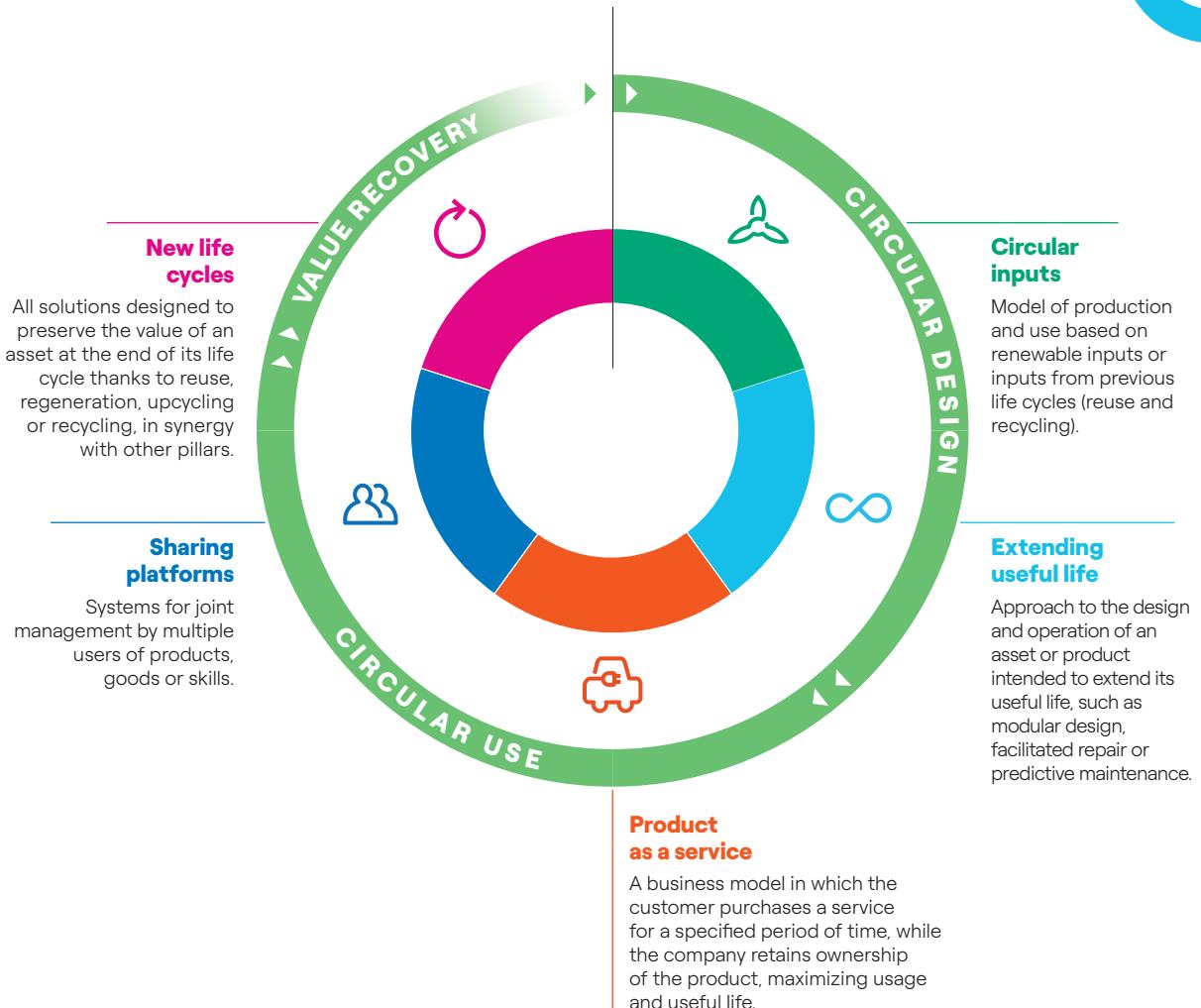
(3) Reselling and Recycling activities carried out on the basis of the progress of the demolition work and scrap market value.

Circular economy



62%

**Circularity
Improvement
Index**



Achieving a sustainable economic model requires a profound transformation to meet the objectives Enel has set itself, and the circular economy represents a real strategic driver and growth accelerator. With this in mind, for years we've been working to constantly rethink our activities, leveraging innovation not only in terms of technology but also in business models, across the whole value chain. We have also been revisiting various internal Company processes with a coordinated approach, supported by solid material and economic metrics.

Adopting a circular approach means decoupling business and resource consumption by reducing the use of finite natural resources, avoiding waste and maintaining the value of goods and materials. This way we can create environmental benefits not only in terms of reducing

emissions throughout the value chain, but also by lowering all kinds of impacts, from the consumption of natural resources, including water, through to waste generation and the loss of biodiversity.

We need to leverage all pillars of the circular economy: reducing the consumption of non-renewable resources and maximizing the value of those already in use and of the goods produced, and extending their life by recovering resources at the end of their lifecycle. Moreover, shifting from a linear model to a circular one, i.e. from a model based on resource extraction, production and consumption that is strongly reliant on automation, to one based on maintaining the value of products and goods through design, repair, service, reverse logistics and recycling, allows for much higher value to be placed on human labor.

In this context, digitization becomes an enabler of circularity, by developing initiatives for circular management of IT assets (e.g. life extension and reuse of devices, product as a service models, such as the cloud for data center management, etc.), as well as digital solutions to support circular business models (such as machine learning techniques geared towards predictive maintenance, digital management of information on materials, etc.).

Lastly, the circular economy provides opportunities in terms of business competitiveness thanks to a better use of resources, lower risks tied to the dependence on raw materials (critical resources⁽¹⁾ in particular) and extended supply chains, new revenues associated with services and asset enhancement, and a constant focus on innovation in each area of activity.

The governance of the circular economy

To ensure an organic and effective circular transition and strategy implementation, specific areas have been created in Enel's various Business Lines and geographical areas, coordinated by a Holding area so as to ensure a coordinated approach towards strategies, to share knowledge and experience and to help integrate circular economy

principles into daily choices and activities. In particular, the Business Lines are redesigning or developing business models with a circular approach, while the units at country level are providing support locally to create new business opportunities in collaboration with the local ecosystem.

Group circularity targets and indicators

One of the main challenges for the effective implementation of a circular economy model is setting criteria and metrics to be able to distinguish between circular and non-circular solutions, measure their environmental, economic and social impacts, set objectives and understand the levers for improvement.

The Group's commitment to measuring circularity began in 2017 when it developed a metrics model, the "CircularAbility® Model", which takes into account all five pillars of the circular economy i.e. circular inputs, product as a service, sharing platforms, life extension, and new life cycles, taking a quantitative approach in both the material and energy components. The model was shared with other companies and institutions so as to make a proactive contribution to the dialog, becoming a key point of reference in this area. To date, its application is being extended to company assets, suppliers and end customers. **In order to accurately measure circularity**, the Group is increasingly analyzing how its resource consumption is evolving in its various business activities. In line with the

resources' productivity indicators, established also by Eurostat, we measure the consumption of material by service for its entire service life. In terms of generation capacities, the consumption of resources throughout the life cycle of the production plants is measured: from the raw materials extracted through to the materials consumed as well as the energy used in the manufacturing, operation and decommissioning phases. This aggregate value is then compared to the energy produced over the entire service life.

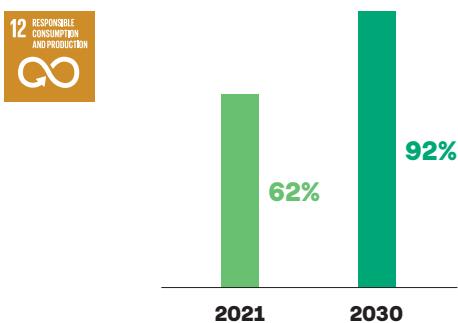
We have set ourselves the target of improving circularity by 92% by 2030 (compared to 2015) for the whole-life consumption of materials and fuels in our power generating capacity. This circularity indicator is associated with the electric generation park and is an addition to the existing indicators on direct emissions, making it possible to monitor the evolution of the whole-life material consumption per MWh generated over the years, measuring consumption along the entire life cycle: from generation up to the decommissioning of the generation assets.

(1) Defined as "critical" (or essential) for the user country's economic system and the supply risks tied to the geographical focus (and respective geopolitical risk) of the various stages of the supply chain. These kinds of lists are published by the United States, Japan, the European Union and Australia for example.

The Group's circularity performance is analyzed in terms of its contribution to the main environmental indicators (emissions, water consumption, resource consumption) and the Group's economic performance. More generally, as the circular economy is also closely tied to the creation of economic value and not just environmental value, we are also working to establish hybrid metrics, such as "Circular EBITDA", which can be correlated to both aspects – analyses and results that are periodically presented to Top Management.

For all Group investments tied to the development of physical assets, a circularity KPI is assessed, which takes into account whole-life material consumption compared to industrial performance (energy produced in the case of power plants for example).

Circularity Improvement



The involvement of the ecosystem

A circularity-based business model requires the utmost collaboration between all players involved. That's why we consider it essential to open up to dialog with parties who share this vision, involving the supply chains and promoting common initiatives to safeguard natural resources and boost the ecosystem's competitiveness. Indeed, a circular solution cannot be found by looking only within a company or its area of activity; rather it is necessary to explore synergies with other areas that the company has perhaps never interacted with in the past.

Enel is part of a global coalition, the Capital Equipment Coalition, which engages leading companies on the topic of circular economy. Since 2017, together with many other Italian companies from different sectors, Enel has also launched the Alliance for the Circular Economy, and in 2020 it launched a similar initiative in Spain. Enel is also present and active in several networks such as Ellen MacArthur Foundation, European Remanufacturing Council, and the Italian Circular Economy Stakeholder Platform.

To fully develop a circular business, it is necessary to adapt the way we relate to the outside world, and to review our usual negotiation and contractual models and the typical figures of a legal system that had previously been geared towards an economically linear world. In 2021, in order to identify and remove regulatory or negotiation barriers to circularity, we launched an in-depth regulatory-contractual analysis in collaboration with the legal Functions of the Business Lines and countries. We aim to identify innovative contractual solutions and standards to support circular business models and, if necessary, put forward proposals for regulatory interventions to help develop the circular economy in the various countries. This can be achieved by enhancing the value of existing goods and products, supporting new models such as recycling, and through product as a service or sharing, to unlock new development potential in terms of new business opportunities and new professional skills.

A new circular culture

A transformation such as the transition towards a circular economy model also requires a commitment in terms of new skills, work methods and integration. We use our experience and knowledge to create informational and educational content to share with stakeholders both inside and outside the Company.

We organize internal training and information activities, such as the Circular Economy School, which engaged about 430 Enel people, staff and Business Lines in Europe and Latin America, each lasting two weeks. The topics cov-

ered cut across various professional areas in order to fuel a discussion on technological, process, business model, contractual, regulatory and institutional issues, etc. The first "Circular Economy Open School" was also held in Latin America (8 meetings between June and November), which was attended by Enel staff and over 200 external guests. Various communities were also created to support activities and promote the culture and best practices of the circular economy across all areas. The communities were given thematic webinars (cities, social impacts, finance, etc.)

to support their participation in the activities. In total, more than 1,000 participants were involved in the programs. Another key element is e-circular, an in-house company platform to promote people's "circular" behavior, thereby helping to connect at a personal level what the Group is doing in its business. The platform can be used to offer goods, search for items and make skills available. Moreover, e-circular is a reference point for all of the circular culture initiatives we are promoting through information, news and multimedia content.

Lastly, Enel puts young talents to the test on the circular

economy and innovation by way of two programs, which involved more than 8 thousand young people in 2021:

- PlayEnergy, directed outside the Company, involves young innovators between the ages of 7 and 18 to seek solutions for a better future, making use of their creativity and imagination;
- We are Energy, a program targeted exclusively at the children (aged 7 to 18) of Enel people in all countries where we operate. The 2021 edition, entitled ReciproCity, focused on circular, inclusive and sustainable cities.

Energy transition and raw materials

While the transformation of the energy system will reduce fossil fuel consumption, it will also require the use of up to six times more minerals in 2050 compared to today. The new technologies will in fact require "traditional" materials such as steel, copper or aluminum, as well as previously less used raw materials, the so-called critical materials⁽¹⁾, such as lithium, cobalt, rare earths and especially silicon used in photovoltaic modules.

We are committed to significantly reducing resource consumption by 2030, even though the use of non-combustible raw materials is set to increase in the coming years (see the "Group circularity targets and indicators" section in this chapter). Adopting a circular and sustainable model as an integral part of the energy transition process will allow us to lower our dependence on raw materials as much as possible, particularly on critical raw materials⁽¹⁾, ensuring not only the competitiveness of the business model, but also full social and environmental sustainability across the chain.

Since 2020, an *ad hoc* working group has been set up, involving all of Enel's relevant areas, to constantly update the strategy, set priorities and targets, guarantee an integrated approach to the issue, develop skills, and ensure an extensive implementation of projects throughout the chain to achieve the set objectives. In particular, the working group has specific areas of focus, such as analyzing the supply chains of raw materials, defining a homogeneous taxonomy of materials and raw materials, identifying environmental and social impacts throughout the value chain (particularly in relation to human rights) and adopting solutions to ensure sustainability, ranking raw materials by priority and making *ad hoc* plans for key materials, defining strategies to reduce geopolitical, commodity, environmental and social risks, as well as new

technologies and business models. All these focus areas are carried out by comparing and examining the best practices of each industrial sector, monitoring and analyzing the market trends associated with raw materials for key technological sectors (wind, solar, batteries, networks, etc.) and by collaborating regularly with all relevant stakeholders.

This involves rethinking all phases, identifying renewable or recycled raw materials and assessing whether to replace the most critical materials with new ones. The plants must be designed in such a way as to extend their life, by identifying models of use to make the most of the plants, and regenerate those at the end of their service life. Where this is not possible, the raw materials must be recycled and reused, considering also the key role of digital infrastructures.

To achieve these goals, Enel is carrying out a major plan of activities with its suppliers, the innovation ecosystem, companies and major institutions.

A number of innovative projects have also been carried out to use second-life batteries from the automotive sector or in power generation plants (Second Life Battery Project in Melilla) or to create energy storage systems (PI-ONEER project) for example. The Photorama project aims to automate the process of dismantling solar panels and recovering valuable materials. New smart meters are also being designed and manufactured using materials recovered from replaced smart meters at the end of their life-cycle (Circular smart meters).

In terms of institutional partnerships, in July 2021 Enel was the first utility company to join the European Raw Material Alliance (ERMA) – an initiative launched by the European Union in late 2020 to ensure access to all raw materials needed to achieve the vision of Europe's **Green New Deal**.

Circular cities

Enel has been working on the topic of circular cities for some years now, with the awareness that cities' evolution towards circularity does not depend on individual technologies or individual sectors, but requires a cross-cutting vision, integrated strategies, clear economic, environmental and social objectives, as well as open governance.

Cities are in fact responsible for approximately 80% of global GDP, and are also the areas where global challenges are most critical, since they contribute to more than two thirds of emissions and of the world-wide consumption of natural resources, and produce half of the planet's waste, with trends continuing to rise as the urban population is expected to grow through to 2050.

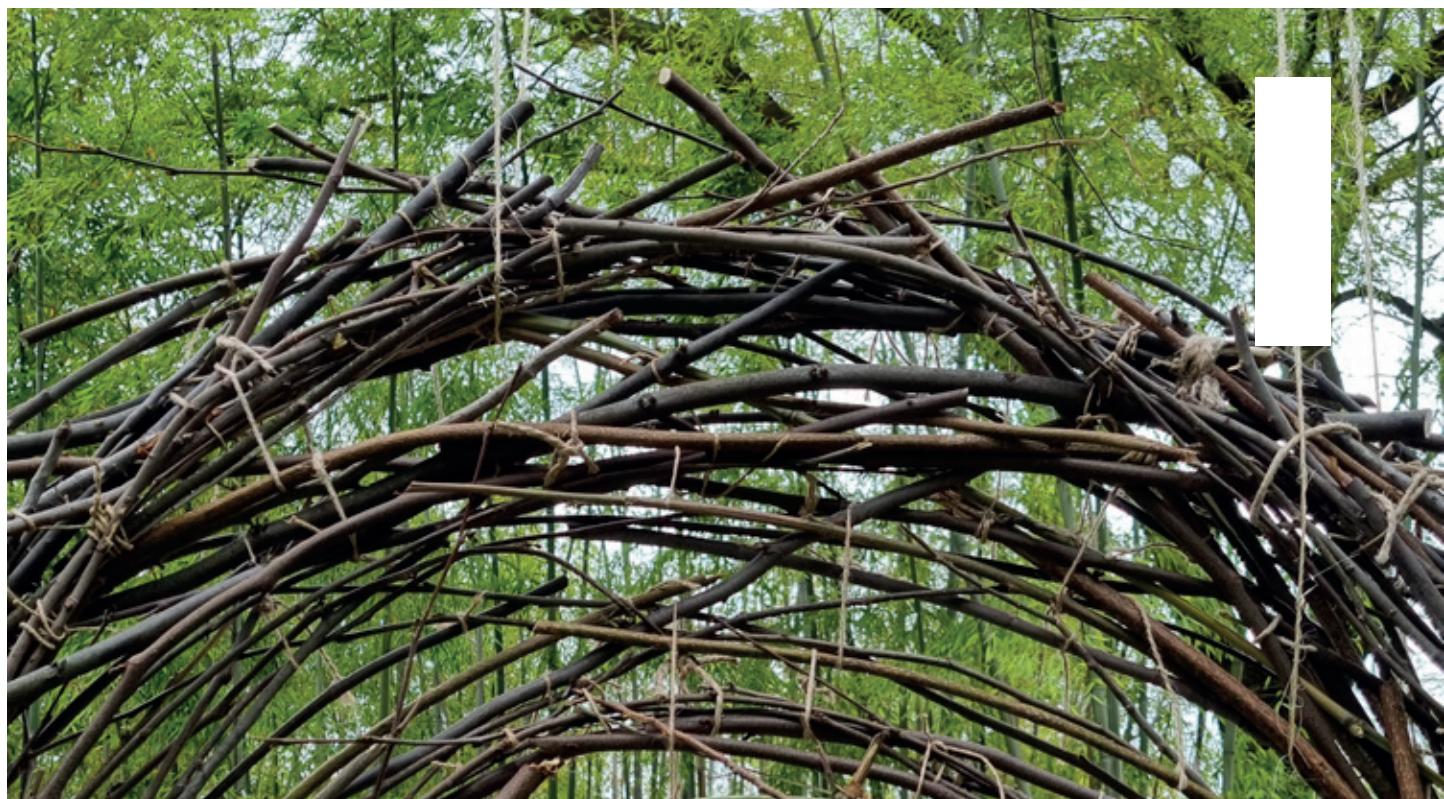
According with the circular city approach, technologies and innovation play a central role. Solutions ranging from renewable energies through to transportation electrification and building consumption, from digitalization through to the way people use them, can help introduce a new paradigm that's capable of lowering global and local environmental impacts and improving the quality of life for citizens by enabling access to new services and job opportunities. However, technology alone is not enough; it must be part of an overall and integrated vision of how the city should evolve, one that engages all stakeholders and translates into clear and concrete benefits for citizens.

For this reason, Enel's contribution towards this vision of

the city is not limited to business solutions and services, but is also aimed at building knowledge, collaboration and sharing on the issue with institutions and all entities working towards the same goal in the urban context.

Bearing in mind how important it is to engage cities directly and for them to take responsibility in leading the transition, in October 2021 Enel (together with CEPAL and IILA) backed the creation and launch of the "Declaration of Circular Cities of Latin America and the Caribbean" to encourage the participation of cities wishing to accelerate their transition towards a circular and more sustainable urban model. To date, the Declaration has already been signed by four capitals (Lima, Santiago, Buenos Aires, Mexico City) and many other cities in Latin America, demonstrating the importance placed on the circular approach in local development policies.

In 2021, Enel also published the fourth edition of the study on circular cities, which was carried out with the Enel Foundation and Arup to highlight – by analyzing possible circular interventions in the main sectors of urban life – the impact of adopting circular economy principles in cities in terms of reducing emissions and improving quality of life and resilience. The study "Circular Cities - Decarbonization and Other Benefits" is available at: https://www.enel.com/content/dam/enel-com/documenti/azienda/storie/circular-cities_december2021.pdf.



Circular activities throughout the value chain

In order to systematically apply a circular approach, Enel is working across the board, through all of its business areas, to involve suppliers and customers and ensure a struc-

tured and effective approach when rethinking its business model. The main areas of activity are supplier relations and asset and customer management.

Suppliers

Enel's circular procurement strategy is divided into the following steps:

- engaging suppliers: including rewarding K-factors or requirements in the bidding phase to increasingly engage suppliers in their transition towards the circular economy;
- setting metrics and measuring environmental impacts of what is acquired, using the Environmental Product Declaration (EPD) and developing IT systems to provide

support. At global level, approximately 200 suppliers are currently involved in 13 strategic product categories, accounting for more than 50% of the expense for purchasing materials; certification is being applied (Carbon Footprint, for example) for the remaining categories, works and services;

- co-innovation: launching projects with suppliers to jointly redesign the lifecycle of goods, including by modifying customer requirements.

Asset

The circular approach is applied through all of the main phases of assets' lifecycle (power plants, electrical grids, etc.); from the planning (design and input material selections), implementation (management of construction site phases) and operation (maintenance geared toward ex-

tending their service life) through to decommissioning (management of areas, equipment, materials and infrastructures to identify new lifecycles through reuse, upcycling, remanufacturing, recycling, etc.).



Enel Green Power and Thermal Generation

The value chain of the main technologies tied to the energy transition (such as photovoltaics, wind energy and energy storage) is being redesigned by working on the circularity of input materials and identifying solutions to maximize the value recovered at their end of life.

Solar

At our 3SUN factory, we are experimenting with the possibility of introducing recycled materials into the production process, including by completely overhauling the photovoltaic module to increase its circularity. We are designing panels with above-average conversion efficiency

in order to reduce the amount of materials consumed and the amount of land occupied per kWh of energy produced. The recycling rate of photovoltaic modules is already one of the highest out of the electrical and electronic equipment available on the market, with recovery percentages of their materials (glass, aluminum and copper) ranging from 80% to 90% of the total weight of the module itself. Existing recycling technologies, however, do not yet make it possible to recover the more precious or rare elements contained inside the modules, such as silicon or silver. This is why Enel is investing in innovation projects to test new technologies for recovering the most precious or rare elements. These projects will not only further increase recycling percentages to close to 100%,

but will also regenerate high-quality, pure materials with high added value, which can be reused in industrial processes, thereby reducing the need to extract new natural resources.

Wind

In order to make the wind power industry more circular, we are working with start-ups and major players to promote the development of new, more sustainable, high-performance and recyclable materials. For example, we are studying new wind turbine towers made entirely of wood, which are lighter, easier to transport and make a negative contribution to CO₂ emissions, as well as new models of wind turbine blades using textile materials typically used in the nautical sector. Around 90% of a wind turbine is made up of metal, which can be easily recycled. Blades, on the other hand, are made mainly of composite materials, and recovering them is not currently very effective or efficient due to the lack of an established supply chain for both the reprocessing of this type of waste and the subsequent reuse of potentially recoverable materials. For this reason, we are evaluating innovative technologies to reuse wind blades at the end of their service life, exploring cross-sec-

toral collaborations, such as the possibility of reusing materials recovered from the construction sector.

Energy storage

Projects are being rolled out in the field of energy storage systems to identify innovative technological solutions and alternatives to chemical storage that could mitigate the consumption of critical materials, such as flow batteries, new chemicals not based on critical materials, new non-electrochemical storage technologies. Innovative technical solutions to extend the life of batteries are also being tested, such as Second Life Battery Project in Melilla. Pilot plants are also being designed to systematize and promote battery recycling, such as the Compostilla project, which aims to construct an industrial-scale pilot plant to recycle automotive batteries on the site of a decommissioned thermal power plant in Spain. The plant will have to address the logistics phases of collection, selection and directing of batteries for immediate reuse or disassembly, where the batteries will be treated and disassembled to extract valuable materials such as cobalt, nickel and lithium that are suitable for use in the battery production cycle.

Energy transition and raw materials

“The technologies we need to decarbonize the planet must also be sustainable in terms of raw materials. To make this possible, we apply the circular economy throughout the goods’ lifecycle: from the design or purchase stages through to their use and then reuse in a new cycle at the end of their service life. For batteries for example, we can extend their life further with the Melilla project, and then recover the materials to use them in new batteries.”



Nicoletta Dante

Head of Circular Economy
Projects & Initiatives



Global Infrastructure and Networks

In 2021, the two main areas of focus were to include a circular approach in the design phase, and to regenerate materials from end-of-life assets.

Circular by design

Right from the earliest stages of the network asset planning, a "circular by design" approach was adopted so that the design of the assets and materials used could be revisited with a sustainable vision. This approach has made it possible to experiment with new solutions to ensure lower consumption of polluting materials, including cement.

Solutions were explored in Chile and Colombia where concrete recovered from old poles served as the basis for generating new poles to be installed from 2022. In Brazil, Colombia and Spain, the project to decontaminate oil from PCBs and regenerate it for use in the grid or other industrial supply chains continued into 2021, leading to a profit of 2.63 million euros and savings of 3.8 kt of CO₂, extending the service life of existing assets.

Grid mining

In order to maximize material recovery at the end of the lifecycle, Enel is applying a strategy called "grid mining", which considers grid assets as a 'mine' of materials that can be recovered and reintroduced into the production cycle.

Starting with the analysis of the value chain, new business

processes are being geared towards recovering precious and rare metals from obsolete infrastructures. The goal is to minimize environmental impacts by aiming to reuse and regenerate materials at the end of their service life, maximize positive impacts at a local level, and create open ecosystems to boost the solutions' scalability. To this end, we are working to develop a materials passport and improve the tracking system for disused assets to improve their end-of-life management in terms of economy and circularity. This has paved the way for the end-of-life material sales initiatives, generating revenues of around 27 million euros and CO₂ savings of around 48.8 kt by 2021.

The first grid mining project was the "Circular Open Meter", launched in Italy and Brazil, recovering polycarbonate from decommissioned meters to create new ones. As part of the plan to replace first-generation meters, 80,000 pieces of Circular Open Meters were produced in Italy by 2021. The successful experience of the circular smart meter has also led us to weigh up the possibility of reducing the use of virgin material, and using the same material from the meters to design new street boxes, thanks to the challenge launched last year on the Open Innovability® platform where 3 out of the 71 solutions received awards.

The new goal is to open up our mine also to the outside world by making it available to other companies or different sectors so as to involve their respective production chains, feed new markets for raw and secondary materials, and promote local development and new job opportunities with initiatives for recovering waste materials (see also the chapter "The decade of electrification and customer centricity").



Global Energy and Commodity Management

A new operating model has been launched which Global Energy and Commodity Management is applying in its various Business Lines to improve asset management strategies with a view to circularity, both from a financial perspective and in terms of traceability and cycle closure indicators.

Projects with a greater innovative impact are running alongside our business-as-usual activities. These include the waste management project in Spain and the decommissioning of thermal plants in Italy. In 2021, the first pilot projects began in Spain, producing more effective uses for almost 100 thousand tons of recovered material.

Customers

We engage customers on one hand by offering them products and services that are increasingly circular and, on the

other, for industrial customers and government bodies, by helping them measure and improve their own circularity.



Enel X Global Retail

In 2021, Enel X Global Retail continued its efforts to spur the market towards high standards that may serve as an example and driving force for other companies, both suppliers and customers.

Sustainability Boosting Program – Circular Economy Score

Enel X Global Retail provides special innovative consultancy tools to support companies and government bodies with establishing and implementing sustainability paths. The entire process – which is unique in terms of its completeness and innovation – is called the “**Sustainability Boosting Program**” and is aimed at promoting circularity and social inclusion.

The starting point of the Sustainability Boosting Program as for circular economy is the **Circular Economy Score**, which measures the starting level of circularity of the solutions in the portfolio. By the end of 2021, more than 50 solutions in four countries had already been assessed. The calculation method is based on the CirculAbility® Model and is being updated to take into account the provisions of the LCA (Life Cycle Assessment). For each product, the supply chain that precedes and follows it is analyzed to identify measures that can boost the circularity of the product itself. This is followed by the “circular intelligence” phase (analysis of the market context, scouting for innovations and start-ups) to identify opportunities to boost the circularity of the various solutions, which ultimately completes the Circular Economy Boosting Program. One application was the JuiceBox – Enel X Global Retail’s private electric re-

charging solution – which resulted in a process being established to reuse plastic from disused Group products in order to produce the outer casing of JuiceBoxes, resulting in savings of almost 24 tons of polycarbonate and over 150 tons of CO₂ in 2021.

Circular Economy Score Client Report (CE Report)

In 2021, approximately 170 CE Reports were completed, supplying customer companies with solutions which, if adopted, can generate potential yearly savings of more than 17,000 tons of CO₂ and 76 GWh of energy. One example is the collaboration with Genagricola, which after this assessment became the first Italian zero impact farm. This company, with 8,000 hectares cultivated in 22 sites across Italy, used the CE Report to measure the level of circular maturity of its activities and identify tools to start the process of full decarbonization. The use of renewables, better energy management and circular enablers will enable an environmental impact reduction in terms of CO₂ equal to 12,000 thousand tons for the next 20 years, thanks only to energy-related interventions. This collaboration stands as an example of international best practice, and has also been included in the "Net Zero Industrial Clusters" report published by the World Economic Forum.



Monitor for Circular Fashion

Enel X Global Retail has also launched, in collaboration with SDA Bocconi Sustainability, the **Monitor for Circular Fashion** project, with the aim of providing an accurate and dynamic overview of the state of the circular economy in the Italian fashion sector. The first report dedicated to the sector's macro-trends and the companies' ability to apply circular economy principles across the value chain was completed in 2021, involving 14 ingredient brands, brands & retailers and service providers from the Italian fashion sector. The evidence from the energy analysis showed that the current emissions of the companies involved in the study amounted to 146,448 tCO₂ and could be significantly reduced (-30%) thanks to policies to supply electricity from renewable sources and through investment in self-generation plants.

Circular Economy PA (Public Administration) Report

To spur government bodies towards a more sustainable and circular approach, Enel X has developed an assessment model (**CE Report PA**) to evaluate the level of circular maturity of municipalities and identify a series of solutions to be introduced into a roadmap of concrete interventions with a local impact. This assessment is performed on two levels of analysis: at entire urban/city perimeter level; and for one or more specific sites (buildings and public structures) with a focus on energy circularity.

Circular City Index

In 2021, the **Circular City Index** also became available in Italy – an innovative tool to measure the level of urban circularity of municipalities and identify areas of strength and improvement. The index was developed in collaboration with the Department of Economics and Statistics of the University of Siena and is based exclusively on open data. It is available free of charge to all of Italy's nearly 8 thousand municipalities as of September 2021. Four areas are analyzed to establish the level of urban circularity: digitalization, environment and energy, mobility, and waste. Each of these are given specific scores (based on comparisons with national and European regulations or guidelines) to assess to what extent policies and infrastructures have been adopted to enable the town or city to start a transition towards a circular economy.



Market

Market units play a fundamental role in customer relations by constantly focusing on their needs, and committing to provide quality products and services. Four key lines of action have been established:

- *Customer Relationship*: to create a new circular relationship with our customers by leveraging digitalization and new business models. New digital solutions can reduce material consumption, and new business models (such as sharing Enel spaces with partners and customers) can increase the use factor of the spaces themselves, promoting new types of relationships;
- *Circular Offer*: to design services that make our customers' consumption circular, including offers geared towards renewable energy and services to consume energy more efficiently or extend the assets' service life;
- *Customer Behavior*: to create a new way of interacting with our customers and raise their awareness of environmental issues in order to make their behavior more

circular, e.g. through loyalty programs, campaigns and specific engagement initiatives;

- *Partnerships*: to accelerate circularity through partnerships and joint projects with other companies, municipalities, etc.

These levers were then converted into specific projects in the various countries where we operate, such as:

- **GEA (Iberia)**: a participatory platform to exchange views on social and environmental issues, which lets customers participate in sustainability and circularity projects to improve the community and the planet. The pilot project engaged around 10 thousand customers;
- **Digital Register Email (Italy)**: this initiative was developed in collaboration with a technology partner (Info-cert) and provides customers with a temporary certified email to ensure secure receipt of formal notifications. Replacing physical mailing with digital delivery also produces a positive impact by saving tons of paper and CO₂.

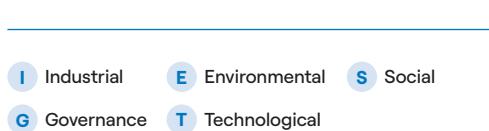


Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Safety Extra Checking on Site (ECoS) ⁽¹⁾	150 ECoS on health and safety and environment in 2023	279 ECoS on health and safety and environment carried out		80 Safety ECoS in 2024		
Safety Contractor Assessment ⁽¹⁾	300 Contractor Assessments and Support on health and safety and environment in 2023	1,514 Contractor Assessments and Support on health and safety and environment		802 Safety Contractor Assessment in 2024		
Reduction of injury frequency rates compared to prior years (LTIFR)	0.65 (+25% vs 2020) ⁽²⁾		0.61 in 2024			
Training hours provided by SHE Factory			+1% training hours (compared to previous year)			
Strengthening of horizontal initiatives on Business Lines and/or Countries aimed at growing the culture, awareness and commitment of employees and contractors with respect to health and safety issues	<ul style="list-style-type: none"> Executed 104 inter Business Line activities (including ECoS, Safety Walk, etc.) “HSEQ⁽³⁾ Professional Family Days” held “Welcome to HSEQ”⁽³⁾ project dedicated to new resources Stop Work Policy course provided by SHE Factory on Global perimeter 		 Target outdated because replaced with specific quantitative targets			

(1) With respect to Environment ECoS and Contractor Assessment, please refer to the dashboard “Environmental sustainability”.

(2) This figure is the result of the calculation made using unrounded decimal values and refers to the combined LTIFR, Enel people and contractors. This index is calculated by establishing the ratio between the number of injuries (all injuries, also those with 3 days of absence or less) and hours worked/1,000,000.

(3) HSEQ: Health, Safety, Environment, Quality.



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Improvement of the operating assets control system in order to optimize directional strategies, methods of execution, results analysis and the consequent improvement activities		<ul style="list-style-type: none"> • Further development of the SHE.Start tools for the management of Contractor Assessments, ECoS, Group of Analysis (GOA), Audit and evaluation group • Further development of the SHE.Metrics dashboard with the completion of the following sections: SafetyAnalytics, Fatality Risk Index (FRI), Inspections, Contractor Safety Index (CSI) and Group of Analysis (GOA) 		Target outdated because achieved	S	3



Occupational health and safety

2.86

**Total Recordable
Injury Frequency Rate
(TRI FR)**

combined Enel
and contractors

0.65

**Lost Time Injury
Frequency Rate
(LTI FR)**

combined Enel
and contractors

279

**Extra Checking on
Site (ECoS) safety
and environment**

1,188

thousand hours
of training
for Enel people

**102-15 | 103-2 | 103-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 |
403-9 | 416-1 | EU18 DMA EU (former EU21) | DMA EU (former EU16)**

The health, safety and psychological and physical well-being of individuals is the most precious asset to be protected at all times of life, at work, at home and during leisure time. We are committed to developing and disseminating a robust safety culture in order to guarantee a workplace that is free from health and safety hazards for everyone who works with and for the Group. The **protection of health and safety** of our people is the **responsibility of every one of us**.

The constant commitment of all, integration of safety in processes and in training activities, disclosure and analysis of near miss accidents, rigorous selection and management of contractor companies, continuous quality controls,

sharing of experience and benchmarking with the top international players are the foundational elements of our safety culture. Since the start of the Covid-19 emergency in February 2020, we have taken action in order to protect the health of our colleagues and guarantee a continuous supply of electrical energy to the communities where we operate, which is an aspect that is even more crucial at a moment like this one. In order to face the progressive spreading of the pandemic, during 2021 we created a new organizational unit called **Pandemic Emergency Management**, targeted at ensuring the monitoring and management of emergency situations in all areas of our Group.

Together for safety

Enel, and Infrastructure and Networks Italy in particular, have always been committed to promoting safety with particular reference to injury prevention. A conference day was organized on November 22, 2021 that covered safety topics, which was attended by people from Infrastructure and Networks Italy and contractor companies, who spoke about their experiences with injury events in which they were directly or indirectly involved. These experiences were used as a starting point for stimulating an in-depth and constructive analysis. In order to underline the importance of the event, all operating activities were suspended,

with the exception of those assigned to personnel who are available for fault repair operations. More than 1,600 contributions were collected during the meeting, and a decalogue was prepared with the most significant phrases to make sure everyone is always paying attention to and promoting the safety of the people who work every day at the various job sites.

Our commitment to safety



The **head** is the most important piece of **PPE** and I never forget to wear it.



When in doubt, I choose certainty: **5 Rules, Zero Injuries**.



I always **share** safety so that I never have to share an injury.



Teamwork divides tasks and multiplies my safety.



I take care of myself if I have the courage and humility to **ask for help**.



If I'm not sure about something I ask, **if I'm uncertain I stop**.



I let **timeframes** be dictated by safety.



I can **do more** for safety if I ask questions.



I report **near misses** today to avoid injuries tomorrow.



I **do not play** with safety, there's nothing to gain from it.

The health and safety system

The "**Statement of Commitment to Health and Safety**" and the "**Stop Work Policy**", both signed by the Chief Executive Officer, are two documents on which the commitment of our Group is based.

The Statement of Commitment is based on the following principles:

- compliance with legislation, adoption of the best standards and sharing of experience;
- creation, implementation and continual improvement of the Occupational Health and Safety Management System in compliance with international standard ISO 45001;
- reduction of injuries, occupational diseases and other accidental events through the implementation of suitable preventive measures and checking of their adequacy and effectiveness;
- assessment of all health and safety risks and adoption of a systematic approach to eliminate them at the source if possible, or to minimize them, while guaranteeing maximum protection for anyone working for Enel;
- promotion of informative initiatives to disseminate and consolidate a culture of good health, safety and organizational well-being;
- adoption of working methods inspired by quality and their dissemination by means of incisive and effective training that aims to create a lasting connection between technical aspects and safety aspects;
- direct commitment of the persons in charge aimed at strengthening a robust culture of leadership in relation to safety;
- adoption of safe and responsible conduct throughout all levels of the organization;
- design of workplaces and supply of suitable equipment and tools for the execution of operating activities, guaranteeing optimal and the safest conditions;

- rigorous selection and management of contractors and vendors, promoting their involvement in safety performance continual improvement programs;
- constant attention towards communities and towards all those who work with or come into contact with the Group's activities by sharing a culture of health and safety protection;
- annual definition of specific and measurable goals and continual monitoring to check their effective implementation through the involvement of Top Management.

Based on the **Stop Work Policy**, our people are required to promptly report and/or interrupt any risky situation or unsafe behavior by internal or external personnel.

In line with the Code of Ethics, the Statement of Commitment and the Stop Work Policy, we have defined a specific **Health & Safety Policy** that requires every Group Business Line to have its own **Health & Safety Management System** in compliance with international standard ISO 45001.

The Management System is based on the identification of hazards, the qualitative and quantitative assessment of the risks, the planning and implementation of the preventive and protective measures, as well as checking their effectiveness, any corrective measures and the preparation of work teams. The Management System involves both Enel people and personnel from contractor companies who work at Enel's plants and sites, and is based on the following shared principles:

- prior evaluation, elimination and/or reduction of risks through application of the latest technical know-how;
- identification of the necessary preventive measures and the associated implementation program;
- adoption of residual risk mitigation measures, awarding priority to collective rather than personal solutions;
- active, responsible and integrated intervention of all

parties concerned with safety, involving workers and/or workers' representatives, starting from the identification of risk situations up to the choice of solutions to prevent and/or reduce them;

- appointment of a medical officer, when required, and setting up health surveillance for workers responsible for specific high-risk processes;
- preparation of a program of information and training of workers in order to increase awareness when dealing with situations of risk;
- regular upkeep and cleaning of workplaces;
- the adoption of tools, also technological tools, to support the assessment of the risk and its resulting mitigation.

From an organizational perspective, the Holding Health, Safety, Environment and Quality unit (HSEQ) assumes the roles of supervision, guidance and coordination, promoting the dissemination and sharing of best practices within the Group and external health and safety benchmarking with top international players in order to identify improvement opportunities and ensure constant commitment in the area of risk reduction.

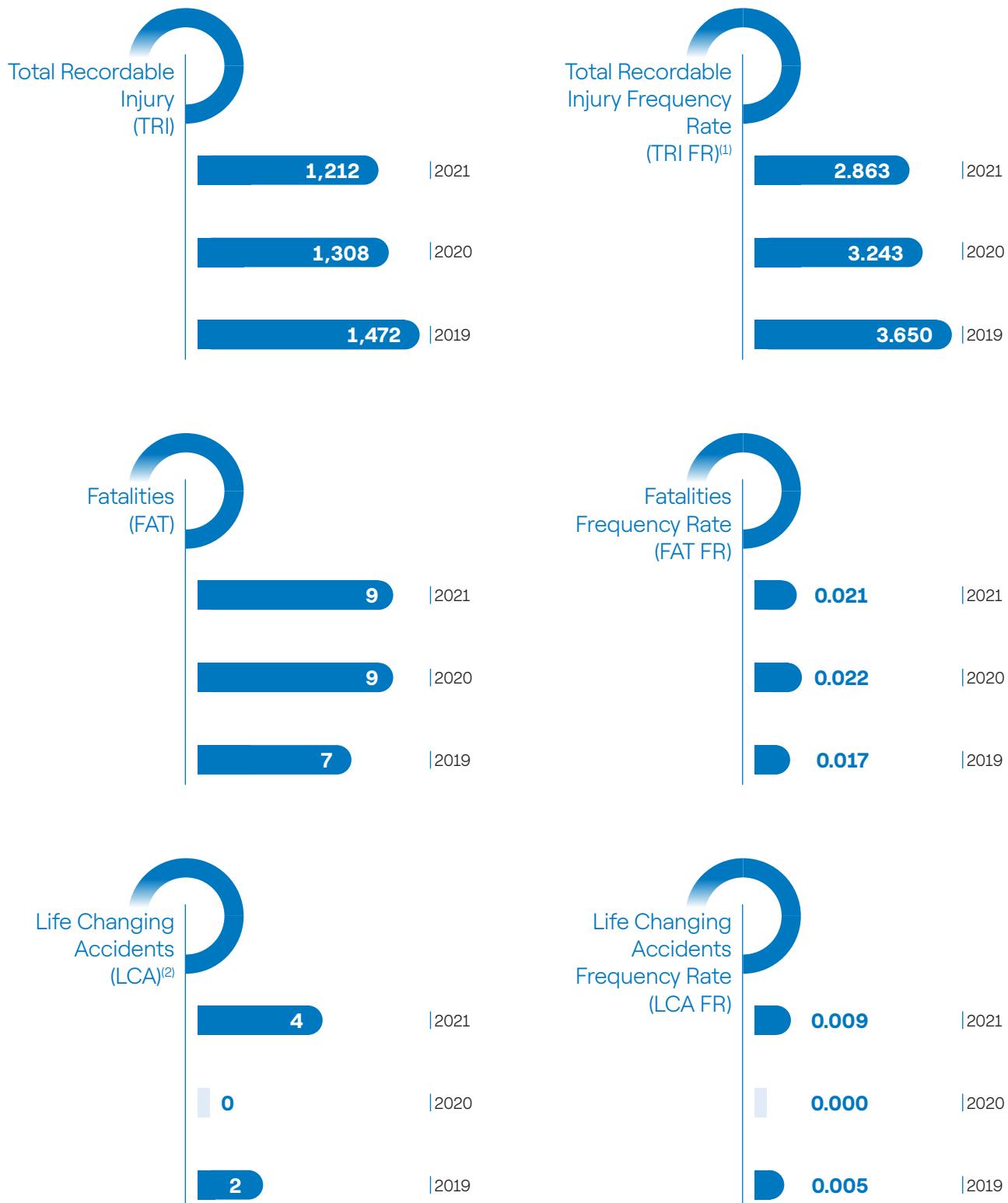
Alongside the Holding Function, the Global Business and Country Lines HSEQ structures orient and support the business in relation to health and safety issues, define improvement plans and monitor their execution.



2021 performance

For further details: 

Combined Enel and contractors



(1) This rate is calculated by proportioning the number of Recordable Injuries with hours worked/1,000,000. The Recordable Injuries represent all the events that caused physical damage to a person and are inclusive of the injuries that caused days of absence from work (LTI) and 'First Aid', i.e. injuries that did not require days of absence from work.

(2) These are injuries that caused consequences to health that permanently changed a person's life (for example amputation of limbs, paralysis, neurological damage, etc.). Furthermore, as of the 2021 reporting cycle, the Life Changing Accident indicator has replaced High Consequence Injuries following the standardization of Company safety information, therefore the 2020 and 2019 values were recalculated using the new methodology.

In 2021 the Total Recordable Injury Frequency Rate (TRIFR) decreased 11.7% compared to 2020, with 2.9 injury events for every million hours worked. This decrease involves both Enel people (-19.2%) as well as personnel from contractor companies (-12.0%).

As regards the number of injuries with days of absence from work (LTI), in 2021 there was an increase both in the number (275 compared to 210 in 2020) as well as in the frequency index (0.65 compared to 0.52 in 2020).

This increase is concentrated in the area of events with a low number of days of absence and with a low potential of causing fatalities or Life Changing injuries, therefore concerning less serious events. Therefore, although it certainly represents a signal to pay attention and a phenomena to intercept and correct, this increase is associated in any case with only minimal impacts on the safety of workers. In 2021 there were 9 fatalities involving 3 employees of our Group (2 in Italy and 1 in Brazil) and 6 involving contractors (2 in Brazil, 2 in Chile, 1 in Italy and 1 in Spain).

Furthermore, there were 4 Life Changing injuries (LCA) during the year, 1 of which involved an Enel employee in Brazil, and 3 that involved personnel of contractor companies (1 Brazil, 1 Colombia and 1 Spain). The causes of all these injuries are mainly associated with electrical (7), mechanical (5) and chemical (1) related accidents. For more details, please refer to the numerical attachment ("Sustainability Statement, Occupational health and safety")

Our Group has a specific policy (Policy 106 "Classification, communication, analysis and reporting of incidents") that defines roles and methods employed to guarantee prompt communication of incidents, ensuring the related cause analysis process, definition of improvement plans, and monitoring of the associated actions depending on the event type. Based on evidence resulting from the monitoring and control system, a data-driven approach was implemented

that is based on IT tools and analytical dashboards, which makes it possible to appraise the performance of suppliers in relation to safety, identify areas at greater risk of fatalities and Life Changing injuries and the subsequent management methods. This approach is combined with the collection and sharing of the best practices that support the process of continuous learning and help avoid the same events from repeating.

In order to identify the most appropriate corrective measures, all High Potential events (not only the injuries, but also the so-called "near miss" injuries) and injuries that involve missing work for more than 3 days are monitored in an analytical manner. This makes it possible to focus on events that have a greater potential/industrial impact profile, in order to orient the organization toward the removal of the most relevant risk causes, regardless of how long the injury lasts.

It is very important for each event to be reported promptly, not only for monitoring purposes, but also to guarantee that people will act in a responsible manner and not underestimate the hazards for themselves and for their colleagues. From this point of view, in addition to the Stop Work Policy, also the "Buddy Partner" role was defined for work activities, to underline the important of mutual control and true team work.

279 Extra Checking on Site (ECoS) assessments were performed in 2021, meaning the internal assessment of safety and environment in order to evaluate the suitability of the organization and processes in a specific operating area of the Group. These checks are performed by expert HSEQ personnel who come from outside the operating unit under assessment, in addition to technical profiles who are specific to the business. After the check is performed, a report is issued with the evidence found in the field and the proposed corrective measures, whose implementation is monitored until complete conclusion.

Safety in contract processes

Safety is integrated in tender processes and the performance of companies is monitored both on a preliminary level, by means of the qualification system, and during contract execution through a large number of control processes and tools such as the Supplier Performance Management tool (SPM).

The preparation of a specific document ("**HSE Terms**") was started in 2020 and is attached to all contracts that must be signed by contractors when the works are awarded. The document, which is the same throughout the entire Group, defines the obligations in relation to health, safety and environmental aspects that the contractors must respect, placing the same obligation on their subcontractors. This tool defines Enel's requirements regarding the environment, health

and safety and includes a list of violations that could involve specific penalties, up to the termination of the contract and/or suspension of qualification on the Enel supplier portal.

The **Contractor Assessments** also continued in 2021, which are detailed assessments regarding safety and environmental issues carried out on the premises of the suppliers as well as at their job sites. In spite of the continuation of the Covid-19 emergency, 1,514 Contractor Assessments were carried out for the Enel Business Lines and Countries and Regions. The Contractor Assessment is a safety related assessment (also performed remotely if it is not possible to perform it on site) that is carried out during the qualification phase for each new supplier, or in cases in which criticalities emerge (severe inju-

ries or fatalities) or low Supplier Performance Management rating scores. For more details please refer to the "Suppliers" chapter in this document.

2021 was also the year for additional extension and development of a structured and **data-driven** approach for supplier assessment, also thanks to the calculation of the Contractors Safety Index (CSI), which is an indicator based on the detection in the field of non-conformities, the number of injuries and their relative severity, and has been applied extensively to all Business Lines as an indicator used to detect faint signs and operational criticalities of contractors, so prevention can

be selectively focused on the most critical companies and to make it possible to perform the assessment and implement **consequence management** for our suppliers.

Periodic multidisciplinary meetings (Evaluation Groups) were held in all the Business Lines and Countries and Regions of presence to assess the safety performance of suppliers, which made it possible to define targeted actions as well as accompaniment and support plans customized for the companies, in order to reach the desired safety standards and mitigate possible areas of risk in advance.

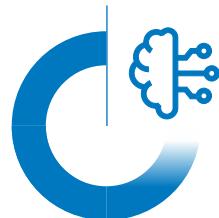
Infrastructure safety and technological innovation

Enel views technological innovation as a valid tool capable of improving a large number of processes from the H&S perspective. Several innovation projects on safety proceeded and various new projects were launched in 2021, in continuation of what was developed over the past years, in order to improve processes, starting from personnel training, continuing with the implementation of preventive and protective measures, up to the execution and analysis of corrective checks.

Personal voltage detectors, portable devices designed to

identify electrical voltage on medium-voltage power lines located at operationally significant distances from the worker but not necessarily involved in the activity in progress, are being used in the Infrastructure and Networks area.

Within the scope of the "**Intrinsic Safety**" program, which was started already in 2020 and was inspired by the intrinsic safety concept and implemented in synergy and co-design between various Enel Global Business Lines and Holding Functions, many innovative projects were completed in 2021, such as:



"AI4Lifting", which uses Artificial Intelligence to detect any potential situations of danger when handling loads;



"Hop Safe", system that allows personnel to use a ladder when working at a height only when they are properly connected to the life line.

Technology and innovation for guaranteeing the safety of our people

The Intrinsic Safety project focuses on the revision of plant elements, equipment and processes from the point of view of making them intrinsically safe, also in the case of error by the people who are working at our infrastructures and plants. The project, which was started in 2020 and is in the process of being adopted in the 31 countries in which the Generation Business Line operates, was extended during 2021 also to all the critical infrastructures of the plants managed by the Distribution Business Line, with the start of the phases of analysis and engineering of the components and processes in the 9 countries in which it is present.

Technologies and innovation represent one of the pillars on which our safety improvement strategy is based, together with digitalization which supports our operating assets. The use of artificial intelligence makes it possible in

"Innovation and technology allow us to direct our activities towards intrinsically safe and correct operating methods. We constantly work toward obtaining the objective of zero accidents."

fact to guarantee suitable safety conditions for assets and plants, with an approach to prevention and monitoring in real time of the plants themselves.

This is the case of the **5 Golden Rules app**, which is an application used in the Networks Business Line that makes it possible to guide and support Enel people who work in the field to correctly carry out the five maneuvers⁽¹⁾ necessary for securing the electrical installations to prevent electrical injuries from occurring. The app is not only a support and guidance tool, but is also a tool for the monitoring, reporting and post-analysis of the maneuvers that were performed, making it possible to detect non-compliant actions and identify areas of improvement.



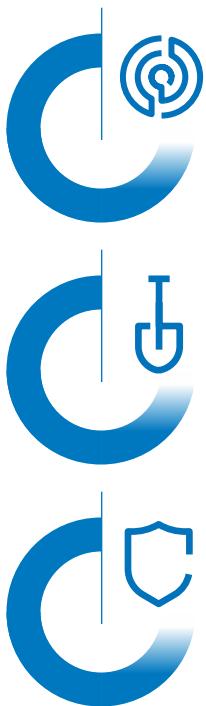
Marcello Butera

Head of Health&Safety,
P&O Holding



(1) The five Golden Rules are: 1) disconnect the plant and in particular the area where the work will be performed, 2) secure against reconnection and place warning signs, 3) check that the work area is de-energized, 4) carry out grounding and short-circuiting, 5) delimit the area from the adjacent active parts.

Innovative solutions are currently being developed in the area of **HMI (Human-Machine Interaction)** to prevent the risk of accidental impacts with moving work equipment or



Anticollision System: whose objective is to improve the functionality of devices that generate alarms through the use of Artificial Intelligence programs;

Smart Bucket: which implements a system that is able to prevent damaging underground utilities during excavation works, which are a significant market problem because it can create construction delays and risks for the safety of machine operators;

AME: a project with the purpose of creating a device able to define a safe work area dedicated to operators and vehicles, through the use of proximity and voltage presence sensors.

Finally, innovative solutions are being developed for monitoring health conditions during work activities in order to prevent and quickly manage potential situations of danger and/or emergency. An example is **Safety 4 Lone workers:**

with underground service lines, as in the case of the following projects:

which involves the use of a multifunctional device (smart-watch) that uses specific algorithms to monitor the main biometric parameters in order to prevent possible situations of risk, in particular for Enel workers working alone.

Health

| 403-3 |

Health is a relevant factor in the development and care of our people and, for this reason we have defined a structured health management system based on preventive measures, to develop a corporate culture oriented towards the promotion of mental-physical health, organizational well-being and balance between the professional and personal spheres. In this context, the Group carries out global and local awareness raising campaigns to promote healthy lifestyles, sponsors screening programs aimed at preventing the onset of illnesses and guarantees the availability of medical services. This approach is described in the new version of the "**Health and Well-being**", Policy, approved in January 2022, and defines in three main steps – health surveillance, prevention and well-being – the path for promoting good health and well-being. This includes, but is not limited to, initiatives promoted on a global scale that improve the quality of the work day, both physically and mentally (for example, brief active break video pills, which can be performed also in front of a

work station and that help prevent the adoption of incorrect physical behaviors and postures). A process of collecting the needs for wellness initiatives is also active since 2020, by means of an internal survey that provides important feedback from a point of view of continuous improvement.

An initiative for strengthening the **digitalization of the Enel people health surveillance process** was started in Italy last year, which involves the introduction of an IT tool that manages medical records. This will provide benefits in terms of efficiency and document archiving, and will make it possible to monitor health parameters in an aggregated and anonymous manner.

Furthermore, on a global level, in relation to **business travel**, the "Health, safety and emergency aspects for expats or long term travellers" policy was updated in 2021, which in addition to providing guidelines to travellers in terms of health, safety and emergency management, also defines in a uniform manner the preliminary steps and authorization

flow for the temporary assignment of Enel people abroad. For the latter and their families, insurance coverage was activated in 2021 which provides access to health care services in the host country, as well as home care. Tools were also introduced that support people who are traveling abroad, for example a smartphone application that provides travel information, vaccination guidelines and a global insurance policy that provides health coverage also in the case of epidemics and pandemics, was extremely effective over these past two years.

In relation to the **injury phenomenon**, apart from implementing plans designed to reduce the frequency to zero, it is planned to adopt a psychological support program for employees who have suffered severe injuries, together with their families, in order to assist them from the time of the event up to the return to normality.

Constant monitoring of **epidemiological and health trends** is carried out within the perimeter of the Group, with the aim of implementing plans composed of preventive measures and measures to protect the health of employees and anyone working for the Group, on both a local and global level. With regard to the Covid-19 emergency, a new Cov-

id-19 Global Insurance Group policy was established since March 2020, which provides compensation to Group employees who had to be hospitalized for at least two nights or who required hospitalization in intensive care after testing positive for Covid-19. A listening and psychological support service was renewed also for 2021, in continuation of 2020, which will remain active also after the end of the health emergency, the purpose of which is to provide employees with a customized help program in an anonymous, free and confidential manner.

Our Group is also committed to a systematic process for the identification and assessment of **risks of work-correlated stress**, to allow the prevention, identification and management of stress in work situations that can affect individuals and more extensive areas of the organization, supplying also a series of indications aimed at promoting a culture of organizational well-being.

Finally, we also provide our people with specific **conventions that provide ready access** to: medical and healthcare services, assistance actions for persons with disabilities or in emergency situations, and specific preventive medicine initiatives.

Development of safety culture: training and information

EU18

Overall in 2021, Enel people received approximately 1.2 million training hours regarding safety, with the purpose of increasing the know-how and specific skills of workers throughout the Group.

In particular, the **SHE Factory** unit, with the objective of promoting a new mentality on a global level for a better way to work that is safer for people and more sustainable for the environment. In 2021, this unit created, prepared, managed and provided specific training courses on health, safety, environment and quality (HSEQ), to spread a different cultural approach to HSEQ topics by everyone, and at all professional levels, also by using training projects and learning processes not only based on technical aspects, but also so-called soft skills. Overall over the past year, SHE Factory involved almost 63 thousand people, and provided more than 241 thousand hours of internal training, in addition to the training and information activities that were carried out by other training units (global and local) in relation to the legal obligations regarding HSEQ.

As regards safety, the main topics that were addressed last year were:

- **Stop Work Policy:** approximately 45,500 people belonging to different Business Lines and in all Countries and Regions participated in and completed at least one

Stop Work Policy course, which demonstrates the commitment that our entire Group, starting with the CEO, is placing on this extremely important cultural approach to safety.

- **Buddy Partner:** approximately 12 thousand employees, especially those working in the Infrastructure and Networks Business Line, participated in and completed at least one "Buddy Partner" course, which points out the importance of mutual control and true team work, which must always be carried out in observance of the preventive and protective measures regarding safety related risks.

Particular attention is also placed on suppliers with the **"Partnership for safety, health and the environment"** project, which focuses on assisting Enel partners in adapting their company standards regarding HSEQ, with assessments and collaboration opportunities in the field. From this point of view, SHE Factory provided a dedicated software platform (ENEL4SHARE Platform) for the sharing of training material and carried out numerous meetings during the year with our main suppliers in order to increase their awareness by explaining the main principles of Enel's safety culture. In particular, an event was held in November 2021 in the Italian perimeter that involved more than 600 suppliers for all Business Lines.

Safety of communities and third parties

| 103-2 | 103-3 | 416-1 | EU25 |

Our installed plants are built in compliance with legislative prescriptions and the rules of best technical practice. Plants, machines and work equipment are subject to systematic and periodic checks and maintenance activities to guarantee correct operation in compliance with regulations and in accordance with the adoption of the best safety standards.

In order to guarantee the health and safety of the community and reduce the impact of the typical activities of the Company's generation process on the external environment, the Company carries out monitoring campaigns. These include, for example, measurement of the electromagnetic fields of power networks, the detection of the noise level, vibration and dust created by the electrical machines of power plants and distribution and transform-

er substations. Also the following environmentally significant factors are monitored: atmospheric emissions and air quality, effluent discharge into surface waters, water quality, production, reuse and disposal of waste, soil quality, biodiversity impacts.

Considerable attention has been devoted to preventing injuries involving members of the public who accidentally come into contact with electricity networks during operations such as job sites near transmission lines or sports and leisure pursuits (fishing, flying kites, etc.). For this reason, a large number of awareness campaigns have been conducted, addressed both to the general public and to specific categories such as, for example, construction companies and sports associations.

Emergencies management

| DMA EU (former EU21) |

Our Group has defined a common crisis and critical events management system across the various countries where we are present. This system involves evaluation of the impact caused by critical events by means of a standard reference scale with three levels. High-impact crises are managed centrally, while medium- or low-impact crisis situations are managed within the specific organization in the individual countries.

High-impact crises ("Group Red Code") are addressed by creating a central crisis committee in the Security Control Room at the Viale Regina Margherita headquarters in Rome, supplying support 24/7 for communication and coordination of information flows. Moreover, the crisis committee defines strategies and actions to deal with critical events and coordinates all actions designed to restrict damage to the Enel Group's property, profitability and reputation. Enel SpA has a Security unit in the Holding's People and Organization Function, aimed at defining strategies and guidelines on matters of security, reporting to top management and promoting sharing of best practices. Also, a travel safety process has been set up in order to protect Enel people travelling in different countries, supplying information and communications on destination countries, indicating conditions that can constitute health and safety risks of travelers (e.g. political turmoil, terror attacks, crime,

health threats, etc.), the guidelines and conduct to follow, and activation of the necessary safety measures for the level of risk identified for the destination country.

Constant monitoring of epidemiological and health trends is carried out within the perimeter of the Group, with the aim of adopting plans composed of preventive measures and measures to protect the health of our employees and anyone working for the Group, on both a local level and a global level.

Since the start of the Covid-19 emergency in February 2020, we have taken action in order to protect the health of our colleagues and guarantee a continuous supply of electrical energy to the communities where we operate, both through specific global and country task forces, and subsequently by providing the organization with a unit that is responsible for controlling this process. This resulted in the creation of a new unit, called **Pandemic Emergency Management**, which ensures the monitoring of emergency situations, the definition of the strategy and global policies and their adoption in all areas of the Group. In addition, this unit aims to direct, integrate and monitor all actions of prevention, protection, safeguarding, and intervention aimed at protecting the health of its employees and contractors, also in relation to exogenous health risk factors not strictly correlated with the work activity.

Nuclear policy

In the context of its operations in the field of nuclear technologies, Enel has made a public commitment, in the role of shareholder, to guarantee that a clear nuclear safety policy is adopted in its atomic energy plants and that the plants are managed in accordance with criteria capable of

assuring the absolute priority of safety and protection of workers, the community and the environment.

Further details are available on the Enel website (<https://www.enel.com/investors/sustainability-performance/enel-and-nuclear>).

Industrial relations on health and safety topics

In order to consolidate the culture of safety and promote the adoption of behaviors that are consistent with company policies, Enel supports social dialogue and participation of workers' representatives. Joint committees have been set up for this purpose in the main countries in which Enel is present, dedicated to monitoring the issues and projects concerning workers' health and safety on the national level and also in terms of Business Lines. In Italy, in implementation of the matters provided for by the national trade union agreement on the "Italian model of Enel Italia industrial relations", there has been a bilateral commission on workplace safety and protection policies in force since

2012. The commission examines the main projects aimed at improving safety standards, training projects, preventive initiatives. In 2013, the Enel Global Framework Agreement created an analogous bilateral commission at the Group level, which defined a "joint recommendation" concerning health and safety standards applicable in all Enel countries. Negotiations are in progress to renew the Enel Global Framework Agreement.

The following details concern the commissions that operate in the main countries on the national and/or local levels.

Country
Italy
Russia
Romania
Spain
Argentina
Chile
Peru
Brazil
Colombia

Joint committees for health and safety

Apart from the bilateral commission on safety policies and workplace protection set up in 2012, there are two committees working for Infrastructure and Networks and for Generation. Periodic meetings are also organized, involving the employer, the prevention and protection service manager, the medical officer and the workers' safety representatives. The meetings are held at least once a year.

Every power plant in Russia has a health and safety committee. Each organizational unit has a worker representative for issues concerning occupational health and safety, with a total of 33 representatives reporting to company managers and union organizations.

In compliance with legislative provisions, there is an Occupational Safety and Health Committee (CSSM) comprised of representatives appointed by the trade organizations who represent the workers for each company (worker representatives) on the one hand, and on the other, a number of people representing the employer equal to the number of worker representatives. The occupational health physician is required to participate in the CSSM meetings.

The Occupational Safety and Health Committee aims to guarantee employee involvement in the development and implementation of decisions regarding occupational health and safety. Committee members meet periodically (every three months and each time it is necessary) to discuss specific problems and propose measures/actions for managing, controlling and improving the level of employee health and safety.

The *Comisión de participación y control* has been set up on the national level, while the local level is handled by *Comités de seguridad y salud territoriales*.

The power plants have bilateral committees responsible for health and hygiene issues, which meet once a month or once every two months. The agreement does not specify the frequency with which the meetings are held.

All generation centers with more than 25 workers have *Comités paritarios de higiene y seguridad*, which make decisions concerning occupational health and safety by means of an annual operating plan. These committees meet once a month.

We have bilateral committees (workers and Company representatives) that approve occupational health and safety policies according to law.

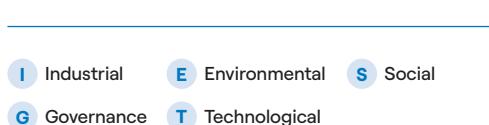
The *Comissão interna de prevenção de acidentes* has been established at all sites, which is comprised of Company representatives and worker representatives; the committee focuses on the creation of accident prevention initiatives.

Two joint committees have been set up (COPASST), one for networks and one for generation, with the role of promoting the application of occupational medicine legislation.





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Diversity Policy - Monitoring of the implementation of the Diversity Policy in the Board of Directors		The composition of the Board of Directors appointed by the Shareholders' Meeting of May 14, 2020 is consistent with the Diversity Policy's objectives for the various types of diversity		Monitoring of the implementation of the Diversity Policy in the Board of Directors		16
Recommendations and best practices - Continuous alignment with international recommendations and best practices for governance		<ul style="list-style-type: none"> Ensured alignment with corporate governance international best practices, including those recommended by both leading proxy advisors and primary institutional investors Ensured full compliance with the new Italian Corporate Governance Code 		Continuous alignment with international recommendations and best practices for governance		16
Induction plan - Structured plan of induction of Directors and Statutory Auditors during the mandate		Adequate induction program for Directors and Statutory Auditors was carried out in order to grant them an adequate knowledge of the sectors in which the Group operates, the trend of markets and the regulatory framework		Structured plan of induction of Directors and Statutory Auditors during the mandate, including Sustainability topics		16
Engagement - Adoption of the Enel SpA engagement policy and support for the Investor Relations unit in engagement activities with institutional investors and proxy advisors on corporate governance issues		<ul style="list-style-type: none"> The Policy for the management of the dialogue with institutional investors and with the generality of shareholders and bondholders of Enel (so-called "Engagement Policy") was adopted by the Board of Directors in March 2021 The competent corporate Function regularly supported the Investor Relations Unit in engagement activities with regard to corporate governance issues 	 	Monitoring of the implementation and possible updating of the Enel SpA engagement policy and supporting the Investor Relations unit in engagement activities with institutional investors and proxy advisors on corporate governance issues		16



Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Board review - Execution of the board review with the support of an independent consultant		Board review was carried out with the support of an independent consultant using the "peer-to-peer review" method		Execution of the board review with the support of an independent consultant		
Anti-bribery certification - ISO 37001 anti-bribery management system certification secured for the main Italian companies and extension to cover the Group's foreign companies		Certification secured for the main Group companies, while maintaining the certifications previously acquired		ISO 37001 anti-bribery management system certification secured for the main Italian companies and extension to cover the Group's foreign companies	 	
Compliance Program - Ongoing improvement of Compliance Programs/Models for the prevention of criminal risks		<ul style="list-style-type: none"> Process continued to adopt the Enel Global Compliance Program regarding the acquisition and set-up of companies at Group level Ongoing updates to the Models for the prevention of criminal risks of foreign companies 		Ongoing improvement of Compliance Programs/Models for the prevention of criminal risks		
Training - Additional extension of training on Model 231 and Enel Global Compliance Program		Online training on ethical issues (e.g. Model 231, Anti-Corruption Management System, EGCP) was extended to all employees of the Group's Italian and foreign companies		Additional extension of training on Model 231 and Enel Global Compliance Program	 	



Sound governance

102-5 | 102-18 | 102-21 | 102-22 | 102-26 | 102-27 | 102-43

44%

Women on Enel SpA's Board of Directors

11

Enel SpA's Board of Directors meetings concerning sustainability

153

Reports concerning the Code of Ethics

More than 7 thousand hours

Training on human rights topics

More than 17 thousand

Communications concerning personal data protection from customers

Enel is a Company listed since 1999 on the Euronext Milan stock exchange (ex Mercato Telematico Azionario) and managed by Borsa Italiana SpA and has the most shareholders of all Italian companies. Notably, the **shareholder structure at December 31, 2021** was as follows: (i) **59.4% institutional investors; (ii) 17.0% retail investors; (iii) 23.6% Ministry of the Economy and Finance.** Enel's corporate structure includes the main international

investment funds, insurance companies, pension funds and ethical funds, thanks also to the adoption, by the Company and the Group, of the best international practices on transparency and corporate governance. Moreover, at the date of this Sustainability Report, the Enel Group includes a further 14 companies issuing shares listed on the Argentinian, Brazilian, Chilean, Peruvian, Russian, Spanish, and US Stock Exchanges.





Policy for managing the dialog with institutional investors and with all shareholders and bondholders

Enel is committed to ensuring a constant and open relationship that is based on the mutual understanding of the roles with all shareholders and bondholders, as well as with the institutional investors and their representative associations in order to increase the relative level of understanding regarding the activities performed by the Company and the Group. In this context, Enel maintains dialogue with investors based on principles of fairness and transparency, in compliance with EU and national regulations on market abuse, as well as in line with international best practices. This engagement activity has led to the positive result, over recent years, of a significant increase in participation of the institutional investors in the Shareholders' Meetings.

In order to regulate the methods for developing this dialog, in March 2021 the Board of Directors adopted a specific Policy, acting on a proposal of the Chairman made in agreement with the Chief Executive Officer, (the so-called "Engagement Policy"), which clarified to a large extent the practices already followed by Enel and whose use takes into account the applicable best practices adopted by the institutional investors and reflected in the stewardship codes.

This Engagement Policy, which was applied consistently during 2021, also identifies the corporate structures that, in line with the practices established by Enel from the moment their shares were listed on the stock exchanges, are responsible for the dialog activities, and specifically with: (i) a specific Investor Relations office which is part of the Administration, Finance and Control Function, which interacts on a continuous basis with the institutional investors (as well as with the financial analysts and the rating agencies); as well as (ii) a specific area in the Corporate Affairs office, which is in turn part of the Legal and Corporate Affairs function, which interacts on a continuous basis with the retail shareholders and bondholders, providing them with all useful explanations regarding the respective issues of interest.

The information provided to Enel's institutional investors and all their shareholders and bondholders by the above-indicated organizational structures – as well as by any other duly authorized Company member – complies with the criteria of truthfulness, clarity, coherence, completeness and symmetry of information; the information is also supplied in a timely manner and in compliance with what is required by the regulation adopted by Enel regarding the processing of corporate information.

In particular, the Investor Relations structures are, for example, responsible for the following: (i) preparing Enel's equity story and organizing meetings between the Company's Top Management and the financial community; (ii) managing relationships with ratings agencies and with the fixed income investors; (iii) managing relationships with institutional investors and financial analysts; (iv) coordinating the management of relationships with the institutional investors who have an interest in the listed share capital controlled by Enel; (v) preparing market analyses and reports concerning Enel shares, also monitoring the *consensus* of the financial analysts; (vi) supporting the Communications Function, in coordination with the Corporate Affairs unit with the definition and approval of Enel's price sensitive press releases, as well as developing and updating the content dedicated to investors on the Company website and in the app called "Enel Investor".

For more details, refer to the Report on Corporate Governance and Ownership Structure for 2021. Also, Enel's website (www.enel.com, "Investors" section) provides access to economic, financial, environmental, social and governance information and updated data and documents of particular interest, providing a multidisciplinary and integrated vision.

Corporate governance model

| 102-18 | 102-19 | 102-20 | 102-22 | 102-23 | 102-24 | 102-26 | 102-31 | 102-32 |

Enel's corporate governance system complies with the principles contained in the Italian Corporate Governance⁽¹⁾ Code (the "Corporate Governance code"), in the January 2020 edition, to which the Company adheres, and with international best practices. The corporate governance system adopted by Enel and the Group is oriented toward

the goal of sustainable success, given that it is aimed at creating value for shareholders over the long term, aware of the social importance of the Group's operating activities and the consequent need to proceed with adequate consideration of all the interests involved.

Board of Directors

CHAIRMAN

Michele Crisostomo

CHIEF EXECUTIVE OFFICER

AND GENERAL MANAGER

Francesco Starace

SECRETARY

Silvia Alessandra Fappani

DIRECTORS

Cesare Calari
Costanza Esclapon de Villeneuve
Samuel Leupold
Alberto Marchi
Mariana Mazzucato
Mirella Pellegrini
Anna Chiara Svelto

Board of Statutory Auditors

CHAIRMAN

Barbara Tadolini

AUDITORS

Romina Guglielmetti
Claudio Sottoriva

ALTERNATE AUDITORS

Maurizio De Filippo
Francesca Di Donato
Piera Vitali

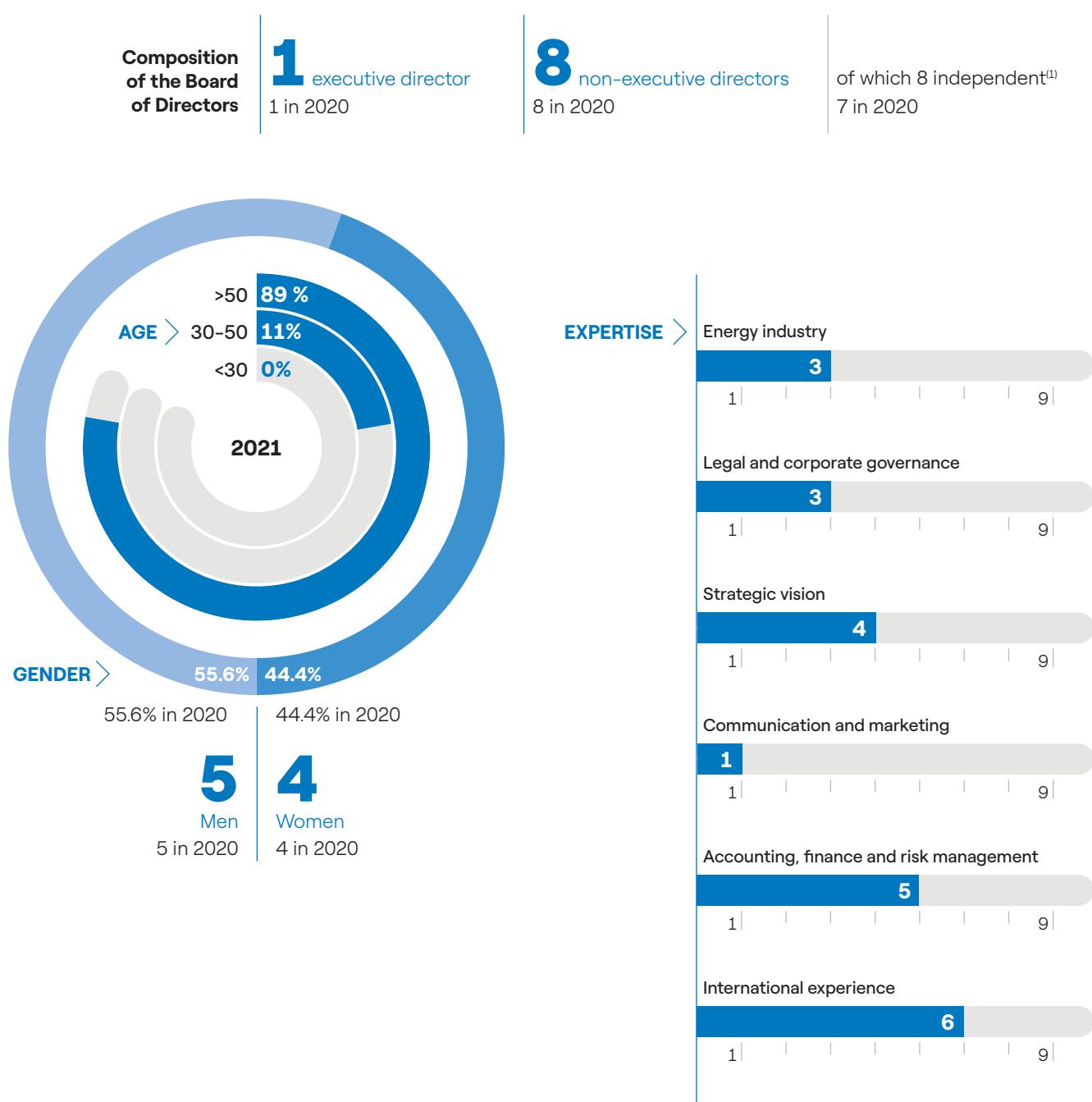
Audit Firm

KPMG SpA

(1) It is available on the Borsa Italiana website (at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>).

For a detailed illustration of Enel's corporate governance, we invite you to refer to the Report on Corporate Governance and Ownership Structure for 2021, which is available on the Company's website (www.enel.com); we further re-

fer you to the specific sections of this Sustainability Report for an illustration of the governance of sustainability and the management of climate change.



(1) The figures for 2020 refer to directors qualifying as independent pursuant to the Corporate Governance Code for Italian listed companies (2018 edition). The figures for 2021 refer to directors qualifying as independent pursuant to the Italian Corporate Governance Code (2020 edition).

Board of Directors

| [102-15](#) | [102-18](#) | [102-19](#) | [102-20](#) | [102-22](#) | [102-23](#) | [102-24](#) | [102-26](#) |
| [102-27](#) | [102-28](#) | [102-32](#) | [102-33](#) | [103-2](#) | [103-3](#) | [405-1](#) |

The Board of Directors in office was **appointed by the Ordinary Shareholders' Meeting of May 14, 2020** and consists of nine members.

Enel applies diversity criteria, also in relation to gender, in the composition of the Board of Directors, in line with the priority goal of ensuring adequate competence and professionalism of its members. Specifically, In January 2018 the Board of Directors, acting on a proposal of the Corporate Governance and Sustainability Committee and the Nomination and Compensation Committee, and in implementation of what is required by the Single Financial Act, approved a diversity policy that describes the optimal characteristics of the Board's composition to ensure it can fulfil its duties as effectively as possible, making decisions that can tangibly benefit from the contribution of a plurality of different qualified members able to examine the issues under discussion from diverse perspectives.

The Board of Directors held **16 meetings in 2021, of which 11 related to sustainability issues (8 of which addressed climate-related matters, reflected in the strategies and related implementation methods)**. Furthermore, following the extensive and comprehensive induction program organized during 2020 in order to provide Directors with suitable knowledge of the business sectors in which the Group operates, as well as the Company dynamics and their evolution, the market trends and the regulatory framework of reference, in 2021 specific investigations concerning corporate governance and climate change were taken, with the participation of an external expert for the latter.

The **maximum number of offices that the relative members can hold** on the Board of Directors or governing bodies of other companies of a relevant size is regulated by a specific corporate policy, which was updated in 2020 in order to adapt the contents to the relevant best practices prepared by the main proxy advisors and relevant institutional investors.

In order to regulate the methods with which the Com-

pany conducts the dialog with institutional investors and with all shareholders and bond holders, in March 2021 the Board of Directors adopted the Engagement Policy (see paragraph, Policy for managing the dialog with institutional investors and with all shareholders and bondholders).

In relation to the topic of succession plans for executive directors, in September 2016 the Board of Directors, acting on a proposal of the Nomination and Compensation Committee made in agreement with the Corporate Governance and Sustainability Committee, shared the contents of a specific "**contingency plan**" aimed at regulating the steps to be taken to assure proper management of the Company in case the Chief Executive Officer ceases to hold office before the end of their ordinary term (defined as "crisis management" cases).

Finally, at the end of 2021 and during the first two months of 2022, with the assistance of an independent consultant, the Board of Directors carried out an assessment of the size, composition, and functioning of the Board itself and its committees ("**board review**"), in line with the most advanced corporate governance practices followed internationally and assimilated in the Corporate Governance Code. The board review was conducted also in accordance with the peer-to-peer review method, i.e. through assessment not merely of the operation of the body considered globally, but also of the style and contents of the contribution provided by each of its members, and was extended to the Board of Statutory Auditors. Within the scope of the board review, specific attention was dedicated to verify the Directors' perception regarding (i) the training activity carried out during 2021 for the induction program, in relation to the topic of climate change, as well as (ii) the involvement of the Board of Directors in sustainability issues and the integration of sustainability topics in corporate strategy. The results of the board review are provided in Enel's Report on Corporate Governance and Ownership Structure.

Remuneration policy

| 102-28 | 102-35 | 102-36 | 102-37 |

Enel's Remuneration Policy for 2021, which was adopted by the Board of Directors acting on a proposal of the Nomination and Compensation Committee and approved by the Shareholders' Meeting of May 20, 2021, was defined in consideration of (i) the recommendations contained in the Corporate Governance Code; (ii) the national and international best practices; (iii) the information that emerged from the favorable vote of the Shareholders' Meeting of May 14, 2020 on the remuneration policy for 2020; (iv) the results of the engagement activities regarding corporate governance carried out by the Company between January and March 2021 with the main proxy advisors and institutional investors with an interest in Enel capital; (v) the results of a benchmark analysis regarding the remuneration of the Chairman of the Board of Directors, the Chief Executive Officer/General Manager and the Non-Executive Directors of Enel for 2020, which was prepared by an independent consultant.

This Policy aims to: (i) promote Enel's sustainable success, which is based on the creation of long-term value to the benefit of its shareholders, taking into due consideration the interests of the other relevant stakeholders, in order to encourage reaching the strategic goals; (ii) attract, retain and motivate people with the skills and professionalism required for the delicate managerial tasks assigned to them, in consideration of the compensation and work conditions of the Company and Enel Group employees; as well as (iii) promote the company mission and values.

The remuneration policy for 2021 sets out the following compensation for the Chief Executive Officer/General Manager and for Key Management Personnel (referred to as DRS - Dirigenti con Responsabilità Strategiche):

- a fixed component;
- a short-term variable component (MBO), to be paid based on the achievement of specific performance targets. Specifically:
 - for the Chief Executive Officer/General Manager, the 2021 MBO is based on the following annual performance targets:
 - Ordinary consolidated net income;
 - Group Opex;

- Funds from operations/Consolidated net financial debt;
- System Average Interruption Duration Index – SAIDI;
- Safety in the workplace.
- for DRSs, the respective MBOs identify specific and objective annual targets linked to the reference business and differentiated in accordance with the Functions and assigned responsibilities;
- a long-term variable component linked to participation in specific multi-annual incentive plans. In particular, for 2021 this component is linked to participation in the Long-Term Incentive Plan destined for the management of Enel SpA and/or of its subsidiaries pursuant to article 2359 of the Italian Civil Code ("2021 LTI Plan"), which contains the following three-year performance goals:
 - average Enel TSR (Total Shareholders Return) vs average Euro Stoxx Utilities – UEM index TSR in the three-year period 2021-2023;
 - cumulative ROACE (Return on Average Capital Employed) in the three-year period 2021-2023;
 - Consolidated net installed capacity from renewable sources/Total net installed capacity at the end of 2023;
 - Emissions of GHG Scope 1 per equivalent kWh generated by the Group in 2023;
 - Percentage of women in the managerial succession plans at the end of 2023.

The 2021 LTI Plan also requires any premium accrued to be represented by a share component, to which – based on the level of achievement of the various targets – a monetary component can be added. In particular, 100% of the base bonus of the Chief Executive Officer/General Manager (with respect to a maximum amount that can reach 280% of the base bonus) and 50% of the base bonus of the DRS (with respect to a maximum amount that can reach 180% of the base premium) is to be disbursed in Enel shares, mainly purchased from the Company. In addition, the disbursement of a significant portion of the long-term variable remuneration component (70% of the total) is deferred to the second subsequent financial year with respect to the three-years of reference for the objectives of the 2021 LTI Plan (i.e. "deferred payment").

The table below shows the “pay ratio” for 2019, 2020 and 2021, also with an indication of the pay ratio for the fixed component of the remuneration.

	2021 ⁽¹⁾	2020 ⁽²⁾	2019
Pay Ratio – Ratio between the total remuneration of the CEO/GM of Enel and the average annual gross remuneration of Group employees	91x (34x fixed remuneration)	145x (35x fixed remuneration)	143x (36x fixed remuneration)

(1) The 2021 value decreased slightly with respect to 2020 due to some results that caused a sharp drop in the long-term and short-term variable component.

(2) The 2020 value was recalculated to take the effects of exchange rates into account and therefore make the information comparable.

For more information on the contents of the 2022 remuneration policy, refer to the Report on the Enel remunera-

tion policy for 2022 and on the compensation paid in 2021, available on the Company website (www.enel.com).

Internal Control and Risk Management System

| [102-11](#) | [102-15](#) | [102-25](#) | [102-28](#) | [102-29](#) | [102-30](#) | [103-2](#) | [103-3](#) | [201-2](#) |

Enel adopts a governance model in line with best risk management practices, which involves:

1 Group Risk Committee

created at the highest levels and guided by the Enel Group Chief Executive Officer.

4 Three lines of defence

Clear and defined assignment of roles and responsibilities based on the principle of “3 lines of defence”
(1 = Management, 2 = Control, 3 = Internal Audit).

2 Localized risk committee

based on the principles of the Business Lines and the scopes of the Countries and Regions, guided by the manager of the responsible Function (Business Line/Country/Region Manager) and coordinated with the Group Risk Committee.

5 Organizational procedures and risk policy system

to define the processes related to the measurement, management, monitoring and control of the most significant risks.

3 Risk Appetite Framework

specifically formalized in the Group risk catalogue.

6 Reporting system

continuous and structured, targeted towards decision makers regarding risk exposure and metrics, supplied on the level of the Group, Business Lines and relevant Countries and Regions.

Enel, in consideration of its operations, classifies the risks to which it is exposed, which includes six categories: **strategic, financial, operational, governance & culture, digital technology and compliance**.

The risks are defined in a **catalogue** to be referred to in all Group areas and for all the structures involved in management and monitoring processes. Adoption of a common language facilitates mapping and organic representation of risks within the Group, thus aiding identification of risks that affect Group processes and of the roles of the organizational units involved in their management.

The Group also adopts a **Risk Appetite Framework**, in order to enable, for each risk and in accordance with an integrated approach, the appropriate management and control measures, plus development and updating (metrics and models for measurement of risks). For the effective management of such risks, Enel set up an Internal Control and Risk Management System (“SCIGR”), updated periodically, that strengthens risk profile awareness, picking up the related opportunities, and supports management in decision-making processes aimed at value creation in a constantly evolving external context. The system is com-



posed of the set of rules, procedures, and organizational structures designed to allow identification, measurement, management, and monitoring of the main corporate risks within the Group. In this context, the Board of Directors performs a policy making and coordination role for risk management, which assures the adoption of aware, structured decisions that are consistent with the nature and level of risk at all levels of the Group. More details are provided in the Report on Corporate Governance and Ownership Structure, available on the Company website (www.enel.com, "Investors" section).

Due to the nature of its business and its geographical distribution, the Group is exposed to different types of ESG risk (environmental, social, and governance), identified within the reference framework of risk categories adopted by Enel.

In the identification of potential ESG risks, the following were considered:

- the results of the materiality analysis (see the section

"Our sustainable progress");

- the 2022 Global Risk Report of the World Economic Forum (WEF), involving more than 1,000 experts and leaders from all over the world;
- the risk assessments carried out as part of Enel's due diligence process on human rights, which involved numerous experts from different sectors, including civil society, academic institutions, local communities, customers and suppliers, in the various countries in which the Group operates;
- the analyses of some of the most highly internationally accredited ESG rating agencies, which use specific risk assessment systems to rate the level of company performance in relation to sustainability.

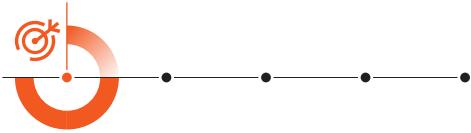
In the risk identification and assessment stage, the "Precautionary Principle"⁽²⁾ was applied, particularly in relation to risks relating to the environment, health, and safety. For each type of risk, specific actions have been identified to mitigate effects and ensure correct management. Enel

(2) Rio Declaration on the Environment and Development (Rio de Janeiro, June 3-14, 1992), Principle 15.

also applies this principle to risk management, especially with regard to the development and introduction of new products/technologies, planning of operating assets and the development and construction of new plants/assets.

The following is a description of the main ESG risk types, the actions intended to mitigate the effects and assure their correct management.

Strategic



Macroeconomic and geopolitical trends, legislative and regulatory evolution, and the competitive panorama

Reference scenario and description of risk

The markets and business in which the Group is present are facing processes of progressive, increasing competition and evolution from both a technological as well as a regulatory point of view, with timelines that vary from country to country.

As a result of these processes, Enel is exposed to growing competitive pressure and, as electricity is the carrier of the century, competition is increasing also from related sectors which, on the other hand, makes it possible for utility companies to enter into new areas of business. Furthermore, Enel is operating in regulated markets and changes to the operating rules of the various systems, as well as the related provisions and obligations, have an impact on operating performance and results.

Mitigation actions and associated strategic goals

The differentiation on which Enel can rely, both on a geographical level as well as with regard to the various sectors in which it operates, represents an important mitigation factor, and in order to better orient the strategic development guidelines, the evolution of the competitive panorama is continuously monitored, both inside and outside the world of Utilities.

In relation to risks that may arise from regulatory factors, relations were intensified with local government and regulatory bodies, adopting an approach based on transparency, collaboration and proactiveness in addressing and removing sources of instability of the legislative and regulatory framework.

Risks related to climate change

Reference scenario and description of risk

The physical risks arising from climate change can be classified as acute (or extreme events) or chronic: the former are linked to extremely intense weather-climatic conditions, while the latter refer to gradual and enduring changes in climatic conditions.

Extreme events may expose the Group to potential unavailability of assets and infrastructure, service restoration costs, inconvenience for customers, etc. Chronic changes in climatic conditions, on the other hand, may expose the Group to other physical risks or opportunities (depending on the geographical location): for example, structural changes in rainfall or wind patterns could impact the Group's business in generation terms, while structural temperature changes can impact electricity demand.

With regard to the energy transition process towards a more sustainable model with a progressive electrification and reduction in CO₂ emissions in line with the Group's decarbonization strategy, there are risks, but above all opportunities, tied to both the changing regulatory context and the technological and electrification trends, and resulting market developments, with potential effects also on commodity and energy prices.

Mitigation actions and associated strategic goals

The Group is committed to the continuous improvement of the environmental impact of its activities. In this context, the Group has recently brought forward by 10 years, from 2050 to 2040, its public commitment to "Net-Zero" emissions, both direct and indirect.

Moving towards complete decarbonization, Enel has constructed a roadmap that includes medium-term objectives to 2030 against 2017 as a benchmark. In particular, the Company has committed to reducing (i) direct greenhouse gas emissions per kWh by 80%, in line with the 1.5 °C pathway as certified by the Science Based Targets (SBTi) initiative; (ii) emissions related to the retail sale of gas by 55%; (iii) emissions related to electricity sales by 80%. The Group's strategic actions make it possible to mitigate the potential risks and exploit the opportunities associated with transition variables. In this context, capital employment is centered on decarbonization through the development of assets for generation from renewable sources, on enabling infrastructure linked to the development of networks, and on the implementation of platform models, fully exploiting technological and digital evolution which will favor consumption electrification and the development of new services for end customers. Furthermore, Enel participates in the entire electricity value chain and has a diversified activities portfolio, in terms of both generation technologies and the Countries and Regions in which it operates, mitigating climate change risks and their implications in terms of economic and financial impacts.

The management of weather and climate phenomena adopts the best strategies for prevention, protection and increasing resilience. For example, the Group uses weather forecasts, procedures for the management of adverse events and monitoring and analysis activities that provide for the definition of actions to protect and increase resilience, both for existing assets and for those under construction. Also, best practices are implemented in relation to physical events to ensure prompt recovery of operating conditions following adverse events. In terms of insurance risk assessment activities, the Group manages loss prevention global programs for property and liability risks, aimed at covering losses relating to damages to assets, business interruptions and damages to third parties. Such activities also include the assessment of the main exposures linked to natural events and, together with prevention and resilience enhancement measures, contribute to optimizing the insurance strategy. The Group develops short, medium and long-term scenarios in the energy and macro-economic financial spheres in order to support its strategic and industrial planning activities, investments assessment, scenario planning activities and activities related to extraordinary transactions.

All these activities, together with the integration of climate and transition scenarios and the development of an energy model at Country level, enables a prompt assessment of the risks and opportunities relating to climate change. This approach makes it possible to intercept effects on variables such as electricity demand, the system energy mix and consumption electrification. In addition, the Group's policies set guidelines for the assessment of risks and opportunities relating to climate change.

See also the "The path to Net-Zero" chapter of this document.



Environmental risks

Reference scenario and description of risk

In recent years, a growing sensitivity of the entire community has emerged in relation to risks linked to models of development that generate impacts on the quality of the environment and on ecosystems, with the exploitation of scarce natural resources (including raw materials and water). In some cases, synergistic effects between these impacts, such as global warming and the growing exploitation and degradation of water resources, increase the risk of environmental emergencies arising in the most sensitive areas of the planet, with the risk of competition for different water resource uses, i.e. industrial, agricultural, and civil.

To address these needs, institutions are updating environmental regulations to be more restrictive, placing increasingly stringent constraints on the development of new industrial initiatives, obliging or facilitating a shift away from technologies considered to be no longer sustainable in what are seen as the highest impact sectors.

In this context, the European Commission has recently launched an operating plan to set challenging targets on environmental recovery, in relation to both air quality and land reclamation in river areas and contaminated land, as well as to reduce loss of biodiversity.

In this context, companies in each sector, and especially leading companies, increasingly aware that environmental risks are also economic risks, are urged to step up their commitment and take on greater responsibility in identifying and adopting innovative and sustainable technical solutions and development models.

Mitigation actions and associated strategic goals

Enel has made the effective prevention and minimization of environmental impacts and risks a foundational element of each project across its entire life cycle. The adoption of ISO 14001-certified Environmental Management Systems certified within the Group ensures the presence of structured policies and procedures to identify and manage the environmental risks and opportunities associated with all corporate activities.

A structured control plan combined with actions and improvement objectives inspired by the best environmental practices, with requirements higher than those linked to simple environmental regulatory compliance, mitigates the risk of impacts on the environmental matrix, reputational damage and legal disputes. Also contributing are the multitude of actions to achieve the challenging environmental improvement objectives set by Enel, such as, for example, those regarding atmospheric emissions, waste produced and water consumption, especially in areas with high water stress.

The risk of water scarcity is directly mitigated by Enel's development strategy, which is based on the growth of generation from renewable sources that are essentially not dependent on the availability of water for their operation. Special attention is also devoted to assets in areas with a high level of water stress, in order to develop technological solutions to reduce consumption. Ongoing collaboration with local river basin management authorities enables us to adopt the most effective shared strategies for the sustainable management of hydroelectric generation assets.

Lastly, in relation to the protection of biodiversity, an analysis of the impacts/dependencies of the Company's business on natural resources was carried out and priority areas of action were defined throughout the value chain. On the basis of this analysis, appropriate terrestrial, marine and river monitoring of ecosystems is carried out to verify the effectiveness of measures adopted in order to protect, restore and preserve biodiversity.

Further information on risk management is given in the "Towards a nature-based model" chapter.

Risks relating to Health and Safety

Reference scenario and description of risk

The main health and safety risks to which Enel's people and contractors are exposed are related to the operating assets carried out at the Group's sites and its assets. In this context, violation of the laws, regulations, and procedures in force concerning to health and safety, workplaces, management of structures, company assets and processes, which can have a negative impact on the health of employees, workers, and stakeholders, can give rise to the risk of administrative or judicial penalties with associated economic-financial and reputational impacts. These risks were identified by analyzing the main events that occurred in the past three years. In particular, in relation to probability of occurrence, mechanical risks (falls, knocks, crushing and cuts) are the most likely, whilst in terms of potential associated impact, electrical risks are those with the most severe consequences (fatalities).

Also, in relation to the Group's presence in different geographical contexts worldwide, employees and contractors may be exposed to health risks relating to emerging infectious diseases, of epidemic and potentially pandemic nature, which may affect their good health and well-being.

Mitigation actions and associated strategic goals

Enel has adopted a Declaration of Commitment to Health and Safety, signed by the Group's Top Management.

To implement it, each of the Group's Business Lines has its own Occupational Health and Safety Management System in compliance with international standard BS OHSAS 18001, based on identifying hazards, qualitative and quantitative risk assessment, planning and implementing preventive and protective measures, verifying the effectiveness of preventive and protective measures, and any corrective actions required. This system also considers the rigorous selection and management of contractors and suppliers, promoting their involvement in continuous safety performance improvement programs.

The Enel Group has defined a structured health management system based on preventive and protective measures, functional also in respect of the development of a corporate culture oriented towards promoting mental-physical health and the organizational well-being of workers, and also the balance between the professional and personal spheres.

Furthermore, with regard to emergencies relating to risks resulting from the current and persistent pandemic scenario, a unit has been set up within the Holding PO Function with references in each Business Line and in each country, in order to assure the definition of the global strategy and policies for management of the emergency and their adoption in every Group organization. In particular, this organizational structure and the related management processes make it possible to direct, integrate and monitor, both at Group level and in the individual countries in which it operates, all the prevention, protection and intervention actions aimed at protecting the health of employees and contractors, also in relation to exogenous health risk factors that may not be strictly related to work activities.

Further information on risk management is given in the "Occupational health and safety" chapter.

Risks to Procurement, Logistics, and Supply Chain

Reference scenario and description of risk

Enel may be exposed to the risk of reputational, economic, or financial losses further to ineffective procurement activities or contracts management, inadequate supplier qualification processes, excessive recourse to direct awards, deficiencies in scouting activities, insufficient monitoring of compliance with contractual obligations, and failure to apply penalties.

Mitigation actions and associated strategic goals

Group procurement processes and the related governance documents constitute a structured system of standards and checkpoints that make it possible to combine the achievement of economic business goals with full compliance with the fundamental principles set down in the Code of Ethics, in the Enel Global Compliance Program, in the Zero Tolerance for Corruption Plan, and in the Policy on Human Rights, while continuing to promote initiatives aimed at

sustainable economic development.

These principles are expressed in the processes and organizational measures that Enel has decided to adopt in a self-regulation regime in order to establish relationships of trust with all its stakeholders and to define stable and constructive relations that do not only guarantee economic competitiveness but that take account of the best practices in essential areas for the Group, i.e. opposition to child labor, promotion of occupational health and safety conditions, and environmental responsibility. Thanks to greater interaction and integration with the outside world and with the different parts of the corporate organization, the purchasing process increasingly assumes a central role in value creation. Global Procurement contributes to the creation of a resilient and sustainable supply chain, to thinking in terms of circular economy, to encouraging innovation, sharing the Group's values and objectives with suppliers who, as such, become enablers to achieve Enel's targets.

More specifically, reward factors are introduced in the tenders, aimed at generating virtuous behavior on the part of our suppliers: for example, the environmental impact of any customer is strongly influenced by the impact of its upstream supply chain. Global Procurement therefore pushes its suppliers to objectively measure their carbon footprint and to embark on pathways of improvement.

From the perspective of the procurement process, the various Procurement units adopt the practice of tenders almost by default, guaranteeing the maximum competition and equal opportunity of access to all operators having the necessary technical, economic-financial, environmental, safety, human rights, legal and ethical characteristics. Procurement by direct award and without a competitive procedure can occur only in exceptional suitably motivated circumstances in compliance with the relevant statutory legislation.

Moreover, the global supplier qualification system, the same one throughout the Enel Group, checks – even before the procurement process starts – that potential suppliers are in line with the strategic corporate vision and with expectations in relation to all the mentioned profiles and requirements, and that they hold the same values.

With regard to the risk governance system, the Group is focused on the application of metrics that indicate the level of risk before and after the mitigation action, in order to implement precautionary actions to reduce uncertainty to a tolerable level or to mitigate any impacts in all business, technological and geographical areas.

The effectiveness of risk management in the supply chain is monitored using specific indicators, including the probability of insolvency, the concentration of contracts with individual suppliers or industrial groups, the supplier's dependence on Enel, the performance index for proper conduct during the tender, quality, punctuality and sustainability in the execution of the contract, Country risk, etc., for which thresholds are defined that guide the definition of the procurement, negotiation and award strategy of a tender, allowing informed choices of risk and potential benefit (savings).

The actions taken to counter the impacts of the Covid-19 emergency were centered around differentiation of procurement sources to prevent interruptions in the supply chain and in remote management of activities that would normally require physical interaction between Enel and the supplier (e.g. company on-site inspections).

Further information on risk management is given in the "Suppliers" chapter.

Risks of Business Interruption

Reference scenario and description of risk

Enel may be exposed to the risk of judicial or administrative sanctions, economic or financial losses, and reputational damage as a result of partial or total interruption of commercial operations and of electricity supplies to customers, caused by technical faults, malfunctions of assets and plants, human error, sabotage, unavailability of raw materials or adverse weather events, or infectious diseases with epidemic or pandemic potential that may limit the normal functioning of the Group's activities or of its supply chain.

Mitigation actions and associated strategic goals

Enel has systems and mechanisms to guarantee a continuous and safe energy supply to the national electrical systems of the countries in which it operates. The Company is therefore constantly at work to develop and improve the efficiency of the transport and distribution network, in coordination with the other entities operating on the network infrastructure in various capacities. Enel carries out actions of network development, modernization, and maintenance on the infrastructure existing in all Countries, with the primary aim of improving the quality of the service delivered and reducing the number and duration of outages. Enel also constantly takes operational efficiency and safety measures to guarantee correct functioning and availability of all its power plants. Lastly, the Group's assets are covered by adequate insurance mechanisms to protect the Company from potential negative economic consequences resulting from future and uncertain events.

Moreover, with special reference to the management of critical events, Enel has drawn up Group policy on a Business Line and Country level to ensure effectiveness of the decision-making process in the management of any event that could impair continuity of the public service and the Company's business, including health emergencies with a local and/or global impact.

Enel implements adequate protocols, plans and actions to ensure the smooth running of its business activity worldwide or, if necessary, its rapid recovery in the event of service interruptions.

Especially in relation to the health emergency, Enel defines specific protocols designed to limit the spread of contagion among the people involved in operating assets and consequently guarantee the continuity of service.

Further information on risk management is given in the "The decade of electrification and customer centricity" chapter.

Risks to people and organization

Reference scenario and description of risk

Enel aims to lead the transition towards a more sustainable development system, essential for the future of the planet, accelerating the process of decarbonization of its energy mix via renewable growth and the ever-increasing electrification of consumption.

The profound transformations of the energy sector require the calls for new profiles and professional skills, as well as a major cultural and organizational shift toward achieving the Group's objectives.

Organizations must orient their activities in line with new lean and flexible business models. Policies for the promotion of diversity and the management and promotion of talent become key elements for companies currently negotiating the transition and having a widespread geographical presence.

Mitigation actions and associated strategic goals

Enel places the people who working for the Company at the center of its business model. The management of human capital is a priority to which specific objectives are linked, the main ones including: development of digital skills and expertise, promotion of reskilling and upskilling programs for our people to support the energy transition, but also external skilling to foster the development of a benchmark ecosystem, widespread correct engagement with respect to the corporate purpose, which ensures better results supported by higher personal satisfaction; development of the workplace and performance appraisal systems; the dissemination, in all the countries in which the Group is present, of the diversity and inclusion policy, as well as an inclusive organizational culture based on principles of non-discrimination and equal opportunities, key drivers to attract and retain talent.

The Group is committed to strengthening the resilience and flexibility of its organizational models through strategies of process simplification and digitalization, in order to enable the effectiveness and autonomy of the people who work at the Company within new agile working formulas, already tested effectively in response to the Covid-19 pandemic emergency, which will be a key element of future working models.

Further information on risk management is given in the "Enel people" chapter.



Risks to Stakeholder Engagement

Reference scenario and description of risk

The risk of ineffective engagement of key stakeholders in relation to the strategic positioning of Enel on sustainability and financial objectives, due to the lack of understanding, anticipation, or orientation of their expectations, could cause incomplete integration of such expectations within the Company's business strategy and sustainability planning processes, with a potential negative impact on its reputation and competitiveness.

Enel currently operates in a vast geographical area, with a presence in more than 40 countries distributed in five continents, conducting business activities that call for the development of infrastructure in local areas, which can provoke criticism or potential disputes with communities in some cases. Such conditions could lead to delays in the execution of projects for new sites and impacts on operational continuity, with a potential negative economic-financial and reputational effect.

On the other hand, Enel's commitment to decarbonize its energy mix – with a particular focus on the coal mining phase – could have a potential negative impact in local areas that are heavily dependent on coal operations (mining and electricity generation) in terms of job losses and socio-economic development. This could ultimately expose Enel to reputational risks or even delay the Group's achievement of the decarbonization goals set out in its Strategic Plan.

In the meantime, the outlook of investors is shifting fast: the changes in progress and challenges presented by the modern world are also revolutionizing the method of investing.

The ESG investors are continuously increasing: since 2014 there has been a significant change such that at December 31, 2021 the SRI funds represent approximately 14.6% of share capital, whereas the signatory investors of the PRI (Principles for Responsible Investment) represent 46.6% of share capital.

Possible incorrect or incomplete disclosure by Enel of the results obtained, and likewise ineffective communications to the financial community of its strategy, which aims to create value for customers, society, and the environment, could have significant negative impacts on the assessment of Enel's shares and bonds.

Mitigation actions and associated strategic goals

In order to identify the priority issues for the Company and its stakeholders, materiality analysis is carried out annually, aimed at engaging and listening to all the Group's main stakeholders.

This approach has also allowed us to develop robust actions for the new context associated with the Covid-19 pandemic, given the changed conditions caused by restrictions such as social distancing and restricted movement.

Taking into account the results of the materiality analysis, the Group therefore defines its Sustainability Plan, to ensure alignment with stakeholders' expectations.

Since 2015, a Creating Shared Value (CSV) model has been in force, centered on the integration of sustainability in the business, in which the Company's success is directly related to the prosperity of the communities where it operates.

As well as an objective, this model represents a precise methodology applied to all our Business Lines and therefore introduces a new way of managing community relations and integrating socio-environmental factors within the processes and throughout the entire value chain, with special reference to operations of business development, engineering and construction and procurement, in addition to the management and maintenance of assets.

The development of a business project is accompanied until its final definition through specific context analysis tools, stakeholder mapping, the definition of materiality matrices and action

plans.

In addition, Enel promotes a fair and inclusive energy transition, through global reconversion and hybridization projects, in which over 40 sites around the world are currently engaged, with the aim of finding sustainable solutions (focused primarily on the energy reconversion and hybridization, the promotion of the circular economy and innovation, and the complementary development of third-party projects in full cooperation with local stakeholders) for the areas involved in the transition phase of thermoelectric sites.

From an operational viewpoint, knowledge of specific local requirements and continually listening to the needs of stakeholders are fundamental elements for mapping as comprehensively as possible the potential positive, but also negative impacts that the Group's activity has on the communities where our plants operate.

Furthermore, with a view to mitigating the risk associated with community relations and, more generally, human rights, we carry a specific analysis both for the individual country and for individual assets, continually to monitor the potential critical issues and respond rapidly to the emerging needs.

Since 2019 the Investor Relations unit has organized an annual proactive engagement activity with the main Enel shareholders, on environmental, social, and governance issues.

In addition, by means of dialog with shareholders and bondholders, this collects feedback on how to integrate and improve the Group's reporting process and make its communications as effective as possible.

Further information on risk management can be found in the "Our sustainable progress", "Local and global communities" and "Sound governance" chapters.

Digital technology



Risks related to cyber security

Reference scenario and description of risk

The speed of technological development, which brings an endless stream of new challenges, the frequency and intensity of the ever increasing number of cyberattacks, as well as the tendency to strike critical infrastructure and strategic industrial sectors, highlight a potential risk that can cause normal business operations to grind to a halt in extreme cases. Cyberattacks have changed dramatically in recent years: the number has grown exponentially, as has their level of complexity and impact (theft of corporate and customer data), with timely identification of sources becoming increasingly difficult. In terms of the Group, this is due to the numerous contexts in which it operates (data, industry, and people), in addition to the intrinsic complexity and interconnection of resources which, over the years, have been increasingly integrated into routine operating processes.

Mitigation actions and associated strategic goals

The Group has adopted a holistic governance model in relation to cyber security, which is applied to the Information Technology (IT), Operational Technology (OT) and the Internet of Things (IoT) sectors. The framework is based on the commitment of Top Management, the global strategic approach, the involvement of all business areas, as well as the units responsible for the systems design and implementation. The framework is also committed to use the latest technology available

Risks related to digitalization, IT effectiveness, and service continuity

on the market to design *ad hoc* business processes, to strengthen people's IT awareness, and to implement regulatory requirements.

Moreover, the Group has defined and adopted a management method for IT security in accordance with risk-based and cyber security by design approaches, thereby making the corporate risk analysis a key step in all strategic decisions. Enel has also set up a Cyber Emergency Readiness Team (CERT) to respond to and proactively manage possible incidents in the field of cyber security.

In addition, since 2019, in order to mitigate exposure not only with technical countermeasures, the Group has taken out insurance on the risks related to cyber security.

Further information on risk management is given in the "Digitalization" and "Innovability®" chapters.

Reference scenario and description of risk

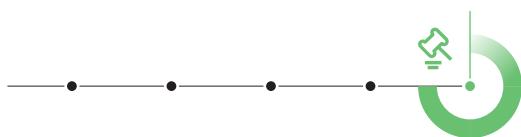
The Group is carrying out a complete digital transformation of the management of the entire energy value chain, developing new business models and digitalizing its business processes, integrating the systems and adopting new technologies. One result of this digital transformation is that the Group is increasingly exposed to risks relating to the operations of IT systems integrated across the Company, with impacts on processes and operating assets that could lead to the exposure of IT and OT systems to service interruptions or data losses.

Mitigation actions and associated strategic goals

Control of such risks is guaranteed by a series of internal measures developed by the Group to oversee the digital transformation. In particular, an internal control system has been set up, which introduces control points along the entire IT value chain, enabling us to prevent the emergence of risks relating to such issues as the creation of services that do not meet business needs, the failure to implement adequate security measures and service interruptions. The internal control system oversees both the activities performed in-house and those outsourced to external associates and service providers. Enel is also promoting the dissemination of digital culture and skills within the Group, so as to guide the digital transformation successfully and minimize the associated risks.

Further information on risk management is given in the "Digitalization" and "Innovability®" chapters.

Compliance



Risks related to personal data protection

Reference scenario and description of risk

In the era of digitalization and globalization of markets, Enel's business strategy is focused on accelerating the process of transformation towards a business model based on a digital platform, by means of a data driven and customer-focused approach, which is being developed throughout the entire value chain.

The Company, which is present in more than 40 countries, has the largest customer base in the public utilities sector (around 69 million customers), with a current workforce of approximately 66,000 people; consequently, the Group's new business model requires the management of an

Other compliance risks

increasingly relevant and growing volume of personal data in order to achieve the financial and business results envisaged in the 2022-2024 Strategic Plan.

This implies an exposure to the risks associated with personal data protection (also due to the increasing volume of privacy regulations in the majority of countries in which Enel is present). These risks can take the form of a loss of confidentiality, integrity, and availability of the personal data of customers, employees, and others (e.g. suppliers), resulting in the application of penalties in proportion to global sales, obstructing processes with consequent economic or financial losses and reputational damage.

Mitigation actions and associated strategic goals

In order to manage and mitigate this risk, Enel has adopted a global model of personal data governance, partly through the assignment of privacy roles at all levels – including the appointment of Data Protection Officers (“DPOs”) both at a global and Country level – as well as via digital compliance instruments to map applications and processes and manage relevant risks to personal data protection, in compliance with the peculiarities of local sector regulations. Further information on risk management is given in the “Human rights” section of this chapter.

Reference scenario and description of risk

Enel may be exposed to the risk of judicial measures, administrative sanctions, economic or financial losses and reputational damage as a result of:

- illegal or illicit conduct, including active and passive acts of corruption, perpetrated by people inside or outside the Group in order to secure an unjust benefit for themselves or for others;
- infringement of international, national, or local laws and regulations concerning: accounting, financial, or tax discipline, market disclosures, anti-trust and consumer rights issues or other applicable legislative provisions (e.g. rules concerning permitting or contracts, regulation of electricity markets, etc.).

Mitigation actions and associated strategic goals

Enel has adopted an Internal Control and Risk Management System expressed in company rules and procedures that all who work in Enel or on behalf of Enel are required to follow, by means of their respective contractual commitments. The Internal Control System also includes specific compliance programs, i.e.: the Code of Ethics, the Zero Tolerance for Corruption Plan (ZTC Plan), the Policy on Human Rights, the Enel Global Compliance Program (EGCP), the Model pursuant to Italian Legislative Decree 231/01 and other national compliance programs adopted by Group companies in accordance with their national legislation. Furthermore, to further pursue its commitment to fighting corruption, Enel voluntarily decided to certify its Anti-Bribery Management System (SGPC) in compliance with the requirements of international standard ISO 37001:2016 (international certification of anti-bribery management systems). This certification process has involved the Group’s main subsidiaries.

External staff, working for Enel Group company suppliers, undertake to comply with the ethical clauses set out in their respective contracts, which incorporate references to Enel’s commitment in terms of business integrity in the pursuit of its activities.

The ongoing monitoring of legislative and regulatory developments at the local, national and international levels is guaranteed by the operations of specific company Functions with competence in relation to these matters.

Further information on risk management is given in the “Sound governance” chapter.

In relation to the specific contexts pursuant to Italian Legislative Decree 254/16 concerning climate change, human rights, and the fight against corruption, we invite you to refer to the sections dedicated to these topics in this Sustainability Report.

The other types of risk to which the Enel Group is exposed are detailed in the “Risk Management” section of the Integrated Annual Report available on the website (www.enel.com, “Investors” section).

Transparency in institutional processes

Enel constantly manages relations with institutions (local, national, European, and international) in line with the Enel Compliance Program, providing complete and transparent information with the aim of placing institutional counterparts in the best possible position to make the decisions within the sphere of their competence. Enel also contributes to the consultation processes regarding political and legislative dossiers on energy and environmental issues. In the context of relations with European institutions, Enel is actively present in every phase of the consultation process on political and legislative dossiers of corporate interest through careful monitoring and analysis (see also the chapter "The path to Net-Zero").

The Enel Group has been enrolled in the EU voluntary transparency register since its creation in 2008. The register aims to provide citizens with a single and direct access point to information on who carries out activities aimed at influencing the EU decision-making process, the interests pursued, and the resources invested in these activities (<http://ec.europa.eu/transparencyregister/public/homePage.do>). In line with the provisions of the Code of Ethics, paragraph 3.26, Enel does not finance political parties, their representatives or candidates in Italy or abroad, nor does it sponsor conventions or events whose sole purpose is political propaganda. It refrains from any direct or

indirect pressure on politicians (for example, by granting the use of its facilities, accepting new recruit recommendations, or awarding consultancy contracts). Enel and its subsidiaries are present in various trade and employer associations whose role includes representing the positioning of its members in the regulatory processes inherent in the business activity. The annual contributions paid to the above-mentioned organizations in the form of membership fees in 2021 totaled approximately 8.4 million euros, compared to 8.3 million euros in 2020⁽³⁾. In particular, in 2021 the three largest contributions in terms of overall amount concerned AELEC (Asociación de Empresas de Energía Eléctrica) in Spain, Confindustria and Elettricità Futura in Italy⁽⁴⁾.

The institutional dialogue with the trade and employer associations in which Enel and its subsidiaries took part in 2021 concerned the support of regulatory and consultation processes, including also the following main issues:

- development of energy policies: including, among other topics, the strategic outlook of the sector, energy efficiency, the growth of renewables, smart grid development and energy costs⁽⁵⁾;
- increasing business competitiveness: including, among other topics, tax regulation, labor law issues and environmental policies⁽⁶⁾.

Values and pillars of corporate ethics

| 102-12 | 102-15 | 102-16 | 102-17 | 102-25 | 102-33 | 103-2 | 103-3 | 205-1 | 205-2 |
| 205-3 | 405-1 | 406-1 | 408-1 | 409-1 | 412-1 | 412-2 | 413-1 |

A solid and dynamic ethical system, constantly oriented towards implementing best practices on the national and international levels is the foundational element of the Enel system of values underpinning the Company's operating assets, and of relations entertained with all its key stakeholders. A system based on compliance programs, including the Code of Eth-

ics, Policy on Human Rights (see the chapter "ESG backbones - Human Rights Management"), the Zero Tolerance for Corruption Plan (TZC Plan), Enel Global Compliance Program, the Model pursuant to Italian Legislative Decree 231/01, plus any other national compliance models adopted by Group companies in accordance with local regulations.

Code of Ethics

In 2002, Enel adopted a Code of Ethics that expresses the commitments and ethical responsibilities to which it

adheres in its operating assets, regulating and harmonizing corporate conduct according to standards based

(3) These amounts include the contributions paid by Enel SpA (including the main Italian companies) and by its foreign subsidiaries Endesa, Enel Américas and Enel Chile.

(4) Specifically: Confindustria 1.7 million euros; Aelec (ex "UNESA") 1.4 million euros; Elettricità Futura (formerly "Associazione Nazionale delle Imprese Elettriche") 0.7 million euros.

(5) The 2021 contribution was 4.5 million euros.

(6) The 2021 contribution was 3.9 million euros.

on the maximum transparency and integrity towards all stakeholders. The Code of Ethics is applicable to the entire Group, notwithstanding the cultural, social, and economic diversity between the various countries in which Enel operates. Enel also requires all its main suppliers and partners to adopt conduct in line with the Code's general principles. We draw your attention to the fact that in February 2021 the Board of Directors approved a further update of the

Code of Ethics in order to align the contents with the current situation, the changes that have occurred in the organizational structure and in the Group's procedural system, and with national and international best practices. More information is available on the website <https://www.enel.com/investors/sustainability/daily-commitment/sound-governance-ethical-conduct/principles-underpinning-our-work/code-ethics>.

Stakeholder reports

Any violation or suspected violation of the ethical system can be reported, also anonymously, through a single platform at Group level ("Ethics Point"), which is accessible at www.enel.ethicpoint.com. The Audit Function receives and analyses these reports, performing the related checks and ensuring uniform treatment at Group level, in compliance with company policies and local regulations.

The reports management process is governed by the whistleblowing policy "Management of anonymous and non-anonymous reports", which guarantees anonymity and protection against any form of retaliation and also ensures adequate protection against groundless reports made maliciously to harm or cause prejudice to individuals and/or companies.

KPI	UM	2021	2020	2019	2021-2020	%
Reports received	no.	153	151	166	2	+1
Violations related to incidents of:	no.	41	26	38	15	+58
Conflict of interest/corruption	no.	7	2	10	5	-
Misappropriation	no.	5	14	11	-9	-64
Labor practices	no.	25	9	11	16	-
Community and society	no.	1	-	-	1	-
Other reasons	no.	3	1	6	2	-

During 2021, 153 reports were received through the Ethics Channel⁽⁷⁾, which is generally in line with the previous year, with an increase in the incidence of verified violations. The cases of "Conflict of interest/corruption" refer to episodes of failure to observe the internal policies in order to pursue personal interests. There has been a greater number of

violations related to "Labor practices"⁽⁸⁾, mainly related to respect for diversity and non-discrimination, attributed to individual behaviors that are inappropriate and/or harmful to personal dignity, for which measures have been taken and initiatives considered in order to improve the Company climate.

Organizational and Management Model pursuant to Italian Legislative Decree 231/01

Italian Legislative Decree no. 231 of June 8, 2001 introduced an administrative (essentially criminal) liability into the Italian legal system for companies in respect of certain types of offences committed by directors, managers, or employees in the interest of or for the benefit of the companies concerned. Already in 2002, Enel – the first in

Italy – adopted an Organizational and Management Model that meets the requirements of Legislative Decree 231/01 (Model 231). Since then, it has been constantly updated in line with the reference regulatory framework and current organizational context.

(7) The Ethics Channel can also be used to send reports regarding the Group's commitments regarding human rights.

(8) Of the violations that were verified related to labor practices, 15 are related to cases of behaviors that are inappropriate and/or harmful to personal dignity, and 10 related to health and safety issues.

Active and passive fight against corruption

| 103-2 | 103-3 | 205-1 | 205-2 |

In compliance with the 10th Global Compact principle, according to which "companies are committed to combating corruption in all its forms, including extortion and bribery", Enel intends to pursue its commitment to fighting corruption in all its forms – whether direct or indirect – by applying the principles expressed in the pillars of its Anti-Bribery Management System.

Enel's Anti-Bribery Management System (ABMS) is based on the Group's commitment to fighting corruption by applying the criteria of transparency and conduct as set out in the Zero Tolerance for Corruption Plan (ZTC Plan) and confirmed in the Anti-Bribery Policy adopted in compliance with international standard ISO 37001:2016 (on anti-bribery management systems).

Together with the ZTC Plan, the pillars underpinning the ABMS are:

- the Code of Ethics;
- Models to prevent the main criminal risks (for example, bribery in relations with public administrations and among private individuals, environmental offences, corporate offences and, for Italian companies, manslaughter, severe personal injury or grievous bodily harm committed in violation of the rules on the protection of occupational health and safety), as described by the applicable regulations on corporate responsibility (the "Compliance Program") in the various countries where the Group operates (for example, Organizational Model 231 for Italian companies, the Risk Prevention Model/Integrity Program for Group companies in Spain and Latin America);

- the Enel Global Compliance Program ("EGCP"), a governance tool aimed at strengthening the Group's ethical and professional commitment to preventing offences committed outside Italy that might result in corporate criminal liability and reputational risks. The EGCP applies to the Group's non-Italian companies and supplements any compliance programs adopted by the same companies, in compliance with local regulations.

The mentioned governance measures (in relation to which we refer you to the specific section of the website), together with the current body of procedures, outline an effective prevention system, which is an integral part of the Group's Internal Control System.

In 2017 Enel SpA was among the first companies in the world to obtain certification of the conformity of its Anti-Bribery Management system to international standard ISO 37001:2016 ("Anti-Bribery Management System"). This certification was issued following an independent verification process, carried out by a primary accredited certification body, which was carried out in two separate phases, aimed primarily at certifying the adequacy of the design of the Enel anti-bribery management system (in terms of governance, roles, and responsibilities, control procedures, etc.), and secondarily at assessing the level of application and effectiveness.

After Enel SpA obtained certification ISO 37001 for its anti-bribery management system, it gradually extended the 37001 certification plan to the Group's main Italian and foreign subsidiaries, guaranteeing maintenance of the certifications already obtained.

Data Protection

| 418-1 |

Protection and processing of personal data are an important challenge for Enel in the era of digitalization and market globalization, and also a constant commitment to ensure continuous improvement of the service we supply to our customers.

To respond to this challenge in line with the provisions of the General Data Protection Regulation (EU 2016/679), in 2017 Enel set up a specific unit within the Legal Function (**Data Protection Office**) and appointed the data supervisors ("Data Protection Officers" - DPO). The DPOs are appointed based on their professional skills and knowledge, and their ability to carry out the assigned tasks in accordance with the principle of independence. The Data Protection Office is structured as follows:

- **Data Protection Governance:** a unit that monitors the evolution of data protection legislation and defines the Group's compliance. The office also carries out the role of DPO in countries in which the creation of a local Data Protection Office is not necessary;
- **Holding and Global Service Functions Data Protection:** units that promote privacy by design from phase of process planning at the global level and ensure consistent development at the national level;
- **Global Business Lines Data Protection:** a unit that supports the Global Business Lines in compliance concerning data protection, and monitors the evolution of data protection certification mechanisms for products and services;

- **Country unit:** a unit that monitors the evolution of regulations on a local level and supports the local Business Lines as regards compliance related to data protection. In 2020 country units were set up in Latin America (Argentina, Brazil, Chile, Colombia, Peru), alongside the European area units already in place (Italy, Portugal, Romania, Spain).

Also internal tools were developed based on the size and complexity of Enel, in order to guarantee conformity of the protection and valorization of data to favor the presence of Enel in the European data economy, including the registers of personal data processing activities and impact assessment on data protection (DPIA – Data Protection Impact Assessment). The DPOs implement processes and activities in compliance with the indications of legislation concerning Personal Data Protection and are committed to drawing up data protection agreements and clauses; planning data governance and corporate policies; providing privacy consulting in the design and default phase; ensuring adequate risk management and monitoring the consistency of data protection policies within the organization, especially among European and non-European legal entities.

Furthermore, in order to guarantee full and effective protection of personal data, the Group has adopted a digital platform (the Data Protection Platform), which is able to ensure digital compliance, through the use of the following tools:

- **Processing register**, which integrates the registers of the data controller and the data processor on a single platform, guaranteeing the dynamic mapping of the processing activities and their life cycle, as well as the

fulfilment of the obligations required by the regulation. For the Enel Group, this tool also represents an essential resource for designing and monitoring intra-group dynamics.

- **Privacy by Design**, which makes it possible to create every new project in line with the principles regarding privacy.
- **DPIA (Data Protection Impact Assessment)**, which makes it possible to perform an evaluation of the effective risks for the freedom and rights of the data subjects and to monitor the current risk of each processing operation that is changed in light of the implementation of a remedy plan.
- **DTIA (Data Transfer Impact Assessment)**, which makes it possible to evaluate the transfer risk that accounts for the methods by means of which the data is transferred, as well as the regulatory aspects of the country where the data is transferred.
- **Data Breach Management**, which permits the structured and timely management of all possible incidents that involve multiple companies and countries, and makes it possible to study these events in order to implement common prevention solutions.
- **Analytics**, that, with the definition of precise KPI, makes it possible to continuously analyze, compare and monitor the data and processes processed by the Companies.

In 2021, the Group's companies handled more than **17,343 communications concerning personal data protection from customers**, and collaborated with the national authorities, receiving **94 requests for information and clarifications**.

Procedures started by competent Supervisory Authorities

With specific reference to **Italy**, the Data Protection Authority, with a notified measure on May 14, 2021, on the basis of some reports made by consumers who complained about receiving undesired marketing phone calls, started (i) a procedure for the adoption of corrective and disciplinary measures against Servizio Elettrico Nazionale, due to alleged privacy violations, disputing, in particular, undesired phone calls, the undue provision of personal data (POD, supply address, tax code, etc.) to unauthorized parties for third-party promotional purposes, and (ii) proceedings for the adoption of corrective and disciplinary measures toward Enel Energia, due to alleged privacy violations, disputing, in particular, the unsuitability of the activities for the supervision and control of internal data processing processes within the scope of telemarketing activities, as well as the failure to adopt a structured and effective action to prevent undesired calls. In

relation to the proceedings brought against Enel Energia, a measure was issued on January 18, 2022 with which, at the end of the proceedings, the Data Protection Authority fined the Company for approximately 26 million euros, ordering also other prescriptive measures. The fine was contested by Enel Energia on February 9, 2022 before the Civil Court of Rome which, with an order dated March 20, 2022, ordered the suspension of its effects pending the judgement.

In 2021, in Spain the local control Authority started 30 proceedings in which: (i) 26 related to Endesa Energía (of which only 11 are in progress); (ii) 3 related to Endesa X Services (of which only 2 are in progress); (iii) 1 related to e-Distribution.

In **Portugal**, in 2021, the Authority started proceedings against Endesa Generación Portugal as a result of sending direct marketing communications to data subjects

without their prior consent, which resulted in a fine of 5,000 euros⁽⁹⁾.

In **Brazil**, between the end of 2021 and the beginning of 2022, the local control Authority started proceedings against Enel SP (i) regarding a data breach involving the personal data of customers in November 2020, as well as (ii) two proceedings related to the requests to exercise rights by the data subjects.

In **Peru**, the competent control Authority started proceedings in 2021 against Enel Distribución Perú, which resulted in a fine of 14,500 euros due to the Company's failure to observe specific privacy guidelines issued by

the same local Authority and through which an appeal was presented.

In **Colombia**, on February 10, 2021, the local control Authority started proceedings against Codensa due to the failure to observe the terms specified in the regulation concerning the online maintenance of the personal data of a data subject on the Company's website. On February 23, 2021, Codensa appealed these proceedings and there have not been any further investigations and/or penalties.

Data breach

Regarding data breaches, during 2021 six violations of personal data were recorded within the scope of the Enel Group.

In particular, in **Italy**, four violations of personal data were notified to the Data Protection Authority. More specifically, with reference to Servizio Elettrico Nazionale, (i) a data violation was caused by the illegitimate behavior of an employee of the same Company, which led to the loss of confidentiality of the personal data of approximately 230 customers, (ii) the other concerned the improper use of customer e-mail addresses by 4 of the Company's sales partners, for the activation of energy bill information services, which involved 7,000 customers as data subjects. In relation to Enel Energia, the latter notified a data breach, which consisted in the activation by persons unknown, on behalf of Enel Energia customers, of contracts that were not requested with Sorgenia, in order to benefit from a promotion with Amazon offered by Sorgenia for new cus-

tomers.

As regards CityPoste Payment, the latter notified an incident to the Data Protection Authority, as they were subject to a ransomware attack on two Company servers in June 2021, which led to the temporarily unavailability of personal data related mainly to Company customers. On August 30, 2021, the said Authority terminated the proceedings.

In **Argentina**, Empresa Distribuidora notified an incident – which occurred due to unauthorized access to the Company's website – to the local energy regulation Authority (*Ente Nacional Regulador de la Electricidad*).

Finally, in **Colombia**, Codensa notified a violation of personal data to the local control Authority, which was caused by a security incident in the private area of an application used by customers only in Latin America.

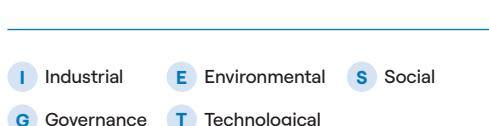
(9) As regards the administrative proceedings indicated for Portugal, it was notified by the local authorities after the closure of Endesa's Sustainability Report.





Activities	2021-2023 targets	2021 results	Status	2022-2024 targets	Tag	SDG
Human rights due diligence	<ul style="list-style-type: none"> In 2021: application of the site due diligence methodology to the pilot assets identified during the 2020 analysis In 2022: extension of the application of the site due diligence methodology; review of the due diligence on the human rights management system to enable the use of the new IT platform during the process In 2023: completion of the review of the due diligence on the human rights management system 	Site due diligence ⁽¹⁾ : <ul style="list-style-type: none"> Launched tool for Asset Level Human Rights Impact Assessment Identified assets in pilot countries (Italy, Iberia, Chile, Colombia) 		Definition of a strategic framework relating to the management of human rights in business operations, implementation of the ensuing action plans, analysis of the results and tailoring of the inputs to update the initial framework including any evolution of the international landscape	 	

(1) Due diligence activities at site level delayed because of Covid-19 pandemic situation.



Human Rights



| **103-2** | **103-3** | **407-1** | **408-1** | **409-1** |
| **411-1** | **412-1** | **413-1** | **418-1** |

Respecting human rights is a fundamental element to empower sustainable progress. Our business model aims at creating sustainable value jointly with our internal and external stakeholders, innovating, and pursuing excellence and leveraging the respect of human rights along the whole value chain of our business activities. Innovation and sustainability are inseparable parts of our strategy, together with the spirit of service and care for the well-being of people and the society in which we operate. Engaging the main external and internal stakeholders is a crucial element to enhance awareness and develop a constructive dialogue that can provide a valuable contribution to the current challenges posed by societal impacts of economy decarbonization.

Indeed, we belong to the territory, and we are an essential element in the lives of people, businesses, and society at large and their needs and priorities are an essential input for processes and products innovation, as well as being crucial for a competitive, inclusive and sustainable business model aiming at generating positive impacts in society.

This means rejecting harmful practices like modern slavery, forced labor, and human trafficking, to name a few, and promoting diversity, inclusion, and equal treatment and opportunity, and guaranteeing that people are treated fairly and valued for their uniqueness throughout the entire value chain of the businesses in which we operate. The main reference international standards underpinning our commitment are the United Nations "Protect, Respect and Remedy" framework outlined in its guiding principles on business and human rights and the OECD guidelines for multinational enterprises.

Our commitment is transparently reflected in a specific policy on Human Rights developed

and adopted as early as 2013. Such policy has been refreshed in 2021 to accommodate the evolution of the international reference frameworks and of our operating, organizational and management processes and strengthens and expands commitments already included in several codes of conduct like the Code of Ethics, Zero Tolerance for Corruption Plan and the global compliance models. The updated text has been approved by the Board of Directors of Enel SpA and subsequently adopted by its subsidiaries.

Engagement with our stakeholders, an essential element for all Enel's activities, is at the core of the policy updating as well: we have, indeed, held a consultation in line with the "UN Global Compact Guide for business: how to develop a Human Rights Policy" and we have involved people within our organization, as well as suppliers, human rights experts, think tanks, NGOs, other companies.

We commit to respect such principles in any country where we operate, with due regard for the cultural, social, and economic diversities from one country to another and require that our stakeholders deal with us in accordance with them, with a particular attention to conflict affected and high-risk contexts.

The updated Policy identifies twelve principles, classified into two macro-issues: employment practices and community relations and society, and sets out how environmental degradation and climate change are intertwined with human rights since the implementation of measures to mitigate the effects of the former will happen only if their societal impact is taken into account.

The included principles have been selected

based on their relevance to our business activities and relationships, as well as on the outcome of the above-mentioned consultation process.

The most relevant integrations are as follows:

- added introduction listing the connection of the principles with the broader industrial strategy and integration of the scope of application of the policy in terms of stakeholder categories most directly correlated to Enel's value chain, specifically: any party with a direct or indirect interest in Enel Group's business, such as customers, people working in the corporation, whether they are executives or employees, suppliers, contractors, partners, other companies and trade associations, the financial community, civil society, local, and indigenous and tribal communities, national and international institutions, the media, and the organizations and institutions that represent them;
- strengthened the principles "Respect for diversity and non-discrimination" and "Health and safety". The latter has been renamed "Health, safety and well-being" to accommodate the reference to the respect of physical and psychological well-being as well as the promotion of work-life integration behaviors; section, namely:
 - "Environment" since a safe, clean, healthy and sustainable environment is integral to the full enjoyment of a wide range of human rights. Such principle is aligned to the environmental policy and introduces the notion of respect of biodiversity;
 - "Respecting the rights of local communities" and "Respecting the rights of indigenous and tribal peoples" (the latter, according to with ILO Convention n. 169), which were formerly included in the broader "Respecting the rights of communities" principle;
 - splitting of the "Privacy and communications" principle in two separate ones, "Privacy" and "Communications" and strengthening of the messages of both as well as elaborating on their correlation with our customers in more detail.

In line with the UN Guiding Principles for Business and Human Rights we have a grievance mechanism in place to which stakeholders, whether internal or external, believing a violation might have occurred may resort.

Analysis of grievances is carried out by our Audit Function that contacts, if necessary, the person who has filed it and the person responsible of the alleged violation, ensuring uniform treatment at Group level, in compliance with

Company policies and local regulations.

Whenever, following a grievance, a violation of the principles contained in the Human Rights Policy is ascertained, the relevant procedure provided for in the Code of Ethics is implemented.

We ensure that whistleblowers are not subject to any acts of retaliation and that their identity remains confidential, unless otherwise required by the law.

Any stakeholder who may be potentially affected has access to both digital and physical contact channels⁽¹⁰⁾, which are also available for whistleblowing relating to potential violations of the Code of Ethics.

Moreover, we have grievance channels also at local level and this ensures accessibility to all potentially affected stakeholders in their own language.

For detailed info on 2021 data, please refer to the section "Stakeholder reports" included in the paragraph "Values and pillars of company ethics" of the chapter hereof.

We have committed to monitor the implementation of the policy i) through a specific due diligence⁽¹¹⁾ process, ii) the promotion of practices in line with a just and inclusive transition, and iii) by reporting evidence of improvement plan actions identified to prevent and remedy should critical issues occur.

Specifically, as required by the UN Guidelines and by the OECD Due Diligence Guidance for Responsible Business Conduct, we have developed a specific process of due diligence of human rights (described below). Such process covers the entire value chain across our geographic footprint and aims at identifying if any of our operating procedures and processes require an improvement plan to strengthen the management system that ensures we comply with the commitments undertaken in our Human Rights Policy.

Our commitment extends to supporting heightened responsible business conduct also through European reference organizations, like Eurelectric, the utility-sector one, through which, during 2021 we have participated in the public consultation process concerning the draft directive on mandatory Human Rights and Environmental Due Diligence and during 2022 we will contribute to its finalization.

Besides the management system due diligence process, we ensure that sustainability, and hence respect of our commitment in terms of human rights, is an integral part

(10) Web or toll-free number shown on the Enel Code of Ethics web page or by writing to: Enel SpA - Audit Function - Code of Ethics. Via Dalmazia, 15 - 00198 Rome, Italy.

(11) In the context of the Guiding Principles on Business and Human Rights (Principles 17-21), this term refers to a continuously evolving management system implemented by a company, in accordance with the sector in which it works, its operating contexts, its organizational structure, to ensure it is not involved in human rights violations. This implies "identifying, preventing, mitigating and reporting" potential negative impacts deriving from the Company's business activities.

of our corporate decision-making process thanks to an organizational and corporate governance model that sets out well-defined tasks and responsibilities of the main governance bodies. Namely:

- the Board of Directors, acting through the Control and Risks Committee and the Corporate Governance and Sustainability Committee which carry out preparatory work aimed at making proposals and providing advice, is responsible for examining the main company rules and procedures of relevance with respect to stakeholders and connected to the Internal Control and Risk Management System. These include our Human Rights Policy, our Code of Ethics, our Zero Tolerance for Corruption Plan and our global compliance models. Both committees are in charge of providing recommendations for changes to approval by the Board, if necessary, in order to bring such procedures in line with national and international best practices and with modifications in applicable laws and regulations;

- the Innovability® Function, and, namely, the Sustainability Planning and Performance Management and Human Rights unit, is responsible for:
 - managing the positioning on human rights and ensuring that it is correctly reflected in any internal and external communication activity;
 - integrating respect of the principles included in our human rights policy in corporate processes and planning and coordinating due diligence activities on the related management system, with the support of other units relevant to the process;
 - reporting to the Control and Risk Committee and to the Corporate Governance and the Sustainability Committee on the implementation of the due diligence process and on the management of human rights-related activities;
 - reporting annually within the Group's Sustainability Report how we respect human rights based on the UN Guiding Principles Reporting Framework.



Human rights management system due diligence process

| 102-15 |

In line with the OECD Guidelines for Multinational Enterprises and the ensuing Due diligence Guidance for Responsible Business Conduct, we have set up a process that entails the following steps:

1. assessment of risk perceived by key stakeholders, at the individual country level, with regard to labor, local community, and environment-related rights;
2. gap analysis aimed at assessing our operating and risk monitoring processes and identifying any potential shortfall;
3. development of improvement plan actions to meet the gaps identified at step 2;
4. monitoring of the progress in implementing the remedies included in the improvement plan.

Thanks to the due diligence on our human rights management system we assess 100% of the policies and operating procedures put in place to identify the risks of our direct and indirect operations along our entire value chain and of our new business relations (e.g. acquisitions, mergers, joint ventures, etc.).

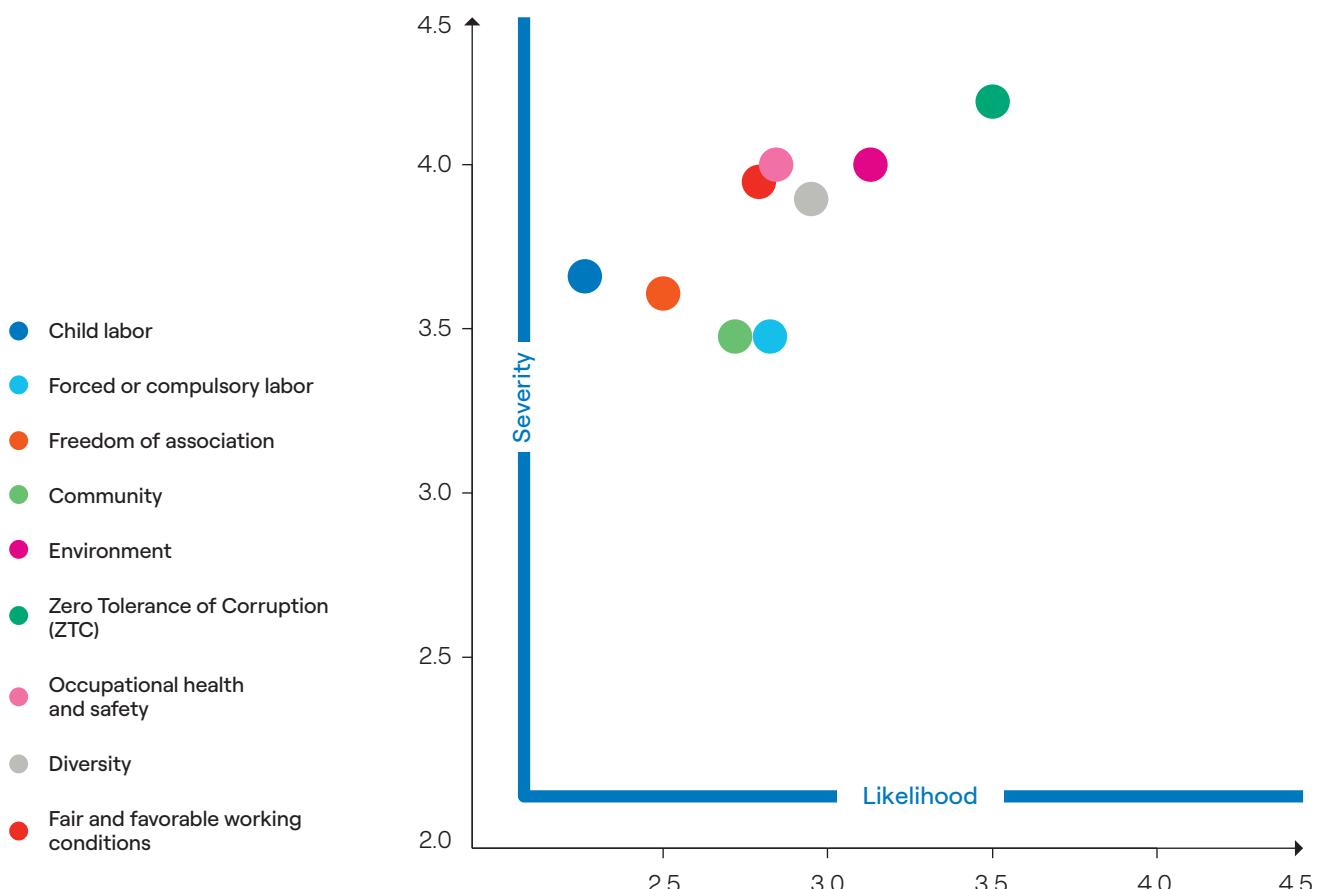
The process runs on three-year cycles and we are now in the 2020–2022 one. Worth noting is that the process was based on the text of the policy in force at the time the cycle started (2013 edition).

Hereafter, the outcome of step 1 and 2 for the current cycle:

1. Assessment of the perceived risk

A context analysis was run in 2020 in our countries of operation by consulting relevant stakeholders and experts in several fields, namely civil society, and academic insti-

tutions. Specifically, consultations involved direct and indirect workers, representatives of indigenous populations and local communities, trade unions and local institutions.



Consultation outcomes were then ranked based on the seriousness and the likelihood of a potential violation⁽¹²⁾. Hereafter, a summary of the most significant results:

- risks connected to bribery practices and impact on the environment ranked as "high-priority";
- risks connected to labor practices violations (freedom of association and collective bargaining, rejection of forced and child labor, just and favorable working con-

ditions, health and safety in the workplace, diversity, and inclusion) and to potential impacts on local communities ranked as "to be monitored".

Protection of local communities rights ranked higher in Latin American countries, confirming the results of the previous cycle, given the widespread presence of such groups in that geographical region.

2. Gap analysis

Practices and policies adopted to respect human rights across our geographic footprint were then assessed based on the outcome at step 1.

This entailed interviewing the Top Management of the Group as well as assessing the value chain against more than 100 indicators.

The assessment was based on the four parameters of the UNGP operating principles :

- public commitment to protect human rights;
- adoption of human rights due diligence process;

- preparation of a plan of action to remedy any gaps identified by the due diligence process;
- adaptation to match local context and regulations.

Briefly, the results of the due diligence highlighted we have in place a robust set of mechanisms and management systems to protect against possible human rights violations, which translates into an adequate level of management of identified risks.

Topics	Average perceived risk	System to protect human rights	Main policies and procedures to protect human rights	SDG
Labor practices				
Freedom of association and collective bargaining	to control	Robust	Enel is committed to respecting the freedom and collective bargaining rights of its workers. In particular, Enel recognizes their right to set up or join organizations formed to defend and promote their interests; it recognizes their right to representation by union organizations or other forms of representation, opposing any action of discrimination in the exercise of this right; it recognizes their right to engage in collective bargaining as the preferred instrument to establish the contractual conditions and to regulate relations between company management and trade unions.	8
Rejection of forced labor	to control	Robust	The contracts considered overall regulate labor conditions, clearly defining workers' rights (working hours, remuneration, overtime, indemnity, benefits). Each worker is guaranteed a translated employment contract in his/her native language.	8
Fair and favorable working conditions	to control	Robust	Human resources management systems and procedures guarantee the absence of minors in the workforce.	8
Rejection of child labor	to control	Robust	For details, consult the "Enel people" chapter.	8
Diversity and inclusion	to control	Robust	For details, consult the "Occupational health and safety" chapter.	5, 10
Health and safety	to control	Robust	For details, consult the "Occupational health and safety" chapter.	3
Community and society				
Community relations	to control	Robust	For details, consult the "Local and global communities" chapter.	1, 3, 4, 5, 7, 9, 10
Environmental impacts	high priority	Robust	For details, consult the "Towards a nature-based model" chapter.	13
Corruption	high priority	Robust	For details, consult the "Active and passive anti-corruption" section.	16

Average perceived risk: average perceived risk levels identified in the countries under analysis.

Reference scale of risks: 1. high risk; 2. high-priority risk; 3. risk to control; 4. acceptable risk.

Reference scale of performance values: robust (75%-100%); good (50%-74%); sufficient (25%-49%); to be improved (0%-24%).

(12) Risks are classified based on the assessment scale: acceptable risk (minimum level), risk to control, high-priority risk, high risk (maximum level).

3. Improvement plans

The residual risk identified at the previous steps led to the definition of the necessary remedies which were then included in the improvement plan both at country and at global level, therefore ensuring uniformity of processes and policies across the Group's activities.

Hereby a few examples of the actions defined:

- Italy: inclusion of the link to our Human Right Policy in the business development procedures of the country's Infrastructure and Networks activity;
- Argentina and Russia: implementation of training and internal communication activities aimed at raising awareness on the importance of respecting the commitments included in the Human Rights Policy;
- Brazil: definition of an operating instruction to assess management of human rights of partners and sub-tier

suppliers;

- Chile: i) implementation of a communication and awareness-raising campaign on the Human Rights Policy aimed at all relevant stakeholders; ii) making the policy available to all relevant stakeholders, with particular focus on those with no access to digital media (i.e. indigenous populations).

As for labor practices, the assessment revealed they are perceived as "low risk" given also the compliance of the related control measures and processes with our internal policies and with the main international standards.

However, we identified several minor areas of improvement that are summarized in the table below.

Topics	Business Lines	Countries	Areas of improvement
Freedom of association and collective bargaining	Sustainability/People and Organization	Greece, Australia, India, Brazil	Development of training programs on human rights aspects, with a special focus on the relationship with social partners and definition of working conditions during bargaining procedures
Rejection of forced labor	People and Organization/ Sustainability/ Communication	Romania, Brazil	Integration of control procedures and definition of further remedies in the case of intimidation and threats
Rejection of child labor	Global Procurement/ Legal and Corporate Affairs	Russia, Chile, Brazil	Intensification of training and monitoring of the supply chain
Diversity ⁽¹³⁾	Sustainability, People and Organization	Mexico, Romania, Brazil	Each action plan includes activities on the topic of disability based on the main findings resulting from the Value for Disability project

The consolidated improvement plan for the current cycle includes 170 actions, covering 100% of operations and sites, as already anticipated. Implementation started at the beginning of 2021 and at year closing we have achieved 43% of progress.

Once improvement plans will be fully achieved, we will carry out an assessment of their effectiveness.

In 2022, we will also launch application of the human rights due diligence at site level in a few pilot countries.

Training

| 412-2 |

Training is fundamental to raise awareness and understanding of the relevance of respecting human rights while conducting business. That is why each year we carry out specific training on several sustainability topics, including human rights.

During 2021, we delivered approximately 1.9 million training hours on sustainability topics (up by 28% compared to the previous year) covering 86.6% of our workers.

Specifically, the courses mainly addressed environmental

protection, occupational health and safety, diversity and inclusion, relationships with communities, and anticorruption, with an average of 28 hours of training *per capita*, up from 21.7 hours in 2020. We have also developed a digital training course on human rights to share experience and best practices that place respect of human rights at the core of corporate activities. In 2021, we delivered more than 7 thousand training hours on human rights topics.

(13) Diversity issues also include the assessment of aspects relating to equitable remuneration and non-discrimination.

Security and human rights

We are committed to conducting security operations while respecting human rights, in line with the voluntary principles on security and human rights.

That is why we require that private security forces working to protect Group personnel and property in the operating areas act in compliance with the applicable national laws and international rules and standards, while simultaneously encouraging public law enforcement agencies to act in the same manner" (principle 2.2.3 of our Human Rights Policy).

In general, according to national regulations, security services can be assigned only to public forces, or to private forces in the absence of legislative provisions.

We entrust security management to a dedicated unit at the holding level as well as to specific units in our countries of operation.

The main activities concern the collection and analysis of information for identifying potential security risks and how to manage them, in cooperation with all our Business Lines, reference institutions and other critical infrastructure operators.





Tax transparency

| 103-2 | 103-3 | 207-1 | 207-2 | 207-3 | 207-4 |

Enel is an industrial group whose main activity involves energy generation, distribution and sales. The selection of the

countries where the Group operates is guided exclusively on business assessments.

Tax strategy

Since 2017 the Enel Group has had a tax strategy, which is understood as a set of principles and guidelines inspired by the values of transparency and legality and that is published online at: www.enel.com.

The Group's subsidiaries are required to adopt the tax strategy approved by the Parent Company, thereby assuming the responsibility of ensuring it is acknowledged and applied.

Tax strategy objectives

The **Board of Directors** of Enel SpA defines the tax strategy of the entire Group, with the objective of ensuring uniform management of taxation for all concerned entities, which is inspired by the following logic:

- correct and timely determination and set-

lement of taxes due under the law and implementation of the respective obligations;

- correct management of the tax risk, which is the risk of violating tax regulations or abusing the principles and purposes of the tax law.

Principles of the tax strategy

The principles of the tax strategy represent the guidelines for the Group companies, which inspire Company operations in the management of the tax variable and require the adoption of suitable processes that guarantee their effectiveness and application.

Values: in line with its own sustainability strategy, the Group manages its tax assets according to the values of honesty and integrity and is aware that the revenues deriving from levies represent one of the main sources of contribution toward economic and social development of the countries in which it operates.

Legality: the Group pursues behavior oriented toward observance of the applicable tax provisions and is committed to interpreting them in order to respect the substance in addition to the form.

Tone at the top: the Board of Directors has the role and responsibility of guiding the promotion of a corporate culture that is based on the values of honesty, integrity and the principle of legality.

Transparency: the Group maintains collaborative and transparent relations with tax authorities, enabling them – among other things – to gain a full understanding of the facts underlying the application of tax rules.

Shareholder value: the Group considers tax to be an economic component of business and, as such, believes that it must be managed in compliance with the principle of legality, with the aim of safeguarding the Group's assets and pursuing the primary interest of creating value for shareholders in the medium to long term.

Governance

Enel SpA ensures that the tax strategy is acknowledged and applied within the Company through the governance bodies. Its interpretation is left to the Parent Company,

Compliance

The Group entities must respect the principle of legality, by swiftly applying the tax laws of the countries where the Group operates, to ensure that the wording, spirit and purpose of the applicable tax rule or system is respected. Moreover, the Enel Group does not undertake behaviors or domestic or cross-border operations that result in purely artificial constructions, that do not respect the economic reality and from which it is reasonable to expect undue tax advantages, where they conflict with the purpose or spirit of tax provisions or system in question and give rise to double deduction, deduction/non-inclusion or double non-taxation, including as a result of any divergence between the tax systems of different jurisdictions.

Intercompany transactions

All intercompany transactions follow a transfer pricing policy, which has been adopted by the Enel Group in line with the arm's length principle, an international standard established by the Model Tax Convention and referred to in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (hereinafter also referred to as the "OECD Guidelines"). Intercompany relations are structured at market prices and conditions, ensuring value creation in the places where the Group conducts its business.

In line with the applicable regulations, the Enel Group encourages the signing of rulings (Advance Pricing Agreements – APAs) with local tax authorities on establishing transfer pricing determination methods, on attributing gains and losses to permanent establishments and on applying rules on cross-border flows between Group entities.

For **intercompany financial transactions**, the Enel Group has adopted a centralized finance model for its subsidiaries, which requires the Group's two financial companies, Enel Finance International (EFI) and Enel Finance America (EFA), to centralize part of the treasury activities and access to financial markets, and to act as the primary point of reference for the management of the financial or liquidity needs generated by operating entities.

The Group has adopted internal policies, in line with the recommendations included in the OECD guidelines, that support the methodology of the application of price comparison – CUP (criterion that compares the price of goods and/or services transferred in an operation that took place between associated companies with the price applied in transactions with/between independent third parties), which is the most direct and reliable for the purpose of applying the principle of free competition.

Low-tax jurisdictions

The Group does not invest in – or through – countries considered to be tax havens for the sole purpose of reducing its tax burden. Such investments may only be proposed if they are supported by sound economic/strategic reasons and have the aim of developing the activities included in the Group's corporate purpose.

If, in circumstantial situations (for example, in the event of

company purchases from third-parties) structures were found to have been created for the sole purpose of reducing the tax burden or in areas deemed to be tax havens, the Group – failing any viable economic/strategic reasons other than mere tax savings – will commit to removing such structures as quickly as possible.

Tax incentives

Tax incentives are a key, development-oriented mechanism for economic policy, which countries use to stimulate growth and attract investment to support the national policy. The use of tax incentives generally determines a reduction in long-term tax payables or only the temporary deferral of the tax payment. Some countries where the Enel

Group operates offer various incentives. The Enel Group only uses widely applicable tax incentives for all operators and respects all specific regulations, where the incentives are in line with its industrial and operational objectives and are consistent with the economic substance of its investments.

Tax governance, control and risk management

Governance body

In Enel's organisational model, the Holding Company's Tax Affairs unit is tasked – among other things – with developing the Group's tax strategy, identifying, analyzing and managing the various optimisation initiatives, monitoring the key tax issues and providing its support to the various

Business Lines. Alongside the Holding Function, the Tax Affairs units of the various countries – acting in accordance with the values and principles of the tax strategy set out by the Holding Company – are responsible for managing compliance, tax planning and tax monitoring at local level.

Organization

The Enel Group has adopted a set of rules, procedures and standards which are part of the Group's wider organization and control system and which are considered key points of reference that all parties, depending on their type of relationship with the Group, are required to observe⁽¹⁴⁾. The various policies and procedures applicable both at Group level and Country level govern the activities, as well as their management procedures and Tax Affairs responsibilities including in relation to other corporate Functions. These documents are published on the company intranet and are accessible to all Enel people; they form the general rules of conduct applicable within the Group when carrying out activities. Specifically in relation to taxation, in ad-

dition to the tax strategy there are specific organisational documents – both at global and local level – regarding the processes of tax compliance, tax planning, tax monitoring, transfer pricing and tax risk management.

The general principle is that the Tax units must be the appropriate size and equipped with the necessary skills to perform the role of a decision-making analysis centre within the governance and business processes, in addition to the role of overseeing performance. For this purpose, specific and ongoing training initiatives on tax issues at both Country and global level are set up, with recurring meetings between all of the Group's Tax Managers in order to ensure the appropriate alignment.

Tax risks

The Group has a Tax Control Framework (TCF) whose main aim is to provide the Tax units with a single and consistent set of guidance for adopting a correct and effective approach to tax risk management within the Group. The framework sets out guidelines and methodological rules so as to consistently assess, monitor and manage the rele-

vant tax risk for the Group companies, in accordance with the principles and guidelines set out by the tax strategy and Tax Risk Policy, and in the awareness that the Group companies operating in different jurisdictions must adopt the TCF with respect for the specific corporate context and domestic regulations of each country in question.

(14) For example: Code of Ethics; Zero Tolerance for Corruption Plan; Enel Global Compliance Program (EGCP), corporate policies, models and procedures; the tax strategy; the Internal Control and Risk Management System; the proxy system; the sanctions system referred to in the applicable CCNL; any other documentation relating to the current control systems; the relevant accounting standards; procedures and IT applications.

In this regard, the Group has adopted a Tax Risk Policy whose main objective is to provide unambiguous and consistent guidance to the Tax units when implementing the TCF at a local level.

In accordance with the established principles and guidelines, the Enel Group aims to proactively manage the tax risk and believes that adopting a TCF can ensure the timely detection, correct measurement and control of the risk tax. The task of the TCF is to identify the sources of tax risk for the purpose of compliance and interpreting tax regulations, while mapping out the respective processes and activities in order to form a network of risk detectors, to be associated with the resulting control measures. In particular, as the set of detectors and control measures identify sources of risk, the TCF can perform a broad spectrum of

control. As such, any materialization of the tax risk can be intercepted and managed by each Tax unit in question. The effectiveness and ongoing updates of the TCF are ensured through periodic monitoring of the risk mapping, regular internal audit processes, as well as through the tax authority systems set out under cooperative compliance regimes (where implemented).

The results from the monitoring of tax risks are periodically brought to the attention of the competent Functions and corporate bodies, including to establish the most appropriate way to mitigate such risks. With regard to significant uncertain tax positions, reference should be made to the information and comments provided in the Annual Financial Report.

Participation in Cooperative Compliance schemes

The Enel Group promotes participation in Cooperative Compliance schemes where they exist in the various countries in which it operates, for companies that met the legal requirements for participation. In particular, Enel participates in the Collaborative Fulfilment scheme in Italy⁽¹⁵⁾, for larger companies, in the equivalent scheme in Spain (*Código de Buenas Prácticas Tributarias*)⁽¹⁶⁾ and is collaborating with the federal tax authority in Brazil in a pilot project for the creation of

a local cooperative compliance model (*Projeto CONFIA - Conformidade Cooperativa Fiscal*)⁽¹⁷⁾.

In addition to the following countries, various activities are in progress to be able to potentially adhere to additional cooperative compliance systems (e.g. France, Portugal, South Africa, Russia, etc.).

Mechanism for stakeholder reports

For the Enel Group, tax compliance is considered a key aspect of the Company's ethical and responsible management. As such, the violations that can be reported through the Company's internal channels also include those relating to tax. The Group's Code of Ethics is the framework of "ethical management" which Enel operates, also tying in fully with the tax strategy. There are appropriate provisions on Code of Ethics violations to ensure its effective implementation, and these requirements must also be considered to cover the provisions of the tax strategy.



(15) <https://www.agenziaentrate.gov.it/portale/web/guest/schede/agevolazioni/regime-di-adempimento-collaborativo/elenco-societa-ammesse-al-regime>.

(16) <https://sede.agenciatributaria.gob.es/Sede/collarbar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas/codigo-buenas-practicas-tributarias/adhesiones-codigo-buenas-practicas-tributarias.html>.

(17) <https://www.gov.br/receitafederal/pt-br/acesso-a-informacao/acoes-e-programas/confia>.

Transparent relationship with stakeholders

The constant commitment of the Enel Group to transparency with respect to the tax authorities and all stakeholders concretely underlines the importance it attributes to the tax variable and its role in the sustainable development of the Company.

Therefore, the Group is committed to providing a transparent explanation of the tax issues that can also be of interest to third parties, also on its website, making it an information hub that is easily accessible and understandable for all.

Furthermore, the Enel Group ensures transparency and integrity in its relations with tax authorities, in the event of audits on both the Group companies and third parties. To consolidate this transparency with tax authorities, the Enel Group promotes engagement in co-operative compliance schemes for companies that integrate the requirements of their respective domestic regulations in order to reinforce their relations. It also complies with the transfer pricing documentation provisions in accordance with OECD Guidelines, taking the "three-tiered approach" which is divided into: Master File, Local File and Country-by-Country Report. Moreover, to avoid double taxation, the Group promotes mutual agreement procedures for the settlement of international disputes (Mutual Agreement Procedure – MAP), which have the direct involvement of tax authorities from the contracting countries. Lastly, Enel consistently acts with a transparent and collaborative approach with all institutions and associa-

tions to support the development of effective tax systems in the various countries where it operates.

In 2019, Enel joined the **European Business Tax Forum** (EBTF), an association that aims to open up a public debate on taxation by providing a balanced and comprehensive perspective of the taxes paid by companies. In view of this objective, tax information is provided to the various stakeholders. The Forum has published three studies relating to the EU/EFTA Total Tax Contribution for the years 2018, 2019 and 2020, which are available on the association's website (<https://ebtforum.org>) and which report the aggregate data for the various types of taxes paid by the largest European multinational companies by turnover and/or by stock market capitalization, as well as, since 2019, a dedicated section with Country-by-Country Reporting.

Furthermore, in 2021 Enel adhered to the **B Team Responsible Tax Principles**, that is the principles developed by the B Team⁽¹⁸⁾ for promoting responsible and sustainable tax practices, for a better future.

In particular, the B Team Responsible Tax Principles were developed by the international B Team organization, which was created by a group of multinationals, with the contribution of civil society, investors and representatives of international institutions for promoting responsible and sustainable tax practices.

Reporting

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Acting with honesty and integrity is one of the main cornerstones of our tax strategy, as is our commitment to transparency.

The publication of Country-by-Country Reporting⁽¹⁹⁾ integrated with the detail of our overall tax contribution in the main economies in which the Group operates (hereafter also "Tax Transparency Report"), underlines the importance that the Group attributes to tax related issues, to their social role and, in general, to transparency as a factor that facilitates sustainable development.

The approach followed also aims to eliminate potential

ambiguities that may derive from complex accounting and tax treatments, while supporting and, at the same, time improving other annual financial information and continuing along a pathway targeted at supplying an increasingly in-depth and clear vision of our tax position.

As of 2018 (2018–2017), we have adopted a Total Tax Contribution model for the main countries where we operate, providing evidence of taxes paid and of withholding tax deductions.

Beginning 2020, on the other hand, we adopted an integrated model: the Tax Transparency Report. This is pre-

(18) <https://bteam.org/>

(19) See the circular Assonime (Association of Italian Joint Stock Companies) no. 1/2021, Gli obblighi di trasparenza in materia di tassazione nelle dichiarazioni non finanziarie secondo lo standard GRI 207 (Transparency obligations in the matter of taxation in Non-Financial Disclosures according to standard GRI 207), in which it is clarified that it is possible to make reference to Country-by-Country Reports sent to the Agenzie delle Entrate (Italian Revenue Agency) made public voluntarily, even if they are related to the preceding tax period with respect to the time period considered in the Non-Financial Disclosure. In this regard, the Group has decided to report the information for the current year, prepared consistently with the rules provided for under OSCE Country-by-Country Reporting, actually anticipating a year the activities required for tax reporting.

pared consistently with the rules provided for under OECD Country-by-Country Reporting⁽²⁰⁾ and includes information and data for Total Tax Contributions in the main countries where we are present.

The integrated model of the Tax Transparency Report is

available on our site (<https://www.enel.com>). The Group believes that this model ensures a broad vision and a detailed measurement of the organization's contributions to economic and social development in the regions/countries in which it operates.

Tax Transparency Report – principles

The Tax Transparency Report adopts the **cash criterion** as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution. More specifically, the total tax data, as defined and detailed in what follows, is determined through the various taxes paid⁽²¹⁾ by all the entities in the scope of each tax jurisdiction in the year subject to reporting, regardless of the tax year to which the taxes refer. As anticipated previously, on applying an approach adopted by the OECD⁽²²⁾, the Tax Transparency Report classifies the different taxes into categories and distinguishes them between those that constitute an expense for the Company (**taxes borne**) and those that the company pays due to rebate mechanisms, substitution, etc. (**taxes collected**) but that, at any rate, are the result of the company's own economic activities.

Specifically, taxes, both borne and collected, are classified into the following five macro-categories.

Profit - Income taxes: this category includes taxes on company income that can be both borne (e.g. tax on the income of companies at State or local level, taxes on production, solidarity contributions, tax levied on income deriving from specific activities such as the extraction of natural resources the generation and sale of hydroelectric energy as well as taxes withheld at source) and collected, in the case where they are applied to a third party or to a physical person (e.g. withholding taxes on interest income, royalties, subcontractors and suppliers). Income taxes do not include taxes on dividends paid by Enel Group entities;

People - Taxes on labor: this category generally includes taxes on labor, comprising those on incomes and social welfare contributions. Taxes applied to the employer are considered taxes borne (e.g. social welfare contributions, health insurance, pensions, disability contributions), while income taxes applied to workers are considered as taxes

collected (e.g. taxes on incomes of physical persons or social welfare contributions debited to workers that are normally withheld by the employer).

Products - Taxes on products and services: indirect taxes applied on production, sale or use of goods and services, trade and international transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, regardless of the fact that they are paid to the supplier of the goods and services rather than directly to the Government. This category includes both taxes borne (e.g., taxes on consumption, turnover taxes; excise duties⁽²³⁾; customs duties; import duties; taxes on insurance contracts, non-deductible VAT) as well as taxes collected (e.g., VAT paid, excise duties⁽²⁴⁾, taxes on goods and services).

Property - Property taxes: income taxes on property, the use or transfer of tangible or intangible assets. This category includes both taxes borne (e.g. taxes on property and the use of real estate; capital tax applied on the increase of risk capital; taxes on the transfer, purchase or sale of assets; net equity and capital transactions; registration fees; stamp duty for the transfer of real estate; stamp duty for the transfer of shares; taxes on financial transactions that imply loans or borrowings from a foreign source), and taxes collected (e.g. taxes on leases collected by the lessor and paid to the government).

Planet - Environmental taxes⁽²⁵⁾: these include taxes and duties on energy products (including fuel for vehicles); on motor vehicles and transport services; and on the supply, use or consumption of goods and services considered harmful to the environment, as well as the management of waste, noise, water, land, soil, forests, biodiversity, wild animals and fish stocks to be paid by the entity. Examples of taxes borne: taxes on the value of the generation of elec-

(20) Beginning 2018, the Enel Group presented the Country-by-Country Reports for the years 2016-2020. This was by way of transmission thereof to the Italian Agenzia delle Entrate which in turn supplied them to the other States with which an agreement is in force for the exchange of information, in compliance with the indications of Action 13 of the BEPS project, as amended. Action 13 is a project in which the OECD and the countries of the G20 have participated to reply in a coordinated and shared manner to the strategies of aggressive tax planning put in place by multinational companies with a view to "artificially shifting" profits in jurisdictions characterized as tax havens.

(21) The data for taxes paid includes payments on account, taxes for previous years, including after assessments, net of repayments and redemptions obtained. Interest and penalties are not considered.

(22) Working Paper n. 32, "Legal tax liability remittance responsibility and tax incidence".

(23) With exception of those recorded under environmental taxes (e.g. duties on gas and electric energy).

(24) With exception of those recorded under environmental taxes (e.g. duties on gas and electric energy).

(25) The classification of taxes as environmental is based on the shared definition within the harmonized statistic framework developed jointly, in 1997, by Eurostat, the European Commission, the Organisation for Economic Co-operation and Development (OECD), and the International Energy Agency (IEA), according to which environmental taxes "are taxes whose tax base is a physical quantity (or the proxy of a physical quantity) of an element that has a proven and specific negative impact on the environment. All energy and transport taxes are included, whereas all taxes on added value are excluded". Source: <https://stats.oecd.org/glossary/detail.asp?ID=6437>.

tricity, taxes on the production of nuclear fuels and carbon tax. Examples of taxes collected: taxes on electricity, taxes on hydrocarbons and duties on gas and electric energy. Furthermore, the financial-equity data represented follow the **accounting requirements** below.

Data source: the data represented in the report are expressed on the basis of IFRS-EU accounting principles adopted by the Group and are at stand-alone entity level. Subsequently, these are aggregated by tax jurisdiction. To take account of intercompany relations, the data are represented according to logic of aggregation by tax jurisdiction (that is, the country in which the entities are resident for tax purposes and where they enjoy fiscal autonomy) and not a logic of consolidation.

Entities within the scope: falling within the scope of the report are all those companies consolidated using the full consolidation method or the proportional method (hereafter also "entity within the scope") on the basis of accounting principles used for the drafting of the Consolidated Financial Statements on the part of the Ultimate Parent Entity (Enel SpA)⁽²⁶⁾.

With reference to the list of companies in the Group and their activities, please refer to the specific prospectus in the Consolidated Annual Report 2021⁽²⁷⁾.

Currency: the report considers the euro as the currency of reference in that it is the one used by the Parent Company. Since IFRS-EU accounting data are extracted in local currencies, economic data (such as revenues, pre-tax profit, taxes accrued and taxes paid) have been converted into euro at the average exchange rate of the currency, while balance sheet data (tangible fixed assets) have been converted into the euro at the exchange rate in force at year's end.

Third party revenues: the sum of revenues from third parties accounted for by the entities within the scope in the pertinent tax jurisdiction in the year of reference. The term

"revenues" is understood in the broadest possible sense⁽²⁸⁾ to include all revenues, comprising those from extraordinary operations.

Cross-border inter-company revenues: the sum of revenues from transactions carried out between entities within the scope resident in different jurisdictions in the tax year of reference, including income from extraordinary operations and excluding dividends⁽²⁹⁾.

Profit (Loss) before income taxes: the sum of Profits (Losses) before income taxes generated in the year of reference and involving all entities within the scope in each tax jurisdiction. The Profits (Losses) before income taxes must include all items involving revenues and extraordinary costs⁽³⁰⁾.

Income taxes accrued for companies (current taxes): the sum of current taxes (i.e. for the year in progress) on taxable income in the year of reference of all entities within the scope in each tax jurisdiction, independent of whether they have been paid. The data for these does not take account of provisions for tax debts that are not yet certain as regards either their amount or existence, of adjustment of current taxes for previous years and of prepaid and deferred taxes.

Tangible assets: the sum of net accountable values of tangible fixed assets resulting from the balance sheet, of all entities within the scope in each tax jurisdiction⁽³¹⁾.

Number of employees and remuneration: the number of employees at the end of the period considering all the entities within the scope; conversely, as regards their remuneration, please see the Sustainability Report as well as the Tax Transparency Report.

Capital⁽³²⁾: the accounting value of share capital as taken from the Financial Statements of all the entities within the scope.

Profit reserves: this item represents the amount of net profit realized by the entities within the scope in each tax jurisdiction over the past years, net of dividends paid and any other reduction due to losses, capital increases, etc.

(26) However, the companies consolidated using the equity method are excluded. Furthermore, the data of Permanent Establishments are reported in the jurisdiction of their operations and not in the jurisdiction of residence of associated companies. Therefore, the data of the latter do not include the data of the Permanent Establishment. Finally, all stateless companies of the Enel Group are flow-through entities incorporated in the same country in which income is imputed and is effectively taxed in the partner company (e.g. the United States).

(27) See Assonime circular no. 1/2021, Gli obblighi di trasparenza in materia di tassazione nelle dichiarazioni non finanziarie secondo lo standard GRI 207 (Transparency obligations in the matter of taxation in Non-Financial Disclosures according to standard GRI 207), where it is clarified that it is possible to make reference to other sources (known as "incorporation by reference") such as the Directors' Report in the Consolidated Financial Statements or in the attachments for the list of Group companies and their main activities, and the Directors' Report or other sections of the NFD with regard to information already contained therein on uncertain tax positions and on any other information relevant for the purposes of GRI 207.

(28) Specifically, also included are (i) other income, (ii) all extraordinary income (e.g. capital gains from the sale of real estate, unrealized capital gains/capital losses) and (iii) financial income (with the exception of dividends from other companies within the scope) or any extraordinary item. Revenues from income taxes (deriving from deferred tax liabilities or from tax consolidation) are excluded.

(29) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the paying subject.

(30) Consistent with the reporting criteria applied to Revenues, Profits (Losses) before income taxes are indicated net of dividends paid by the companies within the scope (as also indicated by the OECD in the report "Guidance on the Implementation of Country-by-Country Reporting" published in 2019 point II.7).

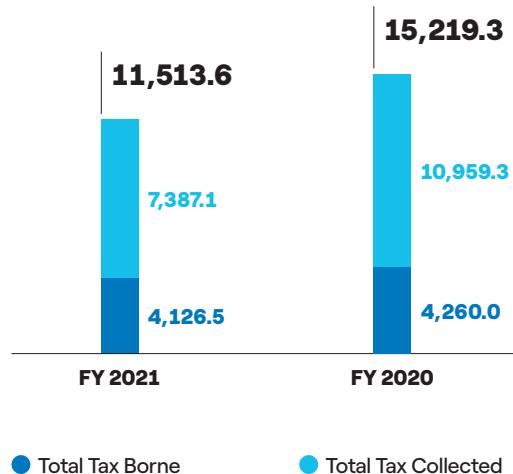
(31) Tangible fixed assets do not include cash and cash equivalents, intangible assets or financial assets.

(32) The introduction of the disclosure related to the "Capital" and "Undistributed profit" items in the Sustainability Report 2021 further enriches the Report content in relation to CBCR OECD. Furthermore, the introduction of this information, in particular that related to "Undistributed profit" supplements the disclosure with what is required by the Directive 2013/34 (modified by the Directive (EU) 2021/2101) on the topic of the publication of income tax information (the so-called public CbCr). This additional information provides the disclosure with this content in advance of what is required in art. 48 octies of the above-mentioned Directive.

Tax Transparency Report – general analysis

Total Tax Contribution

(€/mil)



The Total Tax Contribution⁽³³⁾ (TTC), with respect to all the countries in which we operate, was equal to **11,513.6 million euros** in 2021.

There were some extraordinary phenomena in 2021 that influenced the tax contribution. Specifically: 1) in Italy, the Group adhered to an innovative VAT system provided for under local tax regulations that produced significant simplifications intercompany and supplier invoicing mechanisms (so-called Group VAT⁽³⁴⁾). The creation of Group VAT

has led, with the same amount of tax revenue payable, to a "replacement effect" in the payments of VAT generated by the business activities of Italian companies. More specifically, the VAT Enel previously paid to the tax authority on behalf of suppliers (in application of the so-called "split payment"⁽³⁵⁾) is now paid by Enel to the suppliers, as a payment of their invoices, and then the latter pays them to the tax authorities, all of which does not make any change to the overall financial profile for the parties or to the tax revenues paid; 2) in Spain, following a sentence of the *Tribunal Supremo* regarding the non-retroactivity of an environmental tax called "canon hidráulico", extraordinary repayments and redemptions were received in 2021 related to payments made over previous years; 3) in Brazil following a decision of the Federal Supreme Court that changed the methods for the determination of the PIS and Cofins⁽³⁶⁾ social taxes, the correlated payments were reduced. Overall, these extraordinary effects led to lower payments equal to approximately **3,500 million euros**.

Net of the extraordinary phenomena described above, the total contribution would have been equal to **15,013.6 million euros**, which is substantially in line with the previous year, confirming the importance of the Group's tax contribution for the communities in which it operates as support for their stability and resilience, which is an aspect that is even more necessary in order to face the continuation of the needs resulting from Covid-19 pandemic.



(33) The total tax contribution has been calculated considering the main countries in which the Group is present. These represent more than 99% of revenues and practically 100% of income taxes paid. For all the other countries the income taxes of the companies have, nonetheless, been indicated in detail. The following countries are included: Italy, Spain, Brazil, Chile, Colombia, Argentina, Guatemala, Peru, Costa Rica, Panama, Romania, Russia, Mexico, the Netherlands, the United States, Canada, Greece, South Africa, India, Portugal, France and Germany.

(34) <https://www.agenziaentrate.gov.it/portale/web/guest/schede/istanze/costruzione-gruppo-iva/scheda-informativa-costruzione-gruppoiva>. This system has introduced a single and autonomous taxpayer with a single VAT no. that is valid for all participating companies in replacement of their individual VAT no.

(35) The split payment, is a particular system that, in Italy, establishes for some entities that the party responsible for paying VAT is the transferee/client instead, as normally takes place, the transferor/provider. As a result, for operations subject to a split payment, the purchaser does not pay VAT to their supplier in consideration of the fact that it is "paid" directly to the tax authorities.

(36) PIS "programa de integração Social" and COFINS "Contribuição para financiamento de Seguridade Social".

The distribution of the overall contribution in the various countries in which the Group operates is given in the fol-

lowing table, with 82.8% concentrated in Italy, Spain and Brazil, which represent about 83.0% of Group revenues.

Total Tax Contribution per country

(€/mil)

● Total Tax Borne (cash accounting)

● Total Tax Collected (cash accounting)

● Total Tax Contribution (cash accounting)

Italy

2,974.7

4,455.2

1,480.5

Brazil

1,906.1

2,562.2

656.2

Colombia

57.3

422.4

365.0

Romania

202.8

230.9

28.1

Peru

64.7

187.5

122.8

France

82.0

82.5

0.5

Netherlands

28.1

78.4

50.3

Mexico

19.9

29.8

9.9

Greece

3.8

27.7

23.9

Costa Rica

2.5

5.7

3.2

South Africa

3.8

3.8

-

Spain

1,455.2

2,519.1

1,063.9

Chile

128.1

282.1

154

Argentina

189.0

248.8

59.8

USA&Canada

45.9

93.5

47.6

Germany

59.5

60.4

0.9

Panama

3.5

32.3

28.8

Russia

3.9

20.8

16.9

Guatemala

5.0

7.9

2.9

India

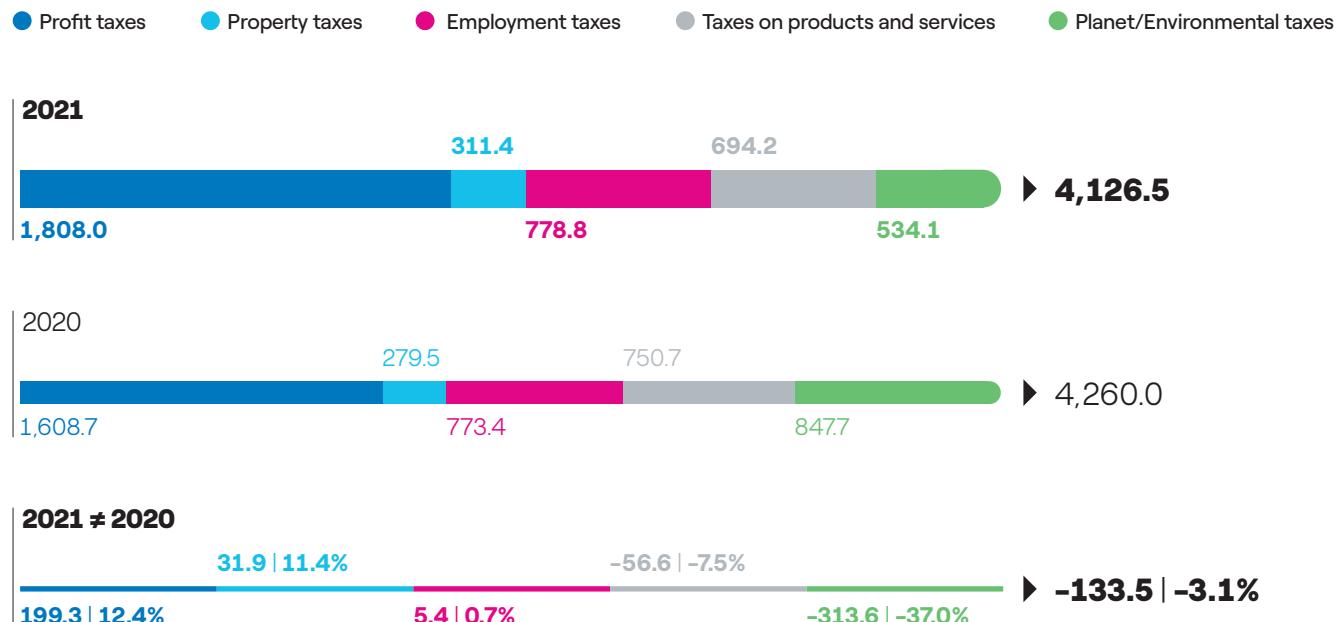
2.2

2.6

0.4



Tax Borne (€/mil)



In 2021 the **Total Tax Borne⁽³⁷⁾** amounts to **4,126.5 million euros⁽³⁸⁾** in reduction of the overall **133.5 million euros** (-3.1%) with respect to 2020 due to the extraordinary repayments and redemptions of environmental taxes paid on products and services. This was partially offset by an increase in income taxes and property taxes. Net of the cited extraordinary effects (**333 million euros**) the tax borne would have increased an amount equal to approximately **200 million euros** (+5%).

The payment of environmental taxes is down overall by **313.6 million euros**. The most relevant reductions were recorded in Spain (**278.2 million euros**), Italy (**27.5 million euros**) and Chile (**6.5 million euros**) mainly due to the effect of (i) repayments and redemptions received⁽³⁹⁾ and payment suspension measures for taxes on electricity in Spain and the (ii) decrease in the consumption of coal following the program of progressive decarbonization adopted by the Group. Net of the extraordinary repayment of the water fee in Spain relating to previous financial years, the environmental taxes would have substantially been in line (**-11.6 million euros**) with previous financial years.

The reduction in taxes on products and services amounts overall to **56.6 million euros**, mainly due to the effect of lower payments in Brazil (**41.8 million euros**) mainly due to the reduction in the tax basis of PIS ("programa de integração Social") and COFINS ("Contribuição para financiamento de Seguridade Social") following a decision of the Federal Supreme Court of Brazil (STF)⁽⁴⁰⁾ and Colombia (**15.8 million euros**) as greater advanced payments were made in 2020. Net of the extraordinary effect connected to the cited decision of the Brazilian Court, the taxes on products and services would have decreased approximately **25.6 million euros**.

The payment of income taxes increased overall by **199.3 million euros**. The most relevant increases were recorded in Spain (**301.6 million euros**) and Chile (**117.4 million euros**) due to the effect of (i) lower repayments and redemptions obtained in 2021 as compared to the previous year and (ii) an increase in taxable income in Chile in 2020, the corresponding taxes for which were paid in 2021. This was partially offset by reductions in income taxes in Italy (**270.7 million euros**), due mainly to fewer advance taxes and bal-

(37) Taxes Borne are taxes that constitute a cost for a company.

(38) Taxes Borne include, among income taxes, specific taxes paid related to company revenue (e.g. Corporate Income Tax) for 1,756.0 million euros in 2021 and 1,560.9 million euros in 2020.

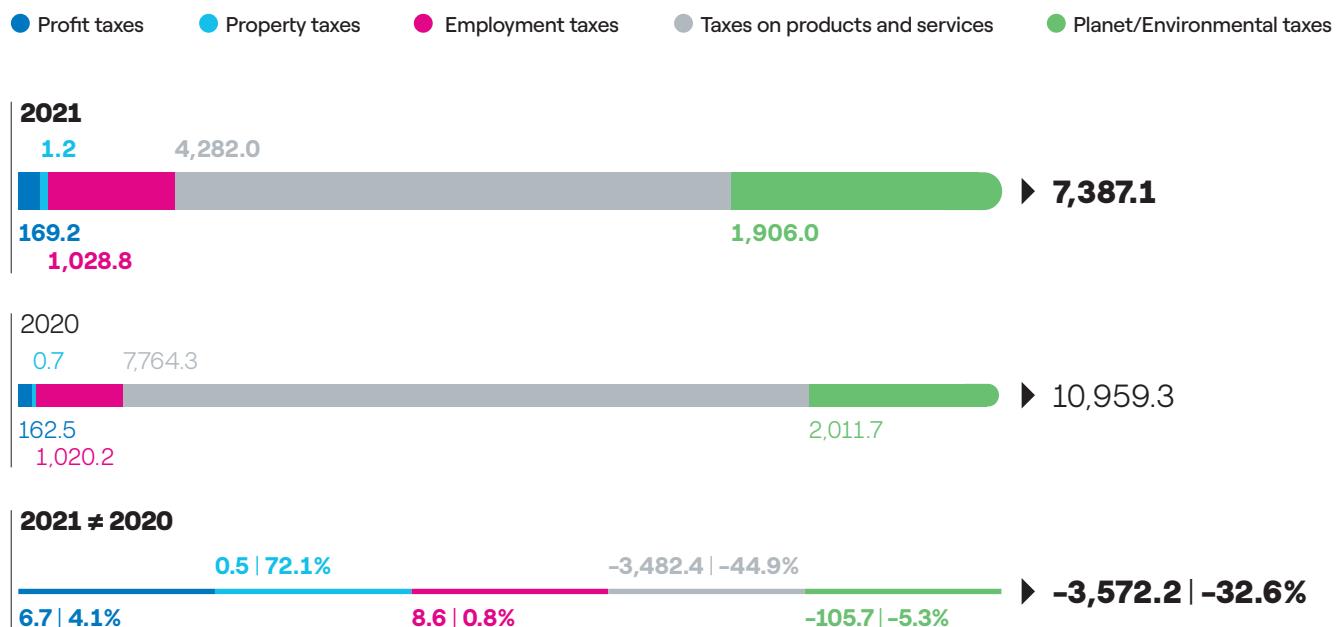
(39) The repayment refers to the "Canon Hidráulico" (water fee) paid during 2013 – 2020. Following a judgement of the Spanish Supreme Court, the fee was repaid as it was declared as non-applicable.

(40) In 2021, the Federal Supreme Court of Brazil (STF), with regard to a specific dispute whose initial ruling dates back to 2017, rules regarding the calculation of the PIS ("programa de integração Social") and COFINS ("Contribuição para financiamento de Seguridade Social") taxes, confirming the argument according to which the ICMS ("imposto sobre circulação de mercadorias e serviços" tax, which is a tax similar to VAT) should not be included (illegitimacy) in the tax basis used to calculate PIS and COFINS. This decision resulted in the changes to the mechanisms used for determining and paying the taxes.

ances paid in 2021 compared to 2020.⁽⁴¹⁾
The payment of property taxes increased overall by **31.9 million euros**. The most relevant increases were recorded in Italy (**18.4 million euros**), following the introduction of the

new single property fee⁽⁴²⁾ in Spain (**7.6 million euros**) and in the United States of America (**4.6 million euros**) mainly due to the effect, in both Countries, of the start of operation of new renewable energy systems.

Tax Collected (€/mil)



Total Taxes Collected amount to **7,387.1 million euros**, down **3,572.2 million euros** (-32.6%) as compared to 2020. This reduction essentially depends on lower taxes on products and services and lower environmental taxes. Specifically, taxes decreased for products and services by **3,482.4 million euros** and environmental taxes decreased **105.7 million euros**.

The most relevant reduction related to taxes on products and services was recorded in Italy (**3,165.5 million euros**) following the (i) change made to the method of paying VAT on purchases for the creation of the so-called "Group VAT" in 2021, which made it possible to simplify a series of tax fulfilments⁽⁴³⁾. One of the indirect effects resulting from the application of the Group VAT was the elimination of the so-called "split payment" system, which had been applied starting in 2017 and based on which the VAT calcu-

lated on the purchase invoices was paid by Enel directly to the tax authorities on behalf of the suppliers and did not pay it to them, thereby causing a greater overall payment by the companies⁽⁴⁴⁾. This change did not generate a real impact of a tax nature for the tax authorities, as it was only a "replacement" of the parties obligated to make the final payment of the tax⁽⁴⁵⁾ and (ii) lower VAT advances paid in 2021 as compared to 2020 due to the effect of the first year of adoption of "Group VAT". All of these changes left the actual payment unchanged in terms of VAT paid to the Communities, always generated by Enel's business. Net of this extraordinary effect, the taxes on products and services would have been equal to **7,449 million euros**, with a reduction of 315.4 million euros.

This reduction in taxes on products and services was recorded in Spain (**229.2 million euros**) due to the effect of the reduction in the VAT rate and the ancillary expenses

(41) In the vast majority of countries where we are present, income taxes are paid for the year of reference based on the historical values of the previous year (the so-called Historical Method). Therefore, the financial effects of the overall value of income taxes for the year of reference are fully recognized only the following year. In the specific case, the advance taxes (calculated with the historical method) and the balances paid in 2021 decreased due to the effect of the reduction in taxable income between 2019 and 2020.

(42) The 2020 Budget Law introduced, as of 2021, a "property fee for the concession, authorization or display of advertising", to combine into a single payment the revenues related to the occupation of public areas and the distribution of advertising messages, which also increased the overall tax burden for these types of taxes.

(43) Also to the benefit of the suppliers of the various companies (e.g. a single VAT no. of reference for the invoices to all Group companies).

(44) Therefore, following this change required by the specific legislation, the value of VAT in question is normally paid to the tax authorities directly by the suppliers who in turn charge this amount in the invoices paid by Enel.

(45) In fact, for Enel, the only change with regard to these values is the recipient (before it was the tax authorities in the form of VAT and then the suppliers as higher amounts of the invoices paid); for the tax authorities, which, with the same revenues, received the payments directly from the various suppliers instead of from Enel in a centralized manner; for the suppliers who paid to the tax authorities the VAT on invoices paid by Enel.

applied to electricity sales and in Italy (**80 million euros**) and Russia (**93 million euros**) due to a general reduction in turnover.

In contrast, an increase in taxes on products and services was recorded in Brazil (**62.9 million euros**) mainly due to

A representative global and concise index of the **Group's tax contribution** from a cash perspective is:

TTC Rate
54.8%

The **Total Tax Contribution (TTC rate) index** provides a concise and complete measurement of the burden for all taxes that the business has effectively paid and is calculated as a percentage of taxes borne in relation to profit before said taxes. The 2021 TTC rate, of 54.8%, is slightly lower than the average over the past 2 years⁽⁴⁶⁾ (57.8%) mainly due to the effect of the reduction in environmental taxes due to the cited extraordinary repayment and redemption of the "canon hidráulico" in Spain. Net of this effect, the index would have been in line with the two-year average.

the effect of an increase in revenues.

Finally, the environmental taxes decreased in Spain (**77.0 million euros**) due to a reduction in the excise duties on electrical energy and in Italy (**21.8 million euros**) due to a decrease in turnover.

Another concise indicator of the tax contribution for business income is represented by:

Current income tax rate
43.35%

At Group level, in FY2021 the Current Income Tax Rate determined as the ratio between income taxes of mature companies on profits/losses (2.22 billion euros) and profit before income taxes (5.12 billion euros) is 43.3%, greater than the average rate of the member States of the OECD (22.85%)⁽⁴⁷⁾.

With regard to the accrued income taxes of companies on profits/losses and in line with the best practices indicated by the OECD⁽⁴⁸⁾, as well as the data for taxes paid by cash the following table also supplies the data for current taxes accounted for on an accrual basis Country by Country. Current taxes represent taxes calculated on the basis of income produced in the year following the tax rules of each country and normally deviate from taxes paid in the

same year in so far as the definitive payment of the balance is made in the year following that in which they accrued. The trend of the two values are substantially destined to realign over time. In 2021, the current income taxes on a Group level were equal to 2.22 billion euros, whereas the income taxes paid were equal to 1.76 billion euros. The difference equal to 0.5 billion euros, due mainly to Chile and Italy, will be reabsorbed by 2022 payments.

(46) Years 2019 and 2020.

(47) Source OECD Stat, "Table II.1. Statutory corporate income tax rate" – Combined corporate income tax rate.

(48) For the purposes of Country-by-Country Reporting (BEPS Project – Action 13).

Tax Transparency Report – tables by geographical area

To ensure greater legibility and transparency, below are given the data of the single countries.

Europe - main countries

	UM	France	Germany	Greece	Italy
Taxes Borne		0.5	0,9	23,9	1,480.5
Profit taxes	€/mil	-1.4	0.6	10.2	763.4
Income tax paid	€/mil	-0.9	0.6	10.2	763.4
Property taxes	€/mil	-	-	2.0	148.3
Employment Taxes	€/mil	2.0	0.3	1.2	531.8
Taxes on products and services	€/mil	0.0	-	10.5	4.7
Planet/Environmental Taxes	€/mil	0.0	-	-	32.2
Taxes Collected		82.0	59.5	3.8	2,974.7
Profit taxes	€/mil	-	-	0.2	2.4
Property Taxes	€/mil	-	-	-	-
Employment Taxes	€/mil	0.9	0.3	1.8	607.7
Taxes on products and services	€/mil	36.4	37.8	1.8	934.9
Planet/Environmental Taxes	€/mil	44.7	21.5	0.0	1,429.7
Total Tax Contribution (cash accounting)	€/mil	82.5	60.4	27.7	4,455.2
Economic data	UM	France	Germany	Greece	Italy
Revenues Unrelated	€/mil	461.2	259.9	122.9	43,767.4
Revenue related cross border	€/mil	31.1	82.0	3.5	9,240.0
Profit (Loss) before income tax	€/mil	-3.1	-31.7	30.6	2,534.5
Income tax accrued	€/mil	0.0	0.3	9.1	1,107.2
Tangible assets other than cash and cash equivalents	€/mil	40.8	9.6	603.9	28,781.5
Number of employees	#	68	22	112	30,256
Accumulated earnings	€/mil	-2.0	-9.2	-178.0	22,782.7
Corporation Stock	€/mil	5.5	19.4	788.5	43,051.2
TTC Rate	%	-31.7%	-2.8%	54.0%	45.5%
TTC in relation to revenues	%	16.8%	17.7%	21.9%	8.4%
Taxes borne in relation to revenues	%	0.1%	0.3%	18.9%	2.8%
Taxes collected in relation to revenues	%	16.7%	17.4%	3.0%	5.6%

* **Note for Spain, profit before income taxes**

In order to offer a more realistic representation of the value created in the Country, the value shown for Profit before income taxes was indicated without the consideration of an extraordinary valuation component recorded in 2021 equal to 9.9 billion. This valuation component (not fiscally relevant) is the result of the reversal of impairment of the participation of Endesa SA by Enel Iberia Srl, which was carried out in compliance with the international accounting principles, in order to nullify the conditions that generated a write-down in 2014 following the sale by Endesa SA of companies held in Latin America.

Netherlands	Portugal	Romania	Russia	Spain	2021	2020	2021-2020	%
50.3	10.9	28.1	16.9	1,063.9	2,675.9	2,921.4	-245.6	-8%
49.3	10.1	19.0	5.4	189.4	1,045.9	1,013.8	32.1	3%
49.3	10.1	19.0	5.4	159.9	1,016.9	988.4	28.5	3%
-	0.0	4.0	4.2	96.5	255.0	228.6	26.4	12%
0.2	0.8	2.7	7.2	132.4	678.5	677.6	1.0	0%
0.9	-	2.4	0.0	194.8	213.3	212.6	0.7	0%
-	-	0.1	0.0	450.8	483.1	788.8	-305.7	-39%
28.1	149.0	202.8	3.9	1,455.2	4,959.1	8,517.6	-3,558.5	-42%
-	-	-	-	100.8	103.4	77.9	25.5	33%
-	-	-	-	0.2	0.2	-	0.2	
0.7	1.4	36.6	3.9	236.3	889.6	883.5	6.1	1%
15.0	134.7	166.1	-	744.4	2,071.1	5,555.4	-3,484.3	-63%
12.4	12.9	-	-	373.6	1,894.9	2,000.8	-106.0	-5%
78.4	159.9	230.9	20.8	2,519.1	7,635.0	11,439.1	-3,804.1	-33%
Netherlands	Portugal	Romania	Russia	Spain	2021	2020	2021-2020	%
2,3177	1,088.5	1,619.2	570.2	25,415.0	75,621.9	61,737.2	13,884.7	22%
903.9	211.8	92.4	6.3	4,926.5	15,497.6	4,841.3	10,656.2	220%
-1,268.8	36.0	13.6	39.1	2,368.5	3,718.6	3,811.5	-92.9	-2%
10.4	4.7	7.5	0.0	227.0	1,366.2	1,263.9	102.3	8%
0.1	33.6	1,985.1	851.0	24,142.5	56,448.1	54,462.4	1,985.7	4%
20	74	3,291	1,465	9,376	44,684	44,722	-37	0%
10,236.4	4.9	1,209.3	331.3	31,937.9	66,313.3	56,193.3	10,119.9	18%
2,042.0	0.4	1,137.1	996.9	20,934.5	68,975.4	65,945.4	3,030.0	5%
-4.0%	29.6%	123.7%	33.4%	32.5%				
2.4%	12.3%	13.5%	3.6%	8.3%				
1.6%	0.8%	1.6%	2.9%	3.5%				
0.9%	11.5%	11.8%	0.7%	4.8%				

Europe – minor countries⁽¹⁾

Economic data	UM	Ireland	Norway	Poland	Slovakia	Turkey	United Kingdom	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	9.5	0.7	17.9	0.0	0.0	13.7	41.9	22.9	19.0	83%
Revenue related cross border	€/mil	3.7	0.2	0.1	-	1.0	1.9	7.0	6.0	1.0	17%
Profit (Loss) before income tax	€/mil	0.7	-1.2	1.3	-1.4	-6.4	1.7	-5.3	-7.0	1.7	25%
Income tax accrued	€/mil	-	-	0.0	-	0.1	-	0.1	0.3	-0.2	-64%
Income tax paid	€/mil	0.0	-	-	-	0.1	-	0.1	0.1	-0.0	-12%
Tangible assets other than cash and cash equivalents	€/mil	0.9	0.1	0.0	0.0	0.0	0.2	1.3	10.9	-9.6	-88%
Number of employees	#	51	8	16	-	2	24	101	96	5	5%
Accumulated earnings	€/mil	22.2	1.8	-2.9	-	-7.2	1.6	15.5	13.3	2.1	16%
Corporation Stock	€/mil	2.9	1.6	3.9	-	13.5	1.2	23.2	33.1	-9.9	-30%

(1) In addition to what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the report. They are: Serbia and Sweden.

North America - main countries

Economic data	UM	USA & Canada	Mexico	2021	2020	2021-2020	%
Taxes Borne		47.6	9.9	57.5	62.3	-4.8	-8%
Profit taxes	€/mil	1.4	6.4	7.8	19.0	-11.2	-59%
Income tax paid	€/mil	1.4	6.4	7.8	19.0	-11.2	-59%
Property taxes	€/mil	37.6	0.0	37.6	32.9	4.6	14%
Employment Taxes	€/mil	8.4	2.1	10.5	8.6	1.9	23%
Taxes on products and services	€/mil	0.3	1.3	1.6	1.7	-0.1	-4%
Planet/Environmental Taxes	€/mil	-	0.0	0,0	0,2	-0,1	-81%
Taxes Collected		45.9	19.9	65.8	67.3	-1.5	-2%
Profit taxes	€/mil	-	0.2	0.2	0.6	-0.4	-60%
Property Taxes	€/mil	-	1.0	1.0	0.7	0.3	48%
Employment Taxes	€/mil	45.4	3.8	49.2	48.9	0.4	1%
Taxes on products and services	€/mil	0.4	14.9	15.3	17.2	-1.8	-11%
Planet/Environmental Taxes	€/mil	-	-	-	-	-	0%
Total Tax Contribution (cash accounting)	€/mil	93.5	29.8	123.3	129.6	-6.3	-5%
Economic data	UM	USA & Canada	Mexico	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	1,457.6	294.4	1,752.0	1,435.6	316.4	22%
Revenue related cross border	€/mil	19.9	4.0	23.9	27.7	-3.8	-14%
Profit (Loss) before income tax	€/mil	124.8	-17.1	107.7	168.9	-61.2	-36%
Income tax accrued	€/mil	-6.3	3.6	-2.8	8.7	-11.5	-132%
Tangible assets other than cash and cash equivalents	€/mil	10,069.5	1,339.8	11,409.3	8,512.7	2,896.6	34%
Number of employees	#	1.558	356	1.914	1.641	273	17%
Accumulated earnings	€/mil	937.9	-24.5	913.4	805.3	108.1	13%
Corporation Stock	€/mil	15,798.6	1,584.7	17,383.3	12,434.4	4,948.9	40%
TTC Rate	%	27.8%	-72.6%				
TTC in relation to revenues	%	6.3%	10.0%				
Taxes borne in relation to revenues	%	3.2%	3.3%				
Taxes collected in relation to revenues	%	3.1%	6.7%				

Latin America

	UM	Argentina	Brazil	Chile	Colombia	Costa Rica	Guatemala	Panama	Peru	2021	2020	2021-2020	%
Taxes Borne		59.8	656.2	154.0	365.0	3.2	2.9	28.8	122.8	1,392.7	1,275.3	117.4	9%
Profit taxes	€/mil	29.0	199.2	120.6	266.8	2.5	2.4	270	106.2	753.9	574.9	179.0	31%
Income tax paid	€/mil	25.0	199.2	120.6	249.2	1.6	2.3	26.9	106.1	730.9	552.5	178.4	32%
Property taxes	€/mil	1.3	11.4	3.2	1.5	0.1	0.2	0.2	0.9	18.9	18.0	0.9	5%
Employment Taxes	€/mil	18.3	56.1	-	12.2	0.5	0.2	0.6	1.8	89.8	87.3	2.5	3%
Taxes on products and services	€/mil	6.8	389.0	8.0	63.3	0.0	0.0	0.0	12.1	479.3	536.4	-57.2	-11%
Planet/Environmental Taxes	€/mil	4.3	0.4	22.1	21.2	0.0	0.0	1.0	1.8	50.9	58.7	-7.8	-13%
Taxes Collected		189.0	1,906.1	128.1	57.3	2.5	5.0	3.5	64.7	2,356.2	2,369.3	-13.1	-1%
Profit taxes	€/mil	9.5	16.2	18.3	15.1	0.0	0.8	2.9	1.5	64.3	82.8	-18.5	-22%
Property Taxes	€/mil	-	-	-	-	-	-	-	-	-	-	-	0%
Employment Taxes	€/mil	18.7	29.6	19.6	10.2	0.2	0.1	0.4	6.6	85.5	84.1	1.3	2%
Taxes on products and services	€/mil	160.8	1,860.3	90.2	20.9	2.3	4.1	0.2	56.6	2,195.3	2,191.5	3.8	0.2%
Planet/Environmental Taxes	€/mil	-	-	-	11.1	-	-	-	-	11.1	10.9	0.2	2%
Total Tax Contribution (cash accounting)	€/mil	248.8	2,562.2	282.1	422.4	5.7	7.9	32.3	187.5	3,748.9	3,644.5	104.3	3%
Economic data	UM	Argentina	Brazil	Chile	Colombia	Costa Rica	Guatemala	Panama	Peru	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	1,8875	9,905.7	3,498.4	2,2472	19.2	78.8	154.4	1,179.7	18,970.9	15,528.5	3,442.4	22%
Revenue related cross border	€/mil	57.8	23.7	29.9	1.2	0.8	0.2	0.3	0.0	113.8	255.8	-142.0	-56%
Profit (Loss) before income tax	€/mil	-13.4	498.8	-292.3	875.4	-168.7	25.0	108.9	302.1	1,335.8	1,491.4	-155.7	-10%
Income tax accrued	€/mil	21.0	159.8	283.4	261.4	0.1	2.3	37.9	89.5	855.5	872.6	-17.2	-2%
Tangible assets other than cash and cash equivalents	€/mil	1,836.7	3,328.8	6,667.1	3,675.1	274	340.0	389.3	2,341.4	18,605.9	16,610.8	1,995.2	12%
Number of employees	#	4.079	8.966	2.249	2.256	36	94	94	988	18.762	20.007	-1.245	-6%
Accumulated earnings	€/mil	788.6	2,129.7	1,271.1	1,938.4	81.4	189.6	173.6	216.1	6,788.5	7,907.8	-1,119.3	-14%
Corporation Stock	€/mil	8676	10,842.7	21,016.5	512.4	260.0	248.9	372.2	2,261.0	36,381.3	29,047.1	7,334.2	25%
TTC Rate	%	279.5%	68.7%	-59.5%	36.8%	-1.9%	11.3%	26.0%	38.5%				
TTC in relation to revenues	%	12.8%	25.8%	8.0%	18.8%	28.5%	10.0%	20.9%	15.9%				
Taxes borne in relation to revenues	%	3.1%	6.6%	4.4%	16.2%	16.0%	3.7%	18.6%	10.4%				
Taxes collected in relation to revenues	%	9.7%	19.2%	3.6%	2.5%	12.5%	6.3%	2.2%	5.5%				

Latin America – minor countries⁽¹⁾

Economic data	UM	Uruguay	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	1.6	1.6	0.4	1.2	282%
Revenue related cross border	€/mil	0.0	0.0	-	0.0	0%
Profit (Loss) before income tax	€/mil	1.2	1.2	-0.1	1.3	1256%
Income tax accrued	€/mil	0.1	0.1	-	0.1	0%
Income tax paid	€/mil	0.0	0.0	0.0	0.0	0%
Tangible assets other than cash and cash equivalents	€/mil	0,0	0.0	0.0	-0.0	0%
Number of employees	#	1	1	1	-0	0%
Accumulated earnings	€/mil	-0.8	-0.8	-0.6	-0.2	-25%
Corporation Stock	€/mil	0,0	0.0	0.0	0.0	0%

(1) In addition to what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the report. They are: El Salvador.

Africa and Oceania

	UM	South Africa	2021	2020	2021-2020	%
Taxes Borne		-	-	0.3	-0.3	-100%
Profit taxes	€/mil	-	-	0.3	-0.3	-100%
Income tax paid	€/mil	-	-	0.3	-0.3	-100%
Property taxes	€/mil	-	-	-	-	0%
Employment Taxes	€/mil	-	-	-	-	0%
Taxes on products and services	€/mil	-	-	-	-	0%
Planet/Environmental Taxes	€/mil	-	-	-	-	0%
Taxes Collected		3.8	3.8	3.5	0.3	8%
Profit taxes	€/mil	0.2	0.2	0.4	-0.3	-63%
Property Taxes	€/mil	-	-	-	-	0%
Employment Taxes	€/mil	3.7	3.7	3.1	0.6	18%
Taxes on products and services	€/mil	-	-	-	-	0%
Planet/Environmental Taxes	€/mil	-	-	-	-	0%
Total Tax Contribution (cash accounting)	€/mil	3.8	3.8	3.8	0.0	1%
Economic data	UM	South Africa	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	133.3	133.3	83.5	49.9	60%
Revenue related cross border	€/mil	7.2	7.2	0.3	6.9	2005%
Profit (Loss) before income tax	€/mil	-1.8	-1.8	-0.0	-1.8	-6525%
Income tax accrued	€/mil	-	-	-	-	0%
Tangible assets other than cash and cash equivalents	€/mil	1,271.6	1,271.6	1,147.4	124.2	11%
Number of employees	#	178	178	152	26	17%
Accumulated earnings	€/mil	-223.7	-223.7	-197.1	-26.5	-13%
Corporation Stock	€/mil	1,151.5	1,151.5	1,019.7	131.8	13%
TTC Rate	%	0.0%				
TTC in relation to revenues	%	2.7%				
Taxes borne in relation to revenues	%	0.0%				
Taxes collected in relation to revenues	%	2.7%				

Africa and Oceania – minor countries⁽¹⁾

Economic data	UM	Australia	Kenya	New Zealand	Zambia	New	2020	2021-2020	%
						2021			
Revenues Unrelated	€/mil	61.2	-	6.0	13.7	86.0	30.2	55.8	184%
Revenue related cross border	€/mil	2.2	-	0.5	-	2.7	2.8	-0.1	-5%
Profit (Loss) before income tax	€/mil	-21.3	-0.5	0.4	4.0	-18.4	-51.3	32.8	64%
Income tax accrued	€/mil	1.9	-	0.1	-	2.1	0.8	1.4	176%
Income tax paid	€/mil	-0.7	-	0.3	-	-0.4	1.5	-1.9	-130%
Tangible assets other than cash and cash equivalents	€/mil	287.0	0.0	0.1	28.5	316.8	46.2	270.7	586%
Number of employees	#	91	2	5	6	139	126	13	10%
Accumulated earnings	€/mil	-44.8	-3.4	-0.6	-10.3	-55.9	-9.0	-46.9	-524%
Corporation Stock	€/mil	375.9	2.5	2.0	8.8	434.8	219.1	215.7	98%

(1) In addition to what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the report. They are: Egypt, Ethiopia and Namibia.

Asia

	UM	India	2021	2020	2021-2020	%
Taxes Borne		0.4	0.4	0.7	-0.3	-43%
Profit taxes	€/mil	0.4	0.4	0.7	-0.3	-43%
Income tax paid	€/mil	0.4	0.4	0.7	-0.3	-43%
Property taxes	€/mil	-	-	-	-	0%
Employment Taxes	€/mil	-	-	-	-	0%
Taxes on products and services	€/mil	-	-	-	-	0%
Planet/Environmental Taxes	€/mil	-	-	-	-	0%
Taxes Collected		2.2	2.2	1.5	0.6	42%
Profit taxes	€/mil	1.1	1.1	0.8	0.4	49%
Property Taxes	€/mil	-	-	-	-	0%
Employment Taxes	€/mil	0.9	0.9	0.6	0.3	54%
Taxes on products and services	€/mil	0.2	0.2	0.2	-0.0	0%
Planet/Environmental Taxes	€/mil	-	-	-	-	0%
Total Tax Contribution (cash accounting)	€/mil	2.6	2.6	2.2	0.3	16%
Economic data	UM	India	2021	2020	2021-2020	%
Revenues Unrelated	€/mil	14.4	14.4	15.1	-0.7	-5%
Revenue related cross border	€/mil	7.5	7.5	5.9	1.5	26%
Profit (Loss) before income tax	€/mil	-5.7	-5.7	3.7	-9.3	-254%
Income tax accrued	€/mil	0.1	0.1	-	0.1	
Tangible assets other than cash and cash equivalents	€/mil	320.3	320.3	116.0	204.3	176%
Number of employees	#	418	418	273	145	53%
Accumulated earnings	€/mil	-22.2	-22.2	-23.9	1.7	-7%
Corporation Stock	€/mil	189.3	189.3	125.6	63.6	51%
TTC Rate	%	-7.1%				
TTC in relation to revenues	%	11.8%				
Taxes borne in relation to revenues	%	1.8%				
Taxes collected in relation to revenues	%	10.0%				

Asia – minor countries⁽¹⁾

Economic data	UM	China	Indonesia	Japan	Singapore	South Korea		2021	2020	2021-2020	%
						Taiwan					
Revenues Unrelated	€/mil	0.3	0.0	12.5	0.1	25.6	0.8	39.8	32.9	6.9	21%
Revenue related cross border	€/mil	0.2	-	0.1	0.1	0.0	-	0.6	0.8	-0.2	-27%
Profit (Loss) before income tax	€/mil	-2.0	-1.6	-2.0	-2.4	-2.0	-0.9	-10.7	-8.1	-2.6	-32%
Income tax accrued	€/mil	-	-	0.0	-0.0	-	-	0.1	0.0	0.0	465%
Income tax paid	€/mil	-	-	0.0	0.0	0.0	-	0.0	0.0	0.0	0%
Tangible assets other than cash and cash equivalents	€/mil	0.6	0.0	0.5	0.2	6.8	0.3	8.4	3.4	5.0	148%
Number of employees	#	9	1	22	3	39	6	81	73	8	10%
Accumulated earnings	€/mil	-1.0	-1.1	-2.9	-5.5	-22.1	-0.7	-33.4	-26.3	-7.1	-27%
Corporation Stock	€/mil	3.3	11.2	5.7	4.8	33.7	1.2	59.9	35.4	24.5	69%

(1) In addition to what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the report. They are: Saudi Arabia and Vietnam.

Reconciliations with the Consolidated Annual Report 2021

In the following paragraphs, a reconciliation of data represented in the Tax Transparency Report is made with respect to the contents of the Consolidated Annual Report 2021. This reconciliation is necessary given the different methods

for drafting the Tax Transparency Report – which have been changed by the OECD rules for Country-by Country Reporting – with respect to the principles adopted for the drafting of the Consolidated Financial Statements.

Items subject to reconciliation	Tax Transparency Report	Consolidated Financial Statements	Difference to be reconciled
Third party revenues	96,662	88,006	8,656
Profit (Loss) before taxes	5,121	5,500	-379
Tangible assets	88,382	84,572	3,810
Taxes paid	1,756	1,846	-90

Third party revenues

The deviations between the data given in the Tax Transparency Report and the data in the Consolidated Annual Report 2021 are:

- i. **Financial income (-5,424 billion):** for the purposes of the Consolidated Annual Report the financial data for financial income is entered in the financial statements on a specific line of the Profit and Loss statement that is different than the revenue item, which differs from what is requested by the OECD rules⁽⁴⁹⁾ applied for the purposes of the Tax Transparency Report;
- ii. **Wheeling system charges (-3,231 billion):** for the pur-

poses of the Consolidated Annual Report, system charges are the responsibility of the distributing companies (taken directly to the balance sheet) while in the individual financial statements of the countries that operate on the market they are recognized in profit and loss;

- iii. **Dividends from companies consolidated with the equity method (-87 mil):** for purposes of the Consolidated Annual Report, dividends received from consolidated companies⁽⁵⁰⁾ are eliminated;
- iv. **Other consolidation adjustments** made on the basis of the application of international accounting principles **(87 mil)**⁽⁵¹⁾.

Third party revenues Tax Transparency Report	
Financial income	96,662
Wheeling	- 5,424
Dividends from companies accounted for using the equity method	- 3,231
Other consolidation adjustments	- 87
Revenues Consolidated Financial Statements	88,006

Profit (Loss) before taxes

The deviations between the data given in the Tax Transparency Report and the data in the Consolidated Annual Report are:

- i. **Result of companies accounted for using the equity method (571 mil):** equity investments in joint ventures/ associates accounted for using the equity method;

- ii. **Dividends from companies accounted for using the equity method (-87 mil):** for the purposes of the Consolidated Annual Report, this item will be eliminated, whereas it will be considered on an individual financial statement level;
- iii. **Provisions (or releases) of funds to profit and loss (18 mil);**
- iv. **Intercompany capital losses (or capital gains) (1 mil);**

(49) For the purposes of Country-by-Country Reporting (BEPS Project - Action 13).

(50) With the full, proportional and equity method.

(51) They include the following specific situations listed by way of non-exhaustive example only: (i) elimination of intercompany margins and gains, (ii) recognition of any negative goodwill following M&A transactions (iii) capitalizations of financial expenses in cases of equity injection and (iv) balance net of derivative management.

v. Other consolidation adjustments made on the basis of the application of international accounting principles

(-126 mil)⁽⁵²⁾;

vi. Other minor adjustments (3 mil).

Profit (Loss) before income taxes Tax Transparency Report	5.121
Results of companies accounted for using the equity method	571
Dividends from companies accounted for using the equity method	- 87
Provisions (or releases) of funds to profit and loss	18
Intercompany capital losses (or capital gains)	1
Other consolidation adjustments	- 126
Other minor adjustments	3
Profit (Loss) before taxes Consolidated Annual Report	5,500

Tangible assets

The deviations between the data given in the Tax Transparency Report and the data in the Consolidated Annual Report are due to **Adjustments from consolidation (-3.8 billion)**⁽⁵³⁾.

Tangible Assets Tax Transparency Report	88,382
Adjustments from consolidation	-3,810
Consolidated Tangible Assets	84,572

Income taxes paid

The data of income taxes paid for the purposes of the Consolidated Annual Report is determined through the method of indirect recognition, provided for under international accounting principle IAS 7.

Contrarily, the Tax Transparency Report recognizes the

data for income taxes paid on the basis of information collected from the individual companies in the different tax jurisdictions, consistent with the rules laid down by the OSCE for Country-by-Country Reporting.
The deviation is due to the different methods of recognizing the data and to the principles to which they refer⁽⁵⁴⁾.

Taxes paid Tax Transparency Report	1,756
Differences due to the use of the indirect method for the purposes of the statement of cash flows	90
Taxes paid Consolidated Annual Report	1,846

Tax Rate

With reference to the reconciliation between the theoretical and actual tax rate, please refer to the analysis contained in the Consolidated Annual Report 2021.

(52) They include the following specific situations listed by way of non-exhaustive example only: (i) adjustments to conform to the value following the impairment test and resulting adjustments of the depreciation and amortization, (ii) elimination of the capital gains resulting from intercompany sales of assets and the resulting adjustments of depreciation and amortization, (iii) entries related to the management of derivatives, the reversal of the Cash Flow Hedge reserve for a possibly different qualification of the transaction between the stand alone view of the Company and that of the Group and (iv) impairment of consolidation investments with the full method.

(53) Adjustments due to the effects of i) Purchase Price Allocations made during acquisition of controlling interests in companies, ii) impairment of cash generating units, iii) capitalizations of financial expenses of fixed assets realized internally, iv) elimination of any gains during the sale of intercompany fixed assets.

(54) By way of non-exhaustive example only, the differences in 2021 can be related to: (i) inclusion in the data of the Consolidated Annual Report of the taxes related to dividends (excluded instead from the data in the Tax Transparency Report) and (ii) changes during the year in the scope of consolidation.

4. Appendix

Methodological note

Sustainability Statement

Content Index
(GRI, SASB, TCFD, WEF, Human Rights)

Other documents

**Disclosure of the proportion of activities
considered environmentally sustainable
(Article 8, EU Regulation 2020/852)**

Green Bond Report

Sustainability-Linked Financing Report



Methodological note

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| **102-49** | **102-50** | **102-51** | **102-52** | **102-53** | **102-54** | **102-55** | **102-56** |

Since 2003, Enel has published the Annual Sustainability Report, in conjunction with the Group's Consolidated Annual Financial Report.

In compliance with the requirements of Italian Legislative Decree 254 of December 30, 2016, "Implementation of Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014, amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large companies and groups", Enel has been publishing a Consolidated Non-Financial Statement (NFS) since 2017. The Sustainability Report will constitute Enel's NFS with effect from the 2019 financial year. Accordingly, from that financial year on, the NFS is no longer published as a separate document. This Report of the Enel Group at December 31, 2021 was therefore drawn up in compliance with Italian Legislative Decree 254/16 and constitutes a separate document from the Annual Report. The document is published in the "Investors" section of the Enel website (www.enel.com).

The 2021 Sustainability Report is addressed to the Enel Group's stakeholders and is designed to present the actions taken in

pursuit of the Group's sustainability goals and thus to respond to the legitimate expectations of all stakeholders. The structure of this document has been redefined with respect to the recent past and contains the entire section on the materiality analysis in the first chapter, "Our sustainable progress". The document also includes an Appendix with a special table linking the issues and information relating to the protection of human rights related to the Group's Human Rights Policy, with an indication of the specific chapter of the document in which they are considered. To the extent necessary to ensure an understanding of the Company's activities, performance, results and impact, this document covers environmental, social, labor, human rights and active and passive anti-corruption topics that are material to Enel, in view of the Company's activities and characteristics, according to the process described below (see the section "The materiality analysis process and the results for 2021").

The following table shows the areas required by Italian Legislative Decree 254/16, specifying the document chapter in which they are discussed.



Information and in-depth analyses on the issues and indicators presented in this Report can be requested from:

Enel SpA

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E-mail sustainability@enel.com

Web <https://www.enel.com/it/investors1>



Topic of the Report/ Italian Legislative Decree 254/16		Topic of the materiality analysis	Report Chapter	Risks	Policies and management models	Activities and results
Environment	Decarbonization of the energy mix	The path to Net-Zero	"The path to Net-Zero" chapter	"The path to Net-Zero" chapter	"The path to Net-Zero" chapter	"The path to Net-Zero" chapter
	Conservation of ecosystems and environmental management	Towards a "nature-based" model	"Sound governance" chapter	"Towards a nature-based model" chapter	"Towards a nature-based model" chapter	"Towards a nature-based model" chapter
Social	Engaging global and local communities	Local and global communities	"Sound governance" chapter	"Local and global communities" chapter	"Local and global communities" chapter	"Local and global communities" chapter
	Sustainable supply chain	Suppliers	"Sound governance" chapter	"Suppliers" chapter	"Suppliers" chapter	"Suppliers" chapter
Employment and labor-related	People management, development and motivation	Enel people	"Sound governance" chapter	"Enel people" chapter	"Enel people" chapter	"Enel people" chapter
	Occupational health and safety	Occupational health and safety	"Sound governance" chapter	"Occupational health and safety" chapter	"Occupational health and safety" chapter	"Occupational health and safety" chapter
Human rights	Sound governance and fair corporate conduct	Sound governance	"Sound governance" chapter	"Sound governance" chapter	"Sound governance" chapter	"Sound governance" chapter
	People management, development and motivation					
	Engaging global and local communities					
	Conservation of ecosystems and environmental management					
	Sustainable supply chain					
Active and passive fight against corruption	Sound governance and fair corporate conduct	Sound governance	"Sound governance" chapter	"Sound governance" chapter	"Sound governance" chapter	"Sound governance" chapter

Corporate Reporting Framework

The Core&More approach of the Enel Group



How this document has been constructed

The Sustainability Report was prepared in compliance with the Sustainability Reporting Standards set down by GRI in 2016 – in accordance with the Core option – and also considering the Electric Utilities Disclosure supplement dedicated to the sector issued in 2013, again by GRI and still applicable today; this document was also prepared in consideration of the following more recently issued GRI standards:

- GRI 403 – Occupational Health and Safety (applied from 2018);
- GRI 303 – Water and Effluents (applied from 2018);
- GRI 207 – Tax (applied from 2020);
- GRI 306 – Waste (applied from 2020).

One column of the content index attached to this document shows the transcoding with the indicators provided for by the new GRI Universal Standards 2021, which are being gradually implemented.

Moreover, for comprehensive reporting in relation to the material topics identified following the materiality analysis, the directors deemed it necessary to include several additional disclosures, as more fully specified in this document. In compliance with standard GRI 101, the disclosures in question were subjected to the same technical rigor required by the reporting standard adopted. The reporting standards adopted, as described above, comply with the disclosure obligations pursuant to Italian Legislative Decree 254/16 art. 1 letter "f" and art. 3, par. 3, which the directors decided to adopt organically in order to fully represent the social and environmental topics – in compliance with the mentioned decree – of significance for the Enel Group in consideration of the Group structure, the specific business sectors, and the reference geographical areas.

The Appendix to the Sustainability Report also contains specific tables of reconciliation with indicators proposed by the WEF white paper "Toward Common Metrics and Consistent Reporting of Sustainable Value Creation" and with the indicators proposed by the Sustainability Accounting Standards Board (SASB – in relation to Enel's core business area in the Electric Utilities & Power Generators Sector). Starting from 2021, a specific table is attached, with the topics and information relating to the protection of human rights and the Group's Human Rights Policy. The 2021 Sustainability Report also complies with the qualitative indicators of the Task Force on Climate-related Financial Disclosures (TCFD) and with the UN Guiding Principles Reporting Framework.

The Sustainability Report is part of the Enel system, and the information it provides is more detailed than and supplementary to its constituent documents, as cross-referenced in the Report. The non-financial information to be presented within the various corporate reporting system documents is selected based on the materiality analysis results and considering the approach set down in "Reporting on enterprise value", released in December 2020 by the main reference International organizations (CDP, CDSB, GRI and SASB). In particular, the content definition process is based on the materiality principle, stakeholder inclusiveness, sustainability context and the completeness of the data and information; Enel summarizes the information relating to its performance in specific paragraphs (see the "Our sustainable progress" and "Our performance" chapters) of the Sustainability Report. These chapters also set out the objectives and advancements relating to the Sustainable Development Goals (SDGs), with the aim of full disclosure of all significant information in the reference period, as well as reliable estimates for the future. The quality of information reported is assured by proceeding in compliance with the principles of balance, comparability, accuracy, timeliness, clarity, and verifiability as applicable in this case.

This Report is also compliant with the principles of inclusivity, materiality and responsiveness set out in AA1000APS (AccountAbility Principles Standard) issued in 2008 by AccountAbility, an international applied research institution focusing on sustainability issues. With regard to the materiality principle, in particular, the depth in which the various subjects are discussed in the Report has been determined according to their incidence in relation to the Group's goals and strategies and their relevance for stakeholders, identified through a structured materiality analysis process.

Finally, the main UN SDGs are referenced in the various chapters, in accordance with the instructions in "Linking the SDGs and the GRI standards" published by GRI in January 2021, and SDG Compass, the guide published in November 2015 and developed by GRI, UN Global Compact and the World Business Council for Sustainable Development (WBCSD) to help companies align their strategies with the SDGs and measure and manage their contribution to the goals.

Reconciliation of the issues of the materiality analysis and GRI Standards

| 102-46 | 102-47 | 103-1 |

Joint analysis of the stakeholder and Company dimensions, via its depiction in the priorities' matrix provided in section "Priorities' matrix (single materiality)", makes it possible to assess the degree of "alignment" or "misalignment" between the priority of intervention assigned by stakeholders and the various issues and extent of commitment the Group is taking in that regard. The following table contains

the codes for the topics included in the materiality analysis as established in the GRI Standards or the "Aspects" of the GRI supplement dedicated to the electric utilities sector ("Electric Utilities Sector Disclosures") of reference, along with an indication of the context internal and external to the organization and the limitations on the scope.

ESG categories	Issue of the 2021 materiality assessment	GRI Standard or Electric Utilities Sector Disclosures Aspect	Internal boundary	External boundary	Reporting limitations on internal boundary	Reporting limitations on external boundary
Business & Governance	Economic and financial value creation	GRI 201: Economic performance	Group			
		GRI 205: Anti-corruption				
	Sound governance and fair corporate conduct	GRI 206: Anti-competitive behavior				
		GRI 207: Taxes	Group			
		GRI 406: Non-discrimination				
		GRI 415: Public policy				
	Decarbonization of the energy mix	GRI 201: Economic performance				
		GRI 305: Emissions	Group			
		System efficiency				
	Customer engagement	GRI 417: Marketing and labelling				
		GRI 418: Customer privacy	Group			
		Provision of information				
	Products and services for electrification and digitalization	Research & Development	Group			
		Access				
	Infrastructure and Networks	System efficiency	Group			
		Demand management				
	Innovation, circular economy and digital transformation	Research & Development	Group			

ESG categories	Issue of the 2021 materiality assessment	GRI Standard or Electric Utilities Sector Disclosures Aspect	Internal boundary	External boundary	Reporting limitations on internal boundary	Reporting limitations on external boundary
Environmental	Conservation of ecosystems and environmental management	GRI 301: Materials				
		GRI 302: Energy				
		GRI 303: Water and wastewater				
		GRI 304: Biodiversity		Group		
		GRI 305: Emissions				
		GRI 306: Waste				
		GRI 307: Environmental compliance				
	People management, development and motivation	GRI 401: Employment				
		GRI 402: Labor/Management relations				
		GRI 404: Training and education				
		GRI 405: Diversity and equal opportunity		Group		
		GRI 407: Freedom of association and collective bargaining				
		GRI 408: Child labor				
		GRI 409: Forced or compulsory labor				
		GRI 410: Safety practices				
		GRI 412: Human Rights Assessment				
Social	Occupational health and safety	GRI 403: Occupational health and safety	Group	Suppliers		Reporting not extended to suppliers
		GRI 411: Rights of indigenous peoples				
		GRI 413: Local communities				
	Engaging local and global communities	GRI 416: Customer health and safety	Group			
		Disaster/emergency planning and response				
		Access				
	Sustainable supply chain	GRI 204: Procurement practices				
		GRI 308: Supplier Environmental Assessment	Group	Suppliers		Reporting not extended to suppliers
		GRI 414: Supplier Social Assessment				

List of 1st and 2nd Level issues

ESG categories	I Level	II Level
Business & Governance	Economic and financial value creation	Group efficiencies ⁽¹⁾
		Extraordinary operations
		Stock's value and dividend policy
		Capital structure balance
		Investment attraction
	Sound governance and fair corporate conduct	Strategy to value creation in the long term
		Anti-corruption
		Board of Directors and Top Management structure
		Fair competition
		Tax transparency
Environmental	Customer engagement	Fairness and transparency in communication
		Fairness in management conduct
		Sound Organizational Model and Compliance Programs ⁽²⁾
		Transparency in relations with institutions
		Legal affairs management
	Products and services for electrification and digitalization	Capacity to meet customer needs ⁽³⁾
		Quality in relationship with customers
		New technologies and solutions for homes and condominiums
		New technologies and solutions for cities
		New technologies and solutions for industry
	Decarbonization of the energy mix	New technologies and solutions for financial services
		Electric-mobility ⁽⁴⁾
		Ultra Broadband (UBB) connectivity solutions
		Renewable expansion and management
		Traditional technologies ⁽⁵⁾
	Innovation, circular economy and digital transformation	Climate change ⁽⁶⁾
		Digitalization and cyber security ⁽⁷⁾
		Ecosystem of innovation and sustainability ⁽⁸⁾
		Circular economy
		Network improvement and development ⁽⁹⁾
	Infrastructure and Networks	Networks operational management ⁽¹⁰⁾
		Waste management
		Water management
		Biodiversity and natural capital protection ⁽¹¹⁾
		Environmental governance
	Ecosystems preservation and environmental management	Atmospheric emissions (CO ₂ excluded) ⁽¹²⁾
		Energy use ⁽¹³⁾
		Soil, subsoil and groundwater ⁽¹⁴⁾

ESG categories

Social

	I Level	II Level
Employees management, development & motivation		People development ⁽¹⁵⁾ Quality of corporate life ⁽¹⁶⁾ Human rights respect for employees ⁽¹⁷⁾ Valorization of employees diversities ⁽¹⁸⁾
Occupational health and safety		Employees' health promotion and well-being Employees' safety Safety of contractors' employees operating at Enel's sites Human rights respect on occupational health and safety ⁽¹⁹⁾
Sustainable supply chain		Responsible management in the procurement of goods, services and works Responsible management of relations with fuel suppliers Human rights respect in the supply chain ⁽²⁰⁾
Engaging the local and global communities		Access to electricity ⁽²¹⁾ Community consultation in new projects' development Evaluation of operations' impacts on the local community Mitigation of operations' impacts on the local community Protecting the health and safety of local communities Respect for the human rights of communities, indigenous, tribal and traditional local people Social and economic development of local communities Support for local communities

- (1) Meaning the maximization of synergies within the Group's Business Lines and the optimization of the organizational structure.
- (2) Including the Code of Ethics, the Human Rights Policy and the Zero Tolerance for Corruption Plan.
- (3) The ability to meet customer needs by improving, for example, the affordability of tariffs and flexibility of payments, the optimization of products and services, and the quality and timeliness of commercial assistance.
- (4) Private and public.
- (5) Includes management, reconversion and closure of power plants related to traditional technologies.
- (6) Includes, for example, activities aimed at reducing CO₂ emissions (Scope 1, Scope 2 and Scope 3) as well as adaptation to extreme and chronic weather phenomena.
- (7) Includes digitalization of assets, customers and people and the activities and set of means, technologies and procedures aimed at ensuring cyber security.
- (8) Includes activities to promote partnerships, development of Innovation Hubs&Labs, support and relationship management with start-ups, and protection of intellectual property.
- (9) Includes activities such as the deployment of smart meters, the improvement of quality in energy distribution, the reliability and continuity of power supply and the expansion and modernization of grids.
- (11) Including, for example, preservation and promotion of the local natural heritage.
- (10) Includes activities such as security, operational management in energy distribution, maintenance of grids and activities aimed at reducing CO₂ emissions.
- (12) Includes activities to reduce SO₂, NO_x and dust emissions.
- (13) Includes activities aimed at reducing power consumption as well as energy efficiency in buildings and business activities.
- (14) Includes activities such as protection, monitoring and remediation of soil, subsoil and groundwater, and management of discharges.
- (15) Includes, for example, recruitment and remuneration policies, skills and job evaluation, recognition and meritocracy as well as upskilling, reskilling, education and training.
- (16) Includes, for instance, corporate welfare, work-life balance, and promotion and dissemination of an internal culture.
- (17) Including, for example, freedom of association and collective bargaining, fair and favorable working conditions and the rejection of forced or compulsory labor and child labor.
- (18) All activities aimed at valuing diversity in terms of age, gender, culture, religious beliefs and ethics, as well as the inclusion of people with disabilities.
- (19) Meaning respect for and protection of health and safety in the working environment throughout the Company.
- (20) Including respect for and protection of human rights on the part of our suppliers, contractors and subcontractors.
- (21) Including initiatives aimed at vulnerable customers and against energy poverty, rural electrification activities, promotion of energy efficiency and promotion of energy awareness.

The reporting process

The structure of the 2021 Sustainability Report was developed in accordance with the materiality analysis, focusing more closely on the material topics covered in detail in the dedicated chapters. Likewise, the materiality level of the issues – divided in turn into dedicated sub-issues – influenced the level of detail with which to treat each subject and report the associated GRI indicators (GRI Standards and Electric Utilities Sector Disclosure) in order to be in accordance (Core option), and also the choice of the most appropriate tools to represent them (2021 Consolidated Annual Report and appended reports), to which reference was made for the treatment or detailed investigation of more specific topics, respectively, of economic performance and governance. The materiality analysis also formed the basis

for definition of Enel's sustainability goals for the 2022–2024 period, as illustrated by the Sustainability Plan (see the "Our sustainable progress" chapter, under "Our strategy for sustainable progress").

The GRI Context Index, included in the Appendix, contains references to the 2020 Sustainability Report and the Group's other reporting instruments. Please also consult the website www.enel.com for further information, for example regarding innovation projects or the activities of Enel's foundations and the 2021 *Informe de Sostenibilidad* by Endesa and Enel Américas for additional details concerning initiatives dedicated to customers and local communities in Spain and Latin America.

Drafting and assurance

| 102-56 |

The process of reporting and monitoring the Key Performance Indicators ("KPIs") relevant to sustainability involves the Holding Company, with regard to transversal issues, and all Group Business Lines, Functions and companies for issues and indicators specific to the various sectors of activity.

Those responsible for collecting, verifying and processing the relevant KPIs are identified within the units involved. The Sustainability Planning and Performance Management and Human Rights unit, which forms part of the Innovation® Function, is responsible for consolidating information and coordinating the entire 2021 Sustainability Report drafting process.

On March 30, 2022, the Report was submitted for analysis and evaluation by the Corporate Governance and Sustainability Committee and on April 1 to the Enel Control and Risk Committee. It was approved by the Board of Directors on April 6. The document will then be presented to the General Shareholders' Meeting together with the Group's Consolidated Annual Report.

This Report has been subjected to a limited audit by an independent auditing company, KPMG SpA, engaged also to audit the Enel Group's Consolidated Annual Report. The limited audit was conducted in accordance with international standard ISAE 3000 (Revised) 1 and, accordingly, the Code of Ethics for Professional Accountants, including professional independence and verification of the absence of conflicts of interest that may affect the ethical principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct. As of the 2021 financial year, the audit approach has been extended to include the comprehensive scrutiny of a set of 25 relevant

indicators. This activity is aimed at obtaining greater security regarding the selected indicators than on those and other information subject to limited scrutiny. The conclusions of the reasonable assurance activity are set out in the Mixed Audit Report on the Enel Group non-financial statement and on the selection of 25 indicators, issued in accordance with Art. 3, paragraph 10 of Italian Legislative Decree 254/16 in compliance with ISAE 3000 Revised, and in compliance with the provisions of the CONSOB Regulations and the guidelines issued by the professional bodies concerned (i.e. ASSIREVI). The said report, which contains a detailed description of the principles adopted, activities performed and conclusions reached, is attached hereto. The following is a list of the 25 relevant indicators subject to reasonable assurance.

Safety

1. N. of Fatal Accidents – Enel
2. N. of Fatal Accidents – Contractors
3. Fatal Accident Frequency Rate – Enel
4. Fatal Accident Frequency Rate – Contractors
5. Accident >3 Frequency Rate – Enel
6. Accident >3 Frequency Rate – Contractors
7. Lost Time Injury Frequency Rate – Enel
8. Lost Time Injury Frequency Rate – Contractors
9. High Potential Accident Frequency Rate – Enel
10. High Potential Accident Frequency Rate – Contractors
11. Total Recordable Injury Frequency Rate – Enel
12. Total Recordable Injury Frequency Rate – Contractors
13. Life Changing Accident Frequency Rate – Enel
14. Life Changing Accident Frequency Rate – Contractors

Grid Resiliency

- 15. SAIDI – System Average Interruption Duration Index
- 16. SAIFI – System Average Interruption Frequency Index

Climate

- 17. Scope 1 – Total direct emissions
- 18. Specific CO_{2eq} emissions from Scope 1
- 19. Scope 2, market based – Total indirect emissions
- 20. Scope 2, location based – Total indirect emissions
- 21. Scope 3 – Total indirect emissions
 - Fugitive emissions from coal extraction
 - Emissions from coal transport by sea
 - Emissions from fuels transport
 - Emissions from power retail
 - Emissions from gas retail
 - Emissions from transport of primary raw materials and waste
 - Emissions from supply chain
- 22. Carbon footprint – market based (Scope 1 + Scope 2 mkt. based + Scope 3)
- 23. Carbon footprint – location based (Scope 1 + Scope 2 loc. based + Scope 3)

Gender Diversity

- 24. Percentage of women managers and middle managers
- 25. Percentage of women in managerial succession plans

In addition, the report on the green bond, also subjected to limited scrutiny by KPMG SpA according to the criteria indicated in standard ISAE 3000, is annexed to this Report; the related audit report is supplied as an attachment to this Sustainability Report. The Statement of the proportion of activities considered eco-sustainable (Art. 8, Reg. (EU) 852) is also attached, as is the report on its limited scrutiny.

The GHG Inventory Statements were audited by DNV GL, with a reasonable level of certainty for Scope 1, Scope 2 and Scope 3 emissions, restricted to natural gas sales activities, and with a limited level of certainty for the other Scope 3 emissions included in the scope of application of the inventory. The audit was conducted according to ISO 4064-3 for compliance of greenhouse gas (GHG) inventories with the WBCSD/WRI Corporate Accounting and Reporting Standard (GHG Protocol).

Report boundaries

| [102-10](#) | [102-45](#) | [102-48](#) | [102-49](#) | [102-50](#) | [102-56](#) |

The information and data presented in the Report refer to Enel SpA and the companies within the scope of line-by-line consolidation at December 31, 2021, in accordance with the Group's financial consolidation scope. In addition to the line-by-line consolidation scope, the document also includes the data and information regarding the company Asociación Nuclear Ascó-Vandellós II AIE (ANA CNVII AIE), to which the two Spanish nuclear plants of Ascó and Vandellós are attributed. The Company, considered to be a joint operation in line with the provisions of accounting standard IFRS 11⁽¹⁾, is included in the Group's financial scope of consolidation under the proportional method, and is included in this report using the same method to ensure the impacts are adequately represented, given that it is a significant Group entity. The sole exception to the line-by-line consolidation scope are the companies acquired in 2021, for which, on the basis of prevailing practice, as also represented in the CONSOB report of January 19, 2018⁽²⁾, it was decided to begin consolidation, with regard to some of the areas covered in this document, with effect from 2022, in the light of the reduced acquisition period. The areas of exclusion have been indicated directly in the specific chapters.

In particular, the main organizational changes affecting the Enel Group in 2020 were:

- sale of 100% of Tynemouth Energy Storage;
- sale of 100% of Enel Green Power Bulgaria;
- acquisition by Enel Green Power Italia of 100% of e-Solar Srl, owner of a photovoltaic project with an authorized capacity of 170.11 MW;
- acquisition by Enel X Srl of 100% of CityPoste Payment SpA, an Italian company that offers consumers broad access to payment services, via both physical and digital channels, and makes it possible to carry out various types of transactions with private individuals and governments;
- change in scope for the global consolidation of Australian renewable companies previously valued using the equity method as a result of the change in governance in the companies and without the acquisition of additional shares. The Purchase Price Allocation process was completed in December 2021;
- sale of EGP Solar 1 LLC;
- acquisition by Enel Green Power España of 30 renewables companies;

- sale by Enel X North America of Genability;
 - completion of the Purchase Price Allocation process of Viva Labs AS, a company acquired by Enel X International.
- For more detailed information on the changes, refer to the 2020 Consolidated Annual Report in the sections "Main changes in the scope of consolidation" and "Significant events in 2021".

If the associated companies (measured at equity in the Consolidated Annual Report) and other entities over which Enel exercises significant influence (including joint ventures) produce substantial impacts, they are included in the data calculation in proportion to Enel's holding, and referenced in the text. We invite you to refer to the 2021 Consolidated Annual Report for details of the companies included the scope of consolidation.

In this Statement, the terms "Corporate", "Holding Company" and "Parent Company" refer to Enel SpA, whereas "Group", "Enel" and "Company" refer to Enel SpA and its subsidiaries.

Various deviations from the KPIs and information included in the 2019 Sustainability Report are the result of changes in the Group's scope of consolidation.

The effects of changes in the scope of consolidation, together with any significant changes or limitations of the scope or methods of calculating individual indicators compared with 2020, are expressly indicated in the text and/or the Appendix, along with the effects on the related data. See the notes in the tables in the Appendix for all further details regarding adjustments with respect to already published data, calculation methods, assumptions or significant limitations of indicators.

The data have been thoroughly calculated on the basis of the results of Enel's accounting, non-accounting and other information systems, and validated by the persons responsible in each case. Data determined through the use of estimates and related calculation method have been expressly indicated. In the comparison of the data over time, it should be noted that differences between 2021 and 2020, in absolute and percent terms, have been calculated considering decimal places in some cases not visible in the printed document. In the tables containing quantitative data, percent changes in excess of |100%| are indicated by "-".

(1) A "joint operation" is a joint-control arrangement in which the parties that hold joint control have rights to the assets and obligations for the liabilities associated with the arrangement.

(2) Illustrative report on the results of the consultation and the consequences for regulation, the activities of companies and operators and the interests of investors and savers.

Performance indicators

Key sustainability performance indicators are presented from page 374 to page 417 and form an integral part of this Sustainability Report.

Units of measure

- ,000 thousands
- ,000 d thousands of days
- ,000 h thousands of hours
- ,000 t thousands of tons
- % percentage
- years years
- cent euros euro cents
- g/kWh grams per kilowatt hour
- g/kWh eq grams per equivalent kilowatt hour⁽³⁾
- GBq per unit gigabecquerels per unit
- dd days
- GW gigawatts
- GWh gigawatt hours
- h hours
- h/per cap hours per capita
- r rate
- kg kilograms
- km kilometers
- kWh kilowatt hours
- kWh eq equivalent kilowatt hours⁽³⁾
- kWh/t kilowatt hours per ton
- kWp peak kilowatts
- l/kWh liters per kilowatt hour
- l/kWh eq liters per equivalent kilowatt hour⁽³⁾
- billions of m³ billions of cubic meters
- MJ/kWh eq megajoules per equivalent kilowatt hour⁽³⁾
- ML megaliters
- mil million
- mil A4 eq millions of equivalent A4 sheets
- mil euros millions of euros
- mil h millions of hours
- mil l millions of liters
- mil m³ millions of cubic meters
- mil t millions of tons
- mil t eq millions of equivalent tons
- min minutes
- Mtoe millions of tons of oil equivalent
- MW megawatts
- MWh megawatt hours
- no. number
- sec seconds
- t tons
- TBq per unit terabecquerels per unit

Acronyms

- HV High Voltage
- EIB European Investment Bank
- BOD Biochemical Oxygen Demand
- LV Low Voltage
- CCGT Combined Cycle Gas Turbine
- BoD Board of Directors
- CERT Cyber Emergency Readiness Team
- CSV Creating Shared Value
- COD Chemical Oxygen Demand
- CSR Corporate Social Responsibility
- EBT Earnings Before Tax
- EBIT Earnings Before Interest and Tax
- EBITDA Earnings Before Interest, Tax, Depreciation and Amortization
- ESG Environmental Social & Governance
- EGP Enel Green Power
- EPS Earnings per Share
- RT Remote Training
- GRI Global Reporting Initiative
- IPO Initial Public Offering
- IRAP Imposta Regionale sulle Attività Produttive (Regional Business Tax)
- IRES Imposta sul Reddito delle Società (Corporate Income Tax)
- LBG London Benchmarking Group
- MV Medium Voltage
- PCBs Polychlorinated Biphenyls
- R&D Research & Development
- S&P Standard & Poor's
- SRI Socially Responsible Investor
- TSR Total Shareholder Return
- SCIGR Internal Control and Risk Management System
- SDG Sustainable Development Goal
- TCFD Task Force on Climate-related Financial Disclosure
- UN United Nations
- WEF World Economic Forum

(3) Corresponding to the sum of electrical energy and heat.

Independent auditors' report



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

*To the board of directors of
Enel S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5 of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform:

- a) a limited assurance engagement on the information included in the 2021 consolidated non-financial statement of the Enel Group (the "group") prepared in accordance with article 4 of the decree approved by the board of directors on 6 April 2022 (the "NFS") other than that specified in point b) (the "information subjected to limited assurance engagement");
- b) a reasonable assurance engagement on certain selected indicators (the "selected indicators") presented in the NFS, identified in the "Drafting and assurance" section of the NFS and set out in section "B. Report on the information subjected to reasonable assurance engagement" of this report (the "information subjected to reasonable assurance engagement").

Our procedures did not cover the information set out in the "The European Taxonomy Regulation" section of the NFS required by article 8 of Regulation (EU) 2020/852.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of Enel S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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The directors are also responsible, within the terms established by the Italian law, for such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.

The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

A. Report on the information subjected to limited assurance engagement

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the information subjected to limited assurance engagement with the requirements of the decree and the GRI Standards selected as specified in the "Methodological note" section of the NFS (the "GRI Standards - Core option). We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the information subjected to limited assurance engagement is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

Specifically, we carried out the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed as part of the information subjected to limited assurance engagement presented in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.

2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures included in the information subjected to limited assurance engagement presented in the NFS with those included in the group's consolidated financial statements.
4. Gaining an understanding of the following:
 - the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
 - the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
 - the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the information subjected to limited assurance engagement presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information subjected to limited assurance engagement disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the information subjected to limited assurance engagement presented in the NFS.

Furthermore, with respect to significant information subjected to limited assurance engagement, considering the group's business and characteristics:

- at group level,
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we held videoconferences with the management of Enel S.p.A., Enel Chile SA, Enel Russia XX and Endesa SA and the Civitavecchia (Italy), San Isidro (Chile), Granadilla (Spain) and Konakovskaya (Russia) sites, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

B. Report on the information subjected to reasonable assurance engagement

Our responsibility is to express an opinion, based on the procedures performed, about the compliance of the information subjected to reasonable assurance engagement with the Decree and the GRI Standards - Core option. We carried out our work in accordance with the criteria established by ISAE 3000 revised applicable to reasonable assurance engagements. This standard requires that we plan and perform the engagement to obtain reasonable assurance about whether the information subjected to reasonable assurance engagement is free from material misstatement. A reasonable assurance engagement involves performing procedures to obtain evidence supporting the data and information subjected to such engagement. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the preparation of the information subjected to reasonable assurance engagement in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal controls.

The information subjected to reasonable assurance engagement are as follows:

1. number of fatalities – Enel;
2. number of fatalities - contractors;
3. fatality frequency rate – Enel;
4. fatality frequency rate – contractors;
5. injury frequency rate for injuries with more than three days' absence – Enel;
6. injury frequency rate for injuries with more than three days' absence – contractors;
7. injury frequency rate with absence from work - Enel;
8. injury frequency rate with absence from work - contractors;
9. high potential injury frequency rate – Enel;
10. high potential injury frequency rate – contractors;
11. total injury frequency rate – Enel;
12. total injury frequency rate – contractors;
13. life changing injury frequency rate – Enel;
14. life changing injury frequency rate – contractors;

Grid resiliency

15. SAIDI - system average interruption duration index;
16. SAIFI - system average interruption frequency index;

Climate

17. scope 1 direct emissions;
18. CO₂eq specific emissions – scope 1;
19. scope 2 emissions - market based;
20. scope 2 emissions - location based;
21. scope 3 emissions;
 - fugitive emissions from coal mining;
 - emissions from coal transport by ship;
 - emissions from fuel transport;

- emissions from electricity sold;
 - emissions from gas sold (energy market)
 - emissions from raw material and waste transport;
 - emissions from supply chain;
22. carbon footprint – market based (scope 1 + scope 2 - market based + scope 3);
23. carbon footprint – location based (scope 1 + scope 2 - location based + scope 3);

Gender diversity

24. incidence of women managers and middle managers;
25. percentage of women in management succession plans.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusion and opinion

"A. Conclusion on the information subjected to limited assurance engagement"

Based on the procedures performed, nothing has come to our attention that causes us to believe that the information subjected to limited assurance engagement presented in the 2021 NFS of the Enel Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

"B. Opinion on the information subjected to reasonable assurance engagement"

In our opinion, the information subjected to reasonable assurance engagement presented in 2021 NFS of the Enel Group, identified in the "Drafting and assurance" section of the NFS and in section "*B. Report on the information subjected to reasonable assurance engagement*" of this report has been prepared, in all material respects, in accordance with the GRI standards.

Our conclusion and opinion set out above do not cover the information set out in the "The European Taxonomy Regulation" section of the NFS required by article 8 of Regulation (EU) 2020/852.

Other matters

The NFS presents the corresponding figures included in the 2019 consolidated non-financial statement for comparative purposes, on which other auditors performed a limited assurance engagement and expressed an unqualified conclusion on 8 March 2020.

Rome, 14 April 2022

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

Sustainability Statement: performance indicators

The key sustainability performance indicators are listed below and form an integral part of this Sustainability Report.

Our sustainable progress

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
EU1 GENERATION								
Installed capacity								
Net efficient generation capacity by primary energy source								
Thermal net capacity	(MW)	33,664	35,623	38,897	-1,959	-5.5		Enel
Coal	(MW)	6,910	8,903	11,695	-1,993	-22.4		Enel
CCGT	(MW)	15,039	15,009	14,991	30	0.2		Enel
Oil/Gas	(MW)	11,715	11,711	12,211	4	-		Enel
Nuclear net capacity	(MW)	3,328	3,328	3,318	-	-		Enel
Renewable net capacity	(MW)	50,066	45,016	42,134	5,050	11.2		Enel
Hydroelectric	(MW)	27,847	27,820	27,830	27	-		Enel
Wind	(MW)	14,903	12,412	10,327	2,491	20.1		Enel
Geothermal	(MW)	915	882	878	33	3.7		Enel
Biomass and cogeneration	(MW)	6	5	5	1	20.0		Enel
Photovoltaic	(MW)	6,395	3,897	3,094	2,498	64.1		Enel
Total net electrical capacity	(MW)	87,058	83,967	84,349	3,091	3.7		Enel
Net efficient generation capacity by geographic area								
Italy	(MW)	25,609	26,400	27,451	-791	-3.0		Italy
Iberia	(MW)	21,140	21,652	23,348	-512	-2.4		Iberia
Latin America	(MW)	23,903	21,960	21,200	1,943	8.8	Latin America	
- Chile	(MW)	7,973	7,118	7,232	855	12.0		Chile
- Argentina	(MW)	4,419	4,419	4,419	-	-		Argentina
- Colombia	(MW)	3,589	3,592	3,592	-3	-		Colombia
- Peru	(MW)	2,294	2,301	2,299	-7	-0.3		Peru
- Brazil	(MW)	4,981	3,922	3,050	1,059	27.0		Brazil
- Uruguay	(MW)	-	-	-	-	-		Uruguay
- Costa Rica	(MW)	81	81	81	-	-		Costa Rica
- Guatemala	(MW)	164	164	164	-	-		Guatemala
- Panama	(MW)	401	362	362	39	10.8		Panama
North America	(MW)	7,941	6,643	5,282	1,298	19.5	North America	
Europe	(MW)	6,524	6,402	6,292	122	1.9	Europe	
- Africa, Asia and Oceania	(MW)	1,941	911	776	1,030	-	Africa, Asia and Oceania	
Total net electrical capacity	(MW)	87,058	83,967	84,349	3,091	3.7		Enel
Power generation plants								
Thermoelectric plants⁽¹⁾	(no.)	69	71	74	-2	-2.8		Enel
Coal plants	(no.)	8	10	12	-2	-20.0		Enel
CCGT plants	(no.)	23	23	23	-	-		Enel
Oil/Gas plants	(no.)	48	48	49	-	-		Enel
Nuclear plants	(no.)	4	4	4	-	-		Enel
Renewable energy plants	(no.)	1,187	1,173	1,138	14	1.2		Enel
Hydroelectric plants	(no.)	739	748	761	-9	-1.2		Enel
- of which mini-hydro plants (< 10 MW)	(no.)	452	460	473	-8	-1.7		Enel
Wind plants	(no.)	266	262	226	4	1.5		Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Photovoltaic plants	(no.)	141	122	105	19	15.6	Enel
	Geothermal plants	(no.)	39	39	38	-	-	Enel
	Biomass plants	(no.)	2	2	8	-	-	Enel
OPERATING RESULTS								
EU2	GENERATION							
Net production by primary energy source								
	Thermal net production	(GWh)	88,285	75,909	103,459	12,376	16.3	Enel
	Coal	(GWh)	13,858	13,155	37,592	703	5.3	Enel
	CCGT	(GWh)	51,718	43,353	44,980	8,365	19.3	Enel
	Oil/Gas	(GWh)	22,709	19,401	20,887	3,308	17.1	Enel
	Nuclear net production	(GWh)	25,504	25,839	26,279	-335	-1.3	Enel
	Renewable net production	(GWh)	108,817	105,360	99,391	3,457	3.3	Enel
	Hydroelectric	(GWh)	57,001	62,437	62,580	-5,436	-8.7	Enel
	Wind	(GWh)	37,791	30,992	26,668	6,799	21.9	Enel
	Geothermal	(GWh)	6,086	6,167	6,149	-81	-1.3	Enel
	Biomass and cogeneration	(GWh)	40	1	21	39	-	Enel
	Photovoltaic	(GWh)	7,899	5,763	3,974	2,136	37.1	Enel
	Total net production	(GWh)	222,605	207,108	229,129	15,497	7.5	Enel
Net production by geographic area								
	Italy	(GWh)	47,964	42,495	46,912	5,469	12.9	Italy
	Iberia	(GWh)	57,592	56,269	61,402	1,323	2.4	Iberia
	Latin America	(GWh)	70,376	69,165	71,836	1,211	1.8	Latin America
	- Chile	(GWh)	19,034	19,331	21,041	-297	-1.5	Chile
	- Argentina	(GWh)	13,099	13,901	12,974	-802	-5.8	Argentina
	- Colombia	(GWh)	13,241	14,146	15,362	-905	-6.4	Colombia
	- Peru	(GWh)	9,585	8,774	9,249	811	9.2	Peru
	- Brazil	(GWh)	12,713	10,713	11,077	2,000	18.7	Brazil
	- Uruguay	(GWh)	-	-	-	-	-	Uruguay
	- Costa Rica	(GWh)	198	213	198	-15	-7.0	Costa Rica
	- Guatemala	(GWh)	548	518	430	30	5.8	Guatemala
	- Panama	(GWh)	1,958	1,569	1,505	389	24.8	Panama
	North America	(GWh)	20,356	17,182	12,969	3,174	18.5	North America
	Europe	(GWh)	23,736	20,461	34,438	3,275	16.0	Europe
	- Africa, Asia and Oceania	(GWh)	2,580	1,537	1,571	1,043	67.9	Africa, Asia and Oceania
	Total net production	(GWh)	222,605	207,108	229,129	15,497	7.5	Enel
Development of renewables								
	New renewable power⁽²⁾:	(MW)	5,176	2,908	3,575	2,268	78.0	Enel
	Hydroelectric	(MW)	33	15	51	18	-	Enel
	Wind	(MW)	2,596	2,086	2,227	510	24.4	Enel
	Geothermal	(MW)	33	4	75	29	-	Enel
	Biomass and cogeneration	(MW)	1	-	-	1	-	Enel
	Photovoltaic	(MW)	2,513	803	1,222	1,710	-	Enel
NETWORK								
EU4	Total electricity distribution network⁽³⁾	(km)	2,233,368	2,232,022	2,219,007	1,346	0.1	Enel
	Total high-voltage network	(km)	46,860	46,661	46,432	199	0.4	Enel
	- of which underground cable	(km)	1,529	1,992	1,992	-463	-23.2	Enel
	Total medium-voltage network	(km)	891,221	894,343	887,439	-3,122	-0.3	Enel
	- of which underground cable	(km)	212,077	223,507	221,447	-11,430	-5.1	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Total low-voltage network	(km)	1,295,287	1,291,018	1,285,136	4,269	0.3	Enel
	- of which underground cable	(km)	387,314	413,636	405,321	-26,322	-6.4	Enel
EU4	Electricity distribution network by geographic area							
	Total electricity distribution network Italy⁽³⁾	(km)	1,151,482	1,159,921	1,157,527	-8,439	-0.7	Italy
	High-voltage network	(km)	19	20	22	-1	-5.0	Italy
	- of which underground cable	(km)	3	11	11	-8	-	Italy
	Medium-voltage network	(km)	348,699	357,860	356,622	-9,161	-2.6	Italy
	- of which underground cable	(km)	154,983	153,073	151,703	1,910	1.2	Italy
	Low-voltage network	(km)	802,764	802,041	800,883	723	0.1	Italy
	- of which underground cable	(km)	279,325	278,936	278,255	389	0.1	Italy
	Total electricity distribution network Romania	(km)	132,334	131,322	129,363	1,012	0.8	Romania
	High-voltage network	(km)	6,528	6,528	6,521	-	-	Romania
	- of which underground cable	(km)	311	312	311	-1	-0.3	Romania
	Medium-voltage network	(km)	35,931	35,630	35,173	301	0.8	Romania
	- of which underground cable	(km)	14,368	13,981	13,675	387	2.8	Romania
	Low-voltage network	(km)	89,874	89,164	87,669	710	0.8	Romania
	- of which underground cable	(km)	27,586	27,586	21,004	-	-	Romania
	Total electricity distribution network Iberia	(km)	316,506	315,365	316,332	1,141	0.4	Iberia
	High-voltage network	(km)	19,713	19,642	19,593	71	0.4	Iberia
	- of which underground cable	(km)	805	793	787	12	1.5	Iberia
	Medium-voltage network	(km)	114,336	114,003	115,943	333	0.3	Iberia
	- of which underground cable	(km)	41,362	41,033	40,771	329	0.8	Iberia
	Low-voltage network	(km)	182,457	181,720	180,795	737	0.4	Iberia
	- of which underground cable	(km)	86,639	86,024	85,281	615	0.7	Iberia
	Total electricity distribution network Latin America	(km)	633,047	625,415	615,786	7,632	1.2	Latin America
	High-voltage network	(km)	20,600	20,472	20,296	128	0.6	Latin America
	- of which underground cable	(km)	721	885	883	-164	-18.5	Latin America
	Medium-voltage network	(km)	392,255	386,850	379,701	5,405	1.4	Latin America
	- of which underground cable	(km)	15,732	15,420	15,298	312	2.0	Latin America
	Low-voltage network	(km)	220,192	218,093	215,789	2,099	1.0	Latin America
	- of which underground cable	(km)	21,350	21,090	20,781	260	1.2	Latin America
	Energy transported⁽⁴⁾	(TWh)	510,3	485,2	507,7	25,1	5.2	Enel
	SALES							
	Electricity volumes sold by market⁽³⁾							
	Volumes sold free market	(GWh)	175,958	160,202	172,700	15,756	9.8	Enel
	Italy	(GWh)	65,577	59,900	61,985	5,677	9.5	Italy
	Iberia	(GWh)	68,753	69,430	78,056	-677	-1.0	Iberia
	Romania	(GWh)	9,036	7,178	7,647	1,858	25.9	Romania
	Latin America	(GWh)	32,593	23,694	25,012	8,899	37.6	Latin America
	Volumes sold regulated market	(GWh)	133,467	137,984	149,324	-4,517	-3.3	Enel
	Italy	(GWh)	27,191	30,305	35,554	-3,114	-10.3	Italy
	Iberia	(GWh)	10,705	11,342	11,385	-637	-5.6	Iberia
	Romania	(GWh)	258	1,643	2,088	-1,385	-84.3	Romania
	Latin America	(GWh)	95,313	94,694	100,297	619	0.7	Latin America
	Total volumes sold⁽³⁾	(GWh)	309,425	298,186	322,024	11,239	3.8	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Electricity volumes sold by geographic area								
Italy	(GWh)	92,768	90,205	97,539	2,563	2.8		Italy
Iberia	(GWh)	79,457	80,772	89,441	-1,315	-1.6		Iberia
Romania	(GWh)	9,294	8,821	9,735	473	5.4		Romania
Latin America	(GWh)	127,906	118,388	104,962	9,518	8.0		Latin America
Volumes sold gas⁽³⁾		(bn m ³)	9.9	9.7	10.7	0.2	1.7	Enel
Italy	(bn m ³)	4.4	4.4	4.7	-	-		Italy
- mass market customers	(bn m ³)	2.9	2.9	3.0	-	-		Italy
- business customers	(bn m ³)	1.4	1.5	1.8	-0.1	-5.0		Italy
Iberia	(bn m ³)	5.2	5.0	5.8	0.2	3.6		Iberia
Romania	(bn m ³)	0.2	0.1	-	0.1	100.0		Romania
Latin America	(bn m ³)	0.2	0.2	0.2	-	-		Latin America
102-7 ECONOMIC RESULTS⁽⁵⁾								
Revenues		(mil euros)	88,006	66,004	78,034	22,002	33.3	Enel
Italy	(mil euros)	45,417	32,203	39,433	13,214	41.0		Italy
Iberia	(mil euros)	21,052	17,170	19,041	3,882	22.6		Iberia
Latin America	(mil euros)	16,957	13,903	16,859	3,054	22.0		Latin America
Europe	(mil euros)	2,348	2,085	2,400	263	12.6		Europe
North America	(mil euros)	1,513	1,367	1,469	146	10.7		North America
Africa, Asia and Oceania	(mil euros)	241	153	159	88	57.5		Africa, Asia and Oceania
Other, eliminations and adjustments	(mil euros)	478	-877	-1,327	1,355			Other, - eliminations and adjustments
EBITDA		(mil euros)	17,567	16,903	17,770	664	3.9	Enel
Italy	(mil euros)	6,633	7,824	7,628	-1,191	-15.2		Italy
Iberia	(mil euros)	4,183	3,775	3,792	408	10.8		Iberia
Latin America	(mil euros)	4,143	4,150	5,369	-7	-0.2		Latin America
Europe	(mil euros)	323	509	448	-186	-36.5		Europe
North America	(mil euros)	684	778	799	-94	-12.1		North America
Africa, Asia and Oceania	(mil euros)	110	55	61	55	100.0		Africa, Asia and Oceania
Other, eliminations and adjustments	(mil euros)	1,491	-188	-327	-	-		Other, - eliminations and adjustments
Italy	(%)	37.8	46.3	42.9	-8.5	-		Italy
Iberia	(%)	23.8	22.3	21.3	1.5	-		Iberia
Latin America	(%)	23.6	24.6	30.2	1.0	-		Latin America
Europe	(%)	1.8	3.0	2.5	-1.2	-		Europe
North America	(%)	3.9	4.6	4.5	-0.7	-		North America
Africa, Asia and Oceania	(%)	0.6	0.3	0.3	0.3	-		Africa, Asia and Oceania
Other, eliminations and adjustments	(%)	8.5	-1.1	-1.7	-9.6	-		Other, - eliminations and adjustments
EBIT		(mil euros)	5,500	5,463	4,312	37	0.7	Enel
Group net income		(mil euros)	3,857	3,622	3,476	235	6.5	Enel
Economic value generated⁽⁵⁾								
Economic value generated directly								
Revenues	(mil euros)	88,084	66,100	78,144	21,984	33.3		Enel
Economic value distributed		(mil euros)	79,738	57,932	69,001	21,806	37.6	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Operating costs	(mil euros)	63,768	42,634	53,925	21,134	49.6	49.6	Enel
Personnel and benefit cost	(mil euros)	4,415	3,956	3,748	459	11.6	11.6	Enel
Payment to lenders of capital	(mil euros)	7,428	7,082	6,566	346	4.9	4.9	Enel
Payments to governments	(mil euros)	4,127	4,260	4,762	-133	-3.1	-3.1	Enel
Gross added value continuing operations	(mil euros)	-	-	-	-	-	-	Enel
Economic value generated	(mil euros)	8,346	8,168	9,143		178	2.2	Enel
Investments								
Investments⁽⁶⁾	(mil euros)	12,997	10,197	9,947	2,800	27.5	27.5	Enel
Total Italy	(mil euros)	3,843	2,842	2,635	1,001	35.2	35.2	Italy
Iberia	(mil euros)	2,201	1,638	2,020	563	34.4	34.4	Iberia
Latin America	(mil euros)	3,722	2,859	2,632	863	30.2	30.2	Latin America
Europe	(mil euros)	2,292	411	458	1,881	-	-	Europe
North America	(mil euros)	456	1,816	1,806	-1,360	-74.9	-74.9	North America
Africa, Asia and Oceania	(mil euros)	218	417	275	-199	-47.8	-47.8	Africa, Asia and Oceania
Total Abroad	(mil euros)	8,888	7,142	7,191	1,746	24.4	24.4	Abroad
Adjustments	(mil euros)	266	213	121	53	24.8	24.8	Enel
Weight of foreign investments	(%)	68.4	70.0	72.3	-1.6	-	-	Enel

- (1) In some thermal plants, multiple technology units are present.
 (2) New renewable power, excluding disposals and changes in scope, mainly in North, Central and Latin America. The value does not include managed capacity.
 (3) The 2020 figures include a more specific determination thereof.
 (4) The distributed electricity figure for 2020 takes into account a more precise determination of the quantities transported.
 (5) For the purposes of comparison with the years 2020 and 2019 only, the following were carried out: 1. Reclassification from financial income to revenues in the component listed in the Income Statement related to the remeasurement to fair value of financial assets, related to the concession services of distribution activities in Brazil, falling within the scope of IFRIC 12; 2. A different classification of the fair value valuation of outstanding contracts for the sale of commodities settled with physical delivery; this change had no impact on the operating income. For further details, see the notes to the Consolidated Financial Statements.
 (6) The data refers only to continuing operations and therefore do not include the figures for assets held for sale.

The path to Net-Zero and Towards a "nature-based" model

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
EMISSIONS								
305-5	Avoided emissions⁽¹⁾	(mil t)	72.8	74.8	77.1	-2.0	-2.7	Enel
305-1 Direct greenhouse gas emissions (Scope 1)								
	CO ₂ emissions from the electricity production and heat	(mil t)	50.56	44.67	69.39	5.89	13.2	Enel
	Other CO _{2eq} emissions due to electricity production and other activities ⁽²⁾	(mil t _{eq})	1.01	1.06	1.05	-0.05	-4.7	Enel
	of which: emission from losses of SF ₆ from energy production	(mil t _{eq})	0.03	0.02	0.03	0.01	50.0	Enel
	of which: emission from losses of SF ₆ from energy distribution	(mil t _{eq})	0.11	0.13	0.16	0.02	-15.4	Enel
	Total direct emissions (Scope 1)	(mil t _{eq})	51.57	45.73	70.44	5.84	12.8	Enel
Specific emissions								
	Specific CO₂ emissions from total net production⁽³⁾	(g/kWh)	222	211	296	11	5.2	Enel
	Specific CO_{2eq} emissions from Scope 1⁽³⁾	(gCO _{2eq} /kWh)	227	216	300	11	5.1	Enel
305-2	Indirect greenhouse gas emissions (Scope 2)							
	Purchased electricity from the grid⁽⁴⁾							
	Total indirect emissions (Scope 2, location based)	(mil t _{eq})	1.34	1.29	1.21	0.05	3.9	Enel
	Total indirect emissions (Scope 2, market based)	(mil t _{eq})	2.35	2.22	1.95	0.13	-	Enel
	Distribution and transmission system: energy losses⁽⁵⁾							
	Emissions due to energy losses (location based)	(mil t _{eq})	2.97	2.77	3.36	0.20	7.2	Enel
	Emissions due to energy losses (market based)	(mil t _{eq})	4.76	4.68	5.01	0.08	1.7	Enel
	Total Scope 2							
	Total Scope 2 location based	(mil t _{eq})	4.31	4.06	4.57	0.25	6.2	Enel
	Total Scope 2 market based	(mil t _{eq})	7.11	6.90	6.96	0.21	3.0	Enel
305-3	Other indirect greenhouse emissions (Scope 3)⁽⁶⁾							
	Coal mining	(mil t _{eq})	1.07	1.06	3.33	0.01	0.9	Enel
	Transport of coal by sea	(mil t _{eq})	0.17	0.10	0.67	0.07	70.0	Enel
	Extraction and trasport of gas	(mil t _{eq})	10.00	9.13	9.34	0.87	9.5	Enel
	Transport of fuel (gas oil, biomass, WDF)	(mil t _{eq})	0.01	0.01	0.01	-	-	Enel
	Transport of raw materials and waste	(mil t _{eq})	-	0.01	0.01	0.01	-100.0	Enel
	Supply chain	(mil t _{eq})	11.69	9.53	9.30	2.16	22.7	Enel
	End consumers of the purchased electricity	(mil t _{eq})	23.96	23.19	23.93	0.77	3.3	Enel
	End consumers of the purchased gas	(mil t _{eq})	22.25	21.95	23.93	0.30	1.4	Enel
	Total indirect emissions (Scope 3)	(mil t _{eq})	69.15	64.90	74.10	4.25	6.5	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Carbon footprint								
	Carbon footprint location based	(mil t _{eq})	125.03	114.69	149.11	10.34	9.0	Enel
	Carbon footprint market based	(mil t _{eq})	127.83	117.53	151.50	10.30	8.8	Enel
305-7 Other atmospheric emissions⁽⁷⁾								
	SO ₂ emissions	(t)	15,615	20,547	138,264	-4,932	-24.0	Enel
	NO _x emissions	(t)	78,846	76,256	141,208	2,590	3.4	Enel
	Dust emissions	(t)	1,099	1,243	27,012	-144	-11.6	Enel
	H ₂ S emissions	(t)	4,772	4,972	5,162	-200	-	Enel
	Hg emissions	(t)	0.05	0.05	0.11	-	-	Enel
Specific emissions								
	SO ₂ emissions	(g/kWh)	0.07	0.10	0.59	-0.03	-30.0	Enel
	NO _x emissions	(g/kWh)	0.35	0.36	0.60	-0.01	-2.8	Enel
	Dust emissions	(g/kWh)	0.01	0.01	0.12	-	-	Enel
305-6 Ozone Depleting Substances emissions								
	Total	(kgCFC-11 _{eq})	180	22	6	158	-	Enel
307-1 Environmental disputes								
	Environmental proceedings as defendant	(no.)	243	255	177	-12	-4.7	Enel
	Monetary value of environmental fines	(mil euros)	5.00	84.71	70.04	-79.71	-94.1	Enel
ENERGY CONSUMPTION								
302-1 Fuel consumption by primary source in TJ								
	from non-renewable sources	(TJ)	1,044,714	949,152	1,203,787	95,562	10.1	Enel
	Coal	(TJ)	141,528	138,380	371,960	3,148	2.3	Enel
	Lignite	(TJ)	-	1,353	9,360	-1,353	-100.0	Enel
	Fuel oil	(TJ)	34,787	39,320	50,013	-4,533	-11.5	Enel
	Natural gas	(TJ)	549,312	457,020	425,923	92,292	20.2	Enel
	Gas oil	(TJ)	48,482	39,234	67,489	9,248	23.6	Enel
	Uranium	(TJ)	270,605	273,845	279,042	-3,240	-1.2	Enel
	from renewable resources	(TJ)	54,588	55,440	54,185	-852	-1.5	Enel
	Biomass, biogas and waste	(TJ)	1,136	1,936	1,995	-800	-41.3	Enel
	Geothermal fluid	(TJ)	53,452	53,504	52,190	-52	-0.1	Enel
	Total direct consumption	(TJ)	1,099,302	1,004,592	1,257,972	94,710	9.4	Enel
Fuel consumption by in Mtoe								
	from non-renewable sources	(Mtoe)	25.0	22.5	28.8	2.5	11.1	Enel
	Coal	(Mtoe)	3.4	3.3	8.9	0.1	3.0	Enel
	Lignite	(Mtoe)	-	0.03	0.2	-	-100.0	Enel
	Fuel oil	(Mtoe)	0.8	0.9	1.2	-0.1	-11.1	Enel
	Natural gas	(Mtoe)	13.1	10.9	10.2	2.2	20.2	Enel
	Gas oil	(Mtoe)	1.2	0.9	1.6	0.3	33.3	Enel
	Uranium	(Mtoe)	6.5	6.5	6.7	-	-	Enel
	from renewable resources	(Mtoe)	1.3	1.4	1.3	-0.1	-7.1	Enel
	Biomass, biogas and waste	(Mtoe)	0.03	0.05	0.05	-0.02	-	Enel
	Geothermal fluid	(Mtoe)	1.3	1.3	1.2	-	-	Enel
	Total direct consumption	(Mtoe)	26.3	23.9	30.1	2.4	10.0	Enel
Incidence of fuel consumption from non-renewable sources								
	Coal	(%)	11.2	14.6	30.9	-3.4	-	Enel
	Lignite	(%)	-	0.1	0.7	-0.1	-	Enel
	Fuel oil	(%)	2.8	4.1	4.2	-1.3	-	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Natural gas	(%)	43.5	48.2	35.4	-4.7	-	Enel
	Gas oil	(%)	3.8	4.1	5.6	-0.3	-	Enel
	Uranium	(%)	21.4	28.9	23.3	-7.5	-	Enel
302-1 Indirect energy consumption by destination								
	Total energy consumption	(TJ)	23,878	23,145	18,255	733	3.2	Enel
RAW MATERIALS								
	Resources used in the production process							
301-1 Fuel consumption for thermoelectric production								
	from non-renewable sources							
	Coal	(,000 t)	5,958	5,893	18,483	65	1.1	Enel
	Lignite	(,000 t)	-	105	730	-105	-100.0	Enel
	Fuel oil	(,000 t)	863	975	1,246	-112	-11.5	Enel
	Natural gas	(Mm ³)	15,682	13,075	13,513	2,607	19.9	Enel
	Gas oil	(,000 t)	1,033	906	1,601	127	14.0	Enel
	from renewable resources							
	Biomass and waste for thermoelectric production	(,000 t)	71	89	131	-18	-20.2	Enel
	Biogas	(Mm ³)	0.7	0.1	1.3	0.6	-	Enel
	Geothermal steam used for electricity production	(,000 t)	350,160	350,090	109,891	70	-	Enel
301-1 Consumables								
	Lime	(,000 t)	61.9	83.9	295.5	-22.0	-26.2	Enel
	Ammonia	(,000 t)	20.4	16.1	20.3	4.3	26.7	Enel
	Caustic soda	(,000 t)	65.0	76.9	79.6	-11.9	-15.5	Enel
	Slaked lime	(,000 t)	3.3	3.8	5.0	-0.5	-13.2	Enel
	Sulfuric/chloride acid	(,000 t)	8.7	7.5	9.2	1.2	16.0	Enel
	Other	(,000 t)	26.8	176	46.0	9.2	52.3	Enel
	Total	(,000 t)	186.2	205.8	455.6	-19.6	-9.5	Enel
301-2 Percentage of materials used that derive from recycled material compared to total consumption of each resource								
	Lubricant oil	(%)	11.85	3.8	14.9	8.1	-	Enel
	Dielectric oil	(%)	67.04	28.6	63.5	38.4	-	Enel
	Paper for printing	(%)	2.16	76.0	75.0	-73.8	-	Enel
Water								
	Volumes of water used by production process							
	By thermoelectric production	(,000 ML)	52.8	49.1	74.9	3.7	7.5	Enel
	By nuclear production	(,000 ML)	2.1	1.7	1.9	0.4	23.3	Enel
	By other industrial uses	(,000 ML)	0.7	0.7	0.5	-	-	Enel
	Total water withdrawal	(,000 ML)	55.6	51.5	77.3	4.1	8.0	Enel
	Water requirements by production process⁽⁸⁾	(l/kWh _{eq})	0.21	0.20	0.33	0.01	5.8	Enel
303-3 Water withdrawal by source								
	Withdrawal from scarce source:	(,000 ML)	38.9	36.9	63.7	2.0	5.4	Enel
	• Surface water (wetlands, lakes, rivers) total	(,000 ML)	23.0	22.3	44.3	0.7	3.0	Enel
	• freshwater (< 1,000 mg/l Total Dissolved Solids)	(,000 ML)	22.7	22.0	44.2	0.7	3.4	Enel
	• other water (> 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.2	0.3	-	-0.1	-22.0	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Ground water (from wells) total	(,000 ML)	9.9	9.0	11.9	0.9	9.9	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	9.9	9.0	11.9	0.9	9.9	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	-	-	-	-	-	Enel
	Water from aqueduct total	(,000 ML)	6.0	5.7	7.5	0.3	6.1	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	5.3	4.8	7.0	0.5	10.9	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.7	0.9	0.5	-0.2	-19.6	Enel
	Withdrawal from non scarce source:	(,000 ML)	16.7	14.6	13.6	2.1	14.3	Enel
	Sea water (used as is and dissaltated)	(,000 ML)	16.6	14.5	6.4	2.1	14.7	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	5.0	-	3.6	5.0	-	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	11.6	14.5	2.8	-2.9	-19.7	Enel
	from produced water (amount used inside plants)	(,000 ML)	0.1	0.1	7.2	-	-	Enel
	Total	(,000 ML)	55.6	51.5	77.3	4.1	8.0	Enel
	Percentage of recycled and reused water	(%)	9.1	9.7	9.3	-0.6	-	Enel
Water used for once through cooling system								
	Total	(,000 ML)	14,956.3	14,403.8	17,876.3	552.5	3.8	Enel
	from surface water	(,000 ML)	6,213.0	5,281.3	7,395.1	931.7	176	Enel
	from sea water	(,000 ML)	8,743.3	9,122.5	10,481.2	-379.2	-4.2	Enel
	Total withdrawals	(,000 ML)	15,011.9	14,455.3	17,953.6	556.6	3.9	Enel
303-3	Water withdrawal by source in "water stressed" areas⁽⁹⁾							
	Withdrawal from scarce source:	(,000 ML)	13.9	11.0	18.1	2.9	26.7	Enel
	Surface water (wetlands, lakes, rivers) total	(,000 ML)	6.9	5.4	10.2	1.5	27.2	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	6.9	5.4	10.2	1.5	27.2	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	-	-	-	-	-	Enel
	Ground water (from wells) total	(,000 ML)	6.4	4.9	5.9	1.5	31.2	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	6.4	4.9	5.9	1.5	31.2	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	-	-	-	-	-	Enel
	Water from aqueduct total	(,000 ML)	0.6	0.8	2.0	-0.2	-20.6	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.4	0.5	2.0	-0.1	-24.0	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.3	0.3	-	-	-	Enel
	Withdrawal from non scarce source:	(,000 ML)	1.3	0.8	1.5	0.5	63.6	Enel
	Sea water (used as is and dissaltated)	(,000 ML)	1.3	0.8	1.2	0.5	63.6	Enel
	• freshwater (\leq 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.8	-	-	-	-	Enel
	• other water ($>$ 1,000 mg/l Total Dissolved Solids)	(,000 ML)	0.5	0.8	1.2	-0.3	-40.3	Enel
	from produced water (amount used inside plants)	(,000 ML)	-	-	0.3	-	-	Enel
	Total	(,000 ML)	15.2	11.8	19.6	3.4	29.2	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
303-4 WATER DISCHARGE								
	Water discharge by destination	(.000 ML)	14,968.0	14,433.7	17,895.5	534.3	3.7	Enel
	Surface water (wetlands, lakes, rivers)	(.000 ML)	6,189.1	5,275.1	7,388.6	914.0	17.3	Enel
	Groundwater	(.000 ML)	-	1.1	-	-1.1	-100.0	Enel
	Water in municipal/industrial treatment plants	(.000 ML)	6.4	8.6	12.5	-2.2	-25.8	Enel
	Third party water	(.000 ML)	89.0	89.0	12.1	-	-	Enel
	Seawater	(.000 ML)	8,683.5	9,059.9	10,482.3	-376.4	-4.2	Enel
303-5 Water Consumptions		(.000 ML)	26.3	20.4	58.1	5.9	29.0	Enel
306-3 WASTE PRODUCED								
	Non-hazardous waste	(t)	1,121,054	1,129,544	5,644,685	-8,490	-0.8	Enel
	Hazardous waste ⁽¹⁰⁾	(t)	64,365	51,816	50,332	12,549	24.2	Enel
	Total waste produced	(t)	1,185,419	1,181,360	5,695,017	4,059	0.3	Enel
	of which: ash and gypsum	(t)	744,203	801,726	5,035,698	-57,523	-7.2	Enel
	of which: oils	(t)	5,495	8,904	12,696	-3,409	-38.3	Enel
	of which: construction and demolition waste	(t)	173,831	117,889	209,79	55,942	47.5	Enel
	Total waste sent for recovery	(%)	61.8	65.7	24.0	-3.9	-	Enel
306-3 Hazardous waste by disposal method								
	Recycled or sent for recovery	(t)	38,418	25,183	28,324	13,235	52.6	Enel
	Landfill	(t)	7,972	9,348	11,366	-1,376	-14.7	Enel
	Incineration and other disposal methods	(t)	17,975	17,285	10,642	690	4.0	Enel
	Total	(t)	64,365	51,816	50,332	12,549	24.2	Enel
Non-hazardous waste by disposal method								
	Recovery (including energy recovery)	(t)	694,523	750,946	1,336,684	-56,423	-7.5	Enel
	Landfill	(t)	386,160	336,499	4,027,118	49,661	14.8	Enel
	Incineration and other disposal methods	(t)	40,371	42,099	280,883.0	-1,728	-4.1	Enel
	Total	(t)	1,121,054	1,129,544	5,644,685	-8,490	-0.8	Enel
Mitigation of the impact on the landscape/territory⁽¹¹⁾								
	LV/MV cabling ratio	(%)	60.5	60.4	60.1	0.1	-	Enel
	LV cabling ratio	(%)	82.9	82.4	82.2	0.5	-	Enel
	MV cabling ratio	(%)	29.3	29.4	29.1	-0.1	-	Enel
	Biodiversity projects⁽¹²⁾	(no.)	183	187	114	-4	-2.1	Enel

- (1) Avoided Group emissions are calculated as the sum of the emissions avoided in the various countries. The resulting value is calculated as the product of the generation of electricity obtained from a renewable or nuclear source and the specific CO₂ emissions from the thermoelectric generation of the country in which Enel is present (source: Enerdata – <http://enerdata.net>).
- (2) This share includes: CO₂ emissions from the use of diesel in auxiliary engines; CH₄ leak emissions from gas-fired power plants; N₂O and CH₄ as a result of the combustion of fossil fuels; NF₃, SF₆ and refrigerant gases expressed as CO₂ equivalent. This share also includes biogenic emissions from hydroelectric basins, calculated for 2021 and for the previous two years.
- (3) This indicator is calculated as the ratio between total emissions from thermoelectric generation and the total from renewable, nuclear and thermoelectric generation (including the contribution of heat in MWh_{eq}). The figures for 2020 and 2019 have been recalculated following the recalculation of the Scope 1 emissions value.
- (4) "Scope 2" – emissions from energy taken from the grid: indirect CO₂ emissions relating to 2021 due to the consumption of electricity for moving fuel, electricity distribution, property management and electricity purchased from the grid by energy generation plants are calculated as the product of the electricity consumption multiplied by the respective weighted specific CO₂ emission coefficients of the whole generation mix of the countries where the Enel Group operates (source: Enerdata – <https://www.enerdata.net/> for location-based calculation and <https://www.aib-net.org/facts/european-residual-mix> for market-based calculation). Scope 2 is calculated according to the "location based" method (based on the company's location). It is the result of the calculation of greenhouse gas emissions resulting from electricity generation in the area where the consumption takes place. Scope 2 is calculated according to the "market based" method (based on the market where the company operates). For companies operating in European countries, the reference market is the European one (EU). In the event of supply of energy from renewable sources, the electricity's origin must be certified by "contractual instruments that meet the minimum quality criteria". In Europe, the only way to prove the electricity's origin is the Guarantees of Origin. Companies that use electricity whose origin is not certified by these Guarantees must perform the calculation by referring to the emissions associated with the residual mix (source: Greenhouse Gas Protocol Scope 2 Guidance, 2015). The figures for 2020 and 2021 have been recalculated following a revision of the energy data taken from the grid as part of the Net-Zero project and the year-specific emission coefficients for the same year were included in the calculation.
- (5) "Scope 2" – emissions from energy losses from the distribution grid: with its business, the Group covers the entire generation and sales chain in Europe (Italy and Spain) and in five Latin American countries (Argentina, Brazil, Colombia, Chile and Peru). To calculate emissions, it has been assumed that the vertical chain of activities takes place within the country. The emissions caused by the losses, following a change in methodology, were calculated based on the part of energy fed into the grid that exceeds the share produced in the country in question, so as to avoid any double counting of emissions already included in Scope 1. The emissions are calculated according to a dual perspective, location- and market-based, and the 2020 and 2019 values have been recalculated following the new methodology and with the year-specific emission coefficients.
- (6) "Scope 3": indirect CO₂ emissions for the freighting of coal by sea is estimated on the basis of the actual routes taken by the ships. Since 2020, the estimate of the share of emissions for rail freight has no longer been reported as this form of transport is no longer used (the value for 2019, 0.22 mil t, has been included in the value of the emissions for the freighting of coal by sea). Indirect CO₂ emissions from the transportation of consumable materials, fuel oil, diesel, solid biomass, WDF and waste are estimated based on the quantities of raw materials transported, taking into consideration trucks with a capacity of 28 tons, which cover average (round trip) distances of 75 km with a consumption of 1 liter of diesel for every 3 km travelled and an emission coefficient of 3 kg of CO₂ for each liter of diesel consumed. The figure for emissions from coal mining is a rough estimate of the fugitive methane emissions (CH₄) from coal imported and used by the Enel Group for thermoelectric generation. In terms of the use of the product sold in the retail market by end customers for the gas market, the figure for emissions from the combustion of natural gas is calculated based on the energy amount (TWh) of gas sold multiplied by its emission factor (source: IPCC for CO₂, N₂O and CH₄); to calculate emissions in the generation stage of the electricity sold, it has been assumed that the vertical chain of activities takes place within the same country. The emissions of the share sold and produced by the company have not been included in the calculation since they already fall under Scope 1. The share for the fraction sold but not produced by country was calculated according to a new calculation methodology by multiplying the energy amount by the specific country-level emission (source: Enerdata). Emissions from network losses are not included in the calculation since they are reported under Scope 2. The 2020 and 2019 values have been recalculated following the new methodology and with the emission coefficients for the year. From 2021 and for the two previous years, the following have been calculated:
 - emissions from the extraction and transport of natural gas for the share of gas both used in thermal power plants and sold in the retail market;
 - supply chain emissions: with values of 11.69, 9.53, 9.3 MtCO_{2eq} respectively in 2021, 2020, 2019, and an intensive value of: 877,837,836 tCO_{2eq}/M€ spent in 2021, 2020, 2019 respectively. The estimate of emissions for the 3 years is based on the average value of the Environmental Product Declaration (EPD) or ISO CFP 14067 certifications received in the two-year period 2020–2021 for more than 60% of the supplies purchased. The remainder was estimated using international databases (Ecoinvent/Exiobase). Emissions from works and services have been estimated based on data from sustainable construction sites and ISO CFP 14064 organization.
- (7) Mercury emissions in 2021 amounted to 50 kg, associated with thermoelectric generation for Italy, Spain and Chile, which account for almost 100% of coal-fired thermoelectric generation throughout the Group. This is in addition to the mercury emissions from the geothermal sector, amounting to 397 kg. In Europe, mercury emissions are declared to the competent authorities for registration in the European Pollutant Release and Transfer Register (E-PRTR) in accordance with EU Regulation no. 166/2006 and are subject to the relevant checks in terms of completeness, consistency and credibility (Article 2 of Regulation no. 166/2006).
- (8) Specific water needs are constituted by all the water withdrawal quotas from surface (including recovered rain water) and groundwater sources, by third parties, from the sea and from wastewater (quota for third party procurements) used for processes and for closed-cycle cooling, except the quota of seawater discharged back into sea after the desalination process (brine). This latter item (brine) contributes to the quota of total withdrawals.
- (9) GRI 303 has defined as "water stressed" areas those in which, on the basis of the classification provided by the WRI Aqueduct Water Risk Atlas, the ratio between the total annual withdrawal of surface water or groundwater for different uses (civil, industrial, agricultural and livestock) and the total annual renewable water supply available ("base water stress", understood, therefore, as the level of competition between all users) is high (40–80%) or extremely high (> 80%). It is further specified that thermal plants using freshwater are included in this category. By way of greater environmental protection, Enel has also considered as located in water-stressed areas those plants falling in zones classified by the WRI as "arid". Following a review of the scope of the plants falling within water-stressed areas, the values for 2020 and 2019 have been recalculated.
- (10) Hazardous waste is reported by geographical areas below:

KPI	UM	December	December	December	2021–2020	%	Scope
		2021	2020	2019			
Hazardous waste by significant geographical areas							
Italy	(t)	29,306	28,116	1,190	4.2		Italy
Iberia	(t)	11,786	11,116	670	6.0		Iberia
Latin America	(t)	13,777	7,218	6,559	90.9		Latin America
• Chile	(t)	741	408	333	81.7		Chile
• Argentina	(t)	2,106	1,307	799	61.1		Argentina
• Colombia	(t)	1,364	878	486	55.4		Colombia
• Peru	(t)	905	741	164	22.1		Peru
• Brazil	(t)	8,658	3,884	4,774	-		Brazil
• Other	(t)	3	-	-	-		Other

KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Europe	(t)	9,254	5,225		4,029	77.1	Europe
• Russia	(t)	7,368	2,660		4,708	-	Russia
• Romania	(t)	1,859	2,550		-691	-27.1	Romania
• Greece	(t)	27	14		13	86.4	Greece
• Bulgaria	(t)	-	1		-1	-100.0	Bulgaria
Other	(t)	243	-		243	-	Other
Non-hazardous waste by significant geographical areas							
Italy	(t)	667,663	627,886		39,777	6.3	Italy
Iberia	(t)	110,465	203,922		-93,457	-45.8	Iberia
Latin America	(t)	327,563	279,854		47,709	17.0	Latin America
• Chile	(t)	120,645	138,464		-17,819	-12.9	Chile
• Argentina	(t)	2,629	11,119		-8,490	-76.4	Argentina
• Colombia	(t)	98,182	6,668		91,514	-	Colombia
• Peru	(t)	19,397	33,016		-13,619	-41.3	Peru
• Brazil	(t)	86,520	90,588		-4,068	-4.5	Brazil
• Other	(t)	189	-		189	-	Other
Europe	(t)	14,969	15,567		-598	-	Europe
• Russia	(t)	9,828	11,121		-1,293	-11.6	Russia
• Romania	(t)	5,134	4,440		694	15.6	Romania
• Greece	(t)	6	2		4	-	Greece
• Bulgaria	(t)	-	3		-3	-100.0	Bulgaria
Other	(t)	393	-		393	-	Other

(11) The cabling ratio is calculated by proportioning the km of cabled lines (both underground and aerial insulated cables) to the total km of lines. The increase in the cabling ratio over the years is due to a general increase, in terms of length, of aerial and underground cable sections at the expense of the bare conductor line.

(12)

	Number of sites	Hectares
Number of sites and the total area used for operational activities	1,283	34,935
Assessment	Number of sites	Hectares
Sites in which it has been conducted biodiversity impact assessments in the past five years	1,283	34,935
Exposure	Number of sites	Hectares
Sites with biodiversity impact assessment in close proximity to critical biodiversity, and total area of these sites	29	466
Management Plans	Number of sites	Hectares
Sites with biodiversity impact assessment and located in close proximity to critical areas that have a biodiversity management plan, and total area of these sites	29	466

The sites do not include nuclear plants. Hectares reported do not include hydroelectric reservoirs. The active projects on biodiversity have been considered for the assessment of the biodiversity impact.

The decade of electrification and customer centricity

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
EU3 CUSTOMERS								
102-6 Electricity market (Final number of customers)								
Customers Italy (no.) 21,824,404 22,612,004 23,689,113 -787,600 -3.5 Italy								
Free market	(no.)	10,200,185	9,478,660	9,243,826	721,525	7.6	Italy	
Regulated market	(no.)	11,624,219	13,133,344	14,445,287	-1,509,125	-11.5	Italy	
Customers Iberia (no.) 10,250,657 10,420,495 10,634,958 -169,838 -1.6 Iberia								
Free market	(no.)	5,877,494	5,654,659	5,786,083	222,835	3.9	Iberia	
Regulated market	(no.)	4,373,163	4,765,836	4,848,875	-392,673	-8.2	Iberia	
Customers Latin America (no.) 28,253,787 27,642,485 27,218,027 611,302 2.2 Latin America								
Free market	(no.)	6,571	5,047	4,100	1,524	30.2	Latin America	
Regulated market	(no.)	28,247,216	27,637,438	27,213,927	609,778	2.2	Latin America	
Customers Latin America - Argentina (no.) 2,548,983 2,507,652 2,490,449 41,331 1.6 Argentina								
Free market	(no.)	-	-	-	-	-	Argentina	
Regulated market	(no.)	2,548,983	2,507,652	2,490,449	41,331	1.6	Argentina	
Customers Latin America - Brazil (no.) 18,472,098 18,063,146 17,786,844 408,952 2.3 Brazil								
Free market	(no.)	2,586	1,488	720	1,098	73.8	Brazil	
Regulated market	(no.)	18,469,512	18,061,658	17,786,124	407,854	2.3	Brazil	
Customers Latin America - Chile (no.) 2,039,783 2,008,812 1,973,612 30,971 1.5 Chile								
Free market	(no.)	1,969	1,567	1,394	402	25.7	Chile	
Regulated market	(no.)	2,037,814	2,007,245	1,972,218	30,569	1.5	Chile	
Customers Latin America - Colombia (no.) 3,704,919 3,611,245 3,532,166 93,674 2.6 Colombia								
Free market	(no.)	1,325	1,295	1,266	30	2.3	Colombia	
Regulated market	(no.)	3,703,594	3,609,950	3,530,900	93,644	2.6	Colombia	
Customers Latin America - Peru (no.) 1,488,004 1,451,630 1,434,956 36,374 2.5 Peru								
Free market	(no.)	691	697	720	-6	-0.9	Peru	
Regulated market	(no.)	1,487,313	1,450,933	1,434,236	36,380	2.5	Peru	
Customers Romania (no.) 3,044,844 3,049,476 3,072,945 -4,632 -0.2 Romania								
Free market	(no.)	3,018,759	2,233,037	2,122,646	785,722	35.2	Romania	
Regulated market	(no.)	26,085	816,439	950,299	-790,354	-96.8	Romania	
Total Customers Enel (no.) 63,373,692 63,724,460 64,615,043 -350,768 -0.6 Enel								
Free market	(no.)	19,103,009	17,371,403	17,156,655	1,731,606	10.0	Enel	
Regulated market	(no.)	44,270,683	46,353,057	47,458,388	-2,082,374	-4.5	Enel	
Gas market (Final number of customers)								
Customers Italy	(no.)	4,165,317	4,060,646	4,155,689	104,671	2.6	Italy	
Customers Spain	(no.)	1,684,369	1,673,424	1,648,705	10,945	0.7	Iberia	
Customers Romania	(no.)	119,415	59,379	52,142	60,036	-	Romania	

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Customers Chile	(no.)	8	8	8	-	-	Chile
	Customers Colombia	(no.)	17	15	25	2	13.3	Colombia
	Total customers gas market	(no.)	5,969,126	5,793,472	5,856,569	175,654	3.0	Enel
	Total customers Enel electricity and gas	(no.)	69,342,818	69,517,932	70,471,612	-175,114	-0.3	Enel
PUBLIC LIGHTING								
	Customers public lighting	(no.)	2,792	3,006	3,071	-214	-7.1	Italy
	Light sources public lighting	(,000)	2,821	2,724	2,424	97	3.6	Italy
ENERGY AVAILABILITY AND REALIABILITY								
EU11	Efficiency thermoelectric generation^[1]							
	Average thermoelectric generation yield without heat component	(%)	44.4	44.2	42.0	0.2	-	Enel
	Average thermoelectric generation yield with heat	(%)	45.5	45.4	43.1	0.1	-	Enel
	Average yield by technology without heat component							
	Yield coal plants	(%)	35.6	35.2	36.1	0.4	-	Enel
	Yield oil/gas plants	(%)	36.6	36.3	36.4	0.3	-	Enel
	Yield CCGT plants	(%)	52.8	53.5	53.0	-0.7	-	Enel
	Average yield with heat component by technology							
	Yield coal plants	(%)	35.6	35.2	36.3	0.4	-	Enel
	Yield oil/gas plants	(%)	40.2	40.3	40.8	-0.1	-	Enel
	Yield CCGT plants	(%)	53.0	53.7	53.1	-0.7	-	Enel
EU30	Availability of thermoelectric generation	(%)	86.4	88.4	88.4	-2.0	-	Enel
	Availability of thermoelectric generation by source	(%)	78.4	84.9	83.6	-6.5	-	Enel
	Availability coal plants	(%)	78.4	84.9	83.6	-6.5	-	Enel
	Availability oil/gas plants	(%)	88.5	90.4	92.2	-1.9	-	Enel
	Availability CCGT plants	(%)	88.8	89.2	90.8	-0.4	-	Enel
	Availability of thermoelectric generation by regulatory regime							
	Regulated	(%)	86.9	89.8	88.1	-2.9	-	Enel
	Unregulated	(%)	86.2	87.7	88.5	-1.5	-	Enel
EU28	Service interruptions – frequency (SAIFI)^[2]							
	Frequency of interruptions by customer Italy	(no.)	1.8	1.7	1.9	0.1	4.1	Italy
	Frequency of interruptions by customer Romania (Dobrogea)	(no.)	3.2	3.8	4.1	-0.6	-14.5	Romania
	Frequency of interruptions by customer Romania (Muntenia)	(no.)	2.5	2.9	-	-0.4	13.8	Romania
	Frequency of interruptions by customer Romania (Banat)	(no.)	3.2	3.9	-	-0.7	-17.9	Romania
	Frequency of interruptions by customer Iberia	(no.)	1.4	1.4	1.4	-	-	Iberia
	Frequency of interruptions by customer Peru	(no.)	2.3	2.6	2.8	-0.3	-10.4	Peru
	Frequency of interruptions by customer Chile	(no.)	1.5	1.5	1.6	-	-	Chile
	Frequency of interruptions by customer Argentina	(no.)	4.8	4.5	6.0	0.3	6.7	Argentina
	Frequency of interruptions by customer Brazil (Ampla)	(no.)	4.6	6.1	8.0	-1.5	-23.9	Brazil

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Frequency of interruptions by customer Brazil (Coelce)	(no.)	4.7	6.0	5.4	-1.3	-21.7	Brazil
	Frequency of interruptions by customer Brazil (CELG)	(no.)	8.4	8.5	9.7	-0.1	-1.2	Brazil
	Frequency of interruptions by customer Brazil (ELPL)	(no.)	3.4	3.6	3.5	-0.2	-5.6	Brazil
	Frequency of interruptions by customer Colombia	(no.)	5.2	5.6	6.8	-0.4	-6.8	Colombia
EU29	Service interruptions - duration (SAIDI)⁽²⁾							
	Service continuity index Italy	(min.)	43	42	49	1	2.4	Italy
	Service continuity index Romania (Dobrogea)	(min.)	111	133	170	-22	-16.5	Romania
	Service continuity index Romania (Muntenia)	(min.)	95	117	-	-22	-	Romania
	Service continuity index Romania (Banat)	(min.)	132	162	-	-30	-	Romania
	Service continuity index Iberia	(min.)	70	75	76	-5	-7	Iberia
	Service continuity index Peru	(min.)	414	419	419	-5	-	Peru
	Service continuity index Chile	(min.)	152	171	184	-19	-11.1	Chile
	Service continuity index Argentina	(min.)	797	839	1,214	-42	-5.0	Argentina
	Service continuity index Brazil (Ampla)	(min.)	556	632	793	-76	-12.0	Brazil
	Service continuity index Brazil (Coelce)	(min.)	681	953	832	-272	-28.5	Brazil
	Service continuity index Brazil (CELG)	(min.)	1,088	953	1,349	135	14.2	Brazil
	Service continuity index Brazil (ELPL)	(min.)	396	443	375	-47	-10.6	Brazil
	Service continuity index Brazil Colombia	(min.)	401	467	667	-66	-14.1	Colombia
EU12	Grid losses⁽²⁾							
	Grid losses Italy	(%)	4.7	4.9	4.7	-0.2	-	Italy
	Grid losses Romania (Dobrogea)	(%)	8.5	8.6	9.7	-0.1	-	Romania
	Grid losses Romania (Muntenia)	(%)	8.9	9.7	-	-0.8	-	Romania
	Grid losses Romania (Banat)	(%)	8.7	9.0	-	-0.3	-	Romania
	Grid losses Iberia	(%)	7.1	7.1	7.5	-	-	Iberia
	Grid losses Peru	(%)	8.5	8.8	8.2	-0.3	-	Peru
	Grid losses Chile	(%)	5.2	5.2	5.0	-	-	Chile
	Grid losses Argentina	(%)	18.0	18.9	15.5	-0.9	-	Argentina
	Grid losses Brazil (Ampla)	(%)	20.5	22.1	22.5	-1.6	-	Brazil
	Grid losses Brazil (Coelce)	(%)	16.1	15.8	14.0	0.3	-	Brazil
	Grid losses Brazil (CELG)	(%)	11.3	11.4	12.3	-0.1	-	Brazil
	Grid losses Brazil (ELPL)	(%)	10.3	10.6	9.6	-0.3	-	Brazil
	Grid losses Colombia	(%)	7.5	7.6	7.7	-0.1	-	Colombia
SERVICE QUALITY								
ELECTRICITY MARKET ITALY								
102-43:	Customer satisfaction							
102-44:								
	Regulated market							
	Customer Satisfaction Index	(i)	91.0	93.8	92.4	-2.8	-3.0	Italy
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(.000)	87.4	88.3	109.4	-0.9	-1.0	Italy
	Response time to written complaints	(gg)	11.0	25.0	31.1	-14.0	-56.0	Italy

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Free market								
	Customer Satisfaction Index	(i)	90.0	91.9	90.2	-1.9	-2.1	Italy
	Frequency of surveys	(no.)	1	1	1	-	-	Italy
	Written complaints and information requests	(,000)	105.5	113.0	92.3	-7.5	-6.6	Italy
	Response time to written complaints	(gg)	18.0	14.0	31.3	4.0	28.6	Italy
ELECTRICITY MARKET ROMANIA								
Customer satisfaction								
Regulated market								
	Customer Satisfaction Index	(i)	8.3	8.4	89.0	-0.1	-	Romania
	Written complaints and information requests	(,000)	108.0	-	100.0	108.0	-	Romania
	Response time to written complaints	(gg)	25.0	30.0	62.0	-5.0	-16.7	Romania
Free market								
	Customer Satisfaction Index	(i)	8.4	8.2	85.0	0.2	-	Romania
	Written complaints and information requests	(,000)	563.0	355.0	284.0	208.0	-	Romania
	Response time to written complaints	(gg)	26.0	30.0	83.0	-4.0	-13.3	Romania
ELECTRICITY MARKET IBERIA								
Customer satisfaction								
Regulated market (ex TUR market)								
	Customer Satisfaction Index	(i)	74	7.7	7.2	-0.3	-4.0	Iberia
Free market (ex TUR market)								
	Customer Satisfaction Index ⁽³⁾	(i)	7.2	7.3	7.3	-0.1	-1.9	Iberia
	Written complaints and information requests	(,000)	416.0	315.0	255.2	101.0	32.1	Iberia
	Response time to written complaints ⁽⁴⁾	(gg)	15.7	7.2	6.5	-	-	Iberia
ACCESSIBILITY OF ENERGY								
EU27 Customers disconnected for non-payment Italian market								
by time from disconnection to payment - Italy (Regulated market)								
	(no.)	155,390	201,288	-	-45,898	-22.8	Italy	
	< 48 h	(no.)	86,401	109,170	-	-22,769	-20.9	Italy
	48 h - 1 week	(no.)	35,347	46,652	-	-11,305	-24.2	Italy
	1 week - 1 month	(no.)	33,534	45,123	-	-11,589	-25.7	Italy
	1 month - 1 year	(no.)	108	343	-	-235	-68.5	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy
by time from payment to reconnection - Italy (Regulated market)								
	(no.)	155,390	201,288	-	-45,898	-22.8	Italy	
	< 24 h	(no.)	144,508	185,090	-	-40,582	-21.9	Italy
	24 h - 1 week	(no.)	10,657	15,799	-	-5,142	-32.5	Italy
	> 1 week	(no.)	225	399	-	-174	-43.6	Italy
by time from disconnection to payment - Italy (Free market)								
	(no.)	336,381	381,435	-	-45,054	-11.8	Italy	
	< 48 h	(no.)	175,457	203,228	-	-27,771	-13.7	Italy
	48 h - 1 week	(no.)	64,659	74,688	-	-10,029	-13.4	Italy
	1 week - 1 month	(no.)	89,645	95,630	-	-5,985	-6.3	Italy
	1 month - 1 year	(no.)	6,620	7,889	-	-1,269	-16.1	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	by time from payment to reconnection - Italy (Free market)	(no.)	336,381	381,435	-	-45,054	-11.8	Italy
	< 24 h	(no.)	334,081	379,565	-	-45,484	-12.0	Italy
	24 h - 1 week	(no.)	2,279	1,855	-	424	22.9	Italy
	> 1 week	(no.)	21	15	-	6	40.0	Italy
	by time from disconnection to payment - Italy (Gas market)	(no.)	55,325	59,923	-	-4,598	-7.7	Italy
	< 48 h	(no.)	13,411	14,140	-	-729	-5.2	Italy
	48 h - 1 week	(no.)	18,597	20,840	-	-2,243	-10.8	Italy
	1 week - 1 month	(no.)	20,541	21,579	-	-1,038	-4.8	Italy
	1 month - 1 year	(no.)	2,776	3,364	-	-588	-17.5	Italy
	> 1 year	(no.)	-	-	-	-	-	Italy
	by time from payment to reconnection - Italy (Gas market)	(no.)	55,325	59,923	-	-4,598	-7.7	Italy
	< 24 h	(no.)	51,408	56,425	-	-5,017	-8.9	Italy
	24 h - 1 week	(no.)	3,891	3,471	-	420	12.1	Italy
	> 1 week	(no.)	26	27	-	-1	-3.7	Italy
Regulated market - Romania								
	by time from disconnection to payment - Romania (Regulated market)	(no.)	1,053	4,280	-	-3,227	-75.4	Romania
	< 48 h	(no.)	394	1,338	-	-944	-70.6	Romania
	48 h - 1 week	(no.)	198	321	-	-123	-38.3	Romania
	1 week - 1 month	(no.)	318	345	-	-27	-7.8	Romania
	1 month - 1 year	(no.)	143	1,032	-	-889	-86.1	Romania
	> 1 year	(no.)	-	1,244	-	-1,244	-100.0	Romania
	by time from payment to reconnection - Romania (Regulated market)	(no.)	1,053	3,036	-	-1,983	-65.3	Romania
	< 24 h	(no.)	1,053	2,286	-	-1,233	-53.9	Romania
	24 h - 1 week	(no.)	-	685	-	-685	-100.0	Romania
	> 1 week	(no.)	-	65	-	-65	-100.0	Romania
Free market - Romania								
	by time from disconnection to payment - Romania (Free market)	(no.)	3,285	4,218	-	-933	-22.1	Romania
	< 48 h	(no.)	1,582	2,337	-	-755	-32.3	Romania
	48 h - 1 week	(no.)	625	373	-	252	67.6	Romania
	1 week - 1 month	(no.)	818	379	-	439	-	Romania
	1 month - 1 year	(no.)	260	645	-	-385	-59.7	Romania
	> 1 year	(no.)	-	484	-	-484	-100.0	Romania
	by time from payment to reconnection - Romania (Free market)	(no.)	3,285	3,734	-	-449	-12.0	Romania
	< 24 h	(no.)	3,285	3,058	-	227	7.4	Romania
	24 h - 1 week	(no.)	-	636	-	-636	-100.0	Romania
	> 1 week	(no.)	-	40	-	-40	-100.0	Romania
Regulated market - Iberia								
	by time from disconnection to payment - Iberia (Regulated market)	(no.)	54,120	10,635	-	43,485	-	Iberia
	< 48 h	(no.)	41,123	8,231	-	32,892	-	Iberia

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
48 h - 1 week	(no.)	6,648	1,294	-	5,354	-	-	Iberia
1 week - 1 month	(no.)	4,325	814	-	3,511	-	-	Iberia
1 month - 1 year	(no.)	2,024	296	-	1,728	-	-	Iberia
> 1 year	(no.)	-	-	-	-	-	-	Iberia
by time from payment to reconnection - Iberia (Regulated market)	(no.)	54,110	10,633	-	43,477	-	-	Iberia
< 24 h	(no.)	51,759	10,304	-	41,455	-	-	Iberia
24 h - 1 week	(no.)	2,168	307	-	1,861	-	-	Iberia
> 1 week	(no.)	183	22	-	161	-	-	Iberia
Free market – Iberia								
by time from disconnection to payment - Iberia (Free market)	(no.)	51,980	12,346	-	39,634	-	-	Iberia
< 48 h	(no.)	43,579	10,090	-	33,489	-	-	Iberia
48 h - 1 week	(no.)	5,919	1,443	-	4,476	-	-	Iberia
1 week - 1 month	(no.)	2,385	731	-	1,654	-	-	Iberia
1 month - 1 year	(no.)	97	82	-	15	18.3	-	Iberia
> 1 year	(no.)	-	-	-	-	-	-	Iberia
by time from payment to reconnection - Iberia (Free market)	(no.)	51,977	12,345	-	39,632	-	-	Iberia
< 24 h	(no.)	49,844	12,000	-	37,844	-	-	Iberia
24 h - 1 week	(no.)	1,969	318	-	1,651	-	-	Iberia
> 1 week	(no.)	164	27	-	137	-	-	Iberia
by time from disconnection to payment - Iberia (Gas market)	(no.)	5,453	1,290	-	4,163	-	-	Iberia
< 48 h	(no.)	3,262	762	-	2,500	-	-	Iberia
48 h - 1 week	(no.)	1,217	267	-	950	-	-	Iberia
1 week - 1 month	(no.)	813	134	-	679	-	-	Iberia
1 month - 1 year	(no.)	161	127	-	34	26.8	-	Iberia
> 1 year	(no.)	-	-	-	-	-	-	Iberia
by time from payment to reconnection - Iberia (Gas market)	(no.)	5,333	1,273	-	4,060	-	-	Iberia
< 24 h	(no.)	1,023	236	-	787	-	-	Iberia
24 h - 1 week	(no.)	3,331	767	-	2,564	-	-	Iberia
> 1 week	(no.)	979	270	-	709	-	-	Iberia
Regulated market – Latin America								
by time from disconnection to payment - Latin America (Regulated market)	(no.)	1,771,279	716,328	-	1,054,951	-	-	Latin America
< 48 h	(no.)	1,363,858	332,424	-	1,031,434	-	-	Latin America
48 h - 1 week	(no.)	128,254	80,888	-	47,366	58.6	-	Latin America
1 week - 1 month	(no.)	164,599	118,244	-	46,355	39.2	-	Latin America
1 month - 1 year	(no.)	99,759	184,769	-	85,010	-46.0	-	Latin America
> 1 year	(no.)	14,809	3	-	14,806	-	-	Latin America
by time from payment to reconnection - Latin America (Regulated market)	(no.)	1,690,030	811,756	-	878,274	-	-	Latin America

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	< 24 h	(no.)	1,626,928	788,338	-	838,590	-	Latin America
	24 h - 1 week	(no.)	58,005	19,607	-	38,398	-	Latin America
	> 1 week	(no.)	5,097	3,811	-	1,286	33.7	Latin America
Free market - Latin America								
	by time from disconnection to payment - Latin America (Free market)	(no.)	3	8	-	-5	-62.5	Latin America
	< 48 h	(no.)	2	7	-	-5	-71.4	Latin America
	48 h - 1 week	(no.)	-	1	-	-1	-100.0	Latin America
	1 week - 1 month	(no.)	1	-	-	1	-	Latin America
	1 month - 1 year	(no.)	-	-	-	-	-	Latin America
	> 1 year	(no.)	-	-	-	-	-	Latin America
	by time from payment to reconnection - Latin America (Free market)	(no.)	3	7	-	-4	-57.1	Latin America
	< 24 h	(no.)	3	4	-	-1	-25.0	Latin America
	24 h - 1 week	(no.)	-	2	-	-2	-100.0	Latin America
	> 1 week	(no.)	-	1	-	-1	-100.0	Latin America
Disputes with customers								
	Total proceedings	(no.)	126,692	112,938	121,175	13,754	12.2	Enel
	Incidence of proceedings as defendant	(%)	71.3	62.7	77.9	8.6	13.7	Enel

- (1) The park efficiency was calculated assuming the operation of the plants at load level, where there is maximum efficiency for those plants; for these, the load curve is available. This assumption has not been applied to the heat component since it is already high efficiency; the availability was calculated by reducing the causes of internal unavailability.
- (2) Some of the 2020 figures include a more specific determination thereof.
- (3) Iberia includes the mass market public segment and large companies in the calculation of customer satisfaction.
- (4) The response time to written complaints for 2021 takes into account the complaints received via Endesa X, for a total amount of 147,314.

Enel people

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
SIZE AND COMPOSITION OF WORKFORCE								
Size of workforce								
102-7	Total workforce	(no.)	66,279	66,717	68,253	-438	-0.7	Enel
	-of which men	(no.)	51,341	52,346	53,933	-1,005	-1.9	Enel
	-of which women	(no.)	14,938	14,371	14,320	567	3.9	Enel
	Average workforce	(no.)	65,976	67,078	68,303	-1,102	-1.6	Enel
401-1	Change to size⁽¹⁾							
	New recruits	(no.)	5,401	3,131	3,726	2,270	72.5	Enel
	Changes in scope	(no.)	23	-971	75	994	-	Enel
	Terminations	(no.)	5,862	3,696	4,820	2,166	58.6	Enel
	Balance	(no.)	-438	-1,536	-1,019	1,098	71.5	Enel
102-8	Workforce by geographic area and gender							
Italy⁽²⁾		(no.)	30,276	29,800	29,767	476	1.6	Italy
• of whom men		(no.)	24,136	23,971	24,059	165	0.7	Italy
• of whom women		(no.)	6,140	5,829	5,708	311	5.3	Italy
Iberia⁽³⁾		(no.)	9,518	9,781	10,123	-263	-2.7	Iberia
• of whom men		(no.)	7,084	7,381	7,704	-297	-4.0	Iberia
• of whom women		(no.)	2,434	2,400	2,419	34	1.4	Iberia
Europe⁽⁴⁾		(no.)	4,994	4,966	5,907	28	0.6	Europe
• of whom men		(no.)	3,478	3,473	4,233	5	0.1	Europe
• of whom women		(no.)	1,516	1,493	1,674	23	1.5	Europe
North America⁽⁵⁾		(no.)	1,914	1,639	1,639	275	16.8	North America
• of whom men		(no.)	1,352	1,179	1,210	173	14.7	North America
• of whom women		(no.)	562	460	429	102	22.2	North America
Latin America		(no.)	18,763	19,838	20,240	-1,075	-5.4	Latin America
• of whom men		(no.)	14,712	15,852	16,322	-1,140	-7.2	Latin America
• of whom women		(no.)	4,051	3,986	3,918	65	1.6	Latin America
Africa, Asia and Oceania⁽⁶⁾		(no.)	814	693	577	121	17.5	Africa, Asia and Oceania
• of whom men		(no.)	579	490	405	89	18.2	Africa, Asia and Oceania
• of whom women		(no.)	235	203	172	32	15.8	Africa, Asia and Oceania
Incidence of managers by geographical area								
Italy⁽²⁾		(no.)	30,276	29,800	29,767	476	1.6	Italy
	(%)		45.7	44.7	43.6	1.0	-	Italy
(%) of total number of managers of the Group	(%)		60.1	58.3	58.0	1.8	-	Italy
(%) of total number of no-managers of the Group	(%)		45.4	44.4	43.3	1.0	-	Italy
Iberia⁽³⁾		(no.)	9,518	9,781	10,123	-263	-2.7	Iberia
	(%)		14.4	14.7	14.8	-0.3	-	Iberia

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	(%) of total number of managers of the Group	(%)	20.3	21.3	21.6	-1.0	-	Iberia
	(%) of total number of no-managers of the Group	(%)	14.2	14.5	11.1	-0.3	-	Iberia
Romania	(no.)	3,291	3,248	3,246	43	1.3	Romania	
	(%)	5.0	4.9	4.8	0.1	-	Romania	
	(%) of total number of managers of the Group	(%)	1.4	1.4	1.4	-	-	Romania
	(%) of total number of no-managers of the Group	(%)	5.0	4.9	4.8	0.1	-	Romania
Russia	(no.)	1,464	1,472	2,447	-8	-0.5	Russia	
	(%)	2.2	2.2	3.7	-	-	Russia	
	(%) of total number of managers of the Group	(%)	1.6	1.6	1.7	-	-	Russia
	(%) of total number of no-managers of the Group	(%)	2.2	2.2	3.6	-	-	Russia
Brazil	(no.)	8,970	10,040	10,544	-1,070	-10.7	Brazil	
	(%)	13.5	15.0	15.8	-1	-	Brazil	
	(%) of total number of managers of the Group	(%)	4.7	4.2	4.2	1	-	Brazil
	(%) of total number of no-managers of the Group	(%)	9.8	15.3	15.7	-6	-	Brazil
Argentina	(no.)	4,054	4,048	4,082	6	0.1	Argentina	
	(%)	6.1	6.1	6.1	-	-	Argentina	
	(%) of total number of managers of the Group	(%)	1.7	1.7	1.5	-	-	Argentina
	(%) of total number of no-managers of the Group	(%)	6.2	6.2	6.1	-	-	Argentina
Chile	(no.)	2,271	2,281	2,217	-10	-0.4	Chile	
	(%)	3.4	3.4	3.3	-	-	Chile	
	(%) of total number of managers of the Group	(%)	4.0	4.4	4.2	-0.4	-	Chile
	(%) of total number of no-managers of the Group	(%)	3.4	3.4	3.2	-	-	Chile
Peru	(no.)	988	954	935	34	3.6	Peru	
	(%)	1.5	1.4	1.4	0.1	-	Peru	
	(%) of total number of managers of the Group	(%)	1.4	1.9	2.1	-1	-	Peru
	(%) of total number of no-managers of the Group	(%)	1.5	1.4	1.4	0.1	-	Peru
Colombia	(no.)	2,256	2,191	2,136	65	3.0	Colombia	
	(%)	3.4	3.3	3.2	0.1	-	Colombia	
	(%) of total number of managers of the Group	(%)	2.7	2.6	2.7	0.1	-	Colombia
	(%) of total number of no-managers of the Group	(%)	3.4	3.3	3.1	0.1	-	Colombia
USA	(no.)	1,534	1,287	1,289	247	19.2	USA	
	(%)	2.3	1.9	1.9	0.4	-	USA	
	(%) of total number of managers of the Group	(%)	1.1	1.2	0.9	-0.1	-	USA
	(%) of total number of no-managers of the Group	(%)	2.3	1.9	1.9	0.4	-	USA
405-1 Workforce by level and gender								
Managers	(no.)	1,377	1,397	1,363	-20	-1.4	Enel	
• of whom men	(no.)	1,052	1,095	1,078	-43	-3.9	Enel	

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
		(%)	76.4	78.4	79.1	-2.0	-	Enel
• of whom women		(no.)	325	302	285	23	7.6	Enel
		(%)	23.6	21.6	20.9	2.0	-	Enel
Middle Managers		(no.)	12,242	11,592	11,329	650	5.6	Enel
• of whom men		(no.)	8,403	8,069	8,012	334	4.1	Enel
		(%)	68.6	69.6	70.7	-1.0	-	Enel
• of whom women		(no.)	3,839	3,523	3,317	316	9.0	Enel
		(%)	31.4	30.4	29.3	1.0	-	Enel
White-collar workers		(no.)	35,556	35,883	36,274	-327	-0.9	Enel
• of whom men		(no.)	25,138	25,706	26,025	-568	-2.2	Enel
		(%)	70.7	71.6	71.7	-0.9	-	Enel
• of whom women		(no.)	10,418	10,177	10,249	241	2.4	Enel
		(%)	29.3	28.4	28.3	0.9	-	Enel
Blue-collar workers		(no.)	17,104	17,845	19,287	-741	-4.2	Enel
• of whom men		(no.)	16,748	17,476	18,818	-728	-4.2	Enel
		(%)	97.9	97.9	97.6	-	-	Enel
• of whom women		(no.)	357	369	469	-12	-3.3	Enel
		(%)	2.1	2.1	2.4	-	-	Enel
Total		(no.)	66,278	66,717	68,253	-439	-0.7	Enel
Index of professional qualification								
Managers		(%)	2.1	2.1	2.0	-	-	Enel
Middle Managers		(%)	18.5	17.4	16.6	1.1	-	Enel
White-collar workers		(%)	53.6	53.8	53.1	-0.2	-	Enel
Blue-collar workers		(%)	25.8	26.7	28.3	-0.9	-	Enel
405-1 Workforce by age range and level								
< 30		(%)	11.5	10.9	11.6	0.6	-	Enel
• of whom Managers		(%)	-	-	-	-	-	Enel
• of whom Middle Managers		(%)	0.5	0.4	0.3	0.1	-	Enel
• of whom White-collar workers		(%)	5.9	5.2	5.3	0.7	-	Enel
• of whom Blue-collar workers		(%)	5.3	5.3	5.9	-	-	Enel
30 - 50		(%)	57.3	54.5	54.7	2.8	-	Enel
• of whom Managers		(%)	1.0	1.0	0.9	-	-	Enel
• of whom Middle Managers		(%)	12.1	10.7	10.4	1.4	-	Enel
• of whom White-collar workers		(%)	29.2	27.7	27.4	1.5	-	Enel
• of whom Blue-collar workers		(%)	15.0	15.1	15.9	-0.1	-	Enel
> 50		(%)	31.2	34.6	33.8	-3.4	-	Enel
• of whom Managers		(%)	1.0	1.1	1.0	-0.1	-	Enel
• of whom Middle Managers		(%)	5.8	6.3	5.9	-0.5	-	Enel
• of whom White-collar workers		(%)	18.6	20.9	20.4	-2.3	-	Enel
• of whom Blue-collar workers		(%)	5.5	6.3	6.4	-0.8	-	Enel
Average age	(years)		43.8	44.1	43.8	-0.3	-0.7	Enel
102-8 Workforce by type of contract and gender								
Permanent contract		(no.)	65,453	65,822	64,976	-369	-0.6	Enel
• of whom men		(no.)	50,803	51,783	51,482	-980	-1.9	Enel
• of whom women		(no.)	14,650	14,039	13,494	611	4.4	Enel
Fixed-term contracts⁽⁷⁾		(no.)	826	895	3,277	-69	-7.7	Enel
• of whom men		(no.)	537	563	2,451	-26	-4.6	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	• of whom women	(no.)	289	332	826	-43	-13.0	Enel
	Total contracts	(no.)	66,279	66,717	68,253	-438	-0.7	Enel
	• of whom men	(no.)	51,341	52,346	53,933	-1,005	-1.9	Enel
	• of whom women	(no.)	14,938	14,371	14,320	567	3.9	Enel
	Fixed-term contracts as percentage of total	(%)	1.2	1.3	4.8	-0.1	-	Enel
	Internship and traineeships⁽⁸⁾	(no.)	1,083	883	882	200	22.7	Enel
102-8	Workforce by type of contract and geographic area							
	Italy⁽²⁾	(no.)	30,276	29,800	29,767	476	1.6	Italy
	Permanent contract	(no.)	30,263	29,783	29,743	480	1.6	Italy
	Fixed-term contracts	(no.)	13	17	24	-4	-23.5	Italy
	Iberia	(no.)	9,518	9,781	10,123	-263	-2.7	Iberia
	Permanent contract	(no.)	9,281	9,531	9,733	-250	-2.6	Iberia
	Fixed-term contracts	(no.)	237	250	390	-13	-5.2	Iberia
	Latin America	(no.)	18,763	19,838	20,240	-1,075	-5.4	Latin America
	Permanent contract	(no.)	18,304	19,374	17,544	-1,070	-5.5	Latin America
	Fixed-term contracts	(no.)	459	464	2,696	-5	-1.1	Latin America
	Europe⁽⁴⁾	(no.)	4,994	4,966	5,907	28	0.6	Europe
	Permanent contract	(no.)	4,883	4,817	5,750	66	1.4	Europe
	Fixed-term contracts	(no.)	111	149	157	-38	-25.5	Europe
	North America	(no.)	1,914	1,639	1,639	275	16.8	North America
	Permanent contract	(no.)	1,909	1,627	1,639	282	17.3	North America
	Fixed-term contracts	(no.)	5	12	-	-7	-58.3	North America
	Africa, Asia and Oceania	(no.)	814	693	577	121	17.5	Africa, Asia and Oceania
	Permanent contract	(no.)	813	690	569	123	17.8	Africa, Asia and Oceania
	Fixed-term contracts	(no.)	1	3	8	-2	-66.7	Africa, Asia and Oceania
102-8	Workforce by type of contract and gender							
	Full-time contracts	(no.)	65,689	66,074	67,514	-385	-0.6	Enel
	• of whom men	(no.)	51,209	52,208	53,770	-999	-1.9	Enel
	• of whom women	(no.)	14,480	13,866	13,744	614	4.4	Enel
	Part-time contracts	(no.)	590	643	739	-53	-8.2	Enel
	• of whom men	(no.)	130	138	164	-8	-5.8	Enel
	• of whom women	(no.)	460	505	575	-45	-8.9	Enel
	Part Time + Full Time	(no.)	66,279	66,717	68,253	-438	-0.7	Enel
	Percentage of part-time	(%)	0.9	1.0	1.2	-0.1	-	Enel
	Workforce by nationality							
	Total workforce							
	Italy	(%)	45.4	44.4	-	1.0	-	Enel
	Brazil	(%)	13.5	15.0	-	-1.5	-	Enel
	Spain	(%)	14.0	14.4	-	-0.4	-	Enel
	Argentina	(%)	6.0	5.9	-	0.1	-	Enel
	Romania	(%)	4.9	4.8	-	0.1	-	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Colombia	(%)	3.4	3.3	-	0.1	-	-	Enel
Chile	(%)	3.2	3.3	-	-0.1	-	-	Enel
Other	(%)	9.4	8.8	-	0.6	-	-	Enel
Workforce in management positions (manager and middle manager)								
Italy	(%)	47.8	47.7	-	0.1	-	-	Enel
Brazil	(%)	5.1	4.8	-	0.3	-	-	Enel
Spain	(%)	29.0	29.3	-	-0.3	-	-	Enel
Argentina	(%)	2.1	2.2	-	-0.1	-	-	Enel
Romania	(%)	2.7	2.7	-	-	-	-	Enel
Colombia	(%)	2.1	2.1	-	-	-	-	Enel
Chile	(%)	2.9	2.9	-	-	-	-	Enel
Other	(%)	8.3	8.3	-	-	-	-	Enel
401-1 CHANGES TO SIZE								
New hires								
New hires by gender		(no.)	5,401	3,131	3,726	2,270	72.5	Enel
Hiring rate⁽⁹⁾		(%)	8.1	4.7	5.5	3.4	-	Enel
• men	(no.)	3,764	2,203	2,702	1,561	70.9	-	Enel
	(%)	69.7	70.4	72.5	-0.7	-	-	Enel
• women	(no.)	1,637	928	1,024	709	76.4	-	Enel
	(%)	30.3	29.6	27.4	0.7	-	-	Enel
New hires by age range								
up to 30	(no.)	2,579	1,363	1,865	1,216	89.2	-	Enel
	(%)	47.8	43.5	50.1	4.3	-	-	Enel
from 30 to 50	(no.)	2,653	1,700	1,698	953	56.1	-	Enel
	(%)	49.1	54.3	45.6	-5.2	-	-	Enel
over 50	(no.)	169	68	163	101	-	-	Enel
	(%)	3.1	2.2	4.4	0.9	-	-	Enel
New hires by geographic area								
Italy⁽²⁾	(no.)	1,697	1,044	1,058	653	62.5	-	Italy
	(%)	5.6	33.3	28.4	-27.7	-	-	Italy
Iberia	(no.)	693	257	430	436	-	-	Iberia
	(%)	7.3	8.2	11.5	-0.9	-	-	Iberia
Europe⁽⁴⁾	(no.)	439	280	512	159	56.8	-	Europe
	(%)	8.8	8.9	13.7	-0.1	-	-	Europe
North America	(no.)	636	362	435	274	75.7	-	North America
	(%)	33.2	11.6	11.7	22.4	-	-	North America
Latin America	(no.)	1,704	991	1,098	713	71.9	-	Latin America
	(%)	9.1	31.7	29.5	-22.6	-	-	Latin America
Africa, Asia and Oceania	(no.)	232	197	193	35	17.8	-	Africa, Asia and Oceania
	(%)	28.5	6.3	5.2	22.2	-	-	Africa, Asia and Oceania

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Effect of the changes in scope		(no.)	23	-971	75	994	-	Enel
Terminations								
Causes								
Voluntary terminations								
		(no.)	1,271	717	1,095	554	77.3	Enel
Incentive based terminations		(no.)	3,532	817	2,304	2,715	-	Enel
Retirements and other		(no.)	1,060	2,162	1,421	-1,102	-51.0	Enel
Total terminations		(no.)	5,862	3,696	4,820	2,166	58.6	Enel
Terminations by gender								
• men		(no.)	4,779	3,002	3,766	1,777	59.2	Enel
		(%)	81.5	81.2	78.1	0.3	-	Enel
• women		(no.)	1,083	694	1,054	389	56.1	Enel
		(%)	18.5	18.8	21.9	-0.3	-	Enel
Terminations by age range		(no.)	5,862	3,696	4,820	2,166	58.6	Enel
up to 30		(no.)	702	547	626	155	28.3	Enel
		(%)	12.0	14.8	13.0	-2.8	-	Enel
from 30 to 50		(no.)	2,275	1,273	1,867	1,002	78.7	Enel
		(%)	38.8	34.4	38.7	4.4	-	Enel
over 50		(no.)	2,885	1,876	2,327	1,011	53.8	Enel
		(%)	49.2	50.8	48.3	-1.6	-	Enel
Terminations by Country								
Italy⁽²⁾		(no.)	1,249	1,011	1,622	238	23.5	Italy
		(%)	4.1	27.4	33.3	-23.3	-	Italy
Iberia		(no.)	956	599	254	357	59.6	Iberia
		(%)	10.0	16.2	5.3	-6.2	-	Iberia
Europe⁽³⁾		(no.)	406	299	354	107	35.8	Europe
		(%)	8.1	8.1	7.7	-	-	Europe
North America		(no.)	361	313	392	48	15.3	North America
		(%)	18.9	8.5	8.1	10.4	-	North America
Latin America		(no.)	2,779	1,393	2,103	1,386	99.5	Latin America
		(%)	14.8	37.7	43.6	-22.9	-	Latin America
Africa, Asia and Oceania		(no.)	111	81	95	30	37.0	Africa, Asia and Oceania
		(%)	13.6	2.2	2.0	11.4	-	Africa, Asia and Oceania
Turnover rate⁽¹⁰⁾		(%)	8.8	5.6	7.1	3.2	-	Enel
Turnover rate by gender								
• men		(%)	9.5	5.7	-	3.8	-	Enel
• women		(%)	7.5	4.8	-	2.7	-	Enel
Turnover rate by age range								
up to 30		(%)	9.0	7.5	-	1.5	-	Enel
from 30 to 50		(%)	6.0	3.5	-	2.5	-	Enel
over 50		(%)	14.1	8.1	-	6.0	-	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Voluntary turnover rate	(%)	1.9	1.1	2.0	0.8	-	Enel
	Voluntary turnover rate by gender							
	• men	(%)	1.3	0.8	-	0.5	-	Enel
	• women	(%)	0.6	0.3	-	0.3	-	Enel
	Voluntary turnover rate by age range							
	up to 30	(%)	0.5	0.2	-	0.3	-	Enel
	from 30 to 50	(%)	1.3	0.7	-	0.6	-	Enel
	over 50	(%)	0.1	0.2	-	-0.1	-	Enel
	VALORIZATION							
404-3	Assessment⁽¹¹⁾							
	Dissemination of assessment	(%)	89.2	93.8	93.3	-4.6	-	Enel
	• men	(%)	88.6	94.0	93.5	-5.4	-	Enel
	• women	(%)	91.4	93.0	92.7	-1.6	-	Enel
	People assessed by level							
	Managers	(%)	97.2	97.8	96.7	-0.6	-	Enel
	Middle Managers	(%)	93.2	93.7	92.5	-0.5	-	Enel
	White collar	(%)	88.6	93.4	94.7	-4.8	-	Enel
	Blue collar	(%)	79.1	94.4	90.9	-15.3	-	Enel
	Rewarding							
	Dissemination of incentives⁽¹²⁾	(%)	43.1	43.6	41.6	-0.5	-	Enel
	Employees with individual incentives	(no.)	28,568	22,546	28,367	6,022	26.7	Enel
	• of whom Managers	(no.)	1,351	1,006	1,312	345	34.3	Enel
	• of whom Middle Managers	(no.)	7,915	3,750	7,183	4,165	111.1	Enel
	• of whom White-collar workers e Blue collar	(no.)	19,308	17,790	19,872	1,518	8.5	Enel
	Percentage of sustainability objectives assigned	(%)	30.0	-	-	30.0	-	Enel
404-1	Training							
	Training hours by employees	(h/per capita)	44.6	40.9	38.8	3.7	9.0	Enel
	by gender:							
	• men	(h/per capita)	46.5	40.4	39.7	6.1	15.1	Enel
	• women	(h/per capita)	37.7	42.7	35.0	-5.0	-11.7	Enel
	by level:							
	Managers	(h/per capita)	29.6	31.9	58.4	-2.3	-7.2	Enel
	Middle Managers	(h/per capita)	41.9	41.4	44.9	0.5	1.2	Enel
	White collar	(h/per capita)	38.4	35.7	29.6	2.7	7.6	Enel
	Blue collar	(h/per capita)	60.3	51.4	49.6	8.9	17.3	Enel
	Total training hours (distance learning + classroom)	(,000 h)	2,943	2,744	2,648	199	7.2	Enel
	Training hours distance learning	(,000 h)	513	448	248	65	14.5	Enel
	• for managerial training	(,000 h)	204	94	122	110	-	Enel
	• for specialist training	(,000 h)	309	354	127	-45	-12.8	Enel
	Training hours in the classroom	(,000 h)	2,430	2,296	2,370	134	5.8	Enel
	• for managerial training	(,000 h)	189	170	719	19	11.1	Enel
	• for specialist training	(,000 h)	2,241	2,126	1,651	115	5.4	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Incidence of distance learning training	(%)	17.4	16.3	9.4	1.1	-	Enel
Total training hours by level								
	Managers	(,000 h)	41	45	81	-4	-8.8	Enel
	Middle Managers	(,000 h)	494	466	495	28	6.1	Enel
	White collar	(,000 h)	1,362	1,287	1,037	75	5.8	Enel
	Blue collar	(,000 h)	1,045	946	1,035	99	10.5	Enel
Dissemination of sustainability								
	Training per capita on sustainability	(h/per capita)	26.7	21.7	16.5	5.0	23.0	Enel
	Total training hours on sustainability	(,000 h)	1,763	1,457	1,126	306	21.0	Enel
	Digitalization	(,000 h)	410	342	305	68	19.9	Enel
	Environment	(,000 h)	58	48	33	10	20.3	Enel
	Safety	(,000 h)	1,188	979	683	209	21.4	Enel
	Human rights	(,000 h)	7	5	13	2	40.1	Enel
	Other ⁽¹³⁾	(,000 h)	88	61	73	27	44.8	Enel
	Code of Ethics	(,000 h)	11	22	19	-11	-49.3	Enel
205-2	Training on anti-corruption policies and procedures communication	(no.)	20,074	26,660	19,798	-6,586	-24.7	Enel
		(%)	30.3	40.0	29.0	-9.7	-	Enel
Training on anti-corruption policies and procedures communication by geographic area								
	Italy	(no.)	10,443	14,224	10,519	-3,781	-26.6	Italy
		(%)	34.5	47.7	35.3	-13.2	-	Italy
	Iberia	(no.)	3,564	1,977	3,428	1,587	80.3	Iberia
		(%)	37.4	20.2	33.9	17.2	-	Iberia
	Latin America	(no.)	3,339	5,326	3,655	-1,987	-37.3	Latin America
		(%)	17.8	26.8	18.1	-9.0	-	Latin America
	Europe	(no.)	1,050	4,006	1,444	-2,956	-73.8	Europe
		(%)	21.0	80.7	24.4	-59.7	-	Europe
	Asia and Oceania	(no.)	225	197	39	28	14.2	Asia and Oceania
		(%)	27.7	28.4	6.8	-0.7	-	Asia and Oceania
	North and Central America	(no.)	1,453	930	713	523	56.2	North America
		(%)	75.9	56.7	43.5	19.2	-	North America
Training on anti-corruption policies and procedures communication by level								
	Managers	(no.)	487	407	393	80	19.7	Enel
		(%)	35.4	29.1	28.8	6.3	-	Enel
	Middle Managers	(no.)	4,588	3,967	3,560	621	15.7	Enel
		(%)	37.5	34.2	31.4	3.3	-	Enel
	White collar	(no.)	11,251	14,856	10,409	-3,605	-24.3	Enel
		(%)	31.6	41.4	28.7	-9.8	-	Enel
	Blue collar	(no.)	3,747	7,430	5,436	-3,683	-49.6	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
		(%)	21.9	41.6	28.2	-19.7	-	Enel
201-3 CORPORATE WELFARE								
	Employees covered by pension plan (benefit plan)	(no.)	53,862	53,715	47,688	147	0.3	Enel
		(%)	81.3	80.5	69.9	0.8	-	Enel
EU15	Employees entitled to retire in next 5 to 10 years							
	Pension within 5 years - Enel							
	Managers	(%)	4.5	3.6	6.5	0.9	-	Enel
	Middle Managers	(%)	5.0	4.9	6.4	0.1	-	Enel
	White collar	(%)	7.1	6.6	9.1	0.5	-	Enel
	Blue collar	(%)	3.8	4.4	6.0	-0.6	-	Enel
	Average	(%)	5.7	5.6	7.7	0.1	-	Enel
	Pension within 10 years - Enel							
	Managers	(%)	20.8	17.7	19.4	3.1	-	Enel
	Middle Managers	(%)	17.3	17.0	18.7	0.3	-	Enel
	White collar	(%)	22.9	21.7	23.6	1.2	-	Enel
	Blue collar	(%)	12.6	11.0	15.5	1.6	-	Enel
	Average	(%)	19.1	17.9	20.4	1.2	-	Enel
401-3 MATERNITY/PATERNITY-PARENTAL LEAVE								
	Employees entitled to parental leave by gender	(no.)	2,604	2,734	-	-130	-4.8	Enel
	Men	(no.)	1,694	1,741	-	-47	-2.7	Enel
	Women	(no.)	911	993	-	-82	-8.3	Enel
	Parental leave by gender	(no.)	2,604	2,734	2,684	-130	-4.8	Enel
	Men	(no.)	1,694	1,741	1,653	-47	-2.7	Enel
	Women	(no.)	911	993	1,001	-82	-8.3	Enel
	Return to work rate of employees that took parental leave by gender	(%)	95.0	95.6	-	-0.6	-	Enel
	Men	(%)	96.3	96.1	-	0.2	-	Enel
	Women	(%)	92.7	94.7	-	-2.0	-	Enel
	Retention rate by gender ^[14]	(%)	97.0	96.3	-	0.7	-	Enel
	Men	(%)	95.3	97.2	-	-2.2	-	Enel
	Women	(%)	100.2	97.7	-	2.3	-	Enel
EQUAL OPPORTUNITIES								
	Level of female staff ^[15]	(%)	30.6	29.4	28.4	1.2	-	Enel
405-2	Ratio of basic salary/remuneration Women/ Men							
	Ratio of basic salary Women/Men	(%)	104.8	108.1	107.4	-3.3	-	Enel
	Managers	(%)	84.6	86.7	86.7	-2.1	-	Enel
	Middle Managers	(%)	94.2	96.5	96.0	-2.3	-	Enel
	White collar	(%)	88.4	90.2	90.0	-1.8	-	Enel
	Blue collar	(%)	111.2	77.0	68.6	34.2	-	Enel
	Ratio of remuneration Women/Men	(%)	105.1	108.3	107.6	-3.2	-	Enel
	Managers	(%)	81.1	83.3	83.2	-2.2	-	Enel
	Middle Managers	(%)	93.2	95.7	95.2	-2.5	-	Enel
	White collar	(%)	88.4	90.3	90.0	-1.9	-	Enel
	Blue collar	(%)	112.0	77.8	70.1	34.2	-	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Blue collar	(%)	112.0	77.8	70.1	34.2	-	Enel
405-1	Disability							
	Disabled or belonging to protected categories by gender	(no.)	2,152	2,199	2,254	-47	-2.1	Enel
	• of whom men	(no.)	1,480	1,532	1,565	-52	-3.4	Enel
	• of whom women	(no.)	672	667	689	5	0.7	Enel
	Incidence of disabled or belonging to protected categories by gender	(%)	3.2	3.3	3.3	-0.1	-	Enel
	• of whom men	(%)	68.8	2.3	2.3	66.5	-	Enel
	• of whom women	(%)	31.2	1.0	1.0	30.2	-	Enel
	Disabled or belonging to protected categories by age range	(no.)	2,152	2,199	-	-47	-2.1	Enel
	• up to 30	(no.)	44	49	-	-5	-10.2	Enel
	• from 30 to 50	(no.)	985	933	-	52	5.6	Enel
	• over 50	(no.)	1,123	1,217	-	-94	-7.7	Enel
	Incidence of disabled or belonging to protected categories by age range	(%)	3.2	3.3	-	-0.1	-	Enel
	• up to 30	(%)	0.1	0.1	-	-	-	Enel
	• from 30 to 50	(%)	1.5	1.4	-	0.1	-	Enel
	• over 50	(no.)	1.7	1.8	-	-0.1	-5.6	Enel
	Disabled or belonging to protected categories by level							
	Managers	(no.)	3	3	-	-	-	Enel
	Middle Managers	(no.)	167	157	140	10	6.4	Enel
	White collar	(no.)	1,814	1,880	1,941	-66	-3.5	Enel
	Blue collar	(no.)	168	159	172	9	5.7	Enel
	Incidence of disabled or belonging to protected categories by level							
	Managers	(%)	-	-	-	-	-	Enel
	Middle Managers	(%)	0.3	0.2	0.2	0.1	-	Enel
	White collar	(%)	2.7	2.8	2.8	-0.1	-	Enel
	Blue collar	(%)	0.3	0.2	0.3	0.1	-	Enel
	Smartworking							
	Actual users of smartworking	(no.)	38,403	36,334	-	2,069	5.7	Enel
	Potential users of smartworking	(no.)	39,115	37,305	-	1,810	4.9	Enel
	Incidence of Smartworking	(%)	98.2	97.4	-	0.8	-	Enel
102-41	RELATIONS WITH UNIONS							
	Union membership in the electricity sector	(%)	48.9	50.7	52.2	-1.8	-	Enel
	Employees covered by collective agreements, by geographic area							
	Total Enel	(no.)	59,582	60,571	62,252	-989	-1.6	Enel
		(%)	89.9	90.8	91.1	-0.9	-	Enel
	Italy	(no.)	30,148	29,710	29,741	438	1.5	Italy
		(%)	99.6	99.7	99.9	-0.1	-	Italy
	Iberia	(no.)	8,687	8,685	9,161	2	-	Iberia
		(%)	91.3	88.8	90.5	2.5	-	Iberia
	Europe	(no.)	4,391	4,380	5,308	11	0.3	Europe
		(%)	87.9	88.2	89.9	-0.3	-	Europe
	Latin America	(no.)	16,317	17,771	17,980	-1,454	-8.2	Latin America
		(%)	87.0	89.6	88.8	-2.6	-	Latin America

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	North America	(no.)	39	25	24	14	56.0	North America
		(%)	2.0	-	1.5	2.0	-	North America
	Africa, Asia and Oceania	(no.)	-	-	38	-	-	Africa, Asia and Oceania
		(%)	-	-	9	-	-	Africa, Asia and Oceania
Dispute with employees								
	Total proceedings⁽¹⁶⁾	(no.)	9,384	9,028	10,566	356	3.9	Enel
	Incidence of proceedings as defendant	(%)	98.9	98.9	86.2	-	-	Enel

- (1) In 2021, there was a change in scope due to the sale of Enel Green Power Bulgaria and the acquisition of CityPoste Payment SpA in Italy.
 (2) Includes Branch Enel Produzione (Russia and Slovakia), Branch Enel Trading (Algeria and Singapore), Enel New Hydro and Dutch financial companies.
 (3) Includes International Endesa BV (IEBV).
 (4) The following countries are considered within this scope: Romania, Russia, Bulgaria, Greece, France, Germany, Turkey, United Kingdom, Ireland, Norway, Poland and Switzerland.
 (5) Countries considered within the scope: USA, Canada and Mexico.
 (6) The following countries are considered within the scope: India, Kenya, South Africa, Zambia, Indonesia, Australia, Morocco, Singapore, Japan, Taiwan, New Zealand China and South Korea.
 (7) The data also includes 7 de obra (temporary) work contracts for 2021 in Latin America.
 (8) The 2020 figures include a more specific determination.
 (9) Hiring rate = Total new recruits/Total workforce.
 (10) Turnover rate = Total terminations/Total workforce.
 (11) It should be noted that for GRI KPI 404-3, the calculation of the assessed percentage considers all Headcounts and not just those eligible by process for the denominator.
 (12) The 2020 figures include a more specific determination thereof.
 (13) Includes training relating to privacy, anti-bribery, community relations and diversity.
 (14) Retention rate = loyalty index expressing the percentage of employees who remain in the organization over a given timeframe.
 (15) Classification index = female managers + middle managers/total managers + middle managers.
 (16) The 2021, 2020 and 2019 figures only include the procedures relating to Enel and retired staff, and not the procedures relating to third parties.

Local and global communities

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
203-1 Contributions to communities – LBG method								
Initiatives in favor of the community								
Charitable donations⁽¹⁾ (mil euros)								
			9.8	56.1	4.6	-46.3	-82.5	Enel
Investments in communities (mil euros)								
			56.2	56.1	80.2	0.1	0.2	Enel
Commercial initiatives with a social impact (mil euros)								
			25.2	17.5	37.4	7.6	43.6	Enel
Total (expense + investments) (mil euros)								
			91.1	129.7	122.1	-38.6	-29.7	Enel
Initiatives in favor of communities by type of contribution								
Cash contribution (mil euros)								
			81.7	119.4	112.1	-37.8	-31.6	Enel
Employee volunteerism (mil euros)								
			0.4	0.1	3.2	0.3	-	Enel
Donations in kind (goods/services/projects) (mil euros)								
			2.5	4.9	1.2	-2.5	-50.2	Enel
Management overheads (mil euros)								
			6.6	5.3	5.7	-	-	Enel
Total (mil euros)								
			91.1	129.7	122.1	-38.6	-29.7	Enel
EU25 Safety for communities								
Third-party injuries								
Severe and fatal third-party injuries (no.)								
			250	221	247	29	13.1	Enel
• fatal (no.)								
			77	89	120	-12	-13.5	Enel
• severe (no.)								
			173	132	127	41	31.1	Enel
Third-party injuries by type								
Electricity injuries (%)								
			92.0	89.6	89.9	2.4	-	Enel
Road accidents against Group infrastructure (%)								
			5.2	6.3	6.5	-1.1	-	Enel
Accidents for other reasons (slipping, falling from height, crash-crush-cut) (%)								
			2.8	4.1	3.6	-1.3	-	Enel
Causes of electricity accident								
Construction activities near power lines (%)								
			64.8	55.6	62.6	9.2	-	Enel
Attempted theft (%)								
			12.8	9.6	15.8	3.2	-	Enel
Other⁽²⁾ (%)								
			14.4	34.8	21.6	-20.4	-	Enel

(1) For 2021 and 2020, this data includes grants made by Group companies to Enel Cuore over the years.

(2) Mainly due to accidental contact with metal wires, agricultural work and plant cutting activities, among other things.

Suppliers

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
NATURE OF SUPPLIERS								
	Number of new contracts signed during the year⁽¹⁾	(no.)	12,272	13,051	29,370	-779	-6.0	Enel
	Number of suppliers with which a new contract was signed in the year	(no.)	6,066	6,051	7,785	15	0.2	Enel
102-8	Workforce of contracting and subcontracting companies⁽²⁾	(no.)	170,397	157,940	153,116	12,457	7.9	Enel
	Days worked by employees of contractors and subcontractors	(,000 g)	37,493	34,747	33,686	2,746	7.9	Enel
	Construction activity	(,000 g)	14,499	10,519	10,052	3,980	37.8	Enel
	Operating and maintenance activity	(,000 g)	22,993	24,228	23,633	-1,235	-5.1	Enel
	• of which operating activity	(,000 g)	6,898	7,268	7,090	-370	-5.1	Enel
	• of which maintenance activity	(,000 g)	16,095	16,959	16,543	-864	-5.1	Enel
204-1 Local suppliers of materials and services⁽³⁾								
	Local suppliers with contracts > 1 mil euros	(no.)	1,566	1,326	1,167	240	18.1	Enel
	Foreign suppliers with contracts > 1 mil euros	(no.)	165	182	157	-17	-9.3	Enel
	Spending on local suppliers with contracts > 1 mil euros	(mil euros)	14,484	10,130	9,169	4,354	43.0	Enel
	Spending on foreign suppliers with contracts > 1 mil euros	(mil euros)	2,381	1,657	1,130	724	-	Enel
	Concentration of spending on local suppliers	(%)	78	86	89	-8	-	Enel
	Concentration of spending on foreign suppliers	(%)	13	14	11	-1	-	Enel
Purchases and fuel								
	Purchases of materials and services	(mil euros)	17,030	14,070	14,375	2,960	21.0	Enel
	Supplies	(mil euros)	6,510	5,480	5,245	1,030	18.8	Enel
	Works	(mil euros)	3,776	3,625	3,702	151	4.2	Enel
	Services	(mil euros)	6,744	4,965	5,428	1,779	35.8	Enel
Management instruments								
	Active qualified companies	(no.)	13,953	16,124	8,198	-2,171	-13.5	Enel
	Online tenders as percentage of all tenders	(%)	83.5	74.8	72.4	8.7	-	Enel
	Online purchases as percentage of all purchases	(%)	70.3	67.5	56.8	2.8	-	Enel
	Use of prescription	(%)	16.0	19.1	18.1	-3.1	-	Enel
103-2 Disputes involving suppliers								
	Total proceedings	(no.)	785	703	467	82	11.7	Enel
	Incidence of proceedings as defendant	(%)	68.7	69.3	80.7	-0.6	-	Enel

(1) The 2021 and 2020 figures do not contain the amendments of existing contracts.

(2) Calculated in FTE (Full Time Equivalent).

(3) "Local suppliers" are defined as suppliers with their registered office in the country where the supply contract was issued.

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
DMA EU Research and innovation								
	Technological innovation ⁽¹⁾	(mil euros)	130.4	110.5	84.2	19.9	18.0	Enel
	Research personnel	(no.)	558	520	472	38	7.3	Enel
	End users (final)	(no.)	75,178,777	74,303,931	73,811,964	874,846	1.2	Enel
	Active clients with smart meters ⁽²⁾	(no.)	44,968,974	44,292,794	43,821,596	676,180	1.5	Enel
	Active clients with smart meters/End users (final)	%	59.8	60.0	59.4	-0.2	-	Enel

(1) Around 27% of investment in Research and Innovation concerned Enel Green Power and Thermal Generation, while 52% was for Global Infrastructure and Networks.

(2) 2021 share for smart meter 2.0, amounting to 22.6 million.

Occupational health and safety

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
SAFETY								
Enel people								
403-9 Number of fatal accidents and frequency rate⁽¹⁾								
	Number of fatal accidents	(no.)	3	1	1	2	-	Enel
	Fatal accidents by geographical area							
	Italy	(no.)	2	-	-	2	-	Italy
	Iberia	(no.)	-	-	1	-	-	Iberia
	Latin America	(no.)	1	1	-	-	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Fatal accidents frequency rate	(i)	0.024	0.008	0.008	0.016	-	Enel
	Fatal accidents frequency rate by geographical area							
	Italy	(i)	0.035	-	-	0.035	-	Italy
	Iberia	(i)	-	-	0.059	-	-	Iberia
	Latin America	(i)	0.028	0.026	-	0.002	7.7	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
Number of Life Changing Accidents (LCA)⁽²⁾								
	Number of Life Changing Accidents (LCA)	(no.)	1	-	-	1	-	Enel
	Number of Life Changing Accidents by geographical area							
	Italy	(no.)	-	-	-	-	-	Italy
	Iberia	(no.)	-	-	-	-	-	Iberia
	Latin America	(no.)	1	-	-	1	-	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Life Changing Accidents frequency rate (LCA FR)	(i)	0.008	-	-	0.008	-	Enel
	Life Changing Accidents frequency rate by geographical area							
	Italy	(i)	-	-	-	-	-	Italy
	Iberia	(i)	-	-	-	-	-	Iberia
	Latin America	(i)	0.028	-	-	0.028	-	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
High Potential Accident (HPO)⁽³⁾								
	High Potential Accident (HPO)	(no.)	8	10	16	-2	-20.0	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Number of High Potential accidents (HPO) by geographical area								
Italy	(no.)	5	4	9	1	25.0		Italy
Iberia	(no.)	1	1	-	-	-		Iberia
Latin America	(no.)	1	3	6	-2	-66.7		Latin America
North America	(no.)	-	-	-	-	-		North America
Europe	(no.)	1	2	1	-1	-50.0		Europe
Africa, Asia and Oceania	(no.)	-	-	-	-	-		Africa, Asia and Oceania
High Potential accidents frequency rate (HPO FR)	(i)	0.065	0.080	0.124	-0.015	-18.8		Enel
High Potential accidents frequency rate by geographical area								
Italy	(i)	0.089	0.072	0.169	0.017	23.6		Italy
Iberia	(i)	0.061	0.059	-	0.002	3.4		Iberia
Latin America	(i)	0.028	0.079	0.137	-0.051	-64.6		Latin America
North America	(i)	-	-	-	-	-		North America
Europe	(i)	0.106	0.196	0.094	-0.090	-45.9		Europe
Africa, Asia and Oceania	(i)	-	-	-	-	-		Africa, Asia and Oceania
Number of accidents with absence from work for more than 3 days	(no.)	61	72	107	-11	-15.3		Enel
Number of accidents with absence from work for more than 3 days by geographical area								
Italy	(no.)	41	41	52	-	-		Italy
Iberia	(no.)	2	2	6	-	-		Iberia
Latin America	(no.)	18	25	44	-7	-28.0		Latin America
North America	(no.)	-	-	-	-	-		North America
Europe	(no.)	-	4	5	-4	-100.0		Europe
Africa, Asia and Oceania	(no.)	-	-	-	-	-		Africa, Asia and Oceania
Accidents with absence from work for more than 3 days frequency rate	(i)	0.494	0.575	0.829	-0.081	-14.1		Enel
Accidents with absence from work for more than 3 days frequency rate by geographical area								
Italy	(i)	0.726	0.734	0.974	-0.008	-1.1		Italy
Iberia	(i)	0.122	0.117	0.352	0.005	4.3		Iberia
Latin America	(i)	0.498	0.662	1.004	-0.164	-24.8		Latin America
North America	(i)	-	-	-	-	-		North America
Europe	(i)	-	0.393	0.472	-0.393	-100.0		Europe
Africa, Asia and Oceania	(i)	-	-	-	-	-		Africa, Asia and Oceania
Number of Lost Time Injury(LTI)⁽⁴⁾								
Number of LTI	(no.)	83	75	116	8	10.7		Enel
Accidents with absence from work by geographical area								
Italy	(no.)	53	42	59	11	26.2		Italy
Iberia	(no.)	2	2	6	-	-		Iberia
Latin America	(no.)	27	26	46	1	3.8		Latin America
North America	(no.)	-	-	-	-	-		North America
Europe	(no.)	1	5	5	-4	-80.0		Europe

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Accidents with absence from work frequency rate (LTI FR)	(i)	0.672	0.599	0.899	0.073	12.2	Enel
	Frequency rate by geographical area							
	Italy	(i)	0.939	0.752	1.106	0.187	24.9	Italy
	Iberia	(i)	0.122	0.117	0.352	0.005	4.3	Iberia
	Latin America	(i)	0.747	0.688	1.049	0.059	8.6	Latin America
	North America	(i)	-	-	-	-	-	North America
	Europe	(i)	0.106	0.491	0.472	-0.385	-78.4	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
	Worked hours	(no.)	123,421,139	125,263,914	129,068,627	-1,842,775	-1.5	Enel
	Number of Total Recordable Injury (TRI)⁽⁵⁾							
	Number of TRI	(no.)	156	196	307	-40	-20.4	Enel
	Number of TRI by geographical area							
	Italy	(no.)	57	51	62	6	11.8	Italy
	Iberia	(no.)	26	24	58	2	8.3	Iberia
	Latin America	(no.)	49	97	163	-48	-49.5	Latin America
	North America	(no.)	20	9	12	11	122.2	North America
	Europe	(no.)	3	9	12	-6	-66.7	Europe
	Africa, Asia and Oceania	(no.)	1	6	-	-5	-83.3	Africa, Asia and Oceania
	TRI frequency rate	(i)	1.264	1.565	2.379	-0.301	-19.2	Enel
	TRI frequency rate by geographical area							
	Italy	(i)	1.009	0.913	1.162	0.096	10.5	Italy
	Iberia	(i)	1.580	1.405	3.407	0.175	12.5	Iberia
	Latin America	(i)	1.356	2.567	3.718	-1.211	-47.2	Latin America
	North America	(i)	5.852	2.874	3.755	2.978	103.6	North America
	Europe	(i)	0.317	0.884	1.133	-0.567	-64.1	Europe
	Africa, Asia and Oceania	(i)	0.671	4.935	-	-4.264	-86.4	Africa, Asia and Oceania
403-9 Contractors								
	Number of fatal accidents and frequency rate⁽¹⁾							
	Number of fatal accidents	(no.)	6	8	6	-2	-25.0	Enel
	Fatal accidents by geographical area							
	Italy	(no.)	1	1	1	-	-	Italy
	Iberia	(no.)	1	1	-	-	-	Iberia
	Latin America	(no.)	4	6	4	-2	-33.3	Latin America
	North America	(no.)	-	-	-	-	-	North America
	Europe	(no.)	-	-	1	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Fatal accidents frequency rate	(i)	0.020	0.029	0.022	-0.009	-31.0	Enel
	Fatal accidents frequency rate by geographical area							
	Italy	(i)	0.019	0.022	0.024	-0.003	-13.6	Italy
	Iberia	(i)	0.025	0.027	-	-0.002	-7.4	Iberia
	Latin America	(i)	0.022	0.036	0.026	-0.014	-38.9	Latin America
	North America	(i)	-	-	-	-	-	North America

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	Europe	(i)	-	-	0.061	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
Number of Life Changing Accidents (LCA)⁽²⁾								
	Number of Life Changing Accidents (LCA)	(no.)	3	-	2	3	-	Enel
Number of Life Changing Accidents by geographical area								
	Italy	(no.)	-	-	1	-	-	Italy
	Iberia	(no.)	1	-	-	1	-	Iberia
	Latin America	(no.)	2	-	-	2	-	Latin America
	North America	(no.)	-	-	1	-	-	North America
	Europe	(no.)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(no.)	-	-	-	-	-	Africa, Asia and Oceania
	Life Changing Accidents frequency rate (LCA FR)	(i)	0.010	-	0.007	0.010	-	Enel
Life Changing Accidents frequency rate by geographical area								
	Italy	(i)	-	-	0.024	-	-	Italy
	Iberia	(i)	0.025	-	-	0.025	-	Iberia
	Latin America	(i)	0.011	-	-	0.011	-	Latin America
	North America	(i)	-	-	0.105	-	-	North America
	Europe	(i)	-	-	-	-	-	Europe
	Africa, Asia and Oceania	(i)	-	-	-	-	-	Africa, Asia and Oceania
Number of High Potential accidents (HPO)⁽³⁾								
	Number of High Potential accidents (HPO)	(no.)	32	40	45	-8	-20.0	Enel
Number of High Potential accidents (HPO) by geographical area								
	Italy	(no.)	2	9	12	-7	-77.8	Italy
	Iberia	(no.)	9	4	2	5	-	Iberia
	Latin America	(no.)	19	27	25	-8	-29.6	Latin America
	North America	(no.)	1	-	4	1	-	North America
	Europe	(no.)	-	-	2	-	-	Europe
	Africa, Asia and Oceania	(no.)	1	-	-	1	-	Africa, Asia and Oceania
	High Potential accidents frequency rate (HPO FR)	(i)	0.107	0.144	0.167	-0.037	-25.7	Enel
High Potential accidents frequency rate by geographical area								
	Italy	(i)	0.038	0.194	0.288	-0.156	-80.4	Italy
	Iberia	(i)	0.227	0.108	0.048	0.119	110.2	Iberia
	Latin America	(i)	0.105	0.160	0.159	-0.055	-34.4	Latin America
	North America	(i)	0.158	-	0.419	0.158	-	North America
	Europe	(i)	-	-	0.121	-	-	Europe
	Africa, Asia and Oceania	(i)	0.104	-	-	0.104	-	Africa, Asia and Oceania
	Number of accidents with absence from work for more than 3 days	(no.)	119	115	157	4	3.5	Enel

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Number of accidents with absence from work for more than 3 days by geographical area								
Italy	(no.)	37	38	40	-1	-2.6		Italy
Iberia	(no.)	28	17	31	11	64.7		Iberia
Latin America	(no.)	49	59	74	-10	-16.9		Latin America
North America	(no.)	3	1	7	2	-		North America
Europe	(no.)	1	-	5	1	-		Europe
Africa, Asia and Oceania	(no.)	1	-	-	1	-		Africa, Asia and Oceania
Accidents with absence from work for more than 3 days frequency rate	(i)	0.397	0.414	0.583	-0.017	-4.1		Enel
Accidents with absence from work for more than 3 days frequency rate by geographical area								
Italy	(i)	0.705	0.821	0.960	-0.116	-14.1		Italy
Iberia	(i)	0.705	0.458	0.748	0.247	53.9		Iberia
Latin America	(i)	0.271	0.350	0.472	-0.079	-22.6		Latin America
North America	(i)	0.475	0.162	0.733	0.313	193.2		North America
Europe	(i)	0.092	-	0.304	0.092	-		Europe
Africa, Asia and Oceania	(i)	0.104	-	-	0.104	-		Africa, Asia and Oceania
Number of Lost Time Injury (LTI)⁽⁴⁾								
Number of LTI	(no.)	192	135	176	57	42.2		Enel
Accidents with absence from work by geographical area								
Italy	(no.)	38	39	42	-1	-2.6		Italy
Iberia	(no.)	29	18	32	11	61.1		Iberia
Latin America	(no.)	119	77	90	42	54.5		Latin America
North America	(no.)	3	1	7	2	-		North America
Europe	(no.)	2	-	5	2	-		Europe
Africa, Asia and Oceania	(no.)	1	-	-	1	-		Africa, Asia and Oceania
Accidents with absence from work frequency rate (LTI FR)	(i)	0.640	0.485	0.653	0.155	32.0		Enel
Frequency rate by geographical area								
Italy	(i)	0.724	0.842	1.008	-0.118	-14.0		Italy
Iberia	(i)	0.730	0.485	0.772	0.245	50.5		Iberia
Latin America	(i)	0.657	0.457	0.574	0.200	43.8		Latin America
North America	(i)	0.475	0.162	0.733	0.313	193.2		North America
Europe	(i)	0.184	-	0.304	0.184	-		Europe
Africa, Asia and Oceania	(i)	0.104	-	-	0.104	-		Africa, Asia and Oceania
Worked hours	(no.)	299,940,403	278,069,115	269,484,178	21,871,288	7.9		Enel
Number of Total Recordable Injury (TRI)⁽⁵⁾								
Number of TRI	(no.)	1,056	1,112	1,165	-56	-5.0		Enel
Number of TRI by geographical area								
Italy	(no.)	38	45	42	-7	-15.6		Italy
Iberia	(no.)	109	75	113	34	45.3		Iberia
Latin America	(no.)	712	861	853	-149	-17.3		Latin America
North America	(no.)	164	112	121	52	46.4		North America
Europe	(no.)	7	6	17	1	16.7		Europe

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Africa, Asia and Oceania	(no.)	26	13	19	13	100.0	Africa, Asia and Oceania	
TRI frequency rate	(i)	3.521	3.999	4.323	-0.478	-12.0	Enel	
TRI frequency rate by geographical area								
Italy	(i)	0.724	0.972	1.008	-0.248	-25.5	Italy	
Iberia	(i)	2.745	2.021	2.726	0.724	35.8	Iberia	
Latin America	(i)	3.934	5.112	5.439	-1.178	-23.0	Latin America	
North America	(i)	25.951	18.147	12.678	7.804	43.0	North America	
Europe	(i)	0.644	0.420	1.033	0.224	53.3	Europe	
Africa, Asia and Oceania	(i)	2.713	2.244	5.391	0.469	20.9	Africa, Asia and Oceania	

- (1) All Frequency Rates (FRs) are calculated by providing a ratio of the number of events per million hours worked.
 (2) Life Changing Accidents (LCAs) are injuries that caused consequences to health that permanently changed a person's life (for example, amputation of limbs, paralysis, neurological damage, etc.).
 (3) High Potential Accidents (HPOs) are injuries that, given their dynamics, have the potential to cause a Life-Changing or fatal event.
 (4) Lost Time Injury (LTI) includes all accident events that have resulted in at least one day of absence from work excluding the day the event occurred.
 (5) Total Recordable Injuries (TRI) include fatal injuries, LCAs, LTIs and all other injuries that have required medical treatment.

Sound governance

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
102-5 SHAREHOLDERS								
Composition of shareholdings								
Investors⁽¹⁾								
Ministry of Economy and Finance	(%)	23.6	23.6	23.6	-	-	-	Enel SpA
Institutional investors	(%)	59.4	62.3	60.3	-2.9	-	-	Enel SpA
Retail shareholders	(%)	17.0	14.1	16.1	2.9	-	-	Enel SpA
Location of institutional investors								
Italy	(%)	6.7	6.7	5.8	-	-	-	Enel SpA
UK	(%)	12.1	13.3	13.7	-1.2	-	-	Enel SpA
Rest of Europe	(%)	29.0	27.2	26.2	1.8	-	-	Enel SpA
North America	(%)	44.8	46.4	46.7	-1.6	-	-	Enel SpA
Rest of the world	(%)	7.4	6.4	7.6	1.0	-	-	Enel SpA
Concentration index (top 50)	(%)	39.7	42.3	39.4	-2.6	-	-	Enel SpA
Investment style of institutional investors								
Long Only	(%)	70.1	71.2	73.0	-1.1	-	-	Enel SpA
Index	(%)	13.5	12.7	12.9	0.8	-	-	Enel SpA
Hedge	(%)	0.4	0.3	0.8	0.1	-	-	Enel SpA
Other	(%)	16.0	15.8	13.3	0.2	-	-	Enel SpA
Socially Responsible Investors (SRI)								
Presence of SRI	(no.)	252	244	182	8	3.3	-	Enel SpA
Enel shares held by SRI funds	(mil)	1,484	1,482	1,095	2	0.1	-	Enel SpA
Weight of SRI funds in institutional shareholdings⁽²⁾	(%)	24.6	23.4	20.1	1.2	-	-	Enel SpA
Location of SRI investors⁽³⁾								
Italy	(%)	16.7	14.5	5.3	2.2	-	-	Enel SpA
UK	(%)	9.7	11.7	11.4	-2.0	-	-	Enel SpA
Rest of Europe	(%)	43.6	40.9	42.3	2.7	-	-	Enel SpA
North America	(%)	26.0	26.6	36.7	-0.6	-	-	Enel SpA
Rest of the world	(%)	4.0	6.2	4.3	-2.2	-	-	Enel SpA
Share price performance								
Financial performance of the share⁽⁴⁾								
ENEL	(%)	-14.9	17.0	40.2	-31.9	-	-	Enel SpA
FTSEMib	(%)	23.0	-5.4	28.3	28.4	-	-	Enel SpA
Endesa	(%)	-9.6	-6.1	21.1	-3.5	-	-	Endesa
Enel Americas (formerly Enersis)	(%)	-19.8	-30.5	36.3	10.7	-	-	Enel Américas
Enel Chile	(%)	-46.0	-21.7	5.3	-24.3	-	-	Enel Chile
Enel Russia	(%)	-4.3	-2.4	-9.1	-1.9	-	-	Enel Russia
Ibex 35	(%)	7.9	-15.5	12.6	23.4	-	-	Enel SpA
MICEX	(%)	15.1	8.0	29.3	7.1	-	-	Enel SpA
IPSA	(%)	3.1	-10.5	-8.5	13.6	-	-	Enel SpA
Return for the shareholder								
DPS (Dividend Per Share)	(euro cents)	0.38	0.36	0.33	0.02	5.6	-	Enel SpA
TSR (Total Shareholder Return) from IPO (accumulated)	(%)	239.1	281.2	212.7	-42.1	-	-	Enel SpA
TSR from IPO (annualized)	(%)	5.7	6.5	5.8	-0.8	-	-	Enel SpA
TSR last 2 years (accumulated)	(%)	8.4	79.4	51.7	-71.0	-	-	Enel SpA

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
	TSR last 2 years (annualized)	(%)	4.1	33.9	23.2	-29.8	-	Enel SpA
Communication to shareholders								
	Information requests from retail shareholders ⁽⁶⁾	(no.)	56	40	41	16	40	Enel SpA
LENDERS								
Debt								
	Total debt	(mil euros)	51,952	45,415	45,175	6,537	14.4	Enel
	Debt to Equity	(i)	1.6	1.1	1.0	0.5	45.5	Enel
Rating								
	S&P	(i)	BBB+	BBB+	BBB+	-	-	Enel
	Outlook	(i)	Stable Outlook	Stable Outlook	Stable Outlook	-	-	Enel
	Moody's	(i)	Baa1	Baa2	Baa2	-	-	Enel
	Outlook	(i)	Positive	Positive	Positive	-	-	Enel
	Fitch	(i)	A-	A-	A-	-	-	Enel
	Outlook	(i)	Stable Outlook	Stable Outlook	Stable Outlook	-	-	Enel
405-1 CORPORATE GOVERNANCE								
Board of Directors (BoD)								
	Members of BoD by type	(no.)	9	9	9	-	-	Enel SpA
	Executive members	(no.)	1	1	1	-	-	Enel SpA
	Non-executive members	(no.)	8	8	8	-	-	Enel SpA
• of whom independent ⁽⁶⁾	(no.)	8	7	7	1	14.3	Enel SpA	
Women on BoD of the Group								
	Women on the BoD of Enel SpA	(no.)	4	4	3	-	-	Enel SpA
	Women on the BoD of Group companies	(no.)	247	208	181	39	18.8	Enel
Members of the BoD by age group								
	Under 30 years old	(%)	-	-	-	-	-	Enel SpA
	30 - 50 years old	(%)	11	22	-	-11	-	Enel SpA
	Over 50 years old	(%)	89	78	100	11	-	Enel SpA
	BoD meetings ⁽⁷⁾	(no.)	16	16	14	-	-	Enel SpA
103-2 Implementation of the Code of Ethics								
	Reports received by type of stakeholder	(no.)	153	151	166	2	1.3	Enel
	Internal stakeholders	(no.)	27	25	30	2	8.0	Enel
	External stakeholders	(no.)	24	22	23	2	9.1	Enel
	Anonymous	(no.)	102	104	113	-2	-1.9	Enel
	Reports received for harmed or potentially harmed stakeholder	(no.)	153	151	166	2	1.3	Enel
	Shareholder	(no.)	67	55	66	12	21.8	Enel
	Customer	(no.)	7	3	7	4	-	Enel
	Employee	(no.)	51	64	69	-13	-20.3	Enel
	General public	(no.)	5	5	9	-	-	Enel
	Suppliers	(no.)	23	24	15	-1	-4.2	Enel
	Reports received by status	(no.)	153	151	166	2	1.3	Enel
	Reports being assessed	(no.)	9	-	-	9	-	Enel
	Reports for which a violation has not been confirmed	(no.)	103	125	128	-22	-17.6	Enel
	Reports for which a violation has been confirmed	(no.)	41	26	38	15	57.7	Enel
	Reports related to	(no.)	153	151	166	2	1.3	Enel
	Conflict of interests/Bribery/Corruption	(no.)	32	25	35	7	28.0	Enel
	Misappropriation	(no.)	31	29	34	2	6.9	Enel

GRI/ EUSS	KPI	UM	December	December	December	%	Scope
			2021	2020	2019		
	Work practices	(no.)	71	79	74	-8	-10.1
	Community and society	(no.)	3	4	3	-1	-25.0
	Other reasons	(no.)	16	14	20	2	14.3
	Violations confirmed by type of harmed stakeholder	(no.)	41	26	38	15	57.7
	Shareholder	(no.)	18	17	20	1	5.9
	Customer	(no.)	-	-	1	-	-
	Employee	(no.)	13	5	10	8	-
	General public	(no.)	1	1	2	-	-
	Suppliers	(no.)	9	3	5	6	-
103-2; 406-1	Violations related to incidents of conflict of interest/corruption	(no.)	41	26	38	15	57.7
205-3	Conflict of interests/Bribery/Corruption ⁽⁸⁾	(no.)	7	2	10	5	-
	Misappropriation	(no.)	5	14	11	-9	-64.3
	Work practices	(no.)	25	9	11	16	-
	Community and society	(no.)	1	-	-	1	-
	Other reasons	(no.)	3	1	6	2	-
	Violations regarding incidents of conflict of interest/corruption, by country	(no.)	7	2	8	5	-
	Argentina	(no.)	-	-	-	-	Argentina
	Brazil	(no.)	-	2	2	-2	-100.0
	Chile	(no.)	-	-	2	-	-
	Colombia	(no.)	3	-	1	3	-
	Italy	(no.)	1	-	-	1	-
	Peru	(no.)	-	-	1	-	-
	Romania	(no.)	-	-	1	-	-
	Russia	(no.)	2	-	-	2	-
	Spain	(no.)	1	-	1	1	-
	Actions taken in response to incidents of conflict of interest/corruption	(no.)	8	2	15	6	-
	of which: actions taken against employees in response to cases of conflict of interest/corruption	(no.)	6	2	9	4	-
	of which: actions taken against contractors in response to cases of conflict of interest/corruption	(no.)	2	-	6	2	-
412-3	Significant investment agreements that include human rights clauses⁽⁹⁾	(no.)	-	-	4	-	-
412-3	Percentage of significant investment agreements that include human rights clauses	(%)	-	-	100	-	-
INSTITUTIONAL RELATIONS							
201-4	Grants						
	Grants supplied in the period by geographic area	(mil euros)	43.5	7.8	11.2	35.6	-
	Italy	(mil euros)	37.1	4.9	8.3	32.1	-
	Spain	(mil euros)	1.7	1.4	1.7	0.3	-
	Brazil	(mil euros)	4.1	-	-	4.1	-
	Colombia	(mil euros)	0.02	1.0	1.0	-1.0	-
	Chile	(mil euros)	0.5	0.5	0.2	-	-

GRI/ EUSS	KPI	UM	December 2021	December 2020	December 2019	2021-2020	%	Scope
Grants received by destination								
Energy networks	(%)	55.7	49.7	40.3	6.0	-	-	Enel
R&D	(%)	17.2	35.8	56.2	-18.6	-	-	Enel
Renewable	(%)	20.9	12.3	14.3	8.7	-	-	Enel
Training	(%)	5.8	-	-	5.8	-	-	Enel
Other	(%)	0.3	2.3	-	-1.9	-	-	Enel
Number of projects which received grants	(no.)	98	48	40	50	-	-	Enel
Loans granted by the EIB and others								
Remaining debt on loans from EIB and others by geographic area⁽⁹⁾	(mil euros)	6,693	6,499	6,550	193	3.0	-	Enel
Italy	(mil euros)	3,756	3,735	3,755	21	5.6	-	Italy
Iberia	(mil euros)	1,889	1,807	2,795	82	4.5	-	Iberia
Latin America	(mil euros)	815	722	-	93	12.9	Latin America	
Europe	(mil euros)	100	104	-	-4	-0.4	-	Europe
Africa, Asia and Oceania	(mil euros)	-	-	-	-	-	-	Africa, Asia and Oceania
North America	(mil euros)	132	131	-	1	0.8	North America	
Remaining debt on loans from EIB and others by destination⁽⁹⁾								
Energy networks	(%)	60.4	61.6	61.4	-1.2	-	-	Enel
R&D	(%)	0.1	0.1	0.1	-	-	-	Enel
Renewable	(%)	37.0	35.5	36.6	1.5	-	-	Enel
Training	(%)	-	-	-	-	-	-	Enel
Other	(%)	2.5	2.8	1.9	-0.3	-	-	Enel
Number of projects in progress approved with loans from EIB and others	(no.)	147	138	162	9	6.5	-	Enel
Policy influence								
Lobbying, interest representation or similar	(euros)	-	-	-	-	-	-	Enel
Local, regional or national political campaigns / organizations / candidates	(euros)	-	-	-	-	-	-	Enel
Trade associations or tax-exempt groups (e.g. think tanks)	(euros)	8,424,797	8,356,353	7,882,037	68,444	0.8	-	Enel
Other (e.g. spending related to ballot measures or referendums)	(euros)	-	-	-	-	-	-	Enel
Total contributions and other spending	(euros)	8,424,797	8,356,353	7,882,037	68,444	0.8	-	Enel

- (1) The institutional investor is an entity that, under a specific mandate or on their own account, undertakes equity and/or property investment on a continuous and professional basis. The category includes: mutual funds, pension funds, hedge funds, investment and merchant banks, insurance companies.
- (2) Calculated comparing the number of shares held by identified Socially Responsible Investors (SRI) with the number of shares held by identified institutional investors.
- (3) SRI are investors who state that they include environmental, social and governance (ESG) factors in their traditional financial analyses in order to guide their investment decisions (inclusion of at least one ESG criterion and adhesion to the main international principles approved by organizations such as UNPRI, UBSIF, EUSOSIF are among the key factors in order to classify an investor as an SRI).
- (4) Calculated as the difference between the valuation on the last open market day of the year and the valuation of the previous year.
- (5) Only requests received have been considered, not the responses provided.
- (6) The number of independent directors pursuant to the Consolidated Law on Finance (TUF) is 8 (including the Chairman). The number of independent directors pursuant to the Corporate Governance Code is 7 because the Code does not allow the Chairman to be considered independent since he/she is a "senior representative" of the company.
- (7) Of these, 11 meetings were held in 2021 on sustainability issues.
- (8) Corruption consists of the abuse of power with the goal of private gain and can be instigated by individuals in the public or private sector. It is interpreted here as including corrupt practices such as bribery, fraud, extortion, collusion, conflicts of interest and money laundering.
- (9) Since 2021 the figures are set out by Countries – Geographical Areas.

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	102-46 Defining report content and topic boundaries	26-28; 29-32; 33-35; 36-39; 356-363	GRI 2: General Disclosures 2021 3-1
	102-47 List of material topics	28-32; 33-35; 36-39; 356-357; 360-363	GRI 2: General Disclosures 2021 3-2
	102-48 Restatements of information	356-357; 366-367	GRI 2: General Disclosures 2021 2-4
	102-49 Changes in reporting	356-357; 366-367	GRI 2: General Disclosures 2021 3-2
	102-50 Reporting period	356-357; 366-367	GRI 2: General Disclosures 2021 2-3
	102-51 Date of most recent report	356	N/A
	102-52 Reporting cycle	356	GRI 2: General Disclosures 2021 2-3
	102-53 Contact point for questions regarding the report	356	GRI 2: General Disclosures 2021 2-3

	102-54 Claims of reporting in accordance with the GRI Standards	356		N/A
	102-55 GRI content index	356; Content Index		N/A
	102-56 External assurance	356-357; 364-365		GRI 2: General Disclosures 2021 2-5
GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omission	GRI Universal Standard 2021
Material Topics			Part Omitted	Reason
200 series (Economic topics)			Explanation	
Economic Performance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39		GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	15-18; 49-50; 61-62; 79-88; 88-104; 304-307		GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	15-18; 49-50; 61-62; 79-88; 88-104; 304-307		GRI 2: General Disclosures 2021 3-3
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Sustainability Statement, sec. Our sustainable progress		
	201-2 Financial implications and other risks and opportunities due to climate change	61-62; 79-88; 88-104		
	201-3 Defined benefit plan obligations and other retirement plans	Sustainability Statement, sec. Enel people		
	201-4 Financial assistance received from government	Sustainability Statement, sec. Sound governance		
Indirect Economic Impacts				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39		
	103-2 The management approach and its components	177		
	103-3 Evaluation of the management approach	177		
GRI 203: Indirect Economic Impacts	203-1 Investments in infrastructure and supported services	177; Sustainability Statement, sec. Local and global communities		
Procurement Practices				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39		GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	194-205		GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	194-205		GRI 2: General Disclosures 2021 3-3
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainability Statement, sec. Suppliers		

Anti-corruption			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	316-318	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	316-318	GRI 2: General Disclosures 2021 3-3
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	316-318	
	205-2 Communication and training about anti-corruption policies and procedures	316-318; Sustainability Statement, sec. Sound governance	
	205-3 Confirmed incidents of corruption and actions taken	316-317; Sustainability Statement, sec. Sound governance Besides the information on reports concerning the Code of Ethics, no other events are indicated	
Anti-competitive Behavior			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	316-318	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	316-318	GRI 2: General Disclosures 2021 3-3
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	15 legal actions have been recorded in 2021 (11 in Italy and 4 in Iberia)	
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	330-353	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	330-353	GRI 2: General Disclosures 2021 3-3
GRI 207: Tax 2019	207-1 Approach to tax	330-353	
	207-2 Tax governance, control, and risk management	330-353	
	207-3 Stakeholder engagement and management of concerns related to tax	330-334	
	207-4 Country-by-country reporting	334-353	

300 series (Environmental topics)

Materials

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	209-211	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	209-211	GRI 2: General Disclosures 2021 3-3

GRI 301: Materials 2016

301-1 Materials used by weight or volume	204; Sustainability Statement, sec. Towards a "nature-based" model	
301-2 Recycled input materials used	Sustainability Statement, sec. Towards a "nature-based" model	

Energy

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	209-211; 236-238	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	209-211; 236-238	GRI 2: General Disclosures 2021 3-3

GRI 302: Energy 2016

302-1 Energy consumption within the organization	236-238; Sustainability Statement, sec. Towards a "nature-based" model	
302-3 Energy intensity	236-238	
302-4 Reduction of energy consumption	236-238	

Water

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	209-211; 230-235	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	209-211; 230-235	GRI 2: General Disclosures 2021 3-3

GRI 303: Water and Effluents 2018

303-1 Interactions with water as a shared resource	230-235	
303-2 Management of water discharge-related impacts	230-235	
303-3 Water withdrawal	15-17; 114; 230-235; Sustainability Statement, sec. Towards a "nature-based" model	
303-4 Water discharge	Sustainability Statement, sec. Towards a "nature-based" model	
303-5 Water consumption	15-17; Sustainability Statement, sec. Towards a "nature-based" model	

Biodiversity		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39
	103-2 The management approach and its components	209-211; 214-227
	103-3 Evaluation of the management approach	209-211; 214-227
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	221
	304-2 Significant impacts of activities, products, and services on biodiversity	214-221
	304-3 Habitats protected or restored	214-221
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	218-219
Emissions		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39
	103-2 The management approach and its components	105-107; 209-211; 228-229
	103-3 Evaluation of the management approach	105-107; 209-211; 228-229; Sustainability Statement, sec. Towards a "nature-based" model
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	105-107; 228; Sustainability Statement, sec. Towards a "nature-based" model
	305-2 Energy indirect (Scope 2) GHG emissions	105-107; Sustainability Statement, sec. Towards a "nature-based" model
	305-3 Other indirect (Scope 3) GHG emissions	105-107; Sustainability Statement, sec. Towards a "nature-based" model
	305-4 GHG emissions intensity	15-17; 105-107; Sustainability Statement, sec. Towards a "nature-based" model
	305-5 Reduction of GHG emissions	Sustainability Statement, sec. Towards a "nature-based" model
	305-6 Emissions of ozone-depleting substances (ODS)	Sustainability Statement, sec. Towards a "nature-based" model
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	228-229; Sustainability Statement, sec. Towards a "nature-based" model

Waste			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	209-211; 239-241	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	209-211; 239-241	GRI 2: General Disclosures 2021 3-3
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	239-241	
	306-2 Management of significant waste-related impacts	239-241	
	306-3 Waste generated	239-241; Sustainability Statement, sec. Towards a "nature-based" model	
	306-4 Waste diverted from disposal	239-241; Sustainability Statement, sec. Towards a "nature-based" model	
	306-5 Waste directed to disposal	239-241; Sustainability Statement, sec. Towards a "nature-based" model	
Environmental Compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	209-211; 243	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	209-211; 243	GRI 2: General Disclosures 2021 3-3
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	243; Sustainability Statement, sec. Towards a "nature-based" model	
Supplier Environmental Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	194-205	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	194-205	GRI 2: General Disclosures 2021 3-3
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	196	

400 series (Social topics)			
Employment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	149-151; 164-166	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	149-151; 164-166	GRI 2: General Disclosures 2021 3-3
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	149-151; Sustainability Statement, sec. Enel people	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	164-166	
	401-3 Parental leave	164-165; Sustainability Statement, sec. Enel people	
Labor/Management Relations			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	167-169	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	167-169	GRI 2: General Disclosures 2021 3-3
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes	167-169	
Occupational Health and Safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	284-294	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	284-294	GRI 2: General Disclosures 2021 3-3

GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	284-294	
	403-2 Hazard identification, risk assessment, and incident investigation	284-294	
	403-3 Occupational health services	284-294	
	403-4 Worker participation, consultation, and communication on occupational health and safety	284-294	
	403-5 Worker training on occupational health and safety	284-294	
	403-6 Promotion of worker health	284-294	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	284-294	
	403-9 Work-related injuries	Sustainability Statement, sec. Occupational health and safety	
Training and Education			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	155-158	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	155-158	GRI 2: General Disclosures 2021 3-3
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	155-158; Sustainability Statement, sec. Enel people	
	404-2 Programs for upgrading employee skills and transition assistance programs	155-158	
	404-3 Percentage of employees receiving regular performance and career development reviews	155-158; Sustainability Statement, sec. Enel people	

Diversity and Equal Opportunity			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	158-164	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	158-164	GRI 2: General Disclosures 2021 3-3
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	15-17; 162-163; Sustainability Statement, sec. Enel people	
	405-2 Ratio of basic salary and remuneration of women to men	162-163; Sustainability Statement, sec. Enel people	
Non-discrimination			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	316-317	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	316-317	GRI 2: General Disclosures 2021 3-3
GRI 406: Non- discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	316-317; Sustainability Statement, sec. Sound governance	
Freedom of Association and Collective Bargaining			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	194-200; 321-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	194-200; 321-329	GRI 2: General Disclosures 2021 3-3
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	194-200; 321-329	
Child Labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	194-200; 316-317; 321-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	194-200; 316-317; 321-329	GRI 2: General Disclosures 2021 3-3
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	194-200; 316-317; 321-329	

Forced or Compulsory Labor			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	194-202; 316-317; 321-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	194-202; 316-317; 321-329	GRI 2: General Disclosures 2021 3-3
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	194-202; 316-317; 321-329	
Security Practices			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	323-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	323-329	GRI 2: General Disclosures 2021 3-3
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	All Enel people are involved in training about sustainability issues, of which human rights are a fundamental element. All suppliers sign specific clauses concerning human rights and commit to complying with the associated policy	
Rights of Indigenous Peoples			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	174-178; 323-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	174-178; 323-329	GRI 2: General Disclosures 2021 3-3
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	No violations of the rights of indigenous peoples have been reported	
Human Rights Assessment			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	316-317; 323-329	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	316-317; 323-329	GRI 2: General Disclosures 2021 3-3

GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	316–317; 323–329		
	412-2 Employee training on human rights policies or procedures	316–317; 323–329; Sustainability Statement, sec. Enel people		
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	Sustainability Statement, sec. Sound governance		
Local Communities				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26–28; 29–32; 35–39		GRI 2: General Disclosures 2021 3–3
	103-2 The management approach and its components	316–317; 323–329		GRI 2: General Disclosures 2021 3–3; GRI 2: General Disclosures 2021 2–25
	103-3 Evaluation of the management approach	316–317; 323–329		GRI 2: General Disclosures 2021 3–3
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	316–317; 323–329 100% of thermal power plants in O&M, 96% of renewable plants in O&M	Percentage of total Group operations	Information not available on all business areas Mapping process definition in progress. Currently available only the % related to thermal and renewable plants in O&M
	413-2 Operations with significant actual and potential negative impacts on local communities	182–190		
Supplier Social Assessment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26–28; 29–32; 35–39		GRI 2: General Disclosures 2021 3–3
	103-2 The management approach and its components	194–200		GRI 2: General Disclosures 2021 3–3; GRI 2: General Disclosures 2021 2–25
	103-3 Evaluation of the management approach	194–200		GRI 2: General Disclosures 2021 3–3
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	194–200		
Public Policy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26–28; 29–32; 35–39		GRI 2: General Disclosures 2021 3–3
	103-2 The management approach and its components	316–318		GRI 2: General Disclosures 2021 3–3; GRI 2: General Disclosures 2021 2–25
	103-3 Evaluation of the management approach	316–318		GRI 2: General Disclosures 2021 3–3

GRI 415: Public Policy 2016	415-1 Political contributions	Enel does not have direct relations with political parties and does not provide financing of any kind, as explicitly established at point 2.2 of the Zero Tolerance of Corruption Plan and at point 3.26 of the Group's Code of Ethics. Some exceptions can be found in some countries following the local law and subject to analysis by the due bodies	
	Customer Health and Safety		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	293	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	293	GRI 2: General Disclosures 2021 3-3
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	293 New products and services are assessed in terms of potential impact on health and safety throughout the value chain, in order to minimize that impact, as confirmed by point 2.2.2 of the Human Rights Policy	
Marketing and Labeling			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	26-28; 29-32; 35-39	GRI 2: General Disclosures 2021 3-3
	103-2 The management approach and its components	135-136; 138-140	GRI 2: General Disclosures 2021 3-3; GRI 2: General Disclosures 2021 2-25
	103-3 Evaluation of the management approach	135-136; 138-140	GRI 2: General Disclosures 2021 3-3
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	All the Group sale companies comply with the transparency obligations envisaged by various national and supranational regulations regarding the source of the electricity sold. Energy bills must specify the mix of energy sources used and the source of the energy	
	417-3 Incidents of non-compliance concerning marketing communications	In 2021 there were no cases of non compliance with regulations or voluntary codes relating to the Enel Group marketing activities	

Customer Privacy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its boundary	26-28; 29-32; 35-39
	103-2 The management approach and its components	318-321
	103-3 Evaluation of the management approach	318-321
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	318-321
General standard disclosures for the electric utility sector		
General standard disclosures for the electric utility sector	Page number(s)/URL/ Direct answer	
EU1	15-17; 112-114 Sustainability Statement, sec. Our sustainable progress	
EU2	15-17; 112-114 Sustainability Statement, sec. Our sustainable progress	
EU3	15-17; 112-114; 135 Sustainability Statement, sec. The decade of electrification and customer centricity, Innovability®	
EU4	15-17; 133-134 Sustainability Statement, sec. Our sustainable progress, The decade of electrification and customer centricity, Innovability®	
Specific standard disclosures for the electric utility sector		
Category: economic		
DMA	MATERIAL ASPECT: DEMAND SIDE MANAGEMENT	
DMA	133-134	
DMA	MATERIAL ASPECT: RESEARCH AND DEVELOPMENT	
DMA	245-254; Sustainability statement, sec. Innovability®	
EU11	MATERIAL ASPECT: SYSTEM EFFICIENCY	
EU11	112-114; Sustainability Statement, sec. The decade of electrification and customer centricity	
EU12	Sustainability Statement, sec. The decade of electrification and customer centricity	
Category: social		
Sub-category: labor practices and decent work		
Material aspect: employment		
DMA	155-156	
DMA	284-286	

EU15	Sustainability Statement, sec. Enel people
EU18	292; Sustainability Statement, sec. Suppliers
Sub-category: society	
Material aspect: local communities	
DMA	182-190
EU22	182-190
Material aspect: disaster/emergency planning and response	
DMA	293
Sub-category: product responsibility	
Material aspect: customer health and safety	
EU25	293 Sustainability Statement, sec. Local and global communities
Material aspect: access	
DMA	135; 137-138
EU26	Italy: 0% Spain: 0% Argentina: 0% Brazil: 0.2% Chile: 0.9% Colombia: 0.2% Peru: 4.8%
EU27	Sustainability Statement, sec. The decade of electrification and customer centricity
EU28	Sustainability Statement, sec. The decade of electrification and customer centricity
EU29	Sustainability Statement, sec. The decade of electrification and customer centricity
EU30	112-114; Sustainability Statement, sec. The decade of electrification and customer centricity
Material aspect: provision of information	
DMA	138-140

SASB Content Index

The following table shows the main indicators required by the Value Reporting Foundation – SASB standard in relation to the primary sector of reference for Enel: "Electric Utilities & Power Generators Sector".

The table shows, where present, the reference to the GRI indicator with which the disclosure required by the SASB was covered, as well as references to the chapters of the 2021 Sustainability Report.

SECTOR: ELECTRIC UTILITIES & POWER GENERATORS SECTOR

Topic	Code	Accounting Metric	Reference			GRI
			2021	2020	Variation	
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	(1) Gross global Scope 1 emissions, percentage covered under (Mt) CO ₂ -e,	51.6	45.7	5.9	305-1
		(2) Emissions-limiting regulations (%)	63	53	10	
		(3) Emissions-reporting regulations (%)	100.00	100.00	-	
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries (Mt) CO ₂ -e	50.6	44.7	5.9	305-1
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets			Sustainability Report 2021: THE PATH TO NET-ZERO	102-15 201-2
	IF-EU-110a.4	(1) Number of customers served in markets subject to renewable portfolio standards (RPS) (2) percentage fulfillment of RPS target by market			N/A US regulation not applicable	
Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NO _x (excluding N ₂ O), (t)	78,846	76,257	2,589	305-7
		(2) SO _x	15,615	20,547	-4,932	
		(3) particulate matter (PM10, relating to thermal production) (t)	1,099	1,242	-143	
		(4) lead (Pb)			N/A	
		(5) mercury (Hg from coal plants) (t)	0.05	0.05	-	
		(6) percentage of each in or near areas of dense population			N/A	

Topic	Code	Accounting Metric	Reference			GRI
			2021	2020	Variation	
Water Management	IF-EU-140a.1	(1) Total water withdrawn (Mm³)	55.6	51.5	4.1	303-3 a
		(2) total water consumed (Mm³)	26.3	20.4	5.9	303-5 a
		(3) percentage of each in regions with High or Extremely High Baseline Water Stress** (%)	(1) 27.4 (2) 33.8	(1) 23.3 (2) 31.6	(1) 4.1 (2) 2.2	
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	9	N/A	N/A	303-4 d
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Sustainability Report 2021: TOWARDS A "NATURE-BASED" MODEL			303-1 303-2 102-15
	IF-EU-150a.1	(1) Amount of coal combustion residuals (CCR) generated (Mt)	0.744	0.802	-0.058	306-3
Coal Ash Management		(2) percentage recycled (%)	67	74	-7	306-4
IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	EPA methodology not applicable			N/A	
	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Billing data not available on the date of publication of the report				
Energy Affordability	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Consumption rates not representative for European and Italian customer retail market			
		(1) Number of residential customer electric disconnections for non-payment (u)****	2,373,491	1,330,504	1,042,987	EU27
	IF-EU-240a.3	(2) percentage reconnected within 30 days	N/A			
		Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory			DMA EU (former EU7) DMA EU (former EU23) 103-2 103-3 102-43 102-44	
		Sustainability Report 2021: THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY				
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR)	2.863	3.243	-0.380	
		(2) fatality rate	0.024	0.008	0.016	403-9
		(3) near miss frequency rate (NMFR)	4.286	4.918	-0.631	
End-Use Efficiency & Demand	F-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	N/A LRAM regulation applicable in US			
	F-EU-420a.2	Percentage of electric load served by smart grid technology****	70.4	Available from 2021 reporting cycle	N/A	
	F-EU-420a.3	Customer electricity savings from efficiency measures, by market (megawatt hours)	N/A Available from 2022 reporting cycle			
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	N/A US regulation			
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	Sustainability Report 2021: ESG BACKBONES - Occupational health and safety	DMA EU former EU21		

Topic	Code	Accounting Metric	Reference			GRI	
			2021	2020	Variation		
Grid Resiliency	F-EU-550a.1	(1) Number of incidents of non-compliance with physical and/or (2) cybersecurity standards or regulations	-	15	-15		
		(2) cybersecurity standards or regulations	-	-	-		
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI)	Sustainability Report 2021: THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY			EU29	
		(2) System Average Interruption Frequency Index (SAIFI)					
		(3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	N/A				
Variation			2021	2020	Variazione	GRI	
IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served		Segmentation of customers not applicable to the Enel customer base			N/A EU3	
	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, (5) wholesale customers		Segmentation of customers not applicable to the Enel customer base: It is reported the total distributed energy (Sustainability Statement - Our sustainable progress)			N/A	
	IF-EU-000.C Length of transmission and distribution lines (km)		2,233,368	2,232,022	1,346	EU4	
	(1) Total electricity generated markets		Sustainability Statement - Our sustainable progress				
	(2) percentage by major energy source		Sustainability Statement - Our sustainable progress			EU2	
		(3) percentage in regulated markets			N/A		
IF-EU-000.E Total wholesale electricity purchased*** (MWh)		70,934,310.00	47,506,376.44	23,427,933.56			

N/A: Not applicable.

N/A: Not available.

* Unaudited for indicators not corresponding to GRI Standards.

** In water stressed areas are included plants located in areas classified as "arid" from WRI.

*** The value considers the wholesale electricity purchased from the Global Trading Business Line.

**** For the full detail see chapter "The decade of electrification and customer centricity" - "Sustainability Statement".

***** Data available starting from 2021 reporting cycle. The value is calculated as: total energy billed with Smart Meters / total energy billed.

TCFD Content Index



Reflecting the Group's commitment to climate change related disclosures, the following table shows the alignment of Enel's disclosure both with respect to "Guidelines on reporting climate-related information" published by the European Commission in June 2019, taking into consideration

the results of the first work performed by the European Lab Project Task Force on Climate-related Reporting (PTF-CRR), which collects the associated best practices ("How to improve climate-related reporting"), and with respect to the Task force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board, which published specific recommendations for the voluntary reporting of the financial impact of climate risks in June 2017.

THE PATH TO NET ZERO (LINK: Sustainability Report)	RECOMMENDATIONS OF THE TCFD (TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES)	EUROPEAN COMMISSION GUIDELINES ON CLIMATE RELATED INFORMATION
<ul style="list-style-type: none"> • The path to Net-Zero • Enel's commitment to a just and inclusive transition and the action plan • Engaging stakeholders in combating climate change • Enel's advocacy activities for the climate 		Policies and Due Diligence Process
The Enel governance model to face climate change <i>Competences of corporate bodies in relation to climate change</i> <i>The Enel organizational model for management of climate related issues</i> <i>Incentives system concerning climate change</i>	Governance: recommended disclosure a) and b)	Policies and Due Diligence Process
Enel's impact on climate change		Business Model
Climatic scenarios <i>The physical climate scenario</i> <i>The transition scenario</i>	Strategy: recommended disclosure c)	Business Model
The strategy for facing climate change <i>2030 Vision</i> <i>2022-2024 Business Plan</i>	Strategy: recommended disclosure b), c)	Business Model
Main risks and opportunities connected with climate change <i>Identification, assessment and management of risks and opportunities related to physical phenomena</i> <i>Identification, assessment and management of risks and opportunities related to transition phenomena</i>	Strategy: recommended disclosure a) Risk Management recommended disclosure a), b), c)	Principal Risks and their management
Enel's performance in combating climate change <i>Enel's carbon footprint</i> <i>The roadmap and the targets for the reduction of greenhousegas emissions</i>	Metrics & Targets: Recommended disclosure a), b), c)	Outcomes; Key Performance Indicators
Financial, operational and environmental metrics <i>Goals</i>		

WEF Content Index

The International Business Council (IBC) of the World Economic Forum published, in 2020, a report, called '**Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation**' (<https://www.weforum.org/reports/measuring-stakeholder-capitalism-towards-common-metrics-and-consistent-reporting-of-sustainable-value-creation>), with the aim of defining shared common metrics to measure, report and compare the levels of sustainability, in other words the effectiveness

of its actions in pursuing the sustainable development goals indicated by the UN (SDG), in the business model adopted to create value for stakeholders. The metrics are based on existing standards and aim to increase convergence and comparability between the various parameters used in sustainability reports. The following table provides information on the 21 primary indicators ("core") indicated in the report and references to the chapters of the 2021 Sustainability Report.

WORLD ECONOMIC FORUM			Sustainability Report 2021						
Pillar	Theme	Core metric	KPI Key performance indicators	2021	2020	Variation	Ref. CHAPTERS/paragraphs		
 Principles of Governance	Governing purpose	Setting purpose					Enel is Open Power		
	Quality of governing body	Governance body composition	Women on Board of Directors (no.)	4	4	-	ESG BACKBONES - Sound governance SUSTAINABILITY STATEMENT		
	Stakeholder engagement	Material issues impacting stakeholder					OUR SUSTAINABLE PROGRESS - What is material for us?		
		Anti-corruption	Employees who received training about anti-corruption policies and procedures	30.3	40.0	(9.7)	ESG BACKBONES - Sound governance		
	Ethical behavior	Ascertained violations related to conflict of interest/corruption (no.)		7	2	5	SUSTAINABILITY STATEMENT		
		Protected ethics advice and reporting mechanisms	Reports received related to violations of the Code of Ethics	153	151	2	ESG BACKBONES - Sound governance SUSTAINABILITY STATEMENT		
	Risk and opportunity oversight	Integrating risk and opportunity into business process					ESG BACKBONES - Sound governance SUSTAINABILITY STATEMENT		

WORLD ECONOMIC FORUM			Sustainability Report 2021					
Pillar	Theme	Core metric	KPI Key performance indicators	2021	2020	Variation	Ref. CHAPTERS/paragraphs	
 Planet	Climate change	Greenhouse gas (GHG) emissions	Direct greenhouse gas emissions- Scope 1 (mil t _{eq})	51.6	45.7	5.9		
			Indirect greenhouse gas emissions- Scope 2 - Purchased electricity from the grid (location based) (mil t _{eq})	4.3	4.1	0.2	THE PATH TO NET-ZERO	
			Indirect greenhouse gas emissions - Scope 2 - Purchased electricity from the grid (market based) (mil t _{eq})	7.1	6.9	0.2	SUSTAINABILITY STATEMENT	
			Indirect greenhouse gas emissions - Scope 3 (mil t _{eq})	69.1	64.9	4.2		
	Nature loss	TCFD implementation					THE PATH TO NET-ZERO	
		Land use and ecological sensitivity	Hectares restored (ha)	9,092	4,356	4,736	TOWARDS A "NATURE-BASED" MODEL	
		Freshwater availability	Water withdrawal (m ³)	55.6	51.5	4.1		
	Dignity and equality		Water withdrawal in "water stressed" areas (%)	27.4	23.3	4.1	TOWARDS A "NATURE-BASED" MODEL	
			Total water consumption (mil m ³)	26.3	20.4	5.9	SUSTAINABILITY STATEMENT	
			Water consumption in "water stressed" areas (%)	33.8	31.6	2.2		
 People	Dignity and equality	Diversity and inclusion	Women incidence on total employees (%)	22.5	21.5	1.0	PROGRESS STARTS WITH PEOPLE - Enel people	
		Pay equality	Equal Remuneration Ratio (%)	81.1	83.3	(2.2)	PROGRESS STARTS WITH PEOPLE - Enel people	
		Wage level	CEO Pay Ratio (%) ⁽ⁱ⁾	91.0	145.0	(54.0)		
		Risk for incidents of child, forced or compulsory labor	Evaluation among the supply chain of child labour defense and of compulsory or forced work prohibition				PROGRESS STARTS WITH PEOPLE - Suppliers	
	Health and well-being	Health and safety	Fatal accidents-Enel no.	3	1	2		
			Fatalities frequency rate-Enel (i)	0.024	0.008	0.016	ESG BACKBONES - Occupational health and safety	
			"Life Changing" injuries-Enel no.	1	-	1		
			"Life Changing" injuries frequency rate- Enel (i)	0.008	-	0.008		
	Skills for the future	Training provided	Average hours of training per employee(h/per cap)	44.6	40.9	3.7	PROGRESS STARTS WITH PEOPLE - Enel people	
			Employees training cost (mil euros)	23	19	4	SUSTAINABILITY STATEMENT	

WORLD ECONOMIC FORUM			Sustainability Report 2021				
Pillar	Theme	Core metric	KPI Key performance indicators	2021	2020	Variation	Ref. CHAPTERS/paragraphs
 Prosperity	Employment and wealth generation	Absolute number and rate of employment	People hired no.	5,401	3,131	2,270	PROGRESS STARTS WITH PEOPLE - Enel people
			Hiring rate (%)	8.1	4.7	3.4	
			Terminations no.	5,862	3,696	2,166	SUSTAINABILITY STATEMENT
		Turnover (%)		8.8	6.0	2.8	
	Financial investment contribution	Economic contribution					SUSTAINABILITY STATEMENT
		Total investments (mil euros)	12,997	10,197	2,800		SUSTAINABILITY STATEMENT
		Purchase of own shares and dividends paid	5,054	4,755	299		OUR SUSTAINABLE PROGRESS
Innovation in better products and services	Total R&D expenses	Investments in research and development (mil euros)	130	111	19		GROWTH ACCELERATORS - Innovability®
	Total tax paid	Total tax paid (mil euros) ⁽²⁾	4,127	4,260	(133)		SUSTAINABILITY STATEMENT
Community and social vitality							ESG BACKBONES - Tax transparency

- (1) Ratio between the total annual remuneration of the CEO/General Director of Enel and the annual average gross remuneration of the Group's employees. The value for 2020 has been restated to take into account 2021 exchange rates.
(2) The amount corresponds to the "Total Tax Borne" which represents the costs for taxes incurred by the Group. The 2020 figure takes into account a more precise determination.

Human Rights Content Index

Our pledge to respect human rights is the guiding principle that permeates all our activities and it is fully integrated into our corporate purpose and values, since we belong to the territory, and we are an essential element in the lives of people, businesses, and society at large.

With our commitment we are striving for sustainable progress, to make our company and the communities in which we operate more prosperous, more inclusive and more resilient, without leaving anyone behind. The issues and principles included in the Content Index refer to Enel's Human Rights Policy available at the following link: <https://www.enel.com/investors/sustainability/daily-commitment/human-rights>.

ISSUE	PRINCIPLE	DESCRIPTION	SDG	INTERNATIONAL REFERENCE STANDARDS	SUSTAINABILITY REPORT 2021: CHAPTERS/paragraphs
Employment practices	Rejection of forced or compulsory labor and child labor	Reject of the use of any form of forced or compulsory labor, of any form of slavery and human trafficking and of child labor	 	<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Convention 29 United Nations Global Compact principles 	OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement THE PATH TO NET-ZERO PROGRESS STARTS WITH PEOPLE – Enel people Suppliers GROWTH ACCELERATORS – Circular economy
	Respect for diversity and non-discrimination	Diversity, inclusion, equal treatment and opportunity, working conditions respectful of personal dignity, creation of a working environment where people are treated fairly, valued for their uniqueness and not discriminated or subject to harassment, commitment to a just energy transition for everyone and attention to clients requests	   	<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Conventions 100, 111, 190 United Nations Global Compact principles 	OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement THE PATH TO NET-ZERO THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY PROGRESS STARTS WITH PEOPLE – Enel people Local and global communities Suppliers

ISSUE	PRINCIPLE	DESCRIPTION	SDG	INTERNATIONAL REFERENCE STANDARDS	SUSTAINABILITY REPORT 2021: CHAPTERS/paragraphs
Employment practices	Freedom of association and collective bargaining	Freedom to form or take part in organizations aimed at defending and promoting the rights of people, respect of their right to be represented by unions or other forms of representation, collective bargaining as the favored instrument for setting contractual conditions and regulating relations between management and unions		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Conventions 87, 98, 154 United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS - What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE PATH TO NET-ZERO</p> <p>PROGRESS STARTS WITH PEOPLE - Enel people Suppliers</p>
	Health, safety, and well-being	Protection of health, safety and psychological, relational, and physical well-being of individuals; dissemination of such culture to ensure that workplaces are hazard-free and to promote behaviors oriented towards work-life integration		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Conventions 155, 156, 187 United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS - What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>PROGRESS STARTS WITH PEOPLE - Enel people Suppliers</p> <p>ESG BACKBONES - Occupational health and safety</p>
	Just and favourable working conditions	Protection of the right to conditions that respect the health, safety, well-being and dignity of individuals, maximum working hours, daily and weekly rest periods and annual period of paid leave, and fair remuneration as well as equal pay for equal work for men and women, minimum compensation, and professional orientation and training		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Conventions 100, 132, 155, 156, 187 United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS - What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE PATH TO NET-ZERO</p> <p>PROGRESS STARTS WITH PEOPLE - Enel people Suppliers</p>
Communities and Society	Environment	Protection of the environment and biodiversity, climate action, and contribution to a sustainable economic development		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS - What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE PATH TO NET-ZERO</p> <p>PROGRESS STARTS WITH PEOPLE - Enel people Local and global communities Suppliers</p> <p>TOWARDS A "NATURE-BASED" MODEL</p> <p>GROWTH ACCELERATORS - Circular economy</p>

ISSUE	PRINCIPLE	DESCRIPTION	SDG	INTERNATIONAL REFERENCE STANDARDS	SUSTAINABILITY REPORT 2021: CHAPTERS/paragraphs
Communities and Society	Respecting the rights of communities	<p>Responsible community relations based on the assumption that individual conditions, economic and social development, and general well-being of collectivity are strictly connected. This includes conducting capital expenditure in a sustainable manner, promoting cultural, social and economic initiatives for affected local and national communities to advance social inclusion through education, training and access to energy.</p> <p>Commitment to ensure that products and services are designed to be accessible for all.</p>		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Convention 169 United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE PATH TO NET-ZERO</p> <p>THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY</p> <p>PROGRESS STARTS WITH PEOPLE – Enel people Local and global communities Suppliers</p> <p>TOWARDS A "NATURE-BASED" MODEL</p> <p>GROWTH ACCELERATORS – Circular economy</p>
	Respecting the rights of local communities	<p>Commitment to respecting the rights of local communities and to contribute to their economic and social growth also through collaborations with suppliers, contractors and partners that contribute to the social and economic development of the communities where we operate. This goes also through: promoting free, prior, and informed consultation activities and implementing social inclusion actions (local manpower, health and safety training, development of local projects – also in partnership with local organizations); taking into due account the environmental and social impact in the designing and construction of our infrastructure projects; requiring that private security forces protecting Group's personnel and assets in operating areas act consistently with the applicable national law and regulation and international standards.</p>			
	Respecting the rights of indigenous and tribal people	<p>Specific commitment to pay particular attention to the most vulnerable communities, such as indigenous and tribal peoples, in case of developing new projects and to respect the United Nations Declaration of the rights of Indigenous Peoples.</p>			
	Integrity: zero tolerance of corruption	<p>Reject of corruption in all its forms, both direct and indirect, since it is one of the factors undermining institutions and democracy, ethical values and justice, as well as the well-being and development of society.</p>		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>PROGRESS STARTS WITH PEOPLE – Enel people Suppliers</p> <p>ESG BACKBONES – Sound governance</p>

ISSUE	PRINCIPLE	DESCRIPTION	SDG	INTERNATIONAL REFERENCE STANDARDS	SUSTAINABILITY REPORT 2021: CHAPTERS/paragraphs
Communities and Society	Privacy	Respect of the confidentiality and right to privacy of our stakeholders and to use correctly information and data relating to the people working in our organization, to our customers and to any other stakeholder; processing of data in compliance with the fundamental rights and the rights and principles recognized in law, notably respect for private and family life, home location details and communications, personal data protection, freedom of thought, conscience and religion, freedom of expression and information.		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises ILO Recommendation on "Protection of workers' personal data" United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY</p> <p>PROGRESS STARTS WITH PEOPLE – Enel people Local and global communities Suppliers</p> <p>ESG BACKBONES – Sound governance</p>
	Communication	Commitment to ensure that institutional and commercial communications are non-discriminatory and are respectful of different cultures, while also not adversely affecting the most vulnerable audiences, such as children and the elderly.		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises United Nations Global Compact principles 	<p>OUR SUSTAINABLE PROGRESS – What is material for us? Our strategy for sustainable progress Our commitment to continuous improvement</p> <p>THE PATH TO NET-ZERO</p> <p>THE DECADE OF ELECTRIFICATION AND CUSTOMER CENTRICITY</p> <p>PROGRESS STARTS WITH PEOPLE – Local and global communities Suppliers</p>

ISSUE	PRINCIPLE	DESCRIPTION	SDG	INTERNATIONAL REFERENCE STANDARDS	SUSTAINABILITY REPORT 2021: CHAPTERS/paragraphs
Human rights governance	Public commitment	Adoption of a human rights policy		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises United Nations Global Compact principles 	OUR SUSTAINABLE PROGRESS – Our governance of sustainability matters ESG BACKBONES – Human Rights
	Due diligence of the management system	Identification, prevention and mitigation of the potential negative effects caused by business operations Reporting to Control and Risk Committee and to Corporate Governance and Sustainability Committee about the implementation of the due diligence process	 	<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises OECD Due diligence Guidance for Responsible Business Conduct 	OUR SUSTAINABLE PROGRESS – Our governance of sustainability matters ESG BACKBONES – Human Rights
	Access to remedy	Access to specific grievance channels also at local level		<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises OECD Due diligence Guidance for Responsible Business Conduct United Nations Global Compact principles 	OUR SUSTAINABLE PROGRESS – Our governance of sustainability matters ESG BACKBONES – Sound governance Human Rights
	Transparency	Annual reporting, within the Sustainability Report, of the performance on the commitments undertaken through the human rights policy	 	<ul style="list-style-type: none"> United Nations Guiding Principles on Business and human rights OECD guidelines for multinational enterprises OECD Due diligence Guidance for Responsible Business Conduct 	OUR SUSTAINABLE PROGRESS – Our governance of sustainability matters ESG BACKBONES – Sound governance Human Rights

Disclosure of the proportion of activities considered environmentally sustainable (Article 8, EU Regulation 2020/852)

Our commitment and our position

Enel welcomes the development of the EU Taxonomy Regulation, as it provides a standardized, science-based classification system to identify environmentally sustainable economic activities. The EU Taxonomy Regulation acts as an important enabler to promote sustainable investments and accelerate the decarbonization of the European economy, while at the same time creating security and transparency for investors and supporting companies in planning the Net-Zero transition.

We are fully committed to reporting on the implementation of Article 8 of the EU Taxonomy Regulation, and of the Delegated Act which further specifies the content, methodology and presentation of information to be disclosed by both financial and non-financial undertakings. Although the EU Taxonomy Regulation requires companies to declare compliance with it as of January 2022, Enel has taken a leading role by deciding to provide evidence of its adoption thereof in previous publications such as the Sustainability Report 2020 and the Consolidated Annual Report 2020, as well as during Capital Markets Day 2020 and 2021.

We also welcome the different thresholds defined in the EU Taxonomy Regulation on the basis of climate and environmental sciences, such as the specific emission limit of 100 gCO_{2eq}/kWh (taking the whole life cycle into consideration) to measure the substantial contribution to achieving the climate change mitigation objectives established for most power generation technologies, in that it stems from a solid process based on a robust scientific foundation. However, there are some activities that, although not covered under the EU Taxonomy Regulation, are critical to promoting the well-being of European citizens, especially

in the short and medium term, while contributing to the sustainable development of Europe in the long term. As regards the energy industry, there are some important sustainability-related issues that the European Commission did not consider when developing the technical screening criteria, as they were outside the main scope of the EU Taxonomy Regulation. These included energy security, grid reliability and the energy transition, all of which are critical to Europe's well-being but which are appropriately addressed by other policies, funds and regulations at EU and Member State level.

In preparing this Disclosure, the Directors have interpreted, integrated and contextualized the provisions of the EU Taxonomy Regulation with the specific activities carried out on the market by the Group, which is operationally organized into Business Lines.

The EU Taxonomy Regulation is still in a developmental stage, and a number of important Delegated Acts are still being finalized at the time of publication of this Sustainability Report. These include acts that will detail the criteria for the remaining four objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems), as well as those that will identify economic activities that do not have a significant harmful impact on environmental sustainability and those that do. **Completion of the entire regulatory process should ensure that all globally recognized economic activities are considered, thereby reducing current uncertainties regarding implementation of the process itself.**

Methodological note

Below are described the reporting principles and evaluation criteria adopted in this document. These have been identified by the Directors who have appropriately interpreted and integrated the provisions of Art. 8 of EU Regulation 852/2020 in order to take into account the specific operating and management reality of the Enel Group in its organizational structuring into Business Lines (BL).

With regard to the identification of eligibility concerning the "Climate change mitigation" objective of the EU Taxonomy Regulation as it applies to the Group's economic activities, the latter analyzed and assessed by dividing them according to Global Business Lines and not according to NACE codes, since the latter cannot be directly and unambiguously associated with the structure of the Group's operations.

Following this identification, analysis of the substantial contribution to the objective of "Climate change mitigation" in Business Lines was performed using a qualitative-quantitative method aimed at verifying compliance with the above criteria for the achievement of the environmental objective chosen.

The Do No Significant Harm (DNSH) criterion was then verified for the activities considered eligible and aligned in order to ensure that they do not cause significant harm to the other environmental objectives identified in the EU Taxonomy Regulation.

In terms of compliance with the Minimum Social Safeguards, the Group has implemented specific procedures in line with the requirements of the EU Taxonomy Regulation through the use of the principles and criteria defined by the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the relevant ILO principles. The due diligence process was conducted on the entire value chain and the human rights policy implemented at Group level. Lastly, the financial metrics reported for each business activity eligible and not in the Disclosure are turnover, capital expenditure (Capex), operating expenditure (Opex) and gross operating margin (EBITDA). Specifically, in relation to taxonomy-aligned activities, these metrics were calculated as follows:

- taxonomy-aligned revenue is the result of the proportion of revenue from eligible and aligned activities (numerator) to total revenue (denominator);
- taxonomy-aligned capital expenditure (Capex) is the result



of the proportion of Capex from eligible and aligned activities (numerator) to total Capex (denominator);

- taxonomy-aligned operating expenditure (Opex) is the result of the proportion of eligible and aligned Opex from non-capitalized direct costs for research and development, building renovation, short-term rental, maintenance and repair, and any other direct expenses related to the day-to-day upkeep of property, plant, and equipment (numerator) to total Opex related to the above categories (denominator);
- taxonomy-aligned ordinary gross operating margin (EBITDA) is the result of the proportion of eligible and aligned gross operating margin activities (numerator) to total EBITDA (denominator).

The financial information was gathered from the digital accounting system used by the Enel Group or from the management systems in use by the Company's Business Lines.

Our implementation process



By means of a process overseen by the CEO and Top Management, involving the relevant Functions at corporate and Country level, as well as all Business Lines, we initiated a five-step process to analyze the applicability of the EU Taxonomy Regulation throughout the entire value chain and in all countries where we operate.

1. Identification of eligible economic activities: we have identified all activities within the Group's portfolio that have been included in the Climate Delegated Act. The process was conducted by taking into consideration only the climate change mitigation objective, in that it is the most material purpose with respect to the Enel Group's business model and the sector in which it operates. Therefore, although Enel also carries out activities that could contribute to the objective of adaptation to climate change, these have not been identified in the section "Statement on the alignment of Enel's business to the European Taxonomy Regulation", thus avoiding potential double counting in the calculation of financial metrics.

2. Analysis of substantial contribution: eligible activities identified in the previous phase have been thoroughly analyzed for their compliance with the specific technical screening criteria established to measure their substantial contribution to climate change mitigation. The analysis was carried out following the criteria in the Climate Delegated Act, namely:

- a. **Technological analysis for power generation activities.** The threshold of 100 gCO_{2eq}/kWh measured on a life cycle basis was met according to the following technological approach:
 - **coal and liquid fossil fuels:** technology excluded from the EU Taxonomy Regulation;

- **gas and nuclear:** on February 2, 2022, the European Commission approved in principle a Complementary Climate Delegated Act which includes, under strict conditions, nuclear energy and gas in the list of economic activities covered under the EU Taxonomy Regulation. At the time of publication of this Report, the Complementary Climate Delegated Act is in the process of being approved/rejected by the European Parliament and the Council. In this regard, the legislation is not yet finalized and therefore electricity generated from gas and nuclear energy is considered as "not eligible";
- **wind, solar and battery storage:** these are exempt from the carbon intensity threshold verification due to their substantial contribution to climate change mitigation;
- **hydroelectric power:** the carbon intensity threshold was verified only in power plants with a power density below 5 W/m². All power plants with a power density above 5 W/m², as well as flowing water plants and pumped storage plants, are exempt from the threshold verification;
- **geothermal:** the threshold was verified by carrying out life cycle assessments certified by independent third parties.

b. Analysis at country, region and system level for the transmission and distribution of electricity. Compliance with the following technical screening criteria was analyzed in all eight countries where Enel distributes electricity:

- the Distribution System Operator (DSO) is part of the European interconnected system; or
- non-European DSOs belong to countries with more than 67% of newly enabled generation capacity in the system is below the generation threshold value

of 100 gCO_{2eq}/kWh measured on a life cycle basis in accordance with electricity generation criteria, over period 2016–2020 (data made available by national authorities over a rolling five-year period prior to the preparation of the Sustainability Report 2021); or

- the average emission factor of the non-European DSO network is below the threshold value of 100 gCO_{2eq}/kWh measured on a life cycle basis in accordance with electricity generation criteria, in the period 2016–2020.

Infrastructure dedicated to creating a direct connection or expanding an existing direct connection between a substation or network and a power production plant that is more greenhouse gas intensive than 100 gCO_{2eq}/kWh measured on a life cycle basis has been identified and excluded from the eligible aligned DSOs activities.

c. Product cluster level analysis for Enel X Business Line.

A comprehensive analysis of the Enel X portfolio was performed, classifying eligible activities into the sectors identified in the Climate Delegated Act, such as construction and real estate, transportation, or professional, scientific and technical activities.

d. Sourcing analysis for power retail activities.

The quantity of power sold in Italy and Spain by the companies involved in power sales through Certificates of Origin was calculated and considered to be aligned with the EU Taxonomy Regulation for its correlation with the technical screening criteria established in the Climate Delegated Act for power generation.

3. Assessment of the principle of Do No Significant Harm (DNSH) to other objectives:

(DNSH) to other objectives: an analysis of existing environmental procedures was carried out to verify compliance with the DNSH quality criteria for each type of technology (for power generation), region (for transmission and distribution) and product cluster level (for activities of the Enel X Business Line), adapted to the specific requirements set out for each of the following environmental objectives:

- **adaptation to climate change:** analysis of global procedures (including emerging and restoration procedures), assessment of physical climate risks and solutions and adaptation plans in place covering all applicable activities related to power generation,

transmission and networks and Enel X Business Line;

- **sustainable use and protection of waters and marine resources:** analysis of water-related procedures, authorizations, environmental impact assessments, national regulations and water management plans. The analysis was limited to power generation activities, as it is not applicable to other Business Lines;

- **transition to a circular economy:** analysis of waste management plans, procurement requirements and circular economy projects and plans covering all activities applicable to the generation, transmission and distribution of electricity and to the products of the Enel X Business Line;

- **pollution prevention and control:** analysis of global procedures and national regulations concerning all applicable activities from power generation, transmission and networks. In addition, specific pollutants were further analyzed, including electromagnetic radiation and PCBs for transmission and networks, and emissions from power generation activities for air quality;

- **protection and restoration of biodiversity and ecosystems:** analysis of global procedures and national regulations covering all applicable activities from power generation, transmission and distribution.

4. Assessment of the minimum social safeguards: it has

been verified that the Group's human rights due diligence process covers the entire perimeter of Enel, as it is fully aligned with the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights. Further information on our approach to respecting human rights can be found in chapter "Human rights management".

5. Calculation of financial metrics: the corresponding financial metrics were associated with each economic activity according to the classification made in steps 1–4, collecting the relevant financial information from the Group's accounting system. In addition, some proxies have been performed for specific activities when financial information was not available in the accounting system (described in the section on the calculation of financial metrics).

Through this process, Enel classified all economic activities along its value chain according to the following three cat-

egories: taxonomy eligible and aligned, taxonomy eligible but not aligned, and taxonomy not eligible.

Eligible-aligned

Eligible-aligned: this refers to an economic activity that simultaneously satisfies the following three conditions:

- it is explicitly included in the EU Taxonomy Regulation for its substantial contribution to climate change mitigation; and
- it meets the specific criteria developed by the EU Taxonomy Regulation for that specific environmental objective; and
- it meets all DNSH criteria and minimum social safeguards.

Eligible-not aligned

Eligible-not aligned: refers to an economic activity that:

- is explicitly included in the EU Taxonomy Regulation for its substantial contribution to climate change mitigation or adaptation; but
- does not meet the specific criteria developed by the EU Taxonomy Regulation for those specific environmental objectives; or
- does not meet at least one of the DNSH and/or the minimum social safeguards.

Not eligible

Not eligible: refers to an economic activity that has not been identified by the EU Taxonomy Regulation as a substantial contributor to climate change mitigation and for which no criteria have therefore been developed. The logic of the European Commission is that these activities might:

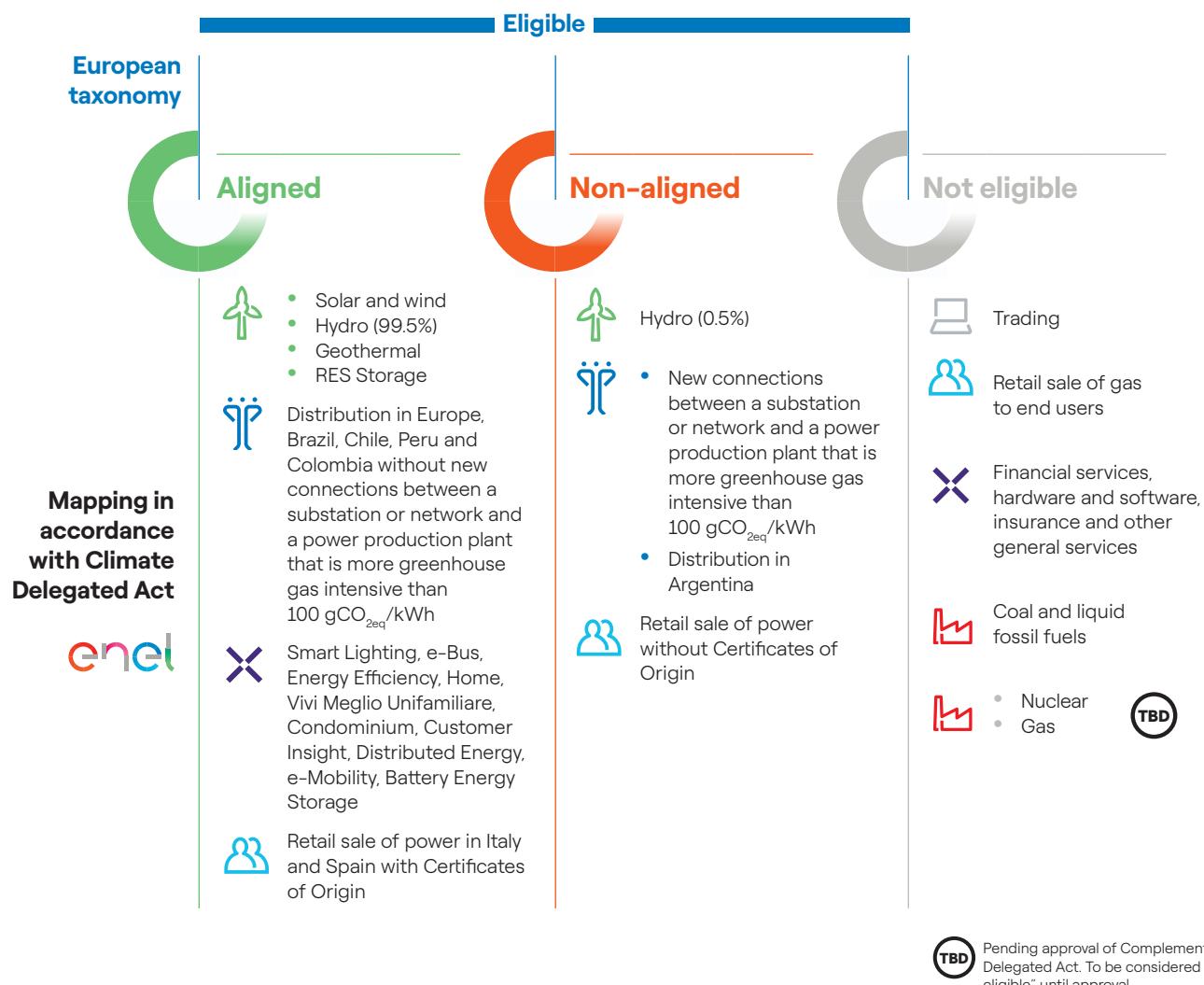
- not have a significant impact on climate change mitigation or could be integrated into the EU Taxonomy Regulation at a later stage;
- cause a very significant impact on climate change mitigation, so they cannot be eligible in any case;
- be awaiting a final decision by the European authorities on their classification (nuclear and gas).

Consequently, the existence of this third category makes it impossible to achieve a business model that is fully aligned with the criteria of the EU Taxonomy Regulation, even

though these not eligible activities might not cause any harm to the EU's environmental objectives.



Taxonomy eligibility of Enel activities



In 2021, we updated our eligibility analysis according to the process and the new definition for the three categories described above and pursuant to the final version of the

Climate Delegated Act published in the Official Journal of the European Union in December 2021. The following three tables summarize the results of this analysis.

Eligible-aligned activities

Business Line	Activity	Description of the activity (according to the EU Taxonomy Regulation)	Condition aligned with requirements
	Electricity generation from wind power	Electricity generation from wind power (4.3) ⁽¹⁾ – Construction or operation of electricity generation facilities that produce electricity from wind power.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none">it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, pollution and biodiversity;it complies overall with minimum social safeguards.
	Electricity generation using solar photovoltaic technology	Electricity generation using solar photovoltaic technology (4.1) – Construction or operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none">it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, pollution and biodiversity;it complies overall with minimum social safeguards.
	Electricity generation from hydropower	Electricity generation from hydropower (4.5) – Construction or operation of electricity generation facilities that produce electricity from hydropower.	99.5% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none">it makes a substantial contribution to climate change mitigation, since it includes all flowing water plants, all pumped storage plants, all reservoir plants with a power density above 5 W/m² and all reservoir plants below 5 W/m² with a life cycle greenhouse gas intensity below 100 gCO_{2eq}/kWh as certified by G-RES;it complies overall with DNSH criteria for the following applicable objectives: adaptation, water and biodiversity;it complies overall with minimum social safeguards.
	Electricity generation from geothermal energy	Electricity generation from geothermal energy (4.6) – Construction or operation of electricity generation facilities that produce electricity from geothermal energy.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none">it makes a substantial contribution to climate change mitigation, as all power plants have a life cycle GHG emission intensity of less than 100 gCO_{2eq}/kWh, as verified by an independent third party;it complies overall with DNSH criteria for the following applicable objectives: adaptation, water, pollution and biodiversity;it complies overall with minimum social safeguards.
	Storage of electricity (batteries)	Storage of electricity (4.10) – Construction and operation of facilities that store electricity.	100% of the installed capacity is eligible and aligned because: <ul style="list-style-type: none">it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required;it complies overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, water and biodiversity;it complies overall with minimum social safeguards.

(1) The number reported refers to the code for eligible activities reported in the Climate Delegated Act (climate change mitigation objective) of the Taxonomy Regulation.

Business Line	Activity	Description of the activity (according to the EU Taxonomy Regulation)	Condition aligned with requirements
 Infrastructure and networks	Transmission and distribution of electricity	<p>Transmission and distribution of electricity (4.9)</p> <ul style="list-style-type: none"> - Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system. <p>Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.</p>	<p>The DSOs in Italy, Romania, Spain, Brazil, Chile, Peru and Colombia are aligned in that:</p> <ul style="list-style-type: none"> • they make a substantial contribution to climate change mitigation, in particular: <ul style="list-style-type: none"> - the DSOs in Italy, Romania and Spain are part of the European interconnected system; - the DSOs in Brazil, Chile, Colombia and Peru belong to electricity systems where more than 67% of newly installed capacity in the last five years has a life cycle GHG intensity of less than 100 gCO₂eq/kWh, according to the latest data available from national authorities; • they comply overall with DNSH criteria for the following applicable objectives: adaptation, circular economy, pollution and biodiversity. <p>Some infrastructures have been excluded from these DSOs (refer to eligible but not aligned activities).</p>
	Smart lighting (City)	Installation, maintenance and repair of energy efficiency equipment (7.3) - Installation and replacement of energy efficient light sources (7.3 d).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> • it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; • it complies overall with DNSH criteria for the adaptation and pollution goals; • it complies overall with minimum social safeguards.
	E-bus (City)	Urban and suburban transport, road passenger transport (6.3) - The activity provides urban or suburban passenger transport and its direct (tailpipe) CO ₂ emissions are zero (6.3 a).	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> • it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; • it complies overall with DNSH criteria for the applicable objectives: adaptation, circular economy and pollution; • it complies overall with minimum social safeguards.
 Enel X	Energy efficiency (City)	<p>Installation, maintenance and repair of energy efficiency equipment (7.3);</p> <p>Addition of insulation to existing envelope components, such as external walls (including green walls), roofs (including green roofs), lofts, basements and ground floors (including measures to ensure air-tightness, measures to reduce the effects of thermal bridges and scaffolding) and products for the application of the insulation to the building envelope (including mechanical fixings and adhesive) (7.3 a);</p> <p>Replacement of existing windows with new energy efficient windows (7.3 b);</p> <p>Replacement of existing external doors with new energy efficient doors (7.3 c);</p> <p>Installation and replacement of energy efficient light sources (7.3 d)</p> <p>Installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies (7.3 e).</p>	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> • it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; • it complies overall with DNSH criteria for the adaptation and pollution goals; • it complies overall with minimum social safeguards.

Business Line	Activity	Description of the activity (according to the EU Taxonomy Regulation)	Condition aligned with requirements
Enel X	Home Vivi meglio unifamiliare (Home) Condominium Customer insight (Industry) Energy distributed (Industry) Storage of electricity (Industry) E-mobility Power sales (end customers)	<p>Installation, maintenance and repair of energy efficiency equipment (7.3) (7.3 a-e) For the detail, see the points already discussed above.</p> <p>Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (7.5) – Installation, maintenance and repair of zoned thermostats, smart thermostat systems and sensing equipment, including motion and day light control (7.5 a).</p> <p>Installation, maintenance and repair of renewable energy technologies (7.6) – Installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment (7.6 a).</p> <p>Professional services related to energy performance of buildings (9.3).</p> <p>Installation, maintenance and repair of energy efficiency equipment (7.3) installation and replacement of energy efficient light sources (7.3 d) installation, replacement, maintenance and repair of heating, ventilation and air-conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies (7.3 e)</p> <p>Installation, maintenance and repair of renewable energy technologies (7.6) – Installation, maintenance and repair of solar photovoltaic systems and the ancillary technical equipment (7.6 a).</p> <p>Installation, maintenance and repair of renewable energy technologies (7.6) – Installation, maintenance and repair of thermal or electric energy storage units and the ancillary technical equipment (7.6 f).</p> <p>Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (7.4). Infrastructure for personal mobility, cycle logistics (6.13).</p> <p>Retail sale of power.</p>	<p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; it complies overall with DNSH criteria for the adaptation and pollution goals; it complies overall with minimum social safeguards. <p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; it complies overall with DNSH criteria for the adaptation goal; it complies overall with minimum social safeguards. <p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; it complies overall with DNSH criteria for the adaptation and pollution goals; it complies overall with minimum social safeguards. <p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; it complies overall with DNSH criteria for the adaptation goal; it complies overall with minimum social safeguards. <p>The whole activity is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation, as no specific technical screening criteria are required; it complies overall with DNSH criteria for all objectives; it complies overall with minimum social safeguards. <p>The retail sale of renewable electricity through Certificates of Origin in Italy and Spain is aligned with the requirements because:</p> <ul style="list-style-type: none"> it makes a substantial contribution to climate change mitigation as no specific technical screening criteria are required; it is a non-applicable condition with regard to DNSH criteria; it complies overall with minimum social safeguards.

Eligible-not aligned activities

Global Business Line	Activity	Description of the activity (according to the EU Taxonomy Regulation)	Eligible but not aligned condition
 Power generation	Electricity generation from hydropower	Electricity generation from hydropower (4.5) – Construction or operation of electricity generation facilities that produce electricity from hydropower.	0.5% of installed capacity is eligible but not aligned because it was not possible to verify the technical screening criteria related to power density and thus to the life cycle greenhouse gas intensity.
 Infrastructure and networks	Transmission and distribution of electricity	Transmission and distribution of electricity (4.9) – Construction and operation of transmission systems that transport the electricity on the extra high-voltage and high-voltage interconnected system.	Infrastructures built during the year and dedicated to the realization of a direct connection or the expansion of an existing direct connection between a substation or grid and a power plant with a greenhouse gas intensity exceeding the threshold of 100 gCO _{2eq} /kWh measured on a life cycle basis.
		Construction and operation of distribution systems that transport electricity on high-voltage, medium-voltage and low-voltage distribution systems.	The DSOs in Argentina have a GHG intensity in excess of 100 gCO _{2eq} /kWh, and belong to electrical systems where less than 67% of newly installed capacity in the last five years has a life cycle GHG intensity of less than 100 gCO _{2eq} /kWh, according to the latest data available from national authorities.
 Market	Power sales (end customers)	Retail sale of electricity.	All retail power sales of Group companies in Europe are made without Certificates of Origin. The sale of power without associated Certificates of Origin is assumed to mean that, in terms of technology, the source of the power does not meet the technical screening criteria established for electricity generation. In addition, power sales in South America have also been excluded due to the lack of Certificate of Origin systems that allow the origin of power to be traced. These activities refer to those that are not part of the distribution networks in South America, according to the electricity market regulations in force in each country.

Not eligible activities

Business Line	Activity	Description of the activity	Not eligible condition
 Power generation	Generation of electricity from coal and liquid fossil fuels	Construction and operation of coal-fired and liquid fossil fuel power plants.	The activity has been excluded from the EU Taxonomy Regulation as it is considered very harmful.
	Electricity generation from gas	Construction and operation of natural gas power plants.	The Complementary Climate Delegated Act has not yet been approved by the European Parliament and the European Council.
	Electricity generated by nuclear power plants	Construction and operation of nuclear power plants.	The Complementary Climate Delegated Act has not yet been approved by the European Parliament and the European Council.
 Trading	Energy sales (wholesale)	Wholesale of power and related activities.	This activity is not considered in the Climate Delegated Act.
 Market	Gas sales (end customers)	Retail sales of gas by Group companies in Europe.	This activity is not considered in the Climate Delegated Act.
 Enel X	Other activities	Financial services, hardware and software, insurance policies and other general services.	These activities are not considered in the Climate Delegated Act.

Process for calculating financial metrics

During the process of calculating the financial metrics, the following criteria were adopted and the following considerations made.

- The three financial metrics required by the EU Taxonomy Regulation (turnover, capital expenditure - Capex - and operating expenditure - Opex) were calculated according to the eligibility analysis described in the previous section.
- Although not expressly required, Enel also performed an assessment in terms of the ordinary gross operating profit (EBITDA) believing that this metric represents the actual financial performance of integrated utilities such as Enel. A metric that considers only turnover is strongly influenced by the business activities with a high volume of revenues (such as the wholesale market - trading) that do not contribute proportionally to growth in the ordinary gross operating profit to the same extent as other business activities.
- The financial information was gathered from the digital accounting system used by the Enel Group, or from the management systems in use by the Company's Business Lines. However, some proxies were delegated to provide a more detailed representation of the figures or to exclude specific activities from the overall calculation of eligible alignment (such as not aligned hydroelectric power generation or infrastructure considered eligible but not aligned among eligible and aligned distribution network systems). For example, the following proxies were used:
 - hydroelectric: eligible not aligned hydroelectric power plants were excluded by considering their output multiplied by the average turnover per unit in the years 2020 and 2021. This approach was also extended to Capex, Opex and EBITDA;
 - infrastructure and networks: new connections between a substation or grid and a power plant with a greenhouse gas intensity above the threshold of 100 gCO_{2eq}/kWh were excluded considering their capacity (in MW) multiplied by the average turnover per unit (k€/MW) for the years 2020 and 2021. This approach was only applied to turnover and Capex.
- Aggregate financial data in the report refer to the "sector" level and include items related to third parties and inter-sectorial exchanges.
- Turnover from power sales was calculated considering the quantity of power sold at retail level by Group companies in Italy and Spain using Certificates of Origin (based on data from national authorities), applying the

average turnover per unit. This turnover is considered eligible and aligned, as it refers to electricity produced using technologies that meet the technical screening criteria of the EU Taxonomy Regulation. This approach has also been adopted for Capex, Opex and ordinary gross operating profit (EBITDA). To avoid double counting, the eligible turnover per sector is net of inter-sectorial exchanges (relations between Enel Green Power, Infrastructure and Networks and Retail).

In addition, turnover/Capex/Opex/EBITDA was represented by considering all electricity sales as "not eligible".

- The figures for 2020 have been restated based on the new eligibility analysis carried out in 2021 after the publication of the Sustainability Report 2020 and the publication of the Climate Delegated Act in the Official Journal of the European Union. The main differences in each business segment are as follows:
 - **generation of electricity:** 100% of installed geothermal capacity is now considered eligible and aligned compared to the 10% in the previous analysis, while an additional 0.5% of installed hydroelectric capacity is now considered eligible (from 99% to 99.5%);
 - **transmission and distribution of electricity:** DSOs in Chile, Colombia and Peru are now considered eligible and new infrastructures installed in 2020 to connect power plants with a carbon intensity threshold above 100 gCO_{2eq}/kWh were excluded from the financial data of all eligible and aligned DSOs;
 - **Enel X:** E-Home and distributed energy solutions are now considered eligible and aligned (previously considered not eligible);
 - **retail electricity sales:** retail electricity sales in Italy and Spain using Certificates of Origin are now considered eligible and aligned (previously considered not eligible).
- Absolute turnover/Capex/Opex/EBITDA correspond to the turnover/Capex/Opex/EBITDA (measured in euros) of each specific activity. The share of individual KPIs corresponds to each individual economic activity in the total turnover/Capex/EBITDA of the Group (with the exception of Opex, the total of which refers only to the type of costs required by the taxonomy). The share of turnover/Capex/Opex/EBITDA of each individual economic activity contributes to achieving climate change mitigation targets. This is the only objective of the EU Taxonomy Regulation alignment analysis shown in the table, as it is more relevant than the climate change adaptation objective, while the criteria for the other environmental objectives are not yet available.

The 2021-2023 Strategic Plan presented at Capital Markets Day 2020 held in November 2020 stated a range of 80% to 90% of investments aligned with the EU Taxonomy Regulation for the three-year period due to regulatory uncertainty when the Plan was announced (the Climate Delegated Act had not yet been approved). However, 85.6% of capital expenditure set aside for 2021 in the 2021-2023

Strategic Plan is now considered aligned with the EU Taxonomy Regulation according to the updated 2021 analysis. The same main changes are considered for the restated 2020 data. In addition, the new 2022-2024 Strategic Plan presented on Capital Markets Day 2021 states that more than 85% of capital expenditure will be allocated to aligned activities in the Plan period.

Statement on the alignment of Enel's business to the EU Taxonomy Regulation

Overall results

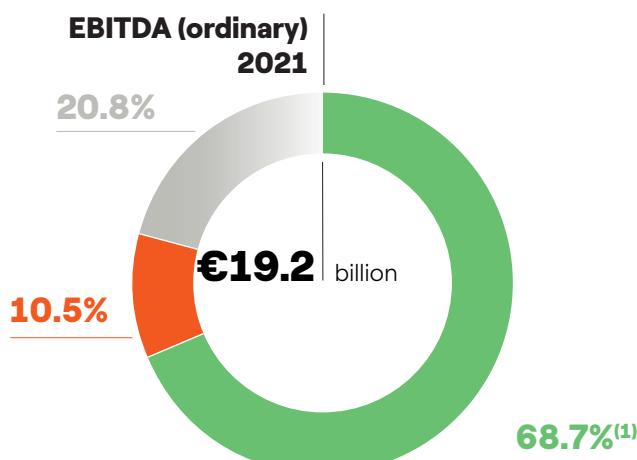
The high level of alignment of our economic activities with the EU Taxonomy Regulation in 2021, made possible by their substantial contribution to the climate change mitigation objective while respecting the principle of Do No Significant Harm (DNSH) to other environmental objective and observing the minimum social safeguards, is shown below.

- 68.7% of the ordinary gross operating profit (**EBITDA**)

relates to business activities aligned with the EU Taxonomy Regulation, compared to 73.4% in 2020.

Considering all retail electricity sales as "not eligible", 65.8% of ordinary gross operating profit in 2021 was aligned.

The EBITDA percentage of taxonomy eligible and aligned businesses decreased in 2021 compared to 2020, primarily due to changes in revenue (see details below).



(1) Excluding the capital gain on the sale of Open Fiber from ordinary EBITDA, eligible-aligned ordinary EBITDA is equal to 75.6% of total.

● Eligible-aligned

● Eligible-not aligned

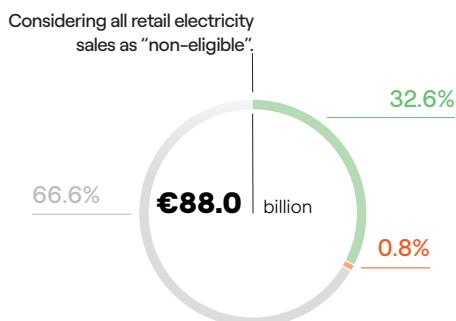
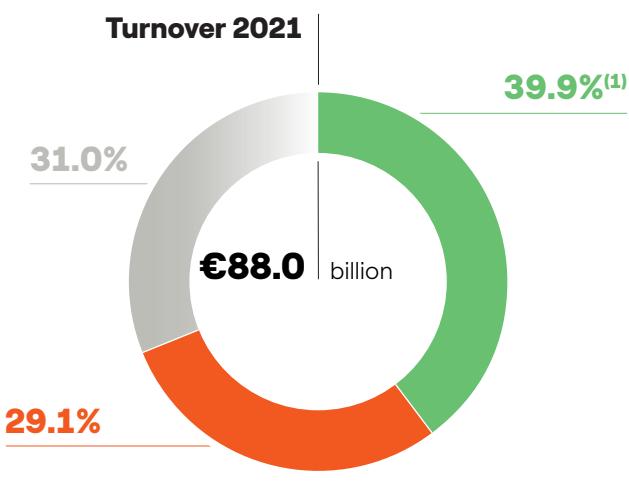
● Non-eligible

- 39.9% of **turnover** relates to business activities aligned with the EU Taxonomy Regulation, compared to 46.2% in 2020.

Considering all retail electricity sales as "not eligible", 32.6% of turnover in 2021 was aligned.

Although revenue related to taxonomy eligible and

aligned activities was up in 2021 due to increased renewable energy generation, higher electricity transmission and distribution activity, and greater electricity sales with Certificates of Origin, revenues from not eligible activities also increased due to higher trading operations and higher thermoelectric (gas) generation, and from the sale of gas in the retail market.



(1) Excluding the capital gain on the sale of Open Fiber from turnover, eligible-aligned turnover is equal to 40.8% of total.

● Eligible-aligned ● Eligible-not aligned ● Non-eligible

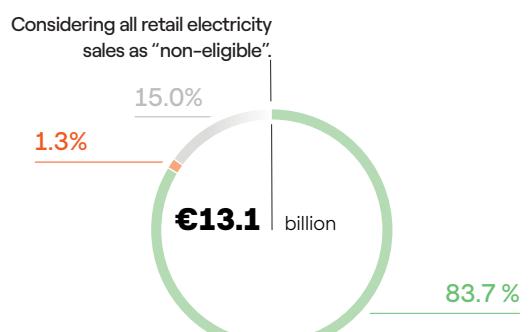
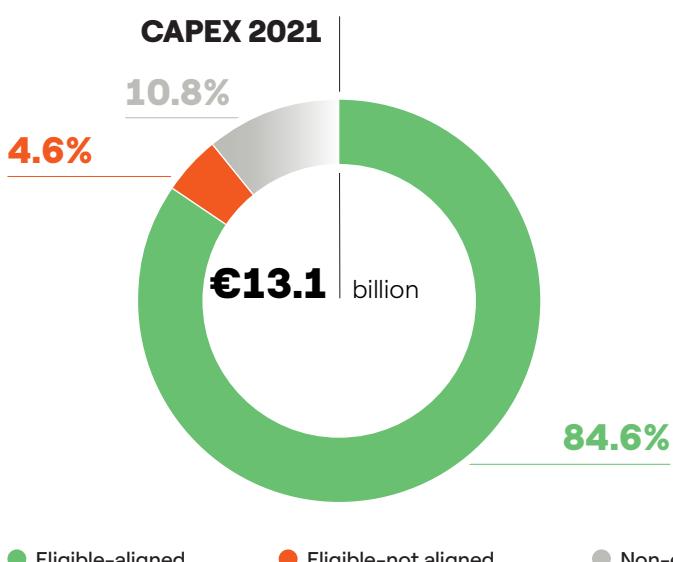
- 84.6% of capital expenditure (**Capex**) relates to business activities aligned with the EU Taxonomy Regulation, compared to 84.7% in 2020.

Considering all retail electricity sales as "not eligible", 83.7% of capital expenditure was aligned.

The percentage of Capex of taxonomy eligible and aligned activities remains unchanged in 2021 compared to 2020.

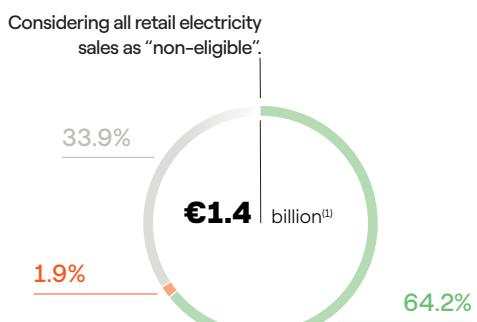
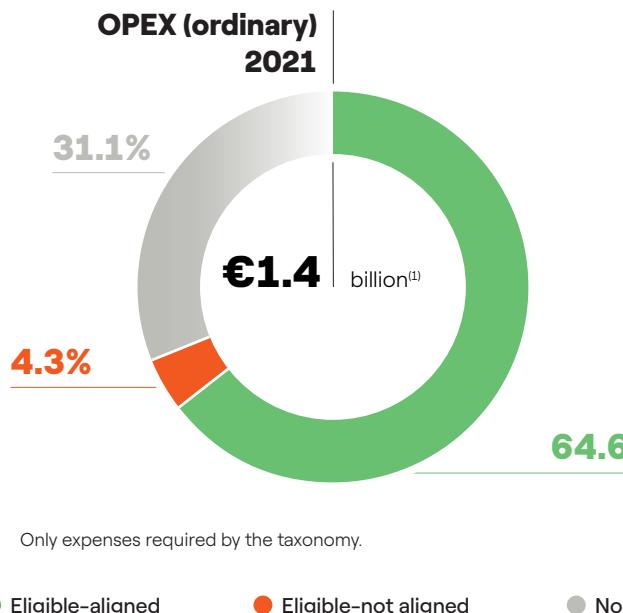
The actual 2021 Capex for eligible and aligned activities is 1.9% lower than the Capex planned for 2021 in

the 2021-2023 Strategic Plan for the same activities. Although, in absolute terms, the final figure is higher than planned (due in particular to the additional investments of 683 million euros compared to those planned to increase the Group's renewables capacity), additional investments in eligible but not aligned activities and in not eligible activities amounting to 412 million euros were also developed, in particular on activities involving electricity transmission and distribution, sales of energy not certified by Certificates of Origin, and thermoelectric generation (gas).



- 64.6% of operating expenses (**Opex**) relates to business activities aligned with the EU Taxonomy Regulation, compared to 65.5% in 2020.
- Considering all retail electricity sales as "not eligible", 64.2% of operating expenses are aligned.

The percentage of Opex of taxonomy eligible and aligned activities was down in 2021 compared to 2020, primarily due to a slight decrease in costs in taxonomy aligned distribution activities and thermal generation (coal) activities.



Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾										Category ⁽⁶⁾						
		Absolute Turnover "revenue" ⁽¹⁾ 2021		Proportion of Turnover "revenue" ⁽²⁾ 2021		Absolute Turnover "revenue" ⁽¹⁾ 2020		Proportion of Turnover "revenue" ⁽²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards ⁽⁵⁾	Enabling activity
millions of euro	%	millions of euro	%	millions of euro	%	millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A.1 Environmentally sustainable activities (taxonomy-aligned)																		
Electricity generation from wind power	4.3	2,392	2.7	2,195	3.3	100.0				Y		Y		Y		Y		
Electricity generation using solar photovoltaic technology	4.1	761	0.9	477	0.7	100.0				Y		Y		Y		Y		
Electricity generation from hydropower	4.5	5,976	6.8	4,543	6.9	100.0				Y	Y			Y		Y		
Electricity generation from geothermal energy	4.6	380	0.4	484	0.8	100.0				Y	Y		Y	Y		Y		
Storage of electricity	4.10	-	-	-	-	100.0				Y	Y	Y		Y		Y		
Enel Green Power and Retail Intercompany		(795)	(0.9)	(760)	(1.2)					Y		Y	Y		Y			
Transmission and distribution of electricity	4.9	19,907	22.6	18,761	28.4	100.0									Y	E		
e-distribuzione and Retail Intercompany		(770)	(0.9)	(786)	(1.2)					Y			Y					
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Smart Lighting)	7.3 (d)	239	0.3	243	0.4	100.0				Y			Y		Y			
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	6.3 (a)	62	0.1	5	-	100.0				Y		Y	Y		Y			
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Energy Efficiency)	7.3 (a-e)	9	-	1	-	100.0				Y			Y		Y			
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment																		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.3 (a-e)																	
7.5 (a) Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5 (a)	334	0.4	223	0.4	100.0				Y			Y		Y			
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Home/Vivi Meglio Unifamiliare)	7.6 (a)																	

A1. TAXONOMY-ELIGIBLE ALIGNED ACTIVITIES

Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾												Category ⁽⁶⁾			
		Absolute Turnover "revenue" ⁽¹¹⁾ 2021		Proportion of Turnover "revenue" ⁽¹²⁾ 2021		Absolute Turnover "revenue" ⁽¹¹⁾ 2020		Proportion of Turnover "revenue" ⁽¹²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards ⁽⁵⁾
millions of euro	%	millions of euro	%	millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Condominium)	7.3 (a-e)	9	-	1	-	100.0		Y			Y				Y		
Professional services related to energy performance of buildings (Enel X - Customer Insight)	9.3	88	0.1	98	0.1	100.0		Y							Y		
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment	7.3 (d,e)																
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Distributed Energy)	7.6 (a)	55	-	44	0.1	100.0		Y			Y				Y		
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	7.6 (f)	24	-	16	-	100.0		Y							Y		
6.13 Infrastructure for personal mobility, cycle logistics	6.13																
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (Enel X - Mobility)	7.4	63	0.1	32	-	100.0		Y	Y	Y	Y	Y	Y	Y	Y		
Market (power sales to end customer with Certificates of Origin)		6,416	7.3	4,919	7.5												
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		35,150	39.9	30,496	46.2	100.0											

Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾										Category ⁽⁶⁾			
		Absolute Turnover "revenue" ⁽¹⁾ 2021 millions of euro	Proportion of Turnover "revenue" ⁽²⁾ 2021 %	Absolute Turnover "revenue" ⁽¹⁾ 2020 millions of euro	Proportion of Turnover "revenue" ⁽²⁾ 2020 %	Substantial contribution to climate change mitigation ⁽³⁾	%	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Biodiversity and ecosystems Y/N	Minimum safeguards ⁽⁵⁾ E	Enabling activity T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)															
Electricity generation from hydropower	4.5	28	-	18	-										
Transmission and distribution of electricity (Argentina and new connections between a substation and power plant >100 gCO _{2eq} /kWh)	4.9	689	0.8	648	1.0										
Market (power sales to end customer without Certificates of Origin)		24,890	28.3	19,916	30.2										
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		25,607	29.1	20,582	31.2										
Total (A.1 + A.2)		60,757	69.0	51,078	77.4										
B. Taxonomy-not-eligible activities															
Electricity generation from coal		1,904	2.2	1,639	2.5										
Electricity generation from gas and liquid fossil fuels		8,064	9.1	4,783	7.2										
Electricity generation from nuclear energy		1,388	1.6	1,342	2.0										
Enel X (only activities not eligible)		798	0.9	585	0.9										
Trading activities (energy sales - wholesale)		21,799	24.8	13,973	21.2										
Market (gas sales to end customer)		6,276	7.1	3,821	5.8										
Services, Holding and Other		3,930	4.5	2,025	3.1										
Elisions and adjustments		(16,910)	(19.2)	(13,242)	(20.1)										
Turnover of taxonomy-non-eligible activities (B)		27,249	31.0	14,926	22.6										
Total (A + B)		88,006	100.0	66,004	100.0										

- (1) **Absolute Turnover "revenue"**: revenues from each single activity. If an activity is present in both A.1 and A.2 or B, the figure refers to the proportion of the activity that corresponds to A.1, A.2 or B.
- (2) **Proportion of Turnover "revenue"**: percentage impact of revenues from each individual business activity on the Group's total revenues.
- (3) **Substantial contribution to climate change mitigation**: refers to the share of the revenues of each individual economic activity (indicated in the column Turnover "revenue") that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table, as it is considered more relevant compared to the climate change adaptation objective, while the criteria for the other environmental objectives are not yet available.
- (4) **DNSH**: environmental objectives meeting the DNSH criteria are specified for each activity.
- (5) **Minimum safeguards**: indicates whether the minimum safeguards are respected for each individual activity.
- (6) **Category**: specifies whether the activity makes a direct contribution to climate mitigation or is an enabling or transitional activity.

A1. TAXONOMY ELIGIBLE ALIGNED ACTIVITIES

Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾										Category ⁽⁶⁾						
		Absolute capex "capital expenditure" ⁽¹⁾ 2021		Proportion of capex "capital expenditure" ⁽²⁾ 2021		Absolute capex "capital expenditure" ⁽¹⁾ 2020		Proportion of capex "capital expenditure" ⁽²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards ⁽⁵⁾	Enabling activity
millions of euro	%	millions of euro	%							Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A.1 Environmentally sustainable activities (taxonomy-aligned)																		
Electricity generation from wind power	4.3	2,971	22.6	2,601	25.5	100.0				Y			Y		Y		Y	
Electricity generation using solar photovoltaic technology	4.1	1,991	15.2	1,430	14.0	100.0				Y			Y		Y		Y	
Electricity generation from hydropower	4.5	416	3.2	333	3.3	100.0				Y	Y			Y		Y		
Electricity generation from geothermal energy	4.6	122	0.9	146	1.4	100.0				Y	Y		Y	Y		Y		
Storage of electricity	4.10	153	1.2	23	0.2	100.0				Y	Y	Y		Y		Y		
Transmission and distribution of electricity	4.9	5,109	39.0	3,836	37.6	100.0				Y		Y	Y	Y	Y	Y	E	
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Smart Lighting)	7.3 (d)	53	0.4	47	0.5	100.0				Y			Y		Y			
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	6.3 (a)	(1)	-	32	0.3	100.0				Y		Y	Y		Y			
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Energy Efficiency)	7.3 (a-e)	2	-	1	-	100.0				Y			Y		Y			
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment																		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.3 (a-e)																	
7.5 (a)	7.5 (a)	54	0.4	35	0.4	100.0				Y			Y		Y			
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Home/Vivi Meglio Unifamiliare)	7.6 (a)																	

A1. TAXONOMY ELIGIBLE-ALIGNED ACTIVITIES

Economic activities	Taxonomy Code							DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾						Category ⁽⁶⁾									
		Absolute capex "capital expenditure" ⁽¹⁾ 2021		Proportion of capex "capital expenditure" ⁽²⁾ 2021		Absolute capex "capital expenditure" ⁽¹⁾ 2020		Proportion of capex "capital expenditure" ⁽²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾		Climate change mitigation		Climate change adaptation		Water and marine resources		Circular economy		Pollution		Biodiversity and ecosystems	Minimum safeguards ⁽⁵⁾
		millions of euro	%	millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T			
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Condominium)	7.3 (a-e)	3	-	-	-	100.0		Y				Y						Y					
Professional services related to energy performance of buildings (Enel X - Customer Insight)	9.3	3	-	1	-	100.0		Y												Y			
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment 7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Distributed Energy)	7.3 (d,e) 7.6 (a)	8	0.1	7	0.1	100.0		Y				Y								Y			
Installation, maintenance and repair of renewable energy technologies (Enel X - Battery Energy Storage)	7.6 (f)	34	0.3	10	0.1	100.0		Y												Y			
6.13 Infrastructure for personal mobility, cycle logistics 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (Enel X - Mobility)	6.13 7.4	51	0.4	45	0.4	100.0		Y	Y	Y	Y	Y								Y			
Market (power sales to end customer with Certificates of Origin)		121	0.9	88	0.9																		
Capex of environmentally sustainable activities (taxonomy-aligned) (A.1)		11,090	84.6	8,635	84.7	100.0																	

Economic activities	Taxonomy Code	Absolute capex "capital expenditure" ⁽¹⁾ 2021		Absolute capex "capital expenditure" ⁽¹⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾						Category ⁽⁶⁾	
		millions of euro	%	millions of euro	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)														
Electricity generation from hydropower	4.5	2	-	2	-									
Transmission and distribution of electricity (Argentina and new connections between a substation and power plant >100 gCO _{2eq} /kWh)	4.9	174	1.3	100	1.0									
Market (power sales to end customer without Certificates of Origin)		425	3.3	305	3.0									
Capex of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		601	4.6	407	4.0									
Total (A.1 + A.2)		11,691	89.2	9,042	88.7									
B. Taxonomy-non-eligible activities														
Electricity generation from coal		49	0.4	67	0.7									
Electricity generation from gas and liquid fossil fuels		499	3.8	383	3.8									
Electricity generation from nuclear energy		165	1.3	146	1.4									
Enel X (only activities not eligible)		160	1.2	125	1.2									
Trading activities (energy sales - wholesale)		65	0.5	54	0.5									
Market (gas sales to end customer)		97	0.7	67	0.6									
Services, Holding and Other		207	1.6	174	1.7									
Adjustments		175	1.3	139	1.4									
Capex of taxonomy-non-eligible activities (B)		1,417	10.8	1,155	11.3									
Total (A + B)		13,108	100.0	10,197	100.0									

(1) **Absolute capex "capital expenditure"**: investments for each individual activity. If an activity is present in both A.1 and A.2 or B, the figure refers to the proportion of the activity that corresponds to A.1, A.2 or B.

(2) **Proportion of capex "capital expenditure"**: percentage impact of investments of each individual business activity on the Group's total investments.

(3) **Substantial contribution to climate change mitigation**: refers to the share of capex "capital expenditure" of each individual economic activity (indicated in the column capex "capital expenditure") that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table, as it is considered more relevant compared to the climate change adaptation objective, while the criteria for the other environmental objectives are not yet available.

(4) **DNSH**: environmental objectives meeting the DNSH criteria are specified for each activity.

(5) **Minimum safeguards**: indicates whether the minimum safeguards are respected for each individual activity.

(6) **Category**: specifies whether the activity makes a direct contribution to climate mitigation or is an enabling or transitional activity.

A1. TAXONOMY ELIGIBLE-ALIGNED ACTIVITIES

Economic activities	Taxo-nomy Code	Absolute ope <u>x⁴</u> 2021		Proportion of ope <u>x²</u> 2021		Absolute ope <u>x¹</u> 2020		Proportion of ope <u>x²</u> 2020		Substantial contribution to climate change mitigation ⁽³⁾		DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾				Category ⁽⁶⁾	
		millions of euro	%	millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A.1 Environmentally sustainable activities (taxonomy-aligned)																	
Electricity generation from wind power	4.3	101	7.3	86	5.9	100.0			Y		Y		Y		Y		
Electricity generation using solar photovoltaic technology	4.1	44	3.2	27	1.9	100.0			Y		Y		Y		Y		
Electricity generation from hydropower	4.5	188	13.5	191	13.1	100.0			Y	Y					Y		
Electricity generation from geothermal energy	4.6	6	0.4	6	0.4	100.0			Y	Y			Y		Y		
Storage of electricity	4.10	-	-	-	-	100.0			Y	Y	Y		Y		Y		
Transmission and distribution of electricity	4.9	546	39.3	636	43.5												E
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Smart Lighting)	7.3 (d)	2	0.1	2	0.1	100.0			Y		Y	Y	Y		Y		
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	6.3 (a)	-	-	-	-												
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Energy Efficiency)	7.3 (a-e)	-	-	-	-	100.0			Y		Y				Y		
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment																	
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.3 (a-e)	2	0.1	1	0.1	100.0			Y		Y	Y			Y		
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Home/Vivi Meglio Unifamiliare)	7.5 (a)	2	0.1	1	0.1	100.0											

A1. TAXONOMY-ELIGIBLE ALIGNED ACTIVITIES

Economic activities	Taxonomy Code	Absolute ope <u>x⁽⁴⁾</u> 2021		Proportion of ope <u>x⁽⁴⁾</u> 2021		Absolute ope <u>x⁽⁴⁾</u> 2020		Proportion of ope <u>x⁽⁴⁾</u> 2020		Substantial contribution to climate change mitigation ⁽⁵⁾	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾						Category ⁽⁶⁾	
		millions of euro	%	millions of euro	%	millions of euro	%	millions of euro	%		Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment	7.3 (a-e)	-	-	-	-	100.0				Y				Y			Y	
(Enel X - Condominium)																		
Professional services related to energy performance of buildings	9.3	1	0.1	1	0.1	100.0				Y				Y			Y	
(Enel X - Customer Insight)																		
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment	7.3 (d,e)																	
7.6 Installation, maintenance and repair of renewable energy technologies	7.6 (a)	-	-	-	-	100.0				Y				Y			Y	
(Enel X - Distributed Energy)																		
Installation, maintenance and repair of renewable energy technologies	7.6 (f)	1	0.1	1	0.1	100.0				Y							Y	
(Enel X - Battery Energy Storage)																		
6.13 Infrastructure for personal mobility, cycle logistics	6.13																	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	1	0.1	2	0.1	100.0				Y				Y			Y	
(Enel X - Mobility)																		
Market (power sales to end customer with Certificates of Origin)	6	0.4	5	0.3	100.0					Y							Y	
Opex of environmentally sustainable activities (taxonomy-aligned) (A.1)	898	64.6	958	65.6	100.0													

Economic activities	Taxo-nomy Code	Absolute opex ⁽¹⁾ 2021		Proportion of opex ⁽²⁾ 2021		Absolute opex ⁽¹⁾ 2020		Proportion of opex ⁽²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾		DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾						Category ⁽⁶⁾	
		millions of euro	%	millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
Electricity generation from hydropower	4.5	1	0.1	1	-														
Transmission and distribution of electricity (Argentina and new connections between a substation and power plant >100 gCO _{2eq} /kWh)	4.9	25	1.8	19	1.3														
Market (power sales to end customer without Certificates of Origin)		34	2.4	29	2.0														
Opex of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		60	4.3	49	3.3														
Total (A.1 + A.2)		958	68.9	1,007	68.9														
B. Taxonomy-non-eligible activities																			
Electricity generation from coal		59	4.2	78	5.3														
Electricity generation from gas and liquid fossil fuels		228	16.4	233	15.9														
Electricity generation from nuclear energy		97	7.0	95	6.5														
Enel X (only activities not eligible)		18	1.3	13	0.9														
Trading activities (energy sales - wholesale)		8	0.6	9	0.7														
Market (gas sales to end customer)		8	0.6	5	0.3														
Services, Holding and Other		99	7.1	101	7.0														
Elisions and adjustments		(85)	(6.1)	(80)	(5.5)														
Opex of taxonomy-non-eligible activities (B)		432	31.1	454	31.1														
Total (A + B)		1,390	100.0	1,461	100.0														

(1) **Absolute opex:** opex for each individual activity. If an activity is present in both A.1 and A.2 or B, the figure refers to the proportion of the activity that corresponds to A.1, A.2 or B.

(2) **Proportion of opex:** percentage impact of opex of each individual business activity out of the total ordinary operating expenses required by the taxonomy at Group level.

(3) **Substantial contribution to climate change mitigation:** refers to the share of ordinary opex for each individual economic activity (indicated in the column Absolute opex) that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table, as it is considered more relevant compared to the climate change adaptation objective, while the criteria for the other environmental objectives are not yet available.

(4) **DNSH:** environmental objectives meeting the DNSH criteria are specified for each activity.

(5) **Minimum safeguards:** indicates whether the minimum safeguards are respected for each individual activity.

(6) **Category:** specifies whether the activity makes a direct contribution to climate mitigation or is an enabling or transitional activity.

Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾										Category ⁽⁶⁾	
		Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2021 millions of euro	Proportion of ordinary gross operating profit (EBITDA) ⁽¹⁾ 2021 %	Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2020 millions of euro	Proportion of ordinary gross operating profit (EBITDA) ⁽¹⁾ 2020 %	Substantial contribution to climate change mitigation ⁽³⁾ %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Minimum safeguards ⁽⁵⁾ Y/N	Enabling activity E
A.1 Environmentally sustainable activities (taxonomy-aligned)													
Electricity generation from wind power	4.3	1,393	7.3	1,490	8.3	100.0	Y		Y	Y	Y	Y	
Electricity generation using solar photovoltaic technology	4.1	384	2.0	340	1.9	100.0	Y		Y	Y	Y	Y	
Electricity generation from hydropower	4.5	2,771	14.4	2,570	14.2	100.0	Y	Y		Y	Y		
Electricity generation from geothermal energy	4.6	236	1.2	350	1.9	100.0	Y	Y	Y	Y	Y	Y	
Storage of electricity	4.10	-	-	-	-	100.0	Y	Y	Y	Y	Y	Y	
Transmission and distribution of electricity	4.9	7,616	39.7	7,748	43.0	100.0	Y	Y	Y	Y	Y	Y	E
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Smart Lighting)	7.3 (d)	73	0.4	91	0.5	100.0	Y		Y			Y	
Urban and suburban transport, road passenger transport (Enel X - e-Bus)	6.3 (a)	14	0.1	2	-	100.0			Y		Y	Y	Y
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X - Energy Efficiency)	7.3 (a-e)	2	-	-	-	100.0			Y		Y		Y
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment													
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.3 (a-e)												
7.5 (a)	7.3 (a-e)	135	0.7	89	0.5	100.0	Y		Y		Y		
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Home/Vivi Meglio Unifamiliare)	7.6 (a)												

A1. TAXONOMY ELIGIBLE-ALIGNED ACTIVITIES

Economic activities	Taxonomy Code	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾										Category ⁽⁶⁾						
		Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2021 millions of euro	%	Proportion of ordinary gross operating profit (EBITDA) ⁽²⁾ 2021	Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2020 millions of euro	%	Proportion of ordinary gross operating profit (EBITDA) ⁽²⁾ 2020	%	Substantial contribution to climate change mitigation ⁽³⁾	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards ⁽⁵⁾	Enabling activity	Transitional activity
Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment (Enel X – Condominium)	7.3 (a-e)	1	-	-	-	100.0	.	.	Y	.	.	Y	.	Y	.	Y	E	T
Professional services related to energy performance of buildings (Enel X – Customer Insight)	9.3	16	0.1	13	0.1	100.0	.	.	Y	Y		
7.3 Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment	7.3 (d,e)																	
7.6 Installation, maintenance and repair of renewable energy technologies (Enel X - Distributed Energy)	7.6 (a)	5	-	3	-	100.0	.	.	Y	.	Y	.	.	Y	.	Y		
Installation, maintenance and repair of renewable energy technologies (Enel X – Battery Energy Storage)	7.6 (f)	(3)	-	3	-	100.0	.	.	Y	Y	.			
6.13 Infrastructure for personal mobility, cycle logistics																		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (Enel X – Mobility)	6.13 7.4	(11)	(0.1)	(40)	(0.2)	100.0	.	.	Y	Y	Y	Y	Y	Y	Y	Y		
Market (power sales to end customer with Certificates of Origin)		565	2.9	568	3.2			
Ordinary EBITDA of environmentally sustainable activities (taxonomy-aligned) (A.1)		13,197	68.7	13,227	73.4	100.0			

Economic activities	Taxonomy Code	Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2021		Ordinary gross operating profit (EBITDA) ⁽¹⁾ 2020		Proportion of ordinary gross operating profit (EBITDA) ⁽²⁾ 2020		Substantial contribution to climate change mitigation ⁽³⁾	DNSH Criteria ("Do No Significant Harm") ⁽⁴⁾						Category ⁽⁶⁾	
		millions of euro	%	millions of euro	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	E	T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																
Electricity generation from hydropower	4.5	17	0.1	9	-											
Transmission and distribution of electricity (Argentina and new connections between a substation and power plant >100 gCO _{2eq} /kWh)	4.9	4	-	48	0.3											
Market (power sales to end customer without Certificates of Origin)		1,990	10.4	2,065	11.4											
Ordinary EBITDA of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		2,011	10.5	2,122	11.7											
Total (A.1 + A.2)		15,208	79.2	15,349	85.1											
B. Taxonomy-non-eligible activities																
Electricity generation from coal		282	1.4	535	3.0											
Electricity generation from gas and liquid fossil fuels		906	4.7	659	3.7											
Electricity generation from nuclear energy		416	2.2	439	2.4											
Enel X (only activities not eligible)		68	0.3	1	-											
Trading activities (energy sales - wholesale)		98	0.5	597	3.3											
Market (gas sales to end customer)		422	2.2	447	2.5											
Services, Holding and Other		1,645	8.6	(83)	(0.5)											
Adjustments		165	0.9	83	0.5											
Ordinary EBITDA of taxonomy-non-eligible activities (B)		4,002	20.8	2,678	14.9											
Total (A + B)		19,210	100.0	18,027	100.0											

(1) **Ordinary gross operating profit (EBITDA):** Ordinary gross operating profit on each individual asset. If an activity is present in both A.1 and A.2 or B, the figure refers to the proportion of the activity that corresponds to A.1, A.2 or B.

(2) **Proportion of ordinary gross operating margin (ordinary EBITDA):** percentage impact of EBITDA of each individual business on the Group's total EBITDA.

(3) **Substantial contribution to climate change mitigation:** refers to the portion of EBITDA of each individual business activity (indicated in the column Ordinary gross operating profit (EBITDA)) that contributes to climate change mitigation. This is the only objective of the EU taxonomy regulation alignment analysis shown in the table, as it is considered more relevant compared to the climate change adaptation objective, while the criteria for the other environmental objectives are not yet available.

(4) **DNSH:** environmental objectives meeting the DNSH criteria are specified for each activity.

(5) **Minimum safeguards:** indicates whether the minimum safeguards are respected for each individual activity.

(6) **Category:** specifies whether the activity makes a direct contribution to climate mitigation or is an enabling or transitional activity.

Independent auditors' report



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the schedule of environmentally sustainable economic activities (article 8 of Regulation (EU) 2020/852)

To the board of directors of Enel S.p.A.

We have been engaged to perform a limited assurance engagement on the accompanying 2021 schedule of environmentally sustainable economic activities (article 8 of Regulation (EU) 2020/852), comprising the related notes (the "schedule") of the Enel Group (the "group").

Responsibilities of the directors of Enel S.p.A. (the "parent") for the schedule

The directors are responsible for selecting and defining the basis of preparation of the schedule.

They are responsible for the preparation of the schedule in accordance with the basis of preparation described in the notes.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of a schedule that is free from material misstatement, whether due to fraud or error.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

Ancona Bari Bergamo
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Catania Como Firenze Genova
Lecce Milano Napoli Novara
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Trieste Varese Verona

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20124 Milano MI ITALIA

Auditors' responsibility

Our responsibility is to express a conclusion on the schedule, based on the procedures performed. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the schedule are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the schedule, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

- analysing and understanding the criteria adopted by the group in order to identify the activities and how they have been associated with economic activities that qualify as environmentally sustainable;
- critical analysis of the basis of preparation described in the notes;
- understanding the process for processing and preparing the quantitative information presented in the schedule and related calculation methods;
- performing selected procedures, on a sample basis, to check whether the quantitative information presented in the schedule had been prepared in conformity with the basis of preparation indicated by the parent and analysed as per the previous point;
- comparing the financial disclosures used to calculate the quantitative information presented with those included in the group's consolidated financial statements;
- obtaining the representation letter from the directors.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 schedule of the Enel Group has not been prepared, in all material respects, in accordance with the basis of preparation described in the notes.

Rome, 14 April 2022

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit



Green Bond Report – Supporting notes

Introduction and reporting criteria

Enel Finance International NV, the Group's financial company controlled by Enel SpA, placed three green bonds on the European market in January 2017 (1.25 billion euros), 2018 (1.25 billion euros) and 2019 (1 billion euros) for a total of 3.50 billion euros. The green bonds are for institutional investors and are guaranteed by Enel SpA. The net issuance proceeds – carried out under the medium-term bond issue program of Enel and Enel Finance International (Euro Medium-Term Notes Program - EMTN) – were used to finance eligible projects according to the "Green Bond Principles" categories, published by the ICMA (International Capital Market Association). In particular, the proceeds were used to finance:

- new projects for the development, construction and repowering of generation plants from renewable sources (green bond emission in 2017 and 2019);
- new projects for the development, construction, repowering and refinancing of generation plants from renewable sources as well as projects for transmission, networks and smart grids (green bond emission in 2018).

In order to facilitate the transparency and quality of the green bonds issued, the Enel Group has prepared and published specific "Green Bond Frameworks" for each year of emission, whose compliance with the reference principles has been confirmed by an external advisor, Vigeo Eiris, who issued the so-called "second party opinion".

Within the frameworks, the categories relating to eligible projects are aligned with the Sustainable Development Goals of the United Nations (UN SDG), in particular Goals 7, 9, 11 and 13⁽¹⁾.

The reference documents for the three emissions are available on the Enel Group's website (<https://www.enel.com/investors/investing/sustainable-finance/green-bonds>). The Group is among the first companies in the world having set up a "Green Bond Committee" with the aim of selecting projects and monitoring the progress of their development. The reporting document hereof, published for the fifth time in 2021, meets Enel's commitment undertaken at the time of the bond issuance to report annually on the use of proceeds, on the environmental benefits deriving from the projects financed and on further ESG metrics linked to these projects.

The indicators were determined in accordance with the "Green Bond Framework" (December 2016, December 2017 and November 2018) principles and shown in the table based on the type of project and the specific year of emission of the green bonds. Furthermore, all of the plant technologies as well as the Infrastructure and Networks activities in Italy for which the proceeds of the green bonds issued in 2017, 2018 and 2019 were allocated are to be considered eligible and aligned activities according to European taxonomy (European Regulation 2020/852).

(1) SDG 7 "Affordable and clean energy"; SDG 9 "Industry, innovation and infrastructure"; SDG 11 "Sustainable cities and communities"; SDG 13 "Climate action".

In order to improve transparency and facilitate understanding of reporting over the years, the report also provides the following information:

- **2017 green bond reporting** with evidence of projects relating to renewable plants. Seven plants also contribute toward the allocation of the proceeds of the 2019 green bond following new investments (Capex) that were made;
- **2018 green bond reporting** with evidence of projects related to:
 - renewable plants, three of which that contribute toward the allocation of the proceeds of the 2019 green bond due to new investments (Capex) that were made;
 - “refinancing” of renewable plants due to the replacement of previous credit lines;
 - investment activities relating to the business area “Infrastructure and Networks”;
- **2019 green bond reporting** with evidence of the projects relating to renewable plants, 10 of which were also subject to reporting for the 2017 and 2018 green bonds, as described previously.

Finally, in agreement with what is required by the cited Green Bond Framework, this document consists of the following indicated below.

- **Summary table of 2017, 2018 and 2019 emissions** with indication of the installed capacity and the cumulative CO₂ avoided for all years of Green Bond reporting.
- **Table A “Financial indicators”**, which reports:
 - the capacity and amount of the “foreign currency investment” approved by the Board of Directors and/or the Investment Committee, and communicated to the financial market through specific press releases;
 - the value of the “investment in euros”, calculated by considering the average exchange rate for the years 2017-2019 (for projects defined in 2017), the average exchange rate for the years 2018-2020 (for projects defined in 2018) and/or the average exchange rate for the years 2019-2021 (for projects defined in 2019) of Enel’s Industrial Plan;
 - the share of the green bond proceeds allocated to the project as the difference between the total capitalized costs as at December 31, 2017, December 31, 2018 and/or December 31, 2019 and the amount of third-party financing associated to the specific project⁽²⁾. The amounts of proceeds allocated to the projects in 2017, 2018 and 2019 respectively were used in the same years;

— the date of entry into operation corresponding to the time when the plant produced the first kWh.

- **Table B “ESG indicators”**, which shows the environmental benefit in terms of actual CO₂ avoided. In particular, with reference to:

renewable projects:

- the quantity of effective generation (with the exception of the repowering plants whose share of generation cannot be separated from the rest of the plant);
- the quantity of actual CO₂ avoided, determined by multiplying the effective generation by the emission factor linked to the specific thermoelectric energy generation of the country in which the plant is located (emission factors source: Enerdata – January 13, 2022 release);
- in consideration of the entry into operation of almost all of the plants associated with the three green bonds, it was decided to no longer disclose the share of expected generation and the expected CO₂⁽³⁾ avoided;
- the cumulative value of effective generation and the relative CO₂ avoided for the entire years of Green Bond reporting;

Infrastructure and Networks projects, the following indicators are also provided:

- the cabling ratio, determined by the ratio between the length of the cable lines and the total length of the lines. The increase in this index over time is due to an increase in the length of the overhead and underground cable line to the detriment of bare conductors; in particular, the main environmental benefits concern the containment of plant cutting activities and a drastic reduction in the risk of electrocution for birds;
- network automation, which corresponds to the ratio between RCP (Remote Controlled Point) and medium/low-voltage equipment;
- technical network losses, mainly related to the characteristics/functions of the network. These losses are usually calculated using statistical models or benchmarks. A reduction in technical network losses results in a reduction in the energy to be generated and a consequent reduction in emissions and consumption of raw materials;
- the elimination of oil equipment with PCB reduces the risk of contamination of a compound no longer in production since the 1980s and classified as ecotoxic and bioaccumulable;

(2) If the same company is involved with the implementation of several projects, proceeds are allocated to the specific project based on the capacity.

(3) Only 26 MW of installed capacity remain with the “under construction” status associated with the 2019 green bond (included in the Italian hydroelectric 40 MW) that refer to repowering plants whose generation share cannot be separated from the rest of the plant.

- the calculation of CO₂ avoided. The energy saving estimation model takes into account: the number of low-loss transformers replacing traditional transformers; operations on the MV network; network upgrading measures; the new transformer rooms, which involve optimizing the grid in terms of reducing low-voltage lines in favor of higher-voltage ones.
 - **Table C “Further ESG indicators”**, which shows, where possible and appropriate⁽⁴⁾, as envisaged in the “second party opinion”⁽⁵⁾, the following indicators for the renewable projects:
 - water consumption related to the data reported in the period of construction of the plant or the period following its entry into operation;
 - projects for protecting biodiversity promoted by Enel in connection to the operation of the plant;
 - the cases in which the site stopped its operations (plant shutdown) due to environmental management issues and their impact;
 - fatalities or high consequence (“Life Changing”⁽⁶⁾) injuries to Enel people;
 - activities and projects carried out to support local communities in the areas surrounding the plant. The indicator related to the number of beneficiaries of these projects refers to the people involved by such activity or project.
- The above indicators in Table C, with the exception of water consumption and plant shutdown due to environmental issues, also refer to Infrastructure and Networks projects.
- **Table D “Overall information”**, which provides the criteria, indicators, overall information and approach chosen by Enel to develop the projects financed through the proceeds of the bond.
- The data have been thoroughly calculated on the basis of the results of Enel’s accounting, non-accounting and other information systems, and validated by the persons responsible in each case. The data determined through the use of estimates and related calculation method has been expressly indicated.

Summary table of 2017, 2018 and 2019 emissions with indication of the installed capacity and the CO₂ avoided

GB emission	Area of investment	GB proceeds allocated (mil euros)	Installed capacity (MW)	Cumulative CO ₂ avoided (t)
2017	Renewables	1,238	3,355	20,096,219
2018		1,240		
of which new renewable projects	Renewables	575	1,878	7,796,732
of which new Infrastructure and Networks projects	I&N	665		62,457
2019		986	638	1,149,296
of which new projects identified in 2019	Renewables	65	638	1,149,296
of which new Capex for 2018 projects	Renewables	342	n.a.	n.a.
of which new Capex for 2017 projects	Renewables	579	n.a.	n.a.

(4) Projects relating to renewable plants with a capacity of more than 20 MW are considered to be relevant.

(5) The indicator “Material reused/recycled after revamping” is not applicable, as the proceeds of the green bond were not used to finance revamping projects in 2017, 2018 and 2019.

(6) These are injuries that caused consequences to health that permanently changed a person’s life (for example amputation of limbs, paralysis, neurological damage, etc.). Furthermore, as of the 2021 reporting cycle, the Life Changing Accident indicator has replaced High Consequence Injuries following the standardization of company safety information.

Table A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Currency	Investment (value in currency)		GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2019 (mil euros) ⁽²⁾
							Value in currency (mil)	Equivalent in euro (mil) ⁽¹⁾		
USA	Red Dirt	Wind	In Operation	300	Nov-17	USD	420	378	77	-
USA	Thunder Ranch	Wind	In Operation	298	Nov-17	USD	435	392	132	-
USA	Hilltopper	Wind	In Operation	185	Nov-18	USD	325	293	166	-
USA	Stillwater Solar II	Solar	In Operation	27	May-18	USD	40	36	48	-
USA	Woods Hill	Solar	In Operation	25	Dec-17	USD	44	41	36	-
USA	Rattlesnake Creek	Wind	In Operation	320	Dec-18	USD	430	387	204	-
USA	Rock Creek	Wind	In Operation	300	Oct-17	USD	500	450	73	-
BRAZIL	Horizonte MP	Solar	In Operation	103	Feb-18	USD	110	99	43	-
BRAZIL	Delfina	Wind	In Operation	209	Aug-17	USD	440	364	33	-
CHILE	Cerro Pabellón	Geothermal	In Operation	81	Aug-17	USD	420	347	57	-
CHILE	Sierra Gorda	Wind	In Operation	112	Dec-16	USD	215	194	17	-
PERU	Wayra	Wind	In Operation	132	Mar-18	USD	165	149	82	-
PERU	Rubi	Solar	In Operation	180	Nov-17	USD	170	153	68	-
ITALY	Various projects ⁽³⁾	Geothermal/ Hydroelectric		34		EUR	113	101	-	-
CANADA	Riverview	Wind	In Operation	105	Apr-20	USD			8	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29	Mar-20	USD	210	187	2	23
MEXICO	Magdalena 2	Solar	In Operation	220	Sep-19	USD	165	136	9	112
MEXICO	Amistad II	Wind	In Operation	100	Dec-19	USD	115	97	22	55
MEXICO	Amistad III	Wind	In Operation	108	Feb-20	USD			11	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	305	269	18.0	57
MEXICO	Dolores	Wind	In Operation	274	May-20	USD	290	255	36	192
PANAMA	Estrella Solar	Solar	In Operation	8	Aug-18	USD	8	7	5	-
ZAMBIA	Ngonye	Solar	In Operation	34	Mar-19	USD	40	34	10	-
ITALY	Various projects ⁽⁴⁾	Geothermal/ Hydroelectric		8			43	36	-	-
TOTAL									1,238	579

(1) Indicative value in euros (EUR), although the investment in US dollars (USD) applies where present. The exchange rate used for projects allocated in the 2017 green bond is 1.11 USD/EUR, for projects allocated in the 2018 green bond it is 1.19 USD/EUR whereas for projects whose investment value has been updated – including those with the new Capex identified in GB 2019 – the exchange rate is 1.21. For projects where the value of the investment was updated in 2021, the exchange rate is equal to 1.14.

(2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 Green Bond, for which new capitalized costs emerged.

(3) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

(4) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

Table B – ESG indicators

Country	Project name	2021 generation (GWh)	CO ₂ avoided 2021 (t)	2017-2021 generation (GWh)	2017-2021 CO ₂ avoided (t)
USA	Red Dirt	1,057	621,746	4,133	2,629,234
USA	Thunder Ranch	953	560,739	4,358	2,779,970
USA	Hilltopper	560	329,469	1,705	1,062,997
USA	Stillwater Solar II	8	4,894	73	47,332
USA	Woods Hill	26	15,443	104	65,733
USA	Rattlesnake Creek	1,117	657,535	3,354	2,083,852
USA	Rock Creek	1,073	631,120	4,384	2,789,095
BRAZIL	Horizonte MP	143	78,239	656	368,493
BRAZIL	Delfina	803	438,464	3,602	2,007,384
CHILE	Cerro Pabellón	275	201,484	958	719,579
CHILE	Sierra Gorda	352	257,784	1,718	1,293,515
PERU	Wayra	617	328,325	2,287	1,130,965
PERU	Rubi	443	235,630	1,722	852,326
ITALY	Various projects ⁽¹⁾	16	6,748	409	200,897
CANADA	Riverview	341	221,790	577	380,140
CANADA	Castel Rock Ridge 2	99	64,508	178	117,546
MEXICO	Magdalena 2	493	263,680	982	543,601
MEXICO	Amistad II	177	94,801	177	94,801
MEXICO	Amistad III	168	90,056	168	90,056
MEXICO	Amistad IV	88	47,102	88	47,102
MEXICO	Dolores	650	347,930	1,102	606,903
PANAMA	Estrella Solar	9	9,032	31	23,035
ZAMBIA	Ngonye	58	60,661	151	155,589
ITALY	Various projects ⁽²⁾	-	53	12	6,074

(1) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of generation for only repowering cannot be separated from the rest of the plant because it is not possible to precisely determine the share of energy fed to the network only due to the increase in power.

(2) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric. The share of generation for only repowering cannot be separated from the rest of the plant because it is not possible to precisely determine the share of energy fed to the network only due to the increase in power.

Table C – Further ESG indicators

Country	Project name	Water consumption m ³⁽¹⁾	Actions to protect/ restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and "Life Changing") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Red Dirt	-	-	-	-	1	70
USA	Thunder Ranch	-	-	-	-	3	488
USA	Hilltopper	57	1	-	-	1	33,618
USA	Stillwater Solar II	-	-	-	-	1	5,000
USA	Woods Hill	-	-	-	-	-	-
USA	Rattlesnake Creek	-	-	-	-	1	8
USA	Rock Creek	182	1	-	-	2	110
BRAZIL	Horizonte MP	230	3	-	-	1	215
BRAZIL	Delfina	-	7	-	-	1	-
CHILE	Cerro Pabellón	3,172	5	-	-	5	245
CHILE	Sierra Gorda	-	2	-	-	-	-
PERU	Wayra	-	1	-	-	8	565
PERU	Rubi	121	-	-	-	5	735
ITALY	Various projects ⁽²⁾	-	-	-	-	4	1,428
CANADA	Riverview	-	3	-	-	1	3
CANADA	Castel Rock Ridge 2	-	3	-	-	-	-
MEXICO	Magdalena 2	1,844	-	-	-	7	1,490
MEXICO	Amistad II	-	4	-	-	1	5
MEXICO	Amistad III	-	4	-	-	1	2,525
MEXICO	Amistad IV	-	4	-	-	6	1,205
MEXICO	Dolores	-	2	-	-	5	155
PANAMA	Estrella Solar	-	-	-	-	-	-
ZAMBIA	Ngonye	85	-	-	-	3	12,464
ITALY	Various projects ⁽³⁾	-	-	-	-	2	6

(1) Industrial water consumption related to water extraction data for plant.

(2) Aggregate data related to 24 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

(3) Aggregate data related to 8 small sized Italian projects. The technologies involved are geothermal and hydroelectric.

Table A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Investment (value in currency)			GB proceeds allocated in 2018 (mil euros)	GB proceeds allocated in 2019 (mil euros) ⁽²⁾
						Currency	Value in currency (mil)	Equivalent in euro (mil) ⁽¹⁾		
USA	Diamond Vista	Wind	In Operation	300	Dec-18	USD	400	336	100	-
USA	Fenner Repowering	Wind	In Operation	29	Dec-18	USD	29	24	21	-
USA	High Lonesome I+II	Wind	In Operation	501	Dec-19	USD	720	595	81	75
USA	Roadrunner	Solar	In Operation	497	Jun-20	USD	436	366	30	141
GERMANY	Cremzow	Other	In Operation	22	Feb-19	USD	17	17	9	-
GREECE	Kafireas	Wind	In Operation	154	Oct-19	USD	300	300	64	126
COLOMBIA	El Paso	Solar	In Operation	86	Oct-19	USD	70	59	54	-
USA	Aurora	Solar	In Operation	150	Jun-17	USD	290	244	181	-
USA	Little Elk	Wind	In Operation	74	Dec-15	USD	130	107	5	-
USA	Chisholm View II	Wind	In Operation	65	Dec-16	USD	90	76	29	-
TOTAL									575	342

(1) Indicative value in euros (EUR), although the investment in US dollars (USD) applies where present. The exchange rate used for projects allocated in the 2017 green bond is 1.11 USD/EUR, for projects allocated in the 2018 green bond it is 1.19 USD/EUR whereas for projects whose investment value has been updated – including those with the new Capex identified in GB 2019 – the exchange rate is 1.21. For projects where the value of the investment was updated in 2021, the exchange rate is equal to 1.14.

(2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 green bond, for which new capitalized costs emerged.

Table B – ESG indicators

Country	Project name	2021 generation (GWh)	CO ₂ avoided 2021 (t)	2018–2021 generation (GWh)	2018–2021 CO ₂ avoided (t)
USA	Diamond Vista	1,183.94	696,656.94	3,448.80	2,143,196.26
USA	Fenner Repowering ⁽¹⁾	73.42	43,201.44	161.36	97,599.59
USA	High Lonesome I+II	1,501.36	883,436.92	2,851.86	1,718,855.40
USA	Roadrunner	984.11	579,072.74	1,838.21	1,107,418.48
GERMANY	Cremzow	-	-	n.a.	n.a.
GREECE	Kafireas	493.79	346,442.45	908.69	637,535.50
COLOMBIA	El Paso	128.99	131,708.21	265.19	230,297.16
USA	Aurora	186.08	109,491.95	730.58	464,115.94
USA	Little Elk	337.33	198,495.52	1,318.21	838,340.53
USA	Chisholm View II	223.58	131,557.08	879.21	559,372.89

n.a. not applicable

(1) Unlike other repowering plants, the service life of the Fenner plant was extended and its capacity (MW) was not increased, therefore the capacity and generation data refer to the plant in its entirety.

Table C – Further ESG indicators

Country	Project name	Water consumption m ³ ⁽¹⁾	Actions to protect/ restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and "Life Changing") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Diamond Vista	-	-	-	-	2	1,510
USA	Fenner Repowering	-	-	-	-	-	-
USA	High Lonesome I+II	38	-	-	-	-	-
USA	Roadrunner	-	-	-	-	-	-
GERMANY	Cremzow	-	-	-	-	-	-
GREECE	Kafireas	-	1	-	-	7	5,673
COLOMBIA	El Paso	n.a. ⁽²⁾	-	-	-	1	1,086
USA	Aurora	-	-	-	-	2	502
USA	Little Elk	-	-	-	-	2	1,496
USA	Chisholm View II	-	-	-	-	-	-

n.a. not applicable

(1) Industrial water consumption related to water extraction data for plant.

(2) Value not available as the plant is not yet in commercial operation.

Table A – Financial indicators

Country	Project cluster	Cluster	Status	Investments in currency (mil)	Green bond proceeds allocated to the project in 2018 (mil euros)
ITALY	Smart meter	Asset Development	(1)	n.a.	46
ITALY	Smart grid	Asset Development	(2)	n.a.	21
ITALY	Quality&Efficiency	Asset Development	(2)	n.a.	305
ITALY	Other ICT Investment	Asset Development	(2)	n.a.	52
Total Asset Development				824	424
ITALY	Maintenance	Asset Management	(2)	n.a.	242
Total Asset Management				452	242
Total Asset Development and Asset Management Country Italy				1,276	666

n.a. not applicable

- (1) As at December 31, 2018 the final figures of the project consisted of approximately 420 million euros of meters and concentrators entered into operation in the same month as the installation and about 26 million euros for the central remote management system and related software.
- (2) The final figures are composed of a very large number of interventions that include activities started in previous years and concluded in the current year, activities started in the current year and concluded in the same year and activities started in the year and not yet completed at December 31, 2018.

Table B – ESG indicators

COUNTRY - ITALY	Cabling (%)	Network automation (%)	Oil equipment with PCB removed (no.)	End users with active smart meters (mil) ⁽¹⁾	Renewable generation units connected to network (no.)	New "users" connected to network (no.)			CO ₂ avoided (t)
						Technical network losses (%)	New "users" connected to network (no.)	Technical network losses (%)	
Total Asset Development	n.a.	n.a.	n.a.	30.97	79,477	184,125	n.a.	n.a.	9,800
Total Asset Management	75.7	0.38	270	n.a.	n.a.	n.a.	3.22	n.a.	

n.a. not applicable

- (1) In 2017, a campaign has been started for replacing first generation smart meters with second generation meters, therefore the replacement does not involve an increase in the number of reported smart meters.

Table C – Further ESG indicators

Country	Injuries (fatalities and "Life Changing") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)	Biodiversity projects (no.)
ITALY	2	345	906,310	45

TABLE A – Financial indicators

Country	Project name	Technology	Status	Capacity (MW)	Commercial operation date	Currency	Investments (value in currency)		GB proceeds allocated in 2017 (mil euros)	GB proceeds allocated in 2018 (mil euros)	GB proceeds allocated in 2019 (mil euros) ⁽²⁾
							Value in currency (mil)	Equivalent in euro (mil) ⁽¹⁾			
USA	Whitney Hill	Wind	In Operation	66	Dec-19	USD	281	232	-	-	10
USA	Aurora Wind	Wind	In Operation	298.8	Dec-20	USD	450	401	-	-	10
USA	Cimarron Bend 3 phase I	Wind	In Operation	198.84	Dec-20	USD	281	248	-	-	4
AUSTRALIA	Cohuna	Solar	In Operation	34.3	Jun-20	USD	42	37	-	-	31
ITALY	Various projects ⁽³⁾	Hydroelectric		40		EUR	55	55			10
CANADA	Riverview	Wind	In Operation	105	Apr-20	USD			8	-	81
CANADA	Castel Rock Ridge 2	Wind	In Operation	29.4	Mar-20	USD	210	187	2	-	23
MEXICO	Magdalena 2	Solar	In Operation	220	Sep-19	USD	165	136	9	-	112
MEXICO	Amistad II	Wind	In Operation	100	Dec-19	USD	115	97	22	-	55
MEXICO	Amistad III	Wind	In Operation	108	Feb-20	USD			11	-	59
MEXICO	Amistad IV	Wind	In Operation	162	Dec-20	USD	305	269	18	-	57
MEXICO	Dolores	Wind	In Operation	273.9	May-20	USD	290	255	36	-	192
USA	High Lonesome I+II	Wind	In Operation	501	Dec-19	USD	720	595	-	81	75
USA	Roadrunner	Solar	In Operation	49746	Jun-20	USD	436	366	-	30	141
GREECE	Kafireas	Wind	In Operation	154	Oct-19	USD	300	300	-	64	126
TOTAL											986

(1) Indicative value in euros (EUR), although the investment in US dollars (USD) applies where present. The exchange rate used for projects allocated in the 2017 green bond is 1.11 USD/EUR, for projects allocated in the 2018 green bond it is 1.19 USD/EUR whereas for projects whose investment value has been updated – including those with the new Capex identified in GB 2019 – the exchange rate is 1.21. For projects where the value of the investment was updated in 2021, the exchange rate is equal to 1.14.

(2) Additional proceeds were allocated for some renewable projects that were already identified in the 2017 and 2018 green bond, for which new capitalized costs emerged.

(3) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table B – ESG indicators

Country	Project name ⁽¹⁾	2021 generation (GWh)	2021 CO ₂ avoided (t)	2019-2021 generation (GWh)	2019-2021 CO ₂ avoided (t)
USA	Whitney Hill	204.77	120,493.01	393.69	237,359.51
USA	Aurora Wind	730.11	429,612.65	730.11	429,612.65
USA	Cimarron Bend 3 phase I	804.02	473,104.61	804.02	473,104.61
AUSTRALIA	Cohuna	10.66	9,219.08	10.66	9,219.08
ITALY	Various projects ⁽²⁾	n.a.	n.a.	n.a.	n.a.

n.a. not applicable

(1) For projects for which new Capex were allocated in 2019, in addition to what was allocated in the 2017 and 2018 green bond, for the ESG indicators refer to the 2017 and 2018 tables.

(2) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table C – Further ESG indicators

Country	Project name ⁽¹⁾	Water consumption m ³⁽²⁾	Actions to protect/restore biodiversity (no.)	Plant shutdown or site stop due to environmental issues (no.)	Injuries (fatalities and "Life Changing") (no.)	Social actions (no.)	Beneficiaries of social projects (no.)
USA	Whitney Hill	56.70	1.00	-	-	1.00	33,618.00
USA	Aurora Wind	22.70	-	-	-	2.00	502.00
USA	Cimarron Bend 3 phase I	22.70	1.00	-	-	-	-
AUSTRALIA	Cohuna	-	-	-	-	5.00	191.00
ITALY	Various projects ⁽³⁾	-	-	-	-	2.00	550.00

(1) For projects for which new Capex were allocated in 2019, in addition to what was allocated in the 2017 and 2018 green bond, for the ESG indicators refer to the 2017 and 2018 tables.

(2) Industrial water consumption related to water extraction data for plant.

(3) Aggregate data related to 8 small sized Italian projects. The concerned technology is hydroelectric.

Table D – Overall information

CRITERION	INDICATOR	GB 2021 DATA/APPROACH
Respect for human rights standards and prevention of breaches	Number and description of the reports identified through the Enel monitoring system	A violation in terms of human rights, connected to respect for diversity and non-discrimination, regarding renewable plant projects financed with GB proceeds.
	Results of risk analysis on human rights at country level	The risk analysis conducted on a country level in the Group's areas of presence highlighted an average risk perceived as "to be monitored" and "high priority" ⁽¹⁾ . Group human rights practices and policies were subsequently assessed as "robust" ⁽²⁾ . However, specific action plans have been developed for each country of presence as well as a centrally managed improvement plan to harmonize and integrate processes and policies defined at the global level and applied at the local level.
Respect for labor rights	Number and description of the reports identified through the Enel monitoring system	No violation in terms of worker rights regarding projects financed with proceeds from the GB.
	Results of risk analysis on human rights at country level	The risk analysis conducted on a country level in the Group's areas of presence highlighted an average risk perceived as "to be monitored" ⁽¹⁾ . Group human rights practices and policies were subsequently assessed as "robust" ⁽²⁾ . However, specific action plans have been developed for each country of presence as well as a centrally managed improvement plan to harmonize and integrate processes and policies defined at the global level and applied at the local level.
Working conditions (employment relationships, training, health and safety conditions, respect for working hours)	Number of injuries (fatalities and "Life Changing")	No reporting on renewable plant projects financed with GB revenues and 2 fatalities in Infrastructure and Networks in Italy (only Enel people).
Integration of environmental and social factors into the supply chain – Responsible purchasing	Ethical clauses in contracts with suppliers	Through the General Contract Conditions, Enel requires its contractors and subcontractors, among other things, to comply with the ten principles of the United Nations Global Compact, respect for and protection of internationally recognized human rights, as well as respect for ethical and social obligations regarding the fight against child labor and protection of women, equal treatment, prohibition of discrimination, freedom of association, association and representation, forced labor, safety and environmental protection, sanitary conditions and also regulatory conditions, retribution, contributions, insurance and tax.
Business ethics (prevention of corruption and money laundering, fraud, anticompetitive practices)	Number and description of the reports identified through the Enel monitoring system	No violation in terms of worker business ethics regarding projects financed with proceeds from the GB.
Audit and internal control	% of area/country processes covered by internal audit activities	The average annual coverage level of the processes through internal audit activities is equal to 60% for Renewables and 80% for Infrastructure and Networks in Italy.

(1) Average perceived risk: average of perceived risk levels identified in the countries being analyzed. Reference scale of risks: 1. High risk; 2. High priority risk; 3. Risk to be monitored; 4. Acceptable risk.

(2) Reference scale of performance values: Robust (75%-100%); Good (50%-75%); Sufficient (25%-50%); Needs improvement (0%-25%).

Independent auditors' report



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the Green Bond Report

*To the board of directors of
Enel S.p.A.*

We have been engaged to perform a limited assurance engagement on the 2021 Green Bond Report (the "report") of Enel S.p.A. (the "company"), which comprises the summary table of 2017, 2018 and 2019 emissions, setting out the installed capacity and avoided CO₂ emissions, table A "Financial indicators", table B "ESG indicators", table C "Further ESG indicators", table D "Overall information" and notes thereto and has been prepared on the basis of the Enel Group's green bond frameworks (the "frameworks"). This report is included in the Enel Group's 2021 sustainability report.

Responsibilities of the company's directors and board of statutory auditors ("Collegio Sindacale") for the report

The directors are responsible for the preparation of the report in accordance with the frameworks described in the "Introduction and reporting criteria" note to the report.

They are also responsible for such internal control as they determine is necessary to enable the preparation of a report that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for identifying the content of the report, selecting and applying policies and making judgements and estimates that are reasonable in the circumstances.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards, the IESBA Code) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our company applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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20124 Milano MI ITALIA

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the report with the frameworks described in the "Introduction and reporting criteria" note to the report. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we carried out the following procedures:

- 1 obtaining and reading the second party opinion;
- 2 interviewing relevant staff at corporate and business level responsible for the 2021 Green Bond management and reporting;
- 3 understanding the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the report;
- 4 holding interviews and discussions with the company's management personnel to obtain information on the processes and procedures used to gather, combine, process and transmit data and information to the office that prepares the report;
- 5 performing sample-based documental analysis and analytical procedures to check the indicators included in the report.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2021 Green Bond Report of Enel S.p.A. has not been prepared, in all material respects, in accordance with the frameworks described in the "Introduction and reporting criteria" note to the report.

Other matters

Other auditors performed a limited assurance engagement on the 2017, 2018 and 2019 figures presented in the 2021 Green Bond Report and expressed their unqualified conclusions on 10 May 2018, 7 May 2019 and 8 April 2020, respectively.

Rome, 14 April 2022

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

STATEMENT

DNV Business Assurance (DNV) has been commissioned by the management of ENEL SpA to carry out an independent verification of its Greenhouse Gas (GHG) emissions relative to the 2021 calendar year.

Verified GHG Emissions

Greenhouse Gas Emissions	t CO₂eq
Direct (Scope 1) GHG Emissions (*)	51 570 265
Energy Indirect (Scope 2) GHG Emission (Located Based)	4 303 184
Energy Indirect (Scope 2) GHG Emission (Market Based)	7 114 150
Other Indirect (Scope 3) GHG Emissions	69 149 498
of which use of natural gas sold in the retail market	22 250 950
CO ₂ biogenic from biomass combustion (**)	125 878
(*) it includes CH ₄ and N ₂ O biogenic emissions from combustion	
(**) direct CO ₂ biogenic emissions are reported separately as per §4 of The GHG Protocol	

Assurance Opinion

Based on the verification process conducted by DNV as explained in the annex of this statement:

- we provide a reasonable assurance of Scope 1, Scope 2 and the Scope 3 GHG emissions associated to use of natural gas sold in the retail market of ENEL GHG Inventory as DNV found to be
 - materially correct.
 - a fair representation of GHG emissions information; and
 - in accordance with the Verification Criteria
- we provide a limited assurance of the remaining Scope 3 GHG Emissions of ENEL GHG Inventory as no evidence was found showing to be
 - not materially correct.
 - not a fair representation of GHG emissions information; and
 - not in accordance with the Verification Criteria

DNV Business Assurance USA, Inc.

12 April 2022




Lead Verifier
Francisco Zamarron



Technical Reviewer
Shruthi Bachamanda



Approver
David Tellez

Digitally signed by David Tellez
DN: cn=David.Tellez, o=DNV,
ou=Regional Lead, SCPA
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Date: 2022.04.13 13:34:22 -04'00'

The purpose of the DNV group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvgisustainability.com

DNV Business Assurance USA, Inc., 155 Grand Ave, Oakland, CA 94612

Sustainability-Linked Financing Report

Contents:

1. Introduction

2. Performance of KPI #1

3. Performance of KPI #2

4. Verification on Enel's KPI performance

1. Introduction

In line with the Sustainability-Linked Financing Framework published by Enel on its website⁽¹⁾, Enel issues and executes financial instruments and agreements linked to pre-determined Sustainability Performance Targets (SPTs).

Namely Enel and/or its subsidiaries issue sustainability-linked bonds and SDG commercial papers and execute sustainability-linked loans, sustainability-linked foreign ex-

change derivatives, sustainability-linked rates derivatives and sustainability-linked guarantees linked to SPTs related to two KPIs, which contribute to SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy for all) and SDG 13 (Take urgent action to combat climate change and its impacts).

KPIs and SPTs summary

SPT						
KPI #1						
DIRECT GREENHOUSE GAS EMISSIONS AMOUNT (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023	140 gCO _{2eq} /kWh by 2024	82 gCO _{2eq} /kWh by 2030 ⁽²⁾	0 gCO _{2eq} /kWh by 2040		
Baseline: 2017						
KPI #2						
RENEWABLE INSTALLED CAPACITY PERCENTAGE	55% by 2021	60% by 2022	65% by 2023	66% by 2024	80% by 2030	100% by 2040

(1) Enel's Sustainability-Linked Financing Framework – January 2022.

(2) In October 2020 a new target was announced as part of the 2021–2023 Strategic Plan: GHG Scope 1 emissions per kWh reduction by 80% by 2030 with respect to the 2017 baseline, reaching a carbon intensity lower than 82 gCO_{2eq}/kWh. This compared to the 2019 Plan, which instead envisaged a reduction of GHG Scope 1 emissions per kWh of 70% by 2030 with respect to the 2017 baseline, reaching a carbon intensity of less than 125 gCO_{2eq}/kWh.

List of outstanding sustainability-linked bond issued by Enel

ISIN	ISSUER	ISSUANCE DATE	AMOUNT ISSUED	AMOUNT OUTSTANDING	MATURITY	KPI(s)	SPT(s)
US29278GAL23	EFI	10/09/2019	1,500,000,000 \$	1,500,000,000 \$	10/09/2024	Renewable installed capacity percentage	55% by 2021
XS2066706818	EFI	17/10/2019	1,000,000,000 €	1,000,000,000 €	17/06/2024	Renewable installed capacity percentage	55% by 2021
XS2066706909	EFI	17/10/2019	1,000,000,000 €	1,000,000,000 €	17/06/2027	Renewable installed capacity percentage	55% by 2021
XS2066706735	EFI	17/10/2019	500,000,000 €	500,000,000 €	17/10/2034	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	125 gCO _{2eq} /kWh by 2030
XS2244418609	EFI	20/10/2020	500,000,000 £	500,000,000 £	20/10/2027	Renewable installed capacity percentage	60% by 2022
XS2353182020	EFI	17/06/2021	1,000,000,000 €	1,000,000,000 €	17/06/2027	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
XS2353182293	EFI	17/06/2021	1,250,000,000 €	1,250,000,000 €	17/06/2030	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
XS2353182376	EFI	17/06/2021	1,000,000,000 €	1,000,000,000 €	17/06/2036	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	82 gCO _{2eq} /kWh by 2030
US29278GAM06	EFI	12/07/2021	1,250,000,000 \$	1,250,000,000 \$	12/07/2026	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
US29278GAN88	EFI	12/07/2021	1,000,000,000 \$	1,000,000,000 \$	12/07/2028	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
US29278GAP37	EFI	12/07/2021	1,000,000,000 \$	1,000,000,000 \$	12/07/2031	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
US29278GAQ10	EFI	12/07/2021	750,000,000 \$	750,000,000 \$	12/07/2041	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	82 gCO _{2eq} /kWh by 2030
XS2390400633	EFI	28/09/2021	1,250,000,000 €	1,250,000,000 €	28/05/2026	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
XS2390400716	EFI	28/09/2021	1,000,000,000 €	1,000,000,000 €	28/05/2029	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
XS2390400807	EFI	28/09/2021	1,250,000,000 €	1,250,000,000 €	28/09/2034	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	82 gCO _{2eq} /kWh by 2030
XS2432293673	EFI	17/01/2022	1,250,000,000 €	1,250,000,000 €	17/11/2025	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	148 gCO _{2eq} /kWh by 2023
XS2432293756	EFI	17/01/2022	750,000,000 €	750,000,000 €	17/01/2031	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	140 gCO _{2eq} /kWh by 2024
XS2432293913	EFI	17/01/2022	750,000,000 €	750,000,000 €	17/01/2035	Direct greenhouse gas emissions amount (CO _{2eq} /kWh)	82 gCO _{2eq} /kWh by 2030

2. KPI #1: Direct Greenhouse Gas Emissions Amount (Scope 1)

KPI #1: Direct Greenhouse Gas Emissions Amount (Scope 1)



- Scope 1 greenhouse gas (GHG) emissions (measured in grams of CO₂ per kWh)
- **Definition and methodology:** Group Scope 1 CO₂ equivalent emissions (grams per kWh), as defined and detailed in the documentation of the relevant sustainability-linked transactions.
- **Rationale:** Enel's carbon footprint is key to measure Enel's path towards full decarbonization by 2040. Scope 1 intensity in 2021 is equal to: 227 gCO_{2eq}/kWh.
- **Intermediate and long-term goals:** the first GHG Scope 1 emissions reduction target was set in 2015:
 - GHG Scope 1 emissions per kWh reduction by 25% by 2020 with respect to 2007 baseline, therefore reaching a carbon intensity lower than 350 gCO_{2eq}/kWh. The target was certified by SBTi.

In 2019 the target was accomplished in advance and two new targets were set within the 2020-2022 Strategic Plan

- GHG Scope 1 emissions per kWh equal or less than 254 gCO_{2eq}/kWh by 2020; and
- GHG Scope 1 emissions per kWh equal or less than 220 gCO_{2eq}/kWh by 2022.

Furthermore, a new target was announced in 2019:

- GHG Scope 1 emissions per kWh reduction by 70% by 2030 with respect to 2017 baseline, reaching a carbon intensity lower than 125 gCO_{2eq}/kWh. The target has been certified by SBTi as compliant with the "Well Below 2 °C" pathway.

In October 2020, new targets were announced as part of the 2021-2023 Strategic Plan:

- GHG Scope 1 emissions per kWh reduction by 80% by 2030 with respect to the 2017 baseline, reaching a carbon intensity lower than 82 gCO_{2eq}/kWh. The target is certified by SBTi as compliant with the 1.5 °C pathway;
- the expected path to 2030 target now also includes a target of GHG Scope 1 emissions per kWh equal or less than 148 gCO_{2eq}/kWh by 2023.

In November 2021, Enel announced the acceleration of its decarbonization plan and brought forward its decarbonization target to 2040, confirming at the same time its 2030 target of GHG Scope 1 emissions per kWh reduction by 80% by 2030 with respect to the 2017.

- The expected path to 2030 target now also includes a target of GHG Scope 1 emissions per kWh equal or less than 140 gCO_{2eq}/kWh by 2024.

The ultimate goal is now to reach the full decarbonization of Enel's energy mix by 2040.

- **Contribution to UN SDGs:** SDG 13: Take urgent action to combat climate change and its impacts.

SPTs on Enel's KPI #1 Performance

	2019 (reported)	2020 (reported)	2021 (reported)	2023 (target)	2024 (target)	2030 (target)	2040 (target)
KPI #1 Performance	298	214	227	148	140	82	0
Gap vs 2023	150	66	79				
Gap vs 2024	158	74	87	8			
Gap vs 2030	216	132	145	66	58		
Gap vs 2040	298	214	227	148	140	82	

3. KPI #2: Renewable installed capacity percentage

KPI #2: Renewable installed capacity percentage



- Proportion that renewable energy installed capacity represents of total installed capacity (expressed as a percentage).

- Definition and methodology:**

Renewable energy installed capacity

Calculation

(a) MW

Total installed capacity

(b) MW

Renewable installed capacity percentage

(a) / (b) %

Terms referring to KPI #2 and SPT #2 are detailed in the documentation of the relevant sustainability-linked transactions.

- Rationale:** KPI #2 supports Enel's target to fully decarbonize its technology mix by 2040.

- Intermediate and long-term goal:** in November 2021, Enel reinforced its objective to reach 66% of total net efficient installed capacity from renewables by the end of 2024, compared to 57.5% achieved in 2021.

- Previous objective was to reach 65% of total net efficient installed capacity from renewables by the end of 2023, compared to the 2020 baseline.
- This new objective represents an increase of over 31% in renewable net efficient installed capacity compared to 2021, from a total renewable capacity of ~51 GW in 2021 to ~67 GW capacity in 2024 (+~16 GW).
- Therefore, the percentage of renewable net efficient installed capacity, in relation to total net efficient installed capacity would increase of 8 percentage points, from 57.5% achieved in 2021 to 66% in 2024.

- Contribution to UN SDGs:** SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all.

SPTs on Enel's KPI #2 Performance

	2019 (reported)	2020 (reported)	2021 (reported)	2022 (target)	2023 (target)	2024 (target)	2030 (target)	2040 (target)
KPI #2 Performance	50.0%	53.6%	57.5%	60%	65%	66%	80%	100%
Gap vs 2021	7.5%	3.9%						
Gap vs 2022	10%	6.4%	2.5%					
Gap vs 2023	15%	11.4%	7.5%	5%				
Gap vs 2024	16%	12.4%	8.5%	6%	1%			
Gap vs 2030	30%	26.4%	22.5%	20%	15%	14%		
Gap vs 2040	50%	46.4%	42.5%	40%	35%	34%	20%	

4. Verification on Enel's KPI performance

KPI #1 performance

As of December 31, 2021, the direct greenhouse gas emission amount is equal to 227 gCO_{2eq}/kWh.

The assurance report of DNV GL as external verifier of Enel direct greenhouse gas emission amount is available at page 491 of the present document.

The assurance report of KPMG Italy SpA as external verifier of Enel specific direct greenhouse gas emissions – Scope 1 is available at pages 368–373 of the present document. The KPI has been subject to a reasonable assurance review as stated in the Methodological note, "Drafting and assurance" paragraph.

KPI #2 performance

The renewable installed capacity percentage as of December 31, 2021 is equal to 57.5%⁽³⁾.

Renewable energy installed capacity

Total installed capacity

Renewable installed capacity percentage

Calculation

(a) 50,062 MW

(b) 87,054 MW

(a) / (b) 57.5%

As a consequence of the calculation above, Enel has satisfied the Sustainability Performance Targets (SPTs) under all the instruments linked to a renewable installed capacity percentage equal to or higher than 55% as of December 31, 2021.

The assurance report of KPMG as external verifier of Enel renewable installed capacity percentage is available at the following link: <https://www.enel.com/investors/investing/sustainable-finance/sustainability-linked-finance>.

(3) For more details, please see Enel Statement on the Renewable Installed Capacity Percentage published on Enel website and available at the following link: <https://www.enel.com/investors/investing/sustainable-finance/sustainability-linked-finance>.

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